



THE  
CEYLON GOVERNMENT  
GAZETTE

EXTRAORDINARY.

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PART II.—LEGAL.

DRAFT ORDINANCES.

MINUTE.

The following Draft of a proposed Ordinance is published for general information:—

L. D.—O 110/38

**An Ordinance to amend the Companies Ordinance,  
No. 51 of 1938.**

BE it enacted by the Governor of Ceylon, with the advice and consent of the State Council thereof, as follows:—

1 This Ordinance may be cited as the Companies (Amendment) Ordinance, No. of 1939.

Short title.

2 Section 2 of the Companies Ordinance, No. 51 of 1938, (hereinafter referred to as "the principal Ordinance"), is hereby amended by the substitution for the words "by subscribing their names to a memorandum of association", of the words "by subscribing their names to a memorandum of association (which must be printed)".

Amendment of section 2 of Ordinance No. 51 of 1938.

3 Section 34 of the principal Ordinance is hereby amended in sub-section (2) thereof by the substitution for the words "there shall also be annexed to it a translation thereof in English", of the words "there shall also be annexed to it a printed translation thereof in English".

Amendment of section 34 of the principal Ordinance.

4 Section 130 of the principal Ordinance is hereby amended in sub-section (7) thereof by the substitution for the words "Regulations may be made prescribing the procedure for the

Amendment of section 130 of the principal Ordinance.

registration of auditors and the qualifications necessary in order to secure such registration", of the words "Regulations may be made providing for—

- (a) the procedure for the registration of auditors;
- (b) the qualifications necessary in order to secure such registration; and
- (c) the fees payable for such registration."

Repeal of section 282 of the principal Ordinance and substitution of new section therefor.

General rules and fees for winding up.

5 Section 282 of the principal Ordinance is hereby repealed and the following section is substituted therefor:—

282. (1) The Executive Committee may, subject to the prior approval of the Chief Justice, and with the concurrence of the Treasury make rules for—

- (a) the carrying into effect of the objects of this Ordinance, so far as relates to the winding up of companies;
- (b) the fees to be paid in respect of proceedings under this Ordinance in relation to the winding up of companies.

(2) Until rules are made under subsection (1) the practice as to the winding up of companies, followed in proceedings for winding up under the Joint Stock Companies' Ordinance, 1861, shall, so far as the same is applicable to and not inconsistent with this Ordinance, apply to all proceedings for winding up a company under this Ordinance.

Amendment of section 312 of the principal Ordinance.

6 Section 312 of the principal Ordinance is hereby amended in sub-section (1) of that section as follows:—

- (1) by the re-lettering of paragraphs (a), (b) and (c) as paragraphs (b), (c) and (d), respectively;
- (2) by the insertion immediately above the re-lettered paragraph (b) of the following paragraph as paragraph (a) of that sub-section:—

"(a) The principal place of business in the Island of an unregistered company shall, for all the purposes of the winding up, be deemed to be the registered office of the company;"

Amendment of section 318 of the principal Ordinance.

7 Section 318 of the principal Ordinance is hereby amended in sub-section (1) thereof by the substitution for paragraph (d) of that sub-section of the following:—

- "(d) a statement containing the full address of—
- (i) the registered or principal office of the company;
  - and
  - (ii) the principal place of business of the company within the Island:"

Amendment of section 320 of the principal Ordinance.

8 Section 320 of the principal Ordinance is hereby amended by the substitution for paragraph (4) thereof of the following:—

- "(4) the address of—
- (a) the registered or principal office of the company; or
  - (b) the principal place of business of the company within the Island;"

Amendment of section 356 of the principal Ordinance.

9 Section 356 of the principal Ordinance is hereby amended in sub-section (1) thereof as follows:—

- (a) by the addition immediately after the definition of "Director" of the following new definition:—

" "Director of Commerce and Industries" means the person for the time being holding the office of Director of Commerce and Industries and includes the Deputy Director of Commerce and Industries and any Assistant Director of Commerce and Industries ;"

- (b) by the omission of the following words:—

" "Registrar-General" means the person appointed to be the Registrar-General of Births and Deaths in the Island under the Births and Deaths Registration Ordinance, 1895 ;"

Substitution of Director of Commerce and Industries for Registrar-General in principal Ordinance.

