

Public Administration Circular No. 14/91 (v)

Ministry of Public Administration
Provincial Councils & Home Affairs,
Independence Square,
Colombo 07.

13th July, 1992

Secretaries to Ministries,
Chief Secretaries to Provincial Councils,
Government Agents,
Heads of Departments,
Secretaries to Governors of Provinces and
Chairmen of Corporations and Statutory Bodies.

IMPORTATION OF VEHICLES ON CONCESSIONARY TERMS

Reference is requested to Public Administration Circulars Nos. 14/91 and 14/91 (i) issued on 08.05.1991 and 04.10.1991 respectively.

2. It has now been decided by the Government that, the following measures should be taken by the relevant authorities, as it has been found that some persons who imported vehicles under this scheme are likely to violate the conditions stipulated through devious methods.

- (i) Secretaries to the Ministries concerned should forwarded the Registration Books of vehicles to the C.M.T. to make an endorsement to the effect that the vehicles have been mortgaged in favour of the Government for a period of 5 years immediately after the mortgage bond is signed. After making the relevant endorsement in the Registration Book of the vehicle, the C.M.T. should issue a duplicate of the Registration Book to the owner of the vehicle and the Original Registration Book should be sent back to the Secretary to the Ministry concerned. The Original Registration Book should be kept in the custody of the Secretaries to the Ministries concerned until the period of mortgage is over. This requirement will apply to vehicles which have already been imported too.
- (i) Secretaries to the Ministries concerned should ensure that official vehicles are not made available to the persons who imported vehicles on concessionary terms for a period of 5 years.
- (ii) Police, Customs Authorities and Registrar of Motor Vehicles will exercise vigilance to ensure that the vehicles imported under this scheme are used by or in the custody of the persons who imported them. If it is found that a vehicles is used by or in the custody of person other than the importer, stringent action under the provisions of the Customs Ordinance will be taken.

- (iv) In the event of a person who imported a vehicle resigning from his post or vacating his post or is dismissed from his post or terminated before the expiry of 5 year period, the duty, taxes etc. waived at the time of the importation should be recovered from him on pro-rata basis by the Secretary to the Ministry concerned. The DGC should be consulted to determined the amount of duty, taxes, etc. that should be recovered.
- (v) The owner of a vehicle imported on concessionary terms should inform the change of address where the vehicle is kept to the Registrar of Motor Vehicles, Secretary to the Treasury, Director General of Customs, and the Secretary to the ministry concerned within one week from the date of such change.
- (vi) Letters of credit in respect of vehicles to be imported under this scheme should be opened only in the name of the Import license holders.
- (vii) All recommendations of duty waivers should be singed by the Secretaries to Cabinet-Ministers personally or by officers not below the rank of Senior Assistant Secretary authorized by them. In the case of officers of Provincial Councils, all recommendations for duty waivers should be signed by the Chief Secretaries personally. Specimen signature of the officers who are authorised to sign recommendations of duty waivers should be furnished to the Treasury Personally signed by the Secretaries to the Ministries concerned.

03. Specimen forms of the bond and revised Agreement are sent herewith for necessary action. Secretaries to the Ministries concerned should ensure that the agreement and the mortgage bond are singed in respect of each and every vehicle imported under this scheme. Please note that the agreement should be singed before recommending the relevant duty waivers to the Secretary to the Treasury and the mortgaged bond should be singed within 30 days from the date of clearance of the vehicle from the Customs Department.

Sgd. M.N. Junaid
Secretary,
Ministry of Public Administration
Provincial Councils & Home Affairs.

AGREEMENT FOR THE GRANTING OF DUTY CONCESSIONS ON A MOTOR VEHICLE

THIS AGREEMENT is made and entered into by and between
..... of

full name)

(Address)

(hereinafter called and referred to as the officer/employee) of the ONE-PART and
.....as Secretary, Ministry of
.....(hereinafter called and referred
to as “the Secretary”) which term or expression as herein used shall as and where
the context so requires or admit means and include the said
.....as Secretary, Ministry of

(Full Name)

.....aforesaid and his successors in the said office for the
time being, and the person who, for the time being, are acting in the
office of or are performing the functions now exercised by, the Secretary,
Ministry of acting herein for and on behalf
of the Government of the Democratic Socialist Republic of Sri Lanka (hereinafter
called and referred to as “the Government) of the OTER-PART.

