



TEA CONTROL (AMENDMENT) LAW,  
No. 39 OF 1974

OF

THE NATIONAL STATE ASSEMBLY

[Certified on 28th October, 1974]

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L. D.—O. 69/71.

A LAW TO AMEND THE TEA CONTROL ACT, NO. 51 OF  
1957

BE it enacted by the National State Assembly of the Republic of Sri Lanka as follows:—

1. This Law may be cited as the Tea Control (Amendment) Law, No. 39 of 1974.

Short title.

2. The long title of the Tea Control Act, No. 51 of 1957 (hereinafter referred to as the "principal enactment") is hereby repealed and the following new long title substituted therefor:—

Replacement of the long title of Act No. 51 of 1957.

“ An Act to provide for the registration of tea plantations and the proprietors thereof; for the registration of tea manufacturers and of the factories operated by them; for the development and maintenance of tea plantations and tea factories and consequences for non-compliance with orders issued by the Controller; for the control of the planting and replanting of tea, the possession, sale and purchase of tea, and the exportation of tea, tea seed and such parts of the tea plant as are capable of being used for propagation; for the imposition of an export duty on tea; for the establishment of a tea advisory board; and for matters connected therewith or incidental thereto.”

3. The following new Part is hereby inserted immediately after Part II of the principal enactment and shall have effect as Part IIA of that enactment:—

Insertion of new Part in the principal enactment.

PART IIA

DEVELOPMENT AND MAINTENANCE OF TEA PLANTATIONS  
AND TEA FACTORIES AND CONSEQUENCES FOR  
NON-COMPLIANCE WITH ORDERS ISSUED BY  
THE CONTROLLER

Duties of registered proprietors and registered manufacturers with regard to development and maintenance of estates, small holdings and factories.

11A. It shall be the duty of—

(a) every registered proprietor of an estate or small holding, to develop such estate or small holding; and

(b) every registered manufacturer to develop the tea factory in respect of which he is registered,

up to such standard (hereinafter referred to as the "required standard") of production and management as the Controller deems satisfactory and to maintain the required standard of production and management.

Controller's power to call for information relating to estates, small holdings and factories.

11B. For the purpose of assisting him in determining whether any registered estate or registered small holding or registered factory is developed to and maintained at the required standard, the Controller may by written notice direct—

- (a) in the case of an estate or small holding, the registered proprietor thereof; and
- (b) in the case of a factory, the person who is the registered manufacturer in respect of that factory,

to furnish such information or produce or cause to be produced such documents relating to the estate, small holding or factory, as the case may be, within such time as may be specified in the notice.

Matters to be taken into consideration by Controller in determining required standard

11c. (1) In determining whether a registered estate or a registered small holding is developed to and maintained at the required standard of production and management the Controller shall, *inter alia*, have regard to the following:—

- (a) the quantity and quality of the tea produced;
- (b) the application of sufficient fertilizer to ensure a high yield;
- (c) replanting with high yielding varieties of approved clones;
- (d) the construction of drains and terraces, filling of vacancies, control of pests and diseases, removal of weeds, and planting of wind belts;
- (e) other such steps taken to maintain the estate or small holding in good agricultural condition:

- (f) the provision of suitable living accommodation for employees and the carrying out of repairs necessary to maintain them in proper condition;
- (g) the construction of roads where necessary and maintaining them in good condition; and
- (h) the diversification to other approved crops of areas which are unsuitable for cultivation in tea.

(2) In determining whether a registered factory is developed to and maintained at the required standard of production and management the Controller shall, *inter alia*, have regard to the following:—

- (a) the condition of the factory building and the carrying out of repairs necessary to maintain it in proper condition;
- (b) the provision of machinery and other equipment in keeping with technological developments for the manufacture of made tea of good quality and the carrying out of repairs necessary to maintain such machinery and equipment in proper condition;
- (c) in the case of a registered factory belonging to any registered estate or registered small holding, that the manufacturing capacity is increased to meet the increase in the production of green tea leaf on the estate or small holding, and the intake, if any, of green tea leaf from other estates or small holdings for the manufacture of made tea; and
- (d) in the case of a registered factory not belonging to any registered estate or registered small holding, that the manufacturing

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capacity is increased to meet any increase in the intake of green tea leaf for the manufacture of made tea.

Advisory  
Committee on  
norms of  
maintenance  
and  
development.

11D. There shall be established a Special Advisory Committee consisting of the Controller, who shall be the Chairman, and four other members appointed by the Minister. Where the Controller is not satisfied that a registered estate or registered small holding or registered factory is developed to and maintained at the required standard of production and management, he shall refer the matter to the Advisory Committee for its advice regarding the action that should be taken to ensure that such estate, small holding or factory is developed to and maintained at the required standard of production and management.

Controller's  
power to issue  
orders, and  
appeals to  
Minister.

11E. (1) Where in the opinion of the Controller, a registered estate or registered small holding or registered factory has not been developed to or maintained at the required standard of production or management, he may, after consultation with the Advisory Committee, by order in writing addressed to the registered proprietor or registered manufacturer of the estate, small holding or factory, as the case may be,—

(a) direct him to effect such improvements or carry out such requirements, or

(b) impose such restrictions or prohibitions,

as may be specified in such order which he deems necessary for the development of the estate, small holding or tea factory, as the case may be, to the required standard of production and management or to maintain it at the required standard.

