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The Gazette of the Democratic Socialist Republic of Sri Lanka

EXTRAORDINARY

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## PART IV (A) - PROVINCIAL COUNCILS

### Provincial Councils Notifications

#### CENTRAL PROVINCE PROVINCIAL COUNCIL

##### Statute No. 04 of 2014 Pawn Brokers of the Central Province Provincial Council

I, do hereby append below to the notice of all,

The above statute passed on 07.04.2015 by Central Provincial Council of the Socialist Republic of Sri Lanka which was sanctioned by H. E. Governor of the Central Province on 20.05.2015.

SARATH EKANAYAKE,

Chief Minister and Minister of Finance and Planning, Law and Order,  
Local Government and Provincial Administration, Manpower,  
Education, Cultural Affairs, Tourism, Lands, Cooperative Development,  
Trade & Commerce, Food Supplies and  
Distributional Affairs and Investment Coordination of the  
Central Province Provincial Council.

Office of the Chief Minister,  
Central Province Provincial Council,  
03rd June, 2015.

#### PAWN BROKERS STATUTE No. 04 OF 2014 OF THE CENTRAL PROVINCE PROVINCIAL COUNCIL

A statute for delegation of powers to the Commissioner of Revenue of the Central Province for registration and for regulation of pawnbroker business and for making provisions for matters connected therewith or for matters incidental thereto, except for the pawnbrokers business carried out by a Bank of the Central Province. This statute is inconsistent with the Pawnbrokers Ordinance No. 13 of 1942.



Be it passed by the Provincial Council of the Central Province of the Democratic Socialist Republic of Sri Lanka as follows:-

CHAPTER - I  
 GENERAL

Short title and date of operation.

1. This Statute may be cited as the Pawnbrokers Statute No. .... of 2014 of the Central Province Provincial Council and shall come and date into operation from the date of receiving the assent of the Governor of the Central Province.

CHAPTER - II  
 PAWN BROKERS

Certain persons prohibited from carrying on the business of Pawnbroker

- 2.(1) Pawn broker means a person, an institution, a joint company, a limited company, except a bank registered under Finance Act, that keeps a shop for the purpose or sale of goods or for taking in goods by way of security for money advanced thereon and purchases or receives goods and pays or advances or lends thereon any sum of money, with an agreement or understanding expressed or implied or to be from nature and character of the dealing inferred reasonably that those goods may be afterwards redeemed or repurchased on any terms and conditions.
- (2) No person shall carry on the business of a pawnbroker on and after the determined date if such person:-
- (i) is an individual who is not a citizen of Sri Lanka or
  - (ii) is a foreign company or
  - (iii) is a foreign firm

and accordingly any license to carry on such business, which was issued to any such individual, foreign company, or foreign firm and was in force on the day immediately prior to the determined date shall on and after such date be deemed to be null and void.

CHAPTER - III  
 REGISTRATION

Registration before carrying the business

- 3.(1) Every person who desires to obtain a licence of a pawnbroker under this statute shall apply for registration and shall obtain the registration from the Commissioner of Revenue of the Central Province prior to commencing such business. The provisions of Section 62 are applicable for ongoing business to date.
- (2) The first application for licence shall be treated as the first registration to carry on the pawnbroker business according to provisions made under the succeeding Chapter iv called "obtaining license."

CHAPTER - IV  
 OBTAINING THE LICENCE

Pawnbroker shall obtain a licence

- 4.(1) No persons shall carry on a pawnbroker business or a place to carry on pawnbroker business unless he holds a separate licence issued by the Commissioner of Revenue for each business center or branch in respect of every business center or branch where pawnbroker business is to be carried on.
- (2) Every licence to be issued under above sub-Section (1) shall be according to the prescribed form shown in schedules "A" herein.

- (3) Every licence to be issued under above sub-section (1) shall be valid for the premises mentioned therein and for a period of one calendar year.
- 5.(1) The Commissioner of Revenue shall forward a copy of each and every licence issued under above Section 4(1) to the Superintendent of Police in charge of the area within which such business is to be carried on. Copies of licence to be sent to the Supdt. of Police
6. The holder of a licence issued under Section 4(1) herein shall not transfer such business, to which such licence relates without the written approval of the Commissioner of Revenue and a transfer of such business without approval of the Commissioner shall be for all purposes null and void. Transfer of licence without prior approval Revenue Commission
7. No person shall be issued a licence to carry on the pawnbroker business unless such person forward an affidavit to the Commissioner of Revenue to the effect that he has not committed any illegal or unlawful act or that he has not been convicted in respect of such as offence and if so he has no right to obtain a licence. Persons having right to obtain a licence
- 8.(1) Every person who desire to obtain a licence to carry on pawnbroker business in any premises shall forward an application to the Commissioner of Revenue accompanied by:
- (a) Affidavit that he has not committed an illegal act or unlawful act or that he has not been convicted of such an offence or default.
  - (b) A document prepared according to Section 44(1) of this Statute.
  - (c) Certificate of business registration joint business agreement certificate of registration as a limited company.
  - (d) Where a pawnbroker maintains more than one pawnbroker center having more than one branch of the same, he shall forward a separate application to the Commissioner of Revenue according to the form prescribed by the Commissioner of Revenue in respect of each center or each branch separately.
- (2) A pawnbroker shall forward an application to obtain a licence for pawnbroker business in respect of succeeding calendar year prior to two (02) months of the date on which the current licence is due to expire.
- (3) First application for carrying out a pawn business is the initial registration to carry on the pawn business and for this purpose a registration fee as determined by the Minister and published in the *Gazette* shall be payable. In addition the amount specified under sub-Section 10(2) shall also be payable subject to provisions under sub-Section 10 (3).
- (4) Where a annual license is issued to a pawnbroker, who carries on a pawnbroker business without renewing the annual license on the due date, the relevant license fee for every year that he carried out the pawnbroker business and a detention fee of 50 percent (50%) of the annual licensing fee shall be levied for every month that such person carried out the business.
- (5) Where a annual license is issued to a pawnbroker, who carries on a pawnbroker business without a license, the relevant licensing fee for every year that he carried out the pawnbroker business and a detention fee of 50 percent (50%) of the relevant licensing fee shall be levied for every year that such person carried out the business.
- (6) Where an applicant has fulfilled the requirements in terms of this Statute and under the regulations enforced under the same for obtaining a licence and it has not disqualified, the Commissioner of Revenue shall not refuse to issue him a licence.