10 The principal Ordinance is hereby amended by the substitution, for the word "Registrar-General" wherever that word occurs, of the words "Director of Commerce and Industries".

*Objects and Reasons.*

The object of this Bill is to effect certain amendments in the Companies Ordinance, No. 51 of 1938 (hereinafter referred to as "the Ordinance").

2. It is desirable that the memorandum of association of a company should be printed. The Ordinance does not require the memorandum to be printed. The object of clause 2 is to amend section 2 of the Ordinance so as to make it obligatory that the memorandum of association of a company should be printed.

3. Section 34 of the Ordinance does not provide that the English translation accompanying any documents in a language other than English delivered to the Registrar should be printed. The object of clause 3 is to impose this requirement.

4. Section 130 (7) of the Ordinance provides for the making of regulations prescribing the procedure for the registration of auditors, &c., but does not contain authority to make regulations for charging fees for such registration. It is considered necessary that there should be power to charge fees. Clause 4 seeks to effect the amendments necessary to achieve this object.

5. Section 282 (1) provides for the making of rules relating to the winding-up of companies by the Judges of the Supreme Court, while sub-section (2) of that section vests the power of making regulations fixing the fees to be paid in winding-up proceedings in the Executive Committee. It is considered desirable that the functions under both sub-sections should be in the same authority. Clause 5 is designed to achieve this object. It provides that the Executive Committee may, with the approval of the Chief Justice and the concurrence of the Treasury, make all regulations in respect of winding up including the fees payable on winding-up proceedings. As it will take some time to make the winding-up regulations under the Ordinance clause 5 makes provision for carrying on winding-up proceedings under the old procedure till regulations are made.

6. Section 161 provides that the District Court of the district in which the registered office of a company is situate shall have jurisdiction to wind up a company. Unregistered companies have no registered office in Ceylon and it is necessary that provision should be made for determining the court which shall have jurisdiction to wind up such companies. The object of clause 6 is to make provision in this behalf. It amends section 312 (1) by adding a new paragraph which prescribes the court by which an unregistered company may be wound up. Clauses 7 and 8 effect amendments in sections 318 and 320 to ensure that every unregistered company will have a declared principal place of business in the Island. This requirement will make it possible to determine readily the court by which an unregistered company may be wound up.

7. The Ordinance vests certain functions under it in the Registrar-General. It is considered that it would be more appropriate to vest these functions in the Director of Commerce and Industries. Clauses 9 and 10 effect amendments necessary to achieve this object.

G. C. S. COREA,

Minister for Labour, Industry and Commerce.

Colombo, March 1, 1939.

## MINUTE.

The following Draft of a proposed Ordinance is published for general information :—

L. D.—O 97/38

**An Ordinance to amend the Tea Control Ordinance,  
No. 12 of 1938.**

BE it enacted by the Governor of Ceylon, with the advice and consent of the State Council thereof, as follows :—

1 This Ordinance may be cited as the Tea Control (Amendment) Ordinance, No. of 1939.

Short title.

2 Section 25 of the Tea Control Ordinance, No. 12 of 1938, (hereinafter referred to as "the principal Ordinance"), is hereby amended, in the Proviso thereto, as follows :—

Amendment of section 25 of Ordinance No. 12 of 1938.

(1) by the substitution for paragraph (a) of the following :—

"(a) the export from Ceylon by post of made tea in any package not exceeding one pound in weight ;"

(2) in paragraph (b), by the substitution for the words "imported into Ceylon." of the words "imported into Ceylon, or"; and

(3) by the addition of the following as paragraph (c):—

"(c) the export from Ceylon of any quantity of made tea, not exceeding the maximum quantity prescribed, shipped as stores on board any vessel or aircraft."

Amendment of section 42 of the principal Ordinance.

3 Section 42 of the principal Ordinance is hereby amended in sub-section (3) thereof, by the omission of the words "under this section".

*Objects and Reasons.*

Under section 25 of the Tea Control Ordinance, No. 12 of 1938, no licence is required to authorise the export of samples of tea in packages not exceeding eight ounces in weight. In India, no licence is required for the exportation *by post* of tea in packages not exceeding one pound in weight. India also allows tea shipped as stores on board any vessel to be exported without licence up to a limit considered reasonable, having regard to the number of passengers and crew, &c.