- (a) Whereas the officer is presently a Judicial Officer/ Public
Servant/Corporation Employee Functioning as at
.....
- (b) Whereas the GOVERNMENT has agreed to grant the concession
of Rupees(Rs.....)
as the amount equivalent to total duties and taxes payable,
less 25% of the CIF value of the vehicle to the Government
on importing the vehicle of which the details are given in
the schedule herein.
- (c) AND WHEREAS the officer has agreed to use the Motor Vehicle
(hereinafter referred to as the said vehicle) imported with
the above said concession in accordance with the terms and
conditions agreed to by both parties below:

NOW THIS AGREEMENT WITNESS and the officer/employee and the Secretary
do hereby mutually agreed as follows:-

- (i) that the total duties of customs and taxes etc. payable in
respect of the said vehicle is Rupees.....
.....(Rs.....)
- (ii) that the said vehicle is imported by the officer/employee
- (iii) that the Government shall grant a concession in a sum of
Rupees(Rs.....)
being the amount equivalent to the total duties of customs
and taxes etc. payable less 25% of the CIF value of the
vehicle by the officer in respect of the importation of the
said vehicle

- (iv) that the officer shall pay a sum of Rupees.....
.....(Rs.....) being 25% of the CIF value of the said vehicle as a fee to the Government.
- (v) that the officer/employee shall use the said motor vehicle carefully and maintain the same in good and proper repair and working condition.
- (vi) that the officer/ employee shall be responsible for the safety of the Said Motor Vehicle and every part thereof and shall take all precautions to ensure the complete safety thereof.
- (vii) that the officer/employee shall not under any circumstances whatsoever, lend, hire, lease, sell, pledge, give away, exchange or otherwise disposed of the said Motor Vehicle to any person whomsoever or part with the possession thereof without prior approval of the Secretary to the Treasury. Any violations of this condition will render the vehicle to be forfeited to the state under the provisions of the customs ordinance.
- (viii) that the event of the said Motor Vehicle meeting with or, being involved in, any accident or being damaged, destroyed or lost , the officer/employee shall for with report the same to the relevant police station and to the secretary.
- (ix) that the officer/employee shall not transfer the ownership of the vehicle to any other person during a period of five years effective from the date of importation of the vehicle without obtaining prior approval of the secretary of the ministry of Finance. In such instance, the officer shall pay a sum of Rupees (Rs.) to the Government as the duty, taxes etc. concession granted to him. Any violation of this condition will render the vehicle to be forfeited to the state under the provisions of the Customs Ordinance.
- (x) for securing that due observance of the provisions contained herein and for the due payment of all sums of money to which the government may be entitled under the provisions of this agreement, the officer/employee shall mortgage the vehicle in favour of the Government for a period of five (5) years within thirty (30) days from the date of clearance of the vehicle from the Customs Department in the sum of Rupees(Rs.) being the value of the duty and taxes waived in respect of the vehicle at the time of importation.
- (xi) that the officer/employee shall obtain a full comprehensive average of Insurance for an amount not less than the duty and tax concession granted for the vehicle during the period of five years mentioned above.

- (xii) that the officer/employee who purchased a vehicle on these concessionary terms shall not be given official vehicles, for a period of five (5) years from the date of importation of the vehicle.
- (xiii) that the officer/employee shall not use official vehicle for a period of 5 years from the date of importation of the vehicle.
- (xiv) that in the event of the officer /employee resigning from his post or vacating his post or is dismissed from his post before the expiry of 5 year period from the date of importation of the vehicle, the duty, taxes etc. waived at the time of the importation shall be paid by him on pro-rata basis to the secretary.
- (xv) that the officer/employee shall inform the change of address where the vehicle is kept to the Registrar of Motor Vehicles, Secretary to the Treasury, Director General of Customs and the Secretary within one week from the date of such change.