- (7) Where a person forwards an application to carry on a pawnbroker business the Commissioner of Revenue shall be informed such applicant of his decision to refuse the issue of licence with reasons within a period of 30 days.
- Making appeal to the Chief Secretary
- (8) A person carries in a pawnbroker business is entitled to make a written representation to Chief Secretary regarding any injustice caused to him in the exercising the powers mentioned under Section 8(4) and 8(5), above with in a period of 14 days. The decision of the Chief Secretary shall be final in this regard.
- Forward annual accounts when applying for a licence
9. A pawnbroker when applying for a licence in respect of any calendar year shall be forwarded to the Commissioner of Revenue **an** annual account of revenue of this pawn business for the financial year immediately preceding.
- Prohibition of licence to certain persons
- 10.(1) Any person who is prohibited from carrying on his pawnbroker business due the implementation of provisions in this statute, a licence to carry on a pawnbroker business shall not be issued on the due date or thereafter and any licence issued to such person due to an error shall be treated as null and void for all purposes.
- Payments security before issue of licence
- (2) Annual licence fee payable for a licence to be issued, and security amount to be deposited by the licence and the manner in which the security to be deposited, shall be determined by a regulation published time to time in the *gazette* by the Minister.
- (3) Amount or amounts of security payable by a licence as intimated to him by the Commissioner of Revenue shall be deposited in an account of the National Savings Bank to the credit of Commissioner of Revenue. Amount in deposit and or interest thereon shall not be paid to the depositor except on closure or conveyance of business. However **if** there is any amount payable to a pawner or pawners of articles by the licensee, such amount shall be deducted from the security deposit and its interest.
11. No person shall be issued a licence to carry on a pawnbroker business
- (1) (a) If such person is convicted on any offence punishable under provisions of this Statute and/or under provisions of Chapters xi, xiii, xvii or xviii of the Penal Code, in any occasion, within five years immediately prior to the date of making an application to carry on a pawnbroker business and/or,
- (b) If a licence issued to any person under this Statute or under Pawnbroker Ordinance is cancelled under Section 12 of this Statute; and/or
- (c) If he is a person whose name is published in the *Government Gazette* according to Section 13(2) herein; and /or
- (d) If the annual statement of accounts required under section 9 is not furnished and/or
- (e) If documents required under provisions **in** Section 8 are not furnished and/or
- (f) If he is an auctioneer.
- Cancellation of a licence
- 12.(1) If the Commissioner of Revenue is satisfied that a person holding a licence under Section 4, has acted in contravention of this Statute or regulations imforced under this Statute, in respect of this business as a pawnbroker, during the period of validity of licence, such person's licence may be revoked or cancelled. However, the licensee shall be informed of such action before cancelling the licence and he should be given two weeks time to represent matters against the same.
- (2) Any one dissatisfied with the decision of the Commissioner of Revenue may forward an appeal to the Chief Secretary within one month and the Chief Secretary shall communicate his decision to the applicant within three months.

- (3) The Commissioner of Revenue shall be cancelled the licence of a pawnbroker, when a pawnbroker or when he is not present, any of his employee or agent is convicted of an offence in respect of this Statute, or in respect of a fraud in his business or in respect of knowingly accepting stolen articles.
- (4) Where a person holding a licence issued under Section 4 has violated this Statute or a regulation imposed under this Statute, as a pawnbroker, in respect of his business during the period of validity of such licence, the Commissioner of Revenue is empowered to suspend such licence if he is so satisfied. Cancellation of a licence
13. The Commissioner of Revenue shall be annually published in the Government Gazette and in the Sinhala, Tamil and English news papers, a notice containing, Publishing the name and address of licence in the Gazette and Newspapers
- (1) Name of licenced pawnbroker, name of the business and the address of the premises where the business is carried on
- (2) Every occasion when convicted under Section 39 such person's name, private address, name of business and the address where the business was carried out and if the period of validity of a licence has expired and a licence for the following year is not issued.

CHAPTER - V  
CONDITIONS TO BE OBSERVED BY LICENCEES

14. Every pawnbroker who intends to be away from Sri Lanka during any period exceeding 03 months shall be- Notice of Pawnbroker's absence from Sri Lanka
- (a) Given a written notice of the intention to go abroad to the Commissioner of Revenue and further
- (b) Nominated a person who is entitled under this Statute to carry out that pawnbroker business and to act for him on his behalf during his absence in Sri Lanka and shall obtain written approval of the Commissioner of Revenue for such absence.
15. No pawnbroker shall be accepted an article on pawn before 8.00 a.m. or after 8.00 p.m. on any date. Business hours
16. No pawnbroker carrying out pawnbroker business shall act as or carry on the business of an auctioneer. Pawnbroker not to act as an auctioneer
17. Every pawnbroker shall - Notices to be exhibited by Pawnbroker
- (a) Displayed in legible characters over the outer door of his shop or place of business, the name of his business, licence registration number and the word "Pawnbroker" in Sinhala Tamil and English and
- (b) Displayed in a conspicuous place of his business place, so as to be clearly visible to and be legible by every person visiting such place, a notice in Sinhala, Tamil and English containing particulars set out in the 2nd schedule herein.
18. Where any particulars are required to be entered by this Statute, in any book, form or document such particulars shall be entered in all the three languages namely, in Sinhala, Tamil and English. Languages to be used in entering particulars
19. Every pawnbroker shall be maintained and used in his business a pledge book, as in the form "B" and a sale book of pledge as in the form "C" as set out in the first Schedule therein, and shall enter therein in all relevant particulars time to time in a clear and legible manner when ever as envisaged in terms of which provisions is made available in such forms and he shall make all inquires necessary for the period in this regard. Books to be kept by Pawnbrokers

Pawn receipt

- 20.(1) Every pawn receipt shall be written and signed in original and counterfoil as in the form "D" in the first schedule shown herein in accordance with the directions contained in the said form.
- (2) The particulars mentioned in the second Schedule shall be printed legibly in Sinhala, Tamil and English on the reverse of the every pawn receipt.
- (3) Where a pledge is pawned the foil of the pawn receipt relating to the pledge shall bear the stamp duty to the prescribed value in the receipt. The expense incurred in providing such stamps shall be borne by the pawnbroker.
- (4) No any articles shall be or considered to be accepted in pawn unless and until-
- (a) The pawner has signed the counter foil of the pawn receipt.
- (b) The pawnbroker has signed the original foil of the pawn receipt, has given the foil to the pawner **and** accepted by him.
- (c) The pawner has received and accepted the original foil of the pawn receipt from the pawnbroker and,
- (d) annual interest is indicated in the pawn receipt.
21. No pawnbroker shall, in respect of a loan on a pledge, charge interest at a rate exceeding the rates specified in the second Schedule.

Pawn receipt

Provided however, that where business turnover tax is payable in respect of a loan given on a pledge, nothing included in the preceding provisions of this Section shall be deemed to prohibit the pawnbrokers from recovering such tax from the pawner.

In this section "pledge" includes a pledge which has been pawned and which has not been redeemed before the due date.