2. In point of fact, the provisions of the Indian Act are at variance with the terms of the International Agreement and the exemption from the necessity for obtaining a licence in the case of ships' stores has attracted to Indian ports custom which Ceylon may otherwise have obtained. The International Tea Committee was therefore informed that steps would be taken to amend the Ceylon law so as to permit facilities to be granted in Ceylon similar to those afforded under the Indian law. The purpose of the amendments of section 25 proposed in Clause 2 is to authorise the export from Ceylon by post of packages not exceeding one pound in weight and the export as stores of quantities of tea not exceeding a maximum which will be prescribed by regulation.

3. The object of Clause 3 is to amend section 42 (3) of the principal Ordinance so as to make it clear that *all* regulations made under the Ordinance have to be published in the Gazette and come into operation upon such publication.

D. S. SENANAYAKE,

Minister for Agriculture and Lands.

Colombo, March 1, 1939.

MINUTE.

The following Draft of a proposed Ordinance is published for general information:—

L. D.—O 64/38

**An Ordinance to amend the Savings Certificates Ordinance, No. 11 of 1938.**

BE it enacted by the Governor of Ceylon, with the advice and consent of the State Council thereof, as follows:—

Short title.

1 This Ordinance may be cited as the Savings Certificates Amendment Ordinance, No. of 1939.

Amendment of section 20 of Ordinance No. 11 of 1938.

2 Section 20 of the Savings Certificates Ordinance, No. 11 of 1938, (hereinafter referred to as "the principal Ordinance"), is hereby amended in sub-section (2) thereof, by the substitution for the words "creditor to the purchaser as debtor", of the words "debtor to the purchaser as creditor".

Amendment of section 21 of the principal Ordinance.

3 Section 21 of the principal Ordinance is hereby amended as follows:—

(a) in sub-section (1) thereof, by the substitution for the words "savings certificate", of the words "savings certificate, other than a savings certificate in respect of which a prohibitory notice has been served on the Postmaster-General under section 229 of the Civil Procedure Code, 1889,"; and

(b) by the insertion, immediately after sub-section (2) of the following new sub-sections (3) and (4):—

"(3) Every purchaser who knowingly obtains or attempts to obtain the surrender value of any savings certificate in respect of which a prohibitory notice has been served on him under section 229 of the Civil Procedure Code, 1889, shall be guilty of an offence and shall, on conviction after summary trial before a Magistrate be liable to a fine not exceeding five hundred rupees or to imprisonment

for a term not exceeding one year or to both such fine and imprisonment; and where any court convicts any person of the offence of having knowingly obtained the surrender value of any savings certificate under this sub-section, the court shall, in addition to any other punishment which it may impose for that offence, order a sum equal to the amount of the surrender value so obtained to be recovered from that person as though it were a fine imposed by the court; and any such sum may be recovered notwithstanding that it may exceed the amount of the fine which the court may in the exercise of its ordinary jurisdiction impose. Every such sum when recovered by the court, shall be remitted to the Postmaster-General and shall be paid by him into the Fund.

(4) Any person who is dissatisfied with any order made under sub-section (3) may, if he appeals against the conviction in consequence of which the order was made, appeal against the order to the Supreme Court and the provisions of sections 338 to 352 of the Criminal Procedure Code, 1898, shall apply to such appeal."

4 The following new section shall be inserted immediately after section 22 of the principal Ordinance, and shall have effect as section 22A :—

22A. Any receipt given in respect of the payment of the surrender value of a savings certificate, any power of attorney or other document which relates solely to the payment or receipt of such surrender value, and any document or instrument whatsoever made or executed under the provisions of this Ordinance or of any regulation shall be free from stamp duty, anything in any other written law to the contrary notwithstanding.

Insertion of new section 22A in the principal Ordinance.

Exemption from stamp duty.

5 The following new section shall be inserted immediately after section 23 of the principal Ordinance and shall have effect as section 23A :—

23A. No liability shall be incurred by the Government, or by the Postmaster-General, or by any other officer acting under the authority of the Postmaster-General, in respect of any payment *bona fide* made or any act *bona fide* done by the Postmaster-General, or by any such officer in pursuance or supposed pursuance of the powers conferred by this Ordinance or by any regulation :

Provided, however, that nothing herein contained shall affect or prejudice or be deemed to affect or prejudice the right of any person to recover from any other person any money erroneously paid to such other person by or under the authority of the Postmaster-General.

