



**PARLIAMENT OF THE DEMOCRATIC
SOCIALIST REPUBLIC OF
SRI LANKA**

**RECOVERY OF LOANS BY BANKS
(SPECIAL PROVISIONS) (AMENDMENT)**

A

BILL

**to amend the Recovery of Loans by Banks (Special Provisions)
Act, No. 4 of 1990**

*Presented by the Minister of Finance, Economic Stabilization and
National Policies on 21st of March, 2024*

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[Bill No. 247]

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STATEMENT OF LEGAL EFFECT

Clause 2: This clause amends the Recovery of Loans by Banks (Special Provisions) Act, No. 4 of 1990 by inserting immediately after section 4 of that Act, new section 4A and the legal effect as amended is to suspend, the selling of any property mortgaged to the bank as security for any loan in respect of which default has been made, by public auction during the period commencing on the date of commencement of section 4A and ending on 15th December, 2024.

Recovery of Loans by Banks (Special Provisions)
(Amendment)

L.D.-O. 17/2024

AN ACT TO AMEND THE RECOVERY OF LOANS BY BANKS
(SPECIAL PROVISIONS) ACT, NO. 4 OF 1990

BE it enacted by the Parliament of the Democratic Socialist
Republic of Sri Lanka as follows: -

1. This Act may be cited as the Recovery of Loans by Banks (Special Provisions) (Amendment) Act, No of 2024. Short title

5 **2.** The following new section is hereby inserted immediately after section 4 of the Recovery of Loans by Banks (Special Provisions) Act, No. 4 of 1990 and shall have effect as section 4A of that Act:- Insertion of
new section
4A in Act,
No. 4 of
1990

10 “Temporary suspension of selling of any property by public auction
15 **4A.** Notwithstanding the provisions of the proviso to section 3 and section 4, the Board shall not authorize any person to sell by public auction any property mortgaged to the bank as security for any loan in respect of which default has been made, during the period of commencing on the date of commencement this section and ending on 15th December, 2024.”.

3. In the event of any inconsistency between the Sinhala and Tamil texts of this Act, the Sinhala text shall prevail. Sinhala text
to prevail in
the case of
inconsistency