#### CHAPTER - VI PLEDGES

Pledges  
redeemable  
within 24  
months

22. Every pledge shall be redeemable within a period of 12 months (hereinafter in this Statute referred to as the "period of redemption") from the date of pawning exclusive of the said date.
23. Notwithstanding anything in this Statute to the contrary, every pledge shall continue to be redeemable until it is disposed of as provided under Section 32 of this Statute, although the period of redemption has expired.
- 24.(1) The pawner shall be entitled to redeem a pledge, if he surrenders to the Pawnbroker original of the foil of the pawn receipt relating to the pledge and prove his identity and signs the foil in the presence of the pawnbroker or his agent or servant.
- (2) A person other than the pawner shall be entitled to redeem a pledge, if such person surrenders to the pawnbroker the foil of the pawn receipt relating to the pledge, duly signed by the pawner, and if such person proves his identity and signs the foil in the presence of the pawnbroker, or his agent or servant.
- (3) Where by reason of the death or a disability of the pawner, the holder of the original foil of the pawn receipt relating to the pledge, claims to be entitled to redeem the pledge, but is unable to surrender to the pawnbroker the original foil of the pawn receipt duly endorsed and signed by the pawner the pawnbroker shall permit the pledge to be redeemed, if such holder of the foil,

surrenders to him, the said foil of the pawn ticket relating to that pledge together with a declaration in the form "E" set out in the first Schedule, duly signed before a Justice of Peace or a Commissioner of Oaths by such holder and by the person identifying him.

(4) Subject to the provisions of sub-Sections (1), (2) and (3), the pawnbroker shall on payment of loan, the interest due thereon and the tax if any payable in respect of such loan appropriately-deliver the pledge to the pawner or holder of the pawn receipt relating to the pledge; the pawnbroker is hereby indemnified in respect of such delivery of the pledge.

(5) Provided however, if the pawn broker has reason to suspect that such holder has obtained the possession of the pawn receipt illegally and by theft, or otherwise, the pawnbroker shall immediately seize such person and the ticket, and hand over them to the police officer in charge of the area where the pawnbroker centre is situated or to the Grama Niladhari as soon as possible. If such person is delivered to the Grama Niladhari, he shall immediately produce such person before the Police Station where the pawnbroker center is situated along with the ticket. Any person delivered in the above manner with the receipt shall forth with be produced before a court of law having jurisdiction by the Police Officer in charge of the Police Station.

Keeping pawn tickets illegal manner

25. If a person entitled to redeem a pledge or a person offering to redeem a pledge shows to the satisfaction of a civil court having jurisdiction that the pledge has become or has been rendered of lesser value than its value at the time of pawning, by or through the default neglect or willful misbehavior or by all these reasons, of the pawnbroker, the court, if it discuss to be fit, award a reasonable compensation, to the satisfaction of the owner of the pledge and the amount of compensation shall be deducted from the amount payable to the pawnbroker, or shall be paid by the pawnbroker in such manner as the court may direct.

Compensation for depreciation of pledge.

26.(1) Any person claiming to be the owner of a pledge, but not holding the foil of the pawn ticket, or any person claiming to be entitled to hold the foil of the pawn ticket, but alleges that the foil of such ticket has been lost, stolen, mislaid, destroyed or fraudulently obtained from him, may furnish to the pawnbroker a declaration in the form "E" set out in the first Schedule herein duly declared before a Justice of Peace by himself and by the person identifying him as a witness, and shall thereupon have as between himself and the pawnbroker, all the same rights and remedies as if he produced the foil of the pawn ticket.

Protection of owners and of pawners not having tickets

Provided however, that for the purpose of redeeming a pledge he shall sign the counterfoil of the pawn ticket and not the foil thereof as required by Section 20.

(2) The pawnbroker is hereby indemnified from the responsibility being assigned under provisions in Section of 26 (1) of delivering the pledge or acting in confirmation with the declaration, unless he is in receipt of actual or convincing notice that the declaration is fraudulent or false in any material particulars.

27.(1) Where the foil of a pawn receipt is surrendered to the pawnbroker for the purpose redeeming a pledge, the pawnbroker shall retain in his possession the foil and counterfoil of the pawn ticket for a period of 24 months reckoned from the date of the redemption of that pledge.

Pawn ticket to be retained by the Pawnbroker after redemption of sale of Pledge

(2) Where a pledge is redeemed without the surrendering of the foil of the pawn ticket relating to the pledge, the pawnbroker shall retain in his possession for a period of twenty four months reckoned from the date of the redemption of that pledge the counterfoil of the pawn ticket relating to the pledge and the declaration furnished to him under Section 26(1) for the purpose of such redemption.

(3) Where a pledge is sold under the provisions of this Statute, the pawnbroker shall retain in his possession the counterfoil of the pawn tickets relating to the pledge for a period of 12 months reckoned from the date of sale.

Application and return of security furnished by Pawnbroker	<p>28.(1) Where in any circumstances any pledge is lost while in pawn with any pawnbroker, the present market value of such pledge shall be payable to the pawner or to any other person entitled to redeem such pledge, by the pawnbroker from the security retained with him.</p> <p>(2) The amount payable under Section (1) above, the deficit amount from the security under Section 10(2) shall be paid back by pawnbroker as an amount of security deposited. If the amount payable under sub-Section exceed the security deposit, such amount which so exceeds shall be paid in order to make payment to the pawner or to the person who is entitled to redeem the pledge and in addition the security deposit under Section 10(2) shall also be deposited.</p> <p>(3) Where a person ceases to carry on the business of a pawnbroker the amount of security furnished by him and the accrued interest thereon shall be payable to such pawnbroker, after deducting any amount due for payment of any sum mentioned under Section (1).</p>
Liquidations of business and payment balance amount after retaining the interest	
Liability of Pawnbroker in case of fire	<p>29.(1) Where a pledge is destroyed or damaged on consequence of fire, natural disaster or any other consequence, the pawnbroker shall be liable on demand within the period of redemption to pay the name of the pledge, after deducting the amount of loan and interest, and business turnover tax if any, payable in respect of such loan.</p>
Insurance Cover	<p>30.(1) Every pawnbroker shall insure his business with full liability insurance cover, showing the full value of the articles pawned with him and all articles and pledge intended to be pawned with him in future.</p> <p>(2) Every pawn broker is liable to take necessary steps to store the pawned articles in a safety manner, assuring the standard of the articles without any harm to it.</p>
Receipt of Pawnbroker	<p>31. Every pawnbroker shall, at the time of redemption of the pledge issue a receipt for the amount of loan and interest paid to him and the taxes if any recovered by him and a copy such receipt shall be returned with here in the form "G" shown herein.</p>
Pledges to be sold by auction	<p>32.(1) Every pledge which is not redeemed within the period of redemption may be disposed by sale through in a public auction; but shall not be disposed of otherwise and regulation in the third schedule shall be adhered to in such sale.</p>
Notice of Sale	<p>(2) where a pledge is to be sold by public auction, under preceding provisions of this Section the pawnbroker with whom such pledge has been pawned, shall give at least 60 days notice in writing to the Provincial Commissioner of Revenue, of the date and time fixed for such auction sale and the place where-such auction sale is to be held. The Commissioner of Revenue after the lapse of a period of 15 days from the receipt of such notice shall inform his decision to the pawnbroker before 21 days of the date remitted to hold the auction.</p> <p>(3) where a pledge of a pawnbroker is to be sold under this statute, the pawner shall be informed by registered post before 14 days of the date time and place of sale by through auction by the pawnbroker, in terms of permission granted by the Provincial Commissioner of Revenue.</p>
Procedure at sale of Pledge for more the amount of the loan interest and tax.	<p>33.(1) In every occasion where a pledge is sold under this Statute for a sum more than the amount of the loan and interest due on the date of sale, added to any tax payable in respect of such loan, the pawnbroker shall -</p> <p>(a) forthwith inform the pawner of such pledge, the amount for which the pledge was sold, and of the amount lying to the credit of the pawner after deducting the necessary costs and charges of the sale and,</p> <p>(b) Such amount shall be paid to the pawner, if he makes a demand within one year from the date of such notice.</p>



(c) If no such demand is made within a period of one year as provided under section (b) above, immediately after expiry of such period, the amount lying to the credit of the pawner shall be entrusted to the Provincial Commissioner of Revenue to be credited to the Provincial Council Fund.