Insertion of new section 23A in the principal Ordinance.

Protection of Postmaster-General, &c.

6 The new sections 22A and 23A inserted in the principal Ordinance by sections 4 and 5 of this Ordinance shall be deemed to have come into operation on the first day of June, 1938, being the date on which the principal Ordinance was brought into operation by Proclamation of the Governor under section 1 of that Ordinance.

New sections 22A and 23A to have retrospective effect.

#### *Objects and Reasons.*

The object of this Bill is to amend the Savings Certificates Ordinance, No. 11 of 1938, so as to remove certain difficulties which have arisen in the administration of that Ordinance.

2. Under section 21 (1) of the principal Ordinance, the purchaser of a savings certificate is entitled, on surrendering the certificate, to receive the surrender value of that certificate as at the time of such surrender. It is necessary to exclude from the operation of this section, the purchaser of a savings certificate in respect of which a prohibitory notice under section 229 of the Civil Procedure Code, 1889, has been issued. After the Postmaster-General has paid into court the surrender value of a savings certificate referred to in section 20 (2) of the Ordinance, it may still be possible for a purchaser to obtain the surrender value of that savings certificate at a Post Office. Clause 3 of the Bill makes the necessary amendments in section 21 of the principal Ordinance and provides a penalty for any purchaser who obtains or attempts to obtain the surrender value of any savings certificate in respect of which a prohibitory notice has been served on him under section 229 of the Civil Procedure Code, 1889.

3. It is also necessary to make provision in the principal Ordinance exempting from stamp duty all receipts and other documents executed under the provisions of the Ordinance or any regulation made thereunder. Clause 4 of the Bill makes the necessary provision by adding a new section 22A to the Ordinance.

4. Clause 5 of the Bill adds to the Ordinance a new section 23A which, while saving the rights of third parties, protects the Government of Ceylon, the Postmaster-General and any person acting under his authority from liability in respect of any payment made or act done by the Postmaster-General or such person in accordance with the Ordinance or any regulation. Clause 6 gives the new sections 22A and 23A retrospective effect.

5. Clause 2 rectifies an error in the text of section 20 of the principal Ordinance.

J. L. KOTELAWALA,  
Minister for Communications and Works.

Colombo, February 27, 1939.

#### MINUTE.

The following Draft of a proposed Ordinance is published for general information :—

L. D.—O 52/35

**An Ordinance to provide for the preparation of Annual Supplements to the Revised Edition of the Legislative Enactments of Ceylon.**

BE it enacted by the Governor of Ceylon, with the advice and consent of the State Council thereof, as follows :—

Short title.

1 This Ordinance may be cited as the Revised Edition of the Legislative Enactments (Annual Supplements) Ordinance, No. of 1939.

Preparation of annual supplement to the Revised Edition.

2 As soon as possible after the commencement of every year the Legal Draftsman shall prepare a supplement to the Revised Edition of the Legislative Enactments.

Powers of the Legal Draftsman in preparing the supplement.

3 In the preparation of such supplement the Legal Draftsman shall have, *mutatis mutandis*, the powers conferred upon the Commissioner in the preparation of the Revised Edition of the Legislative Enactments by section 3 of the Revised Edition of the Legislative Enactments Ordinance, No. 19 of 1937 :

Provided that for the dates mentioned in paragraph (12) of the said section 3, the following dates shall be substituted :—

- (a) in the case of the annual supplement issued in the year 1939, the thirty-first day of March, 1939 ;
- (b) in the case of the annual supplement issued in any year subsequent to the year 1939, the thirty-first day of December immediately preceding the date of issue of such supplement.

Contents of supplement.

4 Each supplement shall be printed in one or more volumes and shall supersede all previous supplements, and shall, subject to the provisions of section 3, contain—

- (a) this Ordinance ;
- (b) the Ordinances enacted between the thirtieth day of June, 1938, (hereinafter referred to as " the date of the Revised Edition " ), and the first day of January immediately preceding the date of issue ;
- (c) such subsidiary legislation made or issued under any Ordinance between the date of the Revised Edition and the first day of January immediately preceding the date of issue as the Legal Draftsman may think fit to include ;
- (d) such Imperial Statutes, Imperial Orders in Council, Royal Proclamations, Letters Patent and Royal Instructions as the Legal Draftsman may think fit to include ; and
- (e) a table of contents, a chronological table of Ordinances enacted between the date of the Revised Edition and the first day of January immediately preceding the date of issue :

Provided that in the case of the annual supplement issued in the year 1939, paragraphs (b), (c) and (e) shall have effect as though the words "first day of April, 1939" were substituted for the words "first day of January immediately preceding the date of issue" wherever the latter words occur collectively in those paragraphs.