(2) Every order made by the Controller under subsection (1) shall be complied with by the registered proprietor or registered manufacturer, as the case may be, within such time, being not less than thirty days, as may be specified therein, unless an appeal is preferred to the Minister under subsection (3), within the appealable period.

(3) Any registered proprietor or registered manufacturer may within thirty days of the date of communication to him of an order made by the Controller appeal from such order to the Minister who may affirm, vary or cancel such order.

(4) The Minister shall, before deciding any appeal, give the person making the appeal the opportunity of placing his case before the Minister either in person or by his representative.

(5) The decision of the Minister on any appeal under this section shall be final and shall not be called in question in any court.

(6) Where the Minister on appeal affirms or varies any order made by the Controller he shall specify the date before which such order or the order as varied shall be complied with and it shall be the duty of the registered proprietor or registered manufacturer to comply with such order within the specified period.

11F. Where the Controller is satisfied that any registered estate or registered small holding cannot be developed to or maintained at the required standard of production or management due to reasons beyond the control of the registered proprietor of such estate or small holding, he may on application made in that behalf by the proprietor of such estate or small holding authorize him to replant such estate or small holding with any crop approved by the Controller.

Diversification to approved crops.

Acquisition of  
registered  
estates,  
registered  
factories  
and registered  
small hold-  
ings.

11G. (1) Where the Minister is of opinion that—

- (a) in respect of any registered estate or registered factory, the registered owner or registered manufacturer, as the case may be, has failed to comply satisfactorily with an order,
- (b) in respect of any registered small holding, the registered owner has repeatedly failed to comply satisfactorily with orders,

made by the Controller under section 11E in respect of such estate, factory or small holding or such order or orders, as the case may be, as varied by him, he may by Order (hereinafter referred to as a "vesting Order") published in the *Gazette* vest such registered estate, registered factory or registered small holding in the Government with effect from such date as shall be specified in the Order.

(2) A vesting Order shall have the effect of giving the Government absolute title to any registered estate, registered small holding or registered factory specified in the Order with effect from the date specified therein, and free from all encumbrances.

(3) Any registered estate or registered small holding or registered factory in respect of which a vesting Order has been made under subsection (1) is hereafter in this Part referred to as "registered property".

Revocation  
of vesting  
Order.

11H. (1) Notwithstanding that any registered property has vested in the Government by virtue of a vesting Order, the Minister may, at any time before a determination as to compensation is made in respect of that registered property under this Act, by a subsequent Order published in the *Gazette* revoke that vesting Order.

(2) Where a vesting Order in respect of any registered property is revoked under subsection (1) the registered property to which it relates shall be deemed never to have vested in the Government by virtue of that vesting Order, and any question which may arise as to any right, title or interest, over that registered property shall be determined accordingly.

(3) The preceding provisions of this section shall have effect notwithstanding anything in any other provision of this Act or in any other written law.

Taking possession of registered property.

11j. (1) Any officer specially or generally authorized in that behalf by the Controller (hereinafter referred to as the "authorized officer") may take possession of any registered property vested in the Government.

(2) Any authorized officer shall, by notice, given to the registered proprietor or registered manufacturer, as the case may be, and the person in occupation of any registered property vested in the Government, or exhibited in some conspicuous place on or in the vicinity of such registered property—

(a) inform such persons that such authorized officer intends to take possession of such registered property for and on behalf of the Government on such date and at such time and place as shall be specified in the notice; and

(b) require any person interested or his authorized agent to be present on the date and at the time and place so specified, and to allow and assist such authorized officer to take possession of such registered property for and on behalf of the Government.



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(3) Any notice required to be given to any person under the preceding provisions of this section shall be deemed to be given to him if such notice is sent to him by registered letter through the post.

(4) Any person who contravenes any requirement of any notice given to him under this section shall be guilty of an offence under this Act.

Prevention  
of or obstruction to taking  
possession  
of any  
registered  
property for  
and on  
behalf of  
the Govern-  
ment.

11K. (1) Any person who—

- (a) prevents, obstructs, or resists; or
- (b) directly or indirectly causes any-  
one to prevent, obstruct or  
resist,

any authorized officer from or in taking possession under section 11J (1) of any registered property for and on behalf of the Government shall be guilty of an offence under this Act.

(2) Where an authorized officer who is authorized to take possession of any registered property for and on behalf of the Government is unable, or apprehends that he will be unable, to take possession of such registered property because of any obstruction or resistance that has been or is likely to be offered, he shall, on his making an application in that behalf to the Magistrate's Court having jurisdiction over the place where that registered property or part thereof is situated, be entitled to an Order of the Court directing the Fiscal to deliver possession of that registered property to him for and on behalf of the Government.

(3) Where an Order under subsection (2) is issued to the Fiscal by a Magistrate's Court, he shall forthwith execute that Order and shall in writing report to the Court the manner in which that Order was executed.