Method of notice under Section 31 the loan

34.(1)The pawner shall forthwith be informed if any amount is deposited to credit of a pawner by the Commissioner of Revenue under provisions of Section 33.

Money deposited in the Provincial Council to the credit of a Pawner

(2) where a request is made to the Commissioner of Revenue for the payment of the amount is such notice within two years from the date of issue of the said notice, by the Commissioner of Revenue under Section (1) above, such amount shall be paid to the person makes the request within 30 days of receipt,

(3) If no request is received within the two year period as provided under Section (02), the Commissioner of Revenue shall credit such amount that was to be payable to a pawner to the Provincial Council Fund.

35. A pawnbroker may bid and purchase at a sale by auction, held or purporting to be held under provisions of this Statute, a pledge pawned with him, and when so purchased he shall deemed to be the absolute owner of such pledge.

CHAPTER - VII  
INSPECTION - EXAMINATION AND SEIZURE

36.(1)On any occasion within two years from the date on which a pledge is sold under provisions of this statute, the holder of the pawn receipt may inspect the entry of the sale in the pawn broker's book and in the catalogue containing information about the auction sale authenticated by the signature of the auctioneer, or either of the entries. The pawnbroker shall permit the holder of the pawn receipt to inspect the entries of the sale in such book and in the catalogue or either of them.

Power of inspecting sale book and accounts

2. The Provincial Commissioner of Revenue of Deputy Commissioner of Revenue or/ and an assessor authorized by him in writing shall here the authority to inspect accounts of business of a pawnbroker.

37.Where any person -

- (1) Not producing the National Identity Card, passport or driving licence when offering an article on pawn or,
- (2) Refusing or unable to provide a satisfactory account of the means by which he became in possession of it, or
- (3) Willfully gives false information to a pawnbroker as to whether an article offered on pawn by such person is his own property or not, or as to his name and address; or
- (4) Attempts and tries to redeem a pledge he is not entitled to redeem; or
- (5) The pawn broker has reason to suspect that when an article is offered on pawn, the same has been stolen or otherwise illegally obtained -

Procedure to be followed when pawners do not give a good account of themselves

The pawnbroker may seize and detail the pawner and the pledge and hand them over to the custody of a police officer or Grama Niladari as soon as possible. If an individual is handed over for custody of a Grama Niladari he shall forthwith produce the person to the Police Station where the pawnbroker business centre is situated, together with the pawn ticket.

Any person delivered to Police custody in any manner shall be produced before a court of law having jurisdiction by the officer in-charge of the Police Station.

Power to search  
 Pawnbroker's  
 shop or centre

38. It shall be lawful for an officer of the Provincial Public Service, or group of officers authorized by the Provincial Commissioner of Revenue, to enter any pawnbroker's shop or place of business at any hour of the day time and examine and take necessary notes of any article pledged with the pawnbroker or any books or documents maintained by him. If the Commissioner of Revenue decides that the assistance of Police is necessary, a Police Officer may accompany the officer or officers so authorized and attend to any matters or all matters herein mentioned.

No person shall resist any such officer or group of such officers in the execution of such duties.

#### CHAPTER - VIII OFFENCES AND PENALTIES

Offences by  
 Pawners and  
 other persons

39. Every person who -
- (a) Offers to a pawnbroker an article on pawn, but refuses or is unable to provide a satisfactory account of the means by which he became in possession of such article; or,
  - (b) Willfully gives false information to a pawnbroker as to whether an article offered by him on pawn to the pawnbroker is his own property or not, and as to his name address or as to the name and address of the owner of such article; or
  - (c) Pawns with a pawnbroker, without any lawful excuse, the property belonging to another person; or
  - (d) Attempts to redeem a pledge not being a person entitled to redeem such pledge.
  - (e) The pawnbroker has reason to suspect that when an article is offered on pawn, the same has been stolen or otherwise illegally obtained and willfully and knowingly gives false information regarding the same; or
  - (f) Contravenes any provisions of this Statute or fails to perform any act which is required to be performed under provisions of this Statute shall be guilty of an offence.

Offences by  
 Pawnbrokers.

40. Every pawnbroker who -
- (a) Accepts an article on pawn from any person appearing to be under the age of sixteen years or be intoxicated; or
  - (b) Accepts an article on pawn without giving the pawner a copy of the pawn receipt; or
  - (c) Purchase, take on pawn or exchange the foil of a pawn ticket issued by another pawnbroker; or
  - (d) Employs any servant under the age of eighteen years to accept an article on pawn; or
  - (e) Purchase, except at a sale by auction under this Statute, any pledge when, in pawn with the pawnbroker; or
  - (f) Make room for redemption of an article while in pawn with him with a view to purchasing it; or

- (g) Come into agreement with any person, pawing or offering to pawn any article, to sell or to dispose such article within the period of redemption; or
- (h) Come into agreement with any person, pawing or offering to pawn any article, to sell or to dispose such article within the period of redemption; or
- (i) Sell or otherwise dispose of any pledge pawned with him, except in such manner as is authorized by this Statute or;
- (j) Make any false entry in any book required to be kept by him under this Statute or neglect to enter therein any entry which is required by this Statute; or
- (k) Seize or detain any person under Section 22 or 24 (5) of this Statute without any reasonable or justifiable cause; or
- (l) Fail to have his business insured to the full extent of the liabilities of all pledge and articles pawned and intended to obtain in pawn in future by him; or
- (m) Contravene any provision of this Statute or neglects to carry out anything which he is required to perform under this Statute; or
- (n) Fail to forward the annual report on accounts to the Commissioner of Revenue under provisions of Section 06 of this Statute -
- (o) Contravene any of the provisions of this Statute - shall be guilty of an offence-

41. Every pawnbroker who knowingly accept on pawn any linen or apparel, or unfinished goods or materials entrusted to any person to wash to clean, iron, mend, manufacture, workout, finish or decorate shall be guilty of an offence. Where any court convicts any pawnbroker of an offence under this Section, the court may in addition to any other punishment which such court may impose for that offence, order the pawnbroker to restore the pledge to the owner in the presence of court or in any other manner as the court may directs.