5 The number and year of each Ordinance shall be set out at the head thereof, and when another Ordinance is incorporated therein, the number and year of the principal Ordinance and of each amending or incorporated Ordinance shall be set out in the margin at the commencement of the Ordinance.

Record of numbers of Ordinances.

6 The date of commencement of every Ordinance shall be set out immediately below the long title of the Ordinance and where any Ordinance is brought into operation on any date subsequent to the date of the commencement thereof the date of operation shall be set out immediately below the date of the commencement of that Ordinance.

Record of date of operation of Ordinances.

7 (1) The Governor may, by notification published in the Gazette, approve of each annual supplement upon the issue thereof and order that it shall come into force from such date as he thinks fit.

Notices bringing supplements into force.

(2) From the date named in such notification the annual supplement shall, until superseded by the next annual supplement, be deemed to be and shall be without any question whatsoever in all Courts of Justice and for all purposes whatsoever the sole and only proper Statute Book of Ceylon in respect of Ordinances enacted between the date of the Revised Edition and the first day of January immediately preceding the date of issue and in respect of subsidiary legislation included therein and made or issued between the thirtieth day of June, 1938, and the first day of January next preceding the date of issue :

Provided that in the case of the supplement issued in the year 1939 this sub-section shall have effect as though the words "first day of April, 1939" were substituted for the words "first day of January immediately preceding the date of issue".

8 Where in any written law or in any document of whatever kind reference is made to any written law affected by or under the operation of this Ordinance, such reference shall where necessary and practicable be deemed to extend and apply to the corresponding written law in the annual supplement for the time being in force.

Application of references to supplements.

9 A copy of any Ordinance contained in the Revised Edition, with amendments, whether by way of substitution, addition or omission made by any Ordinance passed after the date of the Revised Edition, may be prepared by the Legal Draftsman; and the Government Printer shall print all copies of the original Ordinance which are printed after the commencement of this Ordinance, as so prepared.

Reprints of Ordinances in Revised Edition.

10 A reference to an Ordinance in any written law (whether enacted, made or issued before or after the commencement of this Ordinance) shall, unless the context otherwise requires, be construed to refer to that Ordinance as amended by any Ordinance for the time being in force.

References.

11 In this Ordinance, unless the context otherwise requires—

Interpretation.

"Revised Edition" means the Revised Edition of the Legislative Enactments prepared in accordance with the Revised Edition of the Legislative Enactments Ordinance, No. 19 of 1937;

"subsidiary legislation" means any by-law, rule or regulation made under any Ordinance and includes any notification, notice, order, proclamation, resolution or scheme made or issued under any Ordinance.

#### *Objects and Reasons.*

The revised edition of the Legislative Enactments contains the law in force in Ceylon on the 30th June, 1938. Section 10 (2) of the Revised Edition of the Legislative Enactments Ordinance, No. 19 of 1937, provides that on the passing of a resolution of the State Council authorising him to do so, the Governor may, by Proclamation, order that the revised edition shall come into force from such date as he may think fit. Such a resolution was passed by the State Council on the 8th February, 1939. It is intended that the revised edition should be brought into force on the 1st April, 1939.

2. A considerable amount of legislation has been enacted after the 30th June, 1938, and it is therefore necessary that a supplement should be issued containing such legislation as has been enacted in the interval between that date and the date on which the revised edition will come into force. The revised edition has, following modern practice, been prepared on the Chapter and Title arrangement and the issue of cumulative annual supplements so arranged and edited as to fit in with the scheme of the revised edition has been found to be indispensable wherever the Chapter and Title system has been adopted.

3. This Bill provides for the issue of such annual supplements which, in the case of the supplement issued for the current year, will contain legislation enacted between the 30th June, 1938, and the 1st April, 1939.

Chambers, Hulftsdorp,  
Colombo, March 1, 1939.

J. C. HOWARD,  
Legal Secretary.