THE SCHEDULE ABOVE REFERRED TO:-

(Description of motor Vehicle)

..... Motor Vehicle

- (a) Make & Model -
- (b) Type of Body -
- (c) Engine No. -
- (d) Chassis No. -
- (e) Registration No. -
- (f) Extras Included -
- (g) Equipment & Accessories -

IN WITNESS WHEREOF the officer/employee and the Secretary, acting herein for and on behalf of the Government, of the Democratic, Socialistic, Republic of Sri Lanka, have set their respective hands hereunto and to two others of the same tenor and date as these presents at colombo on this day of..... One Thousand Nine Hundred and Ninety

.....
officer/employee

.....
Secretary, Ministry of

.....
for and on behalf of the
Government of the Democratic
Socialist Republic of Sri Lanka

WITNESSES:-

- 1. Signature -
- Name -
- Designation-
- Address -
- 2. Signature -
- Name -
- Designation-

Mortgage Bond

TO ALL TO WHOM THESE PRESENTS SHALL COME Mr./Miss/Mrs. of..... in the Democratic Socialist Republic of Sri Lanka (hereinafter Called and transferred to as “the Obligor” which term or expression as her in used shall the context so requires or admits mean and include the said his/ her heirs executors and administrators)

SEND GREETINGS:

WHEREAS the obligor has in pursuance of agreement dated and entered into between the obligor and the Government of the Democratic Socialist Republic of Sri Lanka (hereinafter referred to - “the obligor” term or expression as herein used shall where the context so requires or mean and include the said Government of the Democratic Socialistic Republic of Sri Lanka and its assigns) obtained a remission from the payment of all duty and taxes aggregating to a sum of Rupees(Rs.....) due to the obligee in respect of the importation of Motor Vehicle (hereinafter called “the said vehicle”) fully described in the schedule hereto and has agreed to mortgage and hypothecate the said motor vehicle to obligee before the expiry of five (5) years from the date of importation of the said vehicle namely

NOW KNOW YE AND THESE PRESENTS WITNESS that in consideration of the premises above, the obligation as security for such payment as aforesaid both hereby specially mortgage and hypothocate to and with the obligee as a primary mortgage free from all seizures charges lines and encumbrances the said vehicle fully described in the schedule hereto.

AND the Obligor doth hereby convert and agree with the obligee as follows:-

1. that during the pendency of this bond, the obligor will not lend, hire, lease, sell, pledge, give away exchange or otherwise dispose of the said motor vehicle or part with the possession thereof.
2. that the said obligor hereby covenant and declare that he shall pay punctually and without default all licence fees payable by law on the said vehicle and obtain a full comprehensive insurance cover from the Insurance Corporation of Sri Lanka to an amount not less than the said sum of Rupees(Rs.....) the duty and tax concessions granted for the said Vehicle including cover for risks against fire and riots and hereby further covenant and agree that all sums of money paid by the Insurance Corporation of Sri Lanka in respect of any damaged to the said vehicle shall be utilized by the obligor for the repairs of the same and in the event however of the destruction or complete wreckage beyond repair of the said Motor Vehicle the payment received from the Insurance Corporation of Sri Lanka shall be paid to the Obligee in full discharge of this bond.

3. that the Registrar of Motor Vehicles shall not within a period of five (5) years from the date of importation of the said vehicle namely effect the transfer of the said vehicle in another's name without proof of payment of the said sum of Rupees (Rs.)
4. that in the event of the obligor resigning from his post or vacating his post or is dismissed his post before the expiry of five year: period from the date of importation of the vehicle the duty, taxes, etc. waived at the time of importation shall be paid by him on pro-rata basis to the Obligee.
5. that the Registration Book issued by the Registrar of Motor Vehicles shall contain at appropriate endorsement that the said vehicle is mortgaged in favour of the Obligee.

IN WITNESS WHEREOF the obligor does set his/her hand to these presents and to of the same tenor and date at colombo this day of One Thousand Nine Hundred and Ninety

The Schedule above referred to :

..... Motor Vehicle

- (a) Make & Model -
- (b) Type of Body -
- (c) Engine No -
- (d) Chassis No -
- (e) Registration No -
- (f) Extras Included -
- (g) Equipment & Accessories -

IN WITNESS WHEREOF

Signature of Obligor

Witnesses:

1. Signature -
Name -
Address -
2. Signature -
Name -
Address -