Prohibition of taking on Pawn linen clothing, unfinished goods

42. Every pawnbroker who neglects to deposit with the Provincial Commissioner of Revenue the amount lying to the credit of a pawner as required by Section 33(1) shall be guilty of an offence and where any court convicts any pawnbroker for such offence, the court may, in addition to any other punishment which it shall impose for that offence, order a sum equal to such amount to be recovered from the pawnbroker as though in the form of a fine imposed by the court. Every such sum of money when recovered by the court, should be deposited in the Provincial Council fund to the credit of the pawner.

Offences committed by Pawnbrokers

43. Anything done or neglected to be done by the servant or agent of a pawnbroker in the course of carrying out the business or in relation to the business of a pawnbroker, shall be deemed to be done or neglected, as the case may be, by the pawnbroker.

Offences by servant or agent of Pawnbroker

Provided however, where in the absence of a pawnbroker, from shop or place of business, anything is done or neglected by any servant or agent of the pawnbroker contravening any provision of this Statute, such servant or agent himself shall be guilty of an offence.

44.(1) Every person who is guilty of an offence under this Statute, when convicted after a trial before a magistrate, shall be subject to a fine not exceeding Rs. 200,000/- or imprisonment for a period not exceeding six months or both the fine and imprisonment. All amounts charged by a Court under this sub paragraph, should be credited to the Provincial Council fund.

- (2) Court of law shall order, in respect of a pawnbroker who carry out his pawn business without obtaining a licence, to pay arrears of annual licence fees and a sum equal to ten per-cent (10%) of interest from such arrears as a fine, in addition to the punishments imposable under Sub-Section (1) All sums of money charged by a court of law shall be credited to the Provincial Council fund.
- (3) Court of law shall order, in respect of a pawnbroker who carry out his pawn business without renewing his annual licence, to pay arrears due of annual licence fees and a sum equal to ten per-cent (10%) of interest from such arrears as a fine, in addition to the punishments imposable under sub-Section (1) All sums of money charged by a court of law shall be credited to the Provincial Council fund.
- (4) Where a pawnbroker is convicted for an offence committed - under Section 40, in addition to any other punishment imposed for such offence, the court should order such pledge to be delivered to the owner in the presence of court or in any other manner which the court may direct in addition to the punishment under sub-Section (1) above.
- (5) When convicted for an offence under Section 41 in addition to any other punishment imposed for such offence, the court should order to pay an equal amount of such sum of money, in the manner of recovering a fine from such pawnbroker, in addition to any punishment imposed under sub-Section (1).
- (6) The court has the authority to order the closure of pawn business of a pawnbroker in addition to punishments imposable under sub-Section (1).

Articles  
unlawfully  
possess by a  
pawnbroker

45. Whenever it is reported to a court of law that in any legal action filed under this Statute that a pawnbroker is in unlawful possession of an article or several articles, then the court of law shall order such article or articles to be produced before the court and make suitable orders that may be considered necessary and under such orders if any, the court in empowered to order such article or articles to be delivered to any person named by such court

#### CHAPTER - IX TRANSFER AND CLOSURE OF BUSINESS

The need for  
forwarding a  
legal document  
when  
conveying a  
business

- 46.(1) Where a business of a pawnbroker is carried out by a single person, and if he intends to convey it to someone after his death a legal document shall be prepared containing obligations and be produced when applying for registration for licence. However such person shall be qualified to the issues a licence to carry on a pawn business under this statute.
- (2) Where a business of a pawnbroker is carried out by a single person, and after his death when the person entitled to carry on the business is found to be dead, a legal document containing obligatory conditions, signed by the other person for and on behalf of deceased person, shall be forwarded to the Commissioner of Revenue for registration.
- (3) When no conveyance is made or the proposed conveyance person does not possess the necessary requirements to do so, under sub-Section (1) the Commissioner of Revenue shall appoint a person to liquidate the business.
- (4) Where a pawnbroker is unable to carry on his business owing to any disability or any other reason, person who satisfies the Commissioner of Revenue that he is qualified to be issued a licence to carry on the business shall be conveyed with the assets and liabilities of such business after obtaining the prior approval of the Chief Secretary.

When a pawnbroker business is conveyed accordingly the licence issued by the Commissioner of Revenue which is currently valid, shall be treated as a licence having been issued to the person to whom the assets and liabilities have been conveyed.

Further such person shall be subject to all determinations under this Statute with effect from the date of such conveyance.

(5) Where a pawn business is to be carried out on partnership basis, there shall be provisions in the partnership agreement to protect the rights of pawners, when liquidating such business. If the Commissioner is of opinion that such provisions have not been included in the partnership agreement the issue of licence shall be refused.

47.(1) Where any person who carry on a pawn business intends to transfer such business a written request shall be forwarded to the Commissioner prior to three months.

Conveyable of  
a business

(a) When any person makes a written request to the Commission under sub-Section (1) within seven days of such request, a public notice, mentioning the name and address along with the National Identity Card number of the person intended to be conveyed with the business shall be published in the business place and in the daily newspapers in all the three languages.

(b) Wherever a written request is received for conveyance of a business the Commissioner shall within seven days, inform the pawnbroker in writing -

(i) to stop accepting articles on pawn from a specific date;

(ii) to obtain and forward from the officer in charge of the police station where the business place is situated, and from the officer in charge of the Police Station where they permanent reside, certificates to the effect that there are no complaints against the pawnbroker and the conveys.

(iii) to forward an affidavit that there is no legal action filed in courts against the pawnbroker and the conveyer.

(iv) to forward all information in respect of all pledges remain to be redeemed and any other information considered necessary.

(v) to forward an affidavit that the conveyer shall perform his functions according to provisions of this statute from the date of conveyance of such business to him.

(c) If a person who is bound to make a request from the Commissioner of Revenue under this Section is physically and mentally in a disabled condition and if such business is a single individual owned business such request may be made by an authorized agent of such person. If it is in case of a partnership business, any other partner, and in the case of a limited company other Director or the Secretary may make such request.

(2) The Commissioner of Revenue shall inform his decision in writing to the person who make the request for conveyance of a pawn business under sub-Section (1) above within three months from the date of receiving such request.

48.(1) Any person carrying on a pawn business, intends to liquidate his business, a written request shall be forwarded to Commissioner of Revenue before three months.

Liquidation of  
business

(2) When a person makes a written request to the Commissioner of Revenue under sub-Section (1) within seven days of such request, a public notice, mentioning such persons' name and address, number of the National Identity Card and numbers of the licence of the pawn business shall be published in his business place and in the daily news papers in the all the three languages regarding the liquidation of his business.