(4) Where an Order under subsection (2) is issued to the Fiscal by a Magistrate's Court the execution of such Order shall not be stayed in any manner by reason of any step taken or proposed to be commenced in any Court with a view to questioning, varying or setting aside such Order.

(5) For the purpose of executing an Order issued by a Magistrate's Court under subsection (2), the Fiscal or any person acting under his direction may use such force as may be necessary to enter the registered property to which that Order relates and eject any person in occupation thereof, and to deliver possession of such registered property to the person who is authorized to take possession thereof for and on behalf of the Government.

Compensation in respect of registered property vested in the Government.

11L. The amount of compensation to be paid under this Act in respect of any registered property vested on any date in the Government shall be such sum as in the opinion of the Chief Valuer constitutes the reasonable value of such registered property as on such date.

Interest on compensation.

11M. Any compensation payable, less any deductions that may be made from such compensation under this Act, shall carry interest, as from the date on which it accrues due until payment, at such rate as may be determined by the Minister with the concurrence of the Minister in charge of the subject of Finance.

Date of commencement of accrument of compensation.

11N. The compensation payable in respect of any registered property shall be considered as accruing due from the date on which that registered property was vested in the Government.

Manner and mode of payment of compensation.

11P. The manner and mode of payment of compensation shall be determined by the Minister in consultation with the Minister in charge of the subject of Finance.

Determination of  
compensation.

11Q. (1) The Controller shall refer to the Chief Valuer the determination of compensation payable in respect of any registered property vested in the Government, and such Valuer shall submit his determination to the Controller.

(2) The Chief Valuer shall, before making his determination of the compensation payable in respect of any registered property vested in the Government, give the person from whom that registered property was acquired as well as the Controller, an opportunity to adduce before such Valuer, by himself or by a representative authorized by him in that behalf, evidence with regard to the value of that registered property.

(3) The Controller shall communicate in writing to the person from whom the registered property was acquired, the determination of the compensation payable in respect of that registered property made by the Chief Valuer.

(4) The Controller shall cause a notice to be published in the *Gazette* and in at least in one Sinhala newspaper, Tamil newspaper and English newspaper, specifying the compensation that he proposes to pay in respect of the registered property, being the compensation determined by the Chief Valuer, and inviting any person who has any interest in that registered property, immediately before that registered property was vested in the Government and who claims any compensation in respect of that registered property to communicate to the Controller his claim in writing, stating the nature and basis thereof, before such date as shall be specified in the notice.

Payment of  
compensation.

11R. (1) Where no claim to the compensation payable in respect of any registered property is received in response to the notice under section 11Q from any person other than the person from whom that registered property was

acquired, the Controller shall cause such compensation, less any sum required by or under this Act to be deducted therefrom, to be paid to the person from whom that registered property was so acquired.

(2) Where any claim to compensation payable in respect of any such registered property is received in response to the notice under section 11Q from any person other than the person from whom that registered property was acquired, then, if every such claimant and the person from whom that property was so acquired amicably agree in writing as to the persons entitled to the compensation and the apportionment of the compensation among them, the Controller shall cause the compensation, less any sum required by or under this Act to be deducted therefrom, to be apportioned and paid to such persons according to such agreement. If there is no such agreement, the Controller shall cause the compensation, less any sum required by or under this Act to be deducted therefrom, to be paid to any District Court or Magistrate's Court according as the amount to be so paid exceeds or does not exceed one thousand five hundred rupees, to be drawn by the persons entitled thereto.

Provision for cases where compensation is not accepted. &c.

11s. Where any compensation payable to any person under this Act is not accepted by him when it is tendered to him, or where such person is dead or is not in existence or is not known, it shall be paid to any District Court or Magistrate's Court according as the amount of compensation exceeds or does not exceed one thousand five hundred rupees, to be drawn by the person or persons entitled thereto.

Deductions from compensation.

11t. (1) Where a person is entitled to compensation in respect of any registered property vested in the Government the Controller shall—

(a) pay from the amount of such compensation—

(i) to the Commissioner of Inland Revenue, any sum certified under the hand of the Commissioner of Inland Revenue to the Controller to be due from such person as tax on income or profits, or as personal tax,

(ii) to the Commissioner of Labour, any sum certified under the hand of the Commissioner of Labour to the Controller to be due from such person as arrears of salary, provident fund contributions, gratuity or other monetary benefit to any other person whose employment in such registered property has been terminated after the date of publication of the vesting Order or who continues to be employed in such property thereafter;

(b) deduct from the amount of such compensation any sum due to the Controller from such person under the Tea Subsidy Act, No. 12 of 1958, and the regulations made thereunder.

(2) For the purposes of this section, the expression "compensation" includes any interest which has accrued due on such compensation.'

Replacement  
of section  
39 of the  
principal  
enactment.

4. Section 39 of the principal enactment is hereby repealed and the following new section substituted therefor:—

" Non-compliance  
with directions,  
requirements,  
prohibitions  
or  
restrictions  
under this  
Act.

39. Every person who makes default in complying with any direction, requirement, prohibition or restriction, given, made or imposed under this Act shall be guilty of an offence."