(a) Where a written request is received for liquidation of business the Commissioner of Revenue shall within seven days inform the pawnbroker -

(i) to stop taking articles on pawn from a specific date;

(ii) to obtain and forward from the officer in charge of the Police Station where the business place is situated, and from the officer in charge of the Police Station where they permanent reside, a certificate to the effect that there are no complaints against him.

(iii) to forward all information in respect of all pledges remain to be redeemed and any other information considered necessary.

(iv) to forward an affidavit that he will carry on the business until the date of redeeming the last pledge.

(b) Where a person who is bound to make a request from the Commissioner of Revenue under this Section is physically and mentally in a disabled condition, and if such business is a single individual owned, business, such request may be made by an authorized agent of such person. If it is in case of a partnership any other partner, and in the case of a limited company, other Director or the Secretary may make such request.

(3) The Commissioner of Revenue shall inform his decision in writing to such person, for liquidation of pawn business under sub-Section above within three months from the date of receiving such request.

Death of a  
owner of a  
business

49.(1) Whereupon the death of a person who carries on a pawn business under a licence issued upon this Statute, all money and charges payable in respect of all time periods immediately before his death, he had been living, shall be executed by his executors who shall be responsible for all actions, matters and things of the deceased under this Statute.

Provided however -

(a) No legal action shall be filled against executors in respect of any action or default of the deceased person.

(b) An executor shall not be ordered to pay any sum money payable in respect of any period before the death of such person after the expiry of three years from the date of his death.

(c) The responsibility of an executor under this section shall be limited to -

(i) Estate of the deceased person which the executor possessed and was under his control at the date of delivery of such notice to him regarding any binding arising under the provisions of this statute.

(ii) To an amount of any share a beneficiary may receive from such property estate.

#### CHAPTER - X MAKING REGULATIONS

Enforcing  
regulations

50.(1) The Minister may make regulations to activate the provisions of this statute from time to time in respect of the under mentioned matters.

(a) Registration fees to carry on a pawn business under sub-Section 8(3)

- (b) Annual licensing fees, and security deposit to be furnished by a licensee, and the manner of depositing security fees under sub-Section 10(2).
- (2) All regulations made under sub-Section (1) shall be effective from the date of publication in the *Gazette* or from a later date which may be specifically mentioned in that regulation and such order shall be forwarded to the Provincial Council by a proposal as soon as possible from the date it is published in the *Gazette*.
- (3) Any regulations when refused to be approved by the Provincial Council, such regulation shall be considered null and void from the date of such refusal without any harmful effect to the same up to the date of such refusal; and there shall be published a notification in the *Gazette* in respect of the date on which such regulation is considered null and void.

CHAPTER - XI  
RECOVERY OF AMOUNTS IN ARREARS

- 51.(1) For the purpose of this chapter "Arrears of money" includes any amount of security payable by a pawnbroker or any arrears of fees under Section 8 (4) (5) or any sum of money payable under sub-Sections 10(3), 28(1) (2) and Section 31.
- (2) Commissioner of Revenue shall inform the pawnbroker by registered for payment of an amount in arrears before a date specifically mentioned in the notice and action shall be taken to recover such an unpaid amount as a defaulted amount in arrears.
- (3) (a) When there is a default of payment an amount under sub-Section (2) the Commissioner of Revenue before taking action to recover such amount in any manner according to foregoing provisions a letter or a notice shall be issued to the defaulter under registered post stating -
- (i) the details of the amount in arrears.
- (ii) the intention of taking action to recover the amount in arrears.
- (b) Such person in receipt of a notice issued by the Commissioner of Revenue under sub-Section (3) (a) may forward any objection if any within two weeks of the date of receipt of such notice and the Commissioner shall consider such objection and shall inform his decision in writing such decision shall be final and conclusive.

- 52.(1) For the purpose of recovering any amount of arrears payable under this Statute, the Commissioner of Revenue may issue a certificate, to the magistrate of the court having jurisdiction over the division on which the place is situated, showing the amount of arrears and the name of person who defaulted the payment of arrears and his last place of residence. Then the magistrate shall summon before him the person who defaulted such payment to show cause why legal proceedings shall not be taken against him and to present any such reasons if any. If such person fail to show ample reasons for defaulting such payment, for an offence punishable by imposing only a fine or by imprisonment, or for an offence not punishable by imprisonment, it shall be considered as a fine imposed upon defaulted person by the magistrate and provisions of sub-Section (1) of Section 291 except paragraph (a) (b) of the Penal Code No. 15 of 1979, there-upon shall apply in respect of defaulting payment of a fine imposed upon such person. And the magistrate may make any direction which by the provision of that section, he could have made at the time of imposing such sentence.

- (2) Nothing under sub-Section (1) shall authorize or require the magistrate in any proceeding there under to question the correctness of a certificate or statement of the Commissioner of Revenue. Accordingly anything in that section shall not be understood as having empowered the magistrate to consider or decide the correctness of such certificate or statement.
- (3) Any provision of sub-Section (2) to (5) of Section 291 of the Penal Code No. 15 of 1979, shall not apply to any situation mentioned under sub-Section (1) herein.
- (4) In any situation where a defaulter is sentenced to imprisonment of account of non-payment of a fine considered imposed under such sub-Section upon a person who has defaulted payment as mentioned under sub-Section (1), the magistrate can give time to pay the amount or order that such sum of money to be paid in installments.
- (5) As provided under Section (1) when a defaulted person is given time to show cause under that Section or ordered to keep security as a pre-condition for giving him time for payment of a fine under sub-Section (4) the provisions of chapter XXXIV of the Penal Code No. 15 of 1979 shall apply.
- (6) Where a magistrate has made an order that a payment of an amount in default be paid in installments under sub-Section (4) and upon defaulting payments of such an installment legal proceeding shall be instituted as having defaulted all installments that remains unpaid.
- (7) In any legal proceedings under sub-Section (1) the certificate of the Commissioner of Revenue shall be an ample evidence, that a proper order has been made to pay the rate and had defaulted payments of such amounts; and any type of answers filed to showing that fees are excessive and false and such appeals made against shall not be considered or accepted.
53. Where the Commissioner is of opinion that the recovery of an amount in arrears as provided under Section 53 is not practicable or in not suitable, a certificate containing details of arrears name or names of persons from whom payments are due, shall be issued to the District Court, having jurisdiction, over the area where the said defaulter resides or where a movable or immovable property belonging to such person is situated. Then the District Court shall direct and authorize the fiscal officer to issue a writ order and enter a caveat to prohibit and seize all movable or immovable properties or any one of them owned by him, which the court shall consider shall be necessary to recover such defaulted amount. Provisions in sections 226 to 297 of Civil Procedure Code with necessary changes shall apply in respect of such prohibition and sale.

For the purpose of this Section movable property includes equipment and machinery.

CHAPTER - XII  
 GENERAL CONDITIONS

Authority for  
 requiring  
 information

- 54.(1) For the purpose of this Statute the Commissioner of Revenue by written notice require any person to -
- (i) Produce specified books, accounts trading lists stock lists, registers, vouchers, cheque books, pawn tickets, pledge books, audit reports or any other documents mentioned in such notice, owned by such person, within a specified period of time.
- (ii) Supply any information
- (iii) Be present at a time, date and place mentioned in the notice, by himself or to be represented by an authorized person to check any matter or any matters.



(2) When a notice is served upon any person to furnish any information mentioned under sub-Section (i) and (iii) such person shall act in accordance with such directions contrary to whatever is mentioned under any other written law.

(3) Any books, accounts, trading lists, stock lists, registers, vouchers, cheque books, pawn tickets, pledge books, audit reports, or other documents when produced to the Commissioner of Revenue, or when being produced or taken into his possession by any other manner, as and When required to be kept in his possession for a certain period, for purposes of this Statute they may be kept in his possession in terms of such requirement.

(4) Any notice sent by post shall be considered as having after handed over the laps of after 3 days from the date of posting.

55. Filing any legal action for any offence under this Statute shall not be done without the approval of the Commissioner of Revenue.

56. The Commissioner of Revenue shall determine from time to time the forms to be used for the purpose of performing duties under this statute. The Commissioner may amend or alter from time to time the forms and or registers so determined or substitute any other forms or registers so determined.

57. Every person appointed under this Statute or considered to have been appointed so, or every person employed or being employed to assist any person for the purpose of carrying out or to carry out the functions and provisions under this Statute, shall protect and safeguard the secrecy in respect of all matters known to him concerning any person's duties and activities performed under provision of this Statute, except when, in the performance of his own duties and such fact or information shall not be conveyed to anyone except to the person to whom it is relevant or to his authorized representative, or to the Minister, or to the Secretary of the Ministry of Finance, or to his authorized representative and shall not allow and keep room, or permit any person to obtain any document whatsoever in the possession, custody and in the control of the Commissioner of Revenue.

58. Any function or anything whatever is authorized to be exercised by a pawnbroker, under this Statute may be so exercised by a servant or an agent of a pawnbroker with his permission.

59. Any authority function or duty stipulated under this Statute may be carried out and exercised by a Deputy Commissioner, Assessor and Public Officer with the written authority granted under the signature of the Commissioner of Revenue any authority, function or duty delegated to the Commissioner of Revenue as mentioned in this Statute may be withdrawn and acquired back to him.

Delegation of powers under this Statute

60. For the purpose of issuing a licence to any person to carrying on the business of pawnbroker or any prosecution instituted against any person for any offence under this Statute the responsibility of proving that such person is a citizen of Sri Lanka, or is not a foreign companion, foreign firm, shall be vested with such person.

Burden of proving

61. For the purpose of this Statute any person who, purchases or receives or takes in goods and pays, or advances or lends thereon any sum of money under an agreement or understanding repressed or implied, or be from the nature and character of the transaction reasonably inferred that those goods may be redeemed or purchased on any conditions; or who maintain a shop for the purchase or sale of goods or for taking goods by way or security for money advanced thereon; shall be considered as a person carrying on the pawn business and further every such transaction, article payment advance and loan shall be deemed a pawning, pledge and loan within this Statute.

Shop keepers deemed to be as Pawn brokers

62. Notwithstanding anything contained adversely in this statute,

- (a) It shall be considered that any licence issued under the Pawn Brokers Ordinance (Chapter 99) is within the Central Province.
- (b) It shall be assumed that the provisions complied under this Statute shall be treated as the substitute provisions in case of detachment of any provisions in the said Ordinance.
- (c) It shall be assumed that any case filed in a court under the Ordinance, prior to the date of proceed or in case of an order delivered by a Magistrate shall be treated as the case filed under the Statute and the order delivered under this Statute.

CHAPTER - XIII  
 INTERPRETATIONS

63. In this Statute, unless the context otherwise requires -

“Governor” means the Governor of Central Province.

“Minister” means the Minister in charge of the subject of Finance in the Central Provincial Council.

“Chief Secretary” means the Chief secretary to the Central Province.

“Central Province Revenue Commissioner” mean the Commissioner of Revenue of the Central Province, appointed for the purpose of this Statute and the interpretation in the Finance Statute No. 17 of 1990 applies.

“Police Officer” means the officer in charge of the Police Station in the area where the business place is situated.

“Deputy Commissioner” means the interpretation mentioned in the Finance Statute No. 17 of 1990, of the Central Province.

“Valuer” means the interpretation mentioned in the Finance Statute No. 17 of 1990 of the Central Province.

“Foreign Company” means any company or board of individuals incorporated outside Sri Lanka and is any company or board of individuals that -

- (a) Establish a business place within Sri Lanka after specified date.

Establish a business place within Sri Lanka before specified date and continuously maintain a business place in Sri Lanka.

“Specified date” means the date of enforcing this Statute.

“Sri Lankan Citizen” means any individual who by birth or prevailing law becomes a citizen of Sri Lanka.

“District” means the administrative District.

“Foreign Firm” means a firm -

- (i) Consisting of two partners, one of whom is not a citizen of Sri Lanka or both of whom are not Sri Lankans; or
- (ii) Consisting of more than two partners at least one of whom is not a citizen of Sri Lanka.

“Month” means a period of 30 days for the purpose of charging profits and interest.

“Calender Year” means period commencing from 1st January and ending on 31st December of every year.

“Financial Year” means period commencing from 1st April and ending on 31st March of every year.

“Person” means any individual Board of individuals, company or Department.

“Pawner” means a person delivering an article for pawn to a pawnbroker.

“Pledge” means an article pawned with a pawnbroker.

“Provincial Council” means the Provincial Council of the Central Province.

“Provincial Council Fund” means the Provincial Council Fund of the Central Province established under Section (19) of the Provincial Council Act, No. 42 of 1987.

“Business Place” means a House, Store house, Shop, Company, Joint business, Partnership business and place where business activities are carried out and any of the places where such branches are maintained.

“Unfinished goods” includes any goods of any manufacture of branch of any manufacture, either mixed or separate or any materials, whatsoever, intended for composing or manufacture of any goods after such goods or materials are put into a state of manufacture, and before the same are completed or finished for the purpose of wearing or consumptions.

“Executor” means a executor of a deceased person or an administrator and includes -

- (a) A person who is in custody of a deceased person’s property or who makes use of such property.
- (b) A person who has made submission to District Court to issue a probate certificate or administrator certificate in respect of the estate of a deceased person.
- (c) Trustee who acts upon a trusteeship of a last will.

“Sub-agent” a person who is in charge of operation, administration and management of a business for all on behalf of any other person.

“Authorized agent” means for the purpose of this Statute a person authorized in writing to act on his behalf and an individual is -

- (i) A relation of his in respect of an individual;
- (ii) A partnership in respect of a partnership business;
- (iii) A director or secretary in respect of company;
- (iv) A member of a board of individuals in respect of a board of individuals;
- (v) A member of the Sri Lanka Chartered Accountant Institute;
- (vi) An Attorney at law.

“Registered Bank” means a licensed Commercial Bank as defined means in the Banking Act, of 1988.

64. In the event of any inconsistency in the Sinhala, Tamil and English text of this Statute the Sinhala text shall prevail.

in any  
inconsistency  
the Sinhala text  
to prevail



(Section 19)

**Form - "C"**

**SALE BOOK OF PLEDGES**

Pledge Book of ..... Pawn broker of .....

Date and Place of Sale : .....

Name and address of Auctioneer : .....

<i>No. of Pledge as in Pledge Book</i>	<i>Date of Pawning</i>	<i>Name of Pawner</i>	<i>Amount of Loan</i>	<i>Amount of interest due</i>	<i>Amount for which pledge was sold by Auctioneer</i>	<i>Name &amp; Address of Purchaser</i>
			Rs. Cts	Rs. Cts	Rs. Cts	

(Section 20)

**Form - "D"**

**PAWN RECEIPT**

Counter foil No. ....  
 (to be retained by pawnbroker)

Date: .....

Name and address of pawnbroker

.....  
 .....

I, .....  
 the undersigned holding National Identity Card No. ....  
 of (address of Pawner)

.....  
 .....  
 have this day pawned with the aforesaid pawnbroker .....

worth Rs. ....  
 for Rs. ....

Signature.

(Rubber Stamp)

Original foil No. ....

Date: .....

.....  
 (Name and address of pawner) has this day pawned with the undersigned

.....  
 (Name and address of pawn broker)

worth Rs. ....for  
 Rs. ....

Signature of Pawnbroker or Servant or Agent of pawnbroker.

Name .....

Signature .....  
 (Left thumb impression if unable to sign)

**Form - ‘E’**

**DECLARATION WHERE THE FOIL OF THE PAWN RECEIPT IS SURRENDERED UNDER SECTION 24  
WITHOUT THE SIGNATURE OF THE PAWNER ENDORSED THEREON**

I, ..... holding National Identity Card No./ Passport No. .... of .....  
.....(A/B) in pursuance of Pawnbrokers Statute, do solemnly and sincerely  
declare that ..... pledge at the shop of ..... Pawnbroker, the article/articles  
described below and received the foil of a pawn receipts for the same and that for the purpose of redeeming the pledge, I am  
unable to surrender the foil of the pawn receipt to the Pawn broker with the signature of the said (Pawner) duly endorsed  
thereon, because the said ..... (Pawner) is dead/Under a legal disability to wit .....(nature  
of legal disability).

Signature of “A” “B” .....

The article/ Articles above  
referred to is/are .....

I, (“C”, “D”) ..... in pursuance of the provisions of the said Statute, do solemnly and sincerely declare  
that I know the person making the foregoing declaration to be (“A”, “B”) ..... of .....  
.....

Signature of “C”, “D” .....

Declared before me this ..... day of 20 .....

.....  
Justice of Peace.  
(Rubber Stamp)

(Section 26)

**Form - "F"**

**DECLARATION WHERE THE FOIL OF THE PAWN RECEIPT IS LOST ETC.**

Take, if this Declaration is false the person making the Declaration is punishable.

I, ..... holding National Identity Card No./ Passport No. .... of .....  
 .....(A/B) in pursuance of Pawnbrokers Statute, do solemnly and sincerely  
 declare that ..... pledge at the shop of ..... Pawnbroker, the article/  
 articles described below and received the foil of a pawn receipts for the same and that for the purpose of redeeming the  
 pledge, I am unable to surrender the foil of the pawn receipt to the Pawn broker with the signature of the said (Pawner) duly  
 endorsed thereon, because the said ..... (Pawner) is dead/Under a legal disability to wit  
 .....(nature of legal disability).

Signature of "A" "B" .....

The article/ Articles above  
 referred to is/are .....

I, ("C", "D") ..... in pursuance of the provisions of the said Statute, do solemnly and sincerely declare  
 that I know the person making the foregoing declaration to be ("A", "B") ..... of .....

Signature of "C", "D" .....

Declared before me this ..... day of 20 .....

Justice of Peace/Commissioner of Oath  
 (Rubber Stamp)

(Section 31)

**Form - "G"**

**RECEIPT**

Date: .....

Received on redemption of pledge No. ....

	Rs. Cts.	Rs. Cts.
Amount of Loan	.....	.....
Profit or interest	.....	.....
Business Turnover Tax	.....	.....
	=====	=====

.....  
 Pawn broker's Signature

(Section 20)

**SECOND SCHEDULE****Rate of Interest**

The rate of interest on every rupee or a fraction of a rupee lent shall be two cents for every month or part thereof.

**Payment of Tax**

Where a tax under any written Law is payable by the Pawnbroker on a Loan granted upon a pledge, such tax may be recovered from the pawner.

**Restricting recovery of entranced interest**

Where Pawnbroker is entitled to enhanced interest as from any date, such enhanced interest shall not be recoverable, if the pawner shows to the satisfaction of a Civil Court, having jurisdiction, that he failed to redeem the pledge before such date, on account of the reason that the pawnbroker's shop remained closed between 8.00 a. m. and 8.00 p.m. on the day preceding such date.

If the pledge relating to the pawn ticket is not redeemed within a period of twelve months from the day of pawning it is liable to be sold by Public auction.

If there be any surplus profit realized at the sale and is not claimed by the pawner within one year from the date of such sale, the said profit shall be deposited to the credit of the pawner in the Provincial Council Fund.

(Section 32)

**THIRD SCHEDULE****Regulations relating to Auction of Pledges**

- (1) The auctioneer shall cause all pledges to be exposed to Public view.
- (2) Auctioneer shall publish catalogue of the pledges containing -
  - (a) The pawn broker's name and place of the business
  - (b) The month in which each pledge was pawned.
  - (c) The number of each pledge as entered in the pledge book at the time of pawning.
- (3) The pledges of each Pawnbroker in the catalogue book shall be shown separately from any pledges of any other Pawnbroker.
- (4) The Auctioneer shall give notice of the sale by publishing advertising in at least one each of Sinhala, Tamil and English Newspapers and notices shall be displayed in places people gather within the area where the sale is to be held. Such advertisements shall include following particulars.
  - (a) the pawnbroker's name and place of business; and
  - (b) the month in which the pledges were pawned.
- (5) The advertisement shall be published on two days in the same news papers, and the second advertisement shall be published at lease ten clear days before the first day of sale.
- (6) Whenever a Pawnbroker bids at a sale, the auctioneer shall not take the bidding in any other form, than that in which he takes the biddings of other persons at the same sale. And when a pawnbroker buys an article the auctioneer shall forthwith declare audibly the name of the Pawnbroker as the purchasing the said article.
- (7) The auctioneer shall within 14 days, deliver to the pawnbroker a copy of the catalogue, relating to the pledges of that pawnbroker giving the amount for which the pledges of that pawnbroker were sold and authenticated by his signature.
- (8) The Pawnbroker shall preserve every such catalogue at lease for two years after the auction.