



THE
CEYLON GOVERNMENT
GAZETTE

EXTRAORDINARY.

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PART I.—GENERAL.

GOVERNMENT NOTIFICATIONS.

THE EMERGENCY POWERS (DEFENCE) ACT, 1939.

DEFENCE Regulations made by the Governor by virtue of the powers vested in him by section 1 of the Emergency Powers (Defence) Act, 1939, of the Imperial Parliament, as adapted, modified and extended to Ceylon by the Emergency Powers (Colonial Defence) Order in Council, 1939.

By His Excellency's command,
E. R. SUDBURY,
Secretary to the Governor.

Colombo, September 18, 1939.

REGULATIONS.

1. These regulations may be cited as the Defence (Finance) Regulations.
2. The Governor may appoint any person, by name or by office, to be or to act as Controller of Exchange for the purpose of these regulations.
3. (1) The Governor may, by writing under his hand, authorise any bank to be a dealer for the purposes of these regulations. Such authorisation shall be subject to the condition that the authorised dealer shall conduct the business of the bank in such manner and on such lines as may from time to time be prescribed in directions issued by or on behalf of the Governor for the purpose of conserving exchange and giving effect to these regulations.
(2) The authorisation of any authorised dealer may at any time be withdrawn by the Governor.
4. Except with permission granted by or on behalf of the Governor, no person other than an authorised dealer shall, in Ceylon, buy or borrow any scheduled currency or any gold from, or lend or sell any scheduled currency or any gold to, any person who is not an authorised dealer.
5. (1) Subject to any exemption which may be granted by Order of the Governor, no person shall, except with permission given by or on behalf of the Governor—
 - (a) take or send out of Ceylon any bank note, money order, postal order, gold, securities or currency (whether scheduled or otherwise), or transfer any securities from Ceylon, to any place outside Ceylon; or

Citation.

Appointment
of Controller
of Exchange.
Authorised
dealers.

Restriction on
dealings in
scheduled
currency or
gold.

Restriction on
export of
currency, gold,
securities, &c.

(b) draw or negotiate any bill of exchange or promissory note, or transfer any security or acknowledge any debt, so that a right (whether actual or contingent) to receive any payment in Ceylon is created or transferred as consideration—

- (i.) for receiving any payment, or acquiring any property, outside Ceylon, or
- (ii.) for a right (whether actual or contingent) to receive any payment, or acquire any property, outside Ceylon,

or make any payment as such consideration.

(2) Nothing in paragraph (1) shall restrict the doing of anything, within the scope of his authority, by a person authorised by or on behalf of the Governor to deal in foreign exchange.

(3) Nothing in paragraph (1) shall restrict the doing of anything which is certified by or on behalf of the Controller to be necessary for the purpose—

- (a) of meeting reasonable requirements of a trade or business carried on in Ceylon, or
- (b) of performing a contract made before the third day of September, 1939, or
- (c) of defraying reasonable travelling or other personal expenses.

(4) Application for a certificate for the purposes of paragraph (3) shall be made to the Controller in such form as may be provided by him for the purpose.

(5) Any person aggrieved by the refusal of any such certificate may appeal against such refusal to the Financial Secretary who shall, before disposing of any appeal against the refusal of a certificate for any purpose mentioned in paragraph (3) (a) or paragraph (3) (b), consult the Minister for Labour, Industry and Commerce. The decision of the Financial Secretary on any appeal shall be final and shall not be called in question or subject to review in any court of law.

(6) Any person who on any occasion is about to embark on any vessel or aircraft at any place in Ceylon for the purpose of leaving Ceylon (which person is hereafter referred to as "the traveller") shall, if requested so to do by the authorised officer—

- (a) declare whether or not he has with him any bank notes, money orders, postal orders, gold, securities or currency (whether scheduled or otherwise);
- (b) produce any bank notes, money orders, postal orders, gold, securities, or currency (whether scheduled or otherwise) which he has with him;

and the authorised officer, and any person acting under his direction, may search the traveller and examine or search any article which the traveller has with him, for the purpose of ascertaining whether he has with him any bank notes, money orders, postal orders, gold, securities or currency (whether scheduled or otherwise), and may seize any bank notes, money orders, postal orders, gold, securities or currency (whether scheduled or otherwise) produced or found upon such examination or search, unless either—

- (i.) the authorised officer is satisfied that the traveller is in respect of any bank notes, money orders, postal orders, gold, securities or currency (whether scheduled or otherwise) which he has with him on the said occasion, exempt from the restriction imposed by paragraph (1); or
- (ii.) the traveller produces to the authorised officer such a certificate granted by or on behalf of the Controller as shows that the exportation by the traveller of any bank notes, money orders, postal orders, gold, securities or currency (whether scheduled or otherwise), which he has with him on the said occasion, does not involve a contravention of that paragraph:

Provided that no female shall be searched in pursuance of this paragraph except by a female.

(7) Nothing in paragraph (6) shall apply in relation to the taking, sending or transferring of anything from one part of Ceylon to another, or in relation to any person travelling between one part of Ceylon and another.

(8) As respects any goods, being goods consigned from Ceylon to a destination outside Ceylon, the authorised officer, and any person acting under his direction, may examine or search the goods for the purpose of ascertaining whether there are being sent therewith any bank notes, money orders, postal orders, gold, securities or currency (whether scheduled or otherwise), and may seize any bank notes, money orders, postal orders, gold, securities or currency (whether scheduled or otherwise) found upon such examination or search, unless there appears to the authorised officer to have been granted by or on behalf of the Controller a certificate which shows that the sending as aforesaid of the bank notes, money orders, postal orders, gold, securities or currency (whether scheduled or otherwise) does not involve a contravention of paragraph (1).

(9) For the purposes of this regulation—

- (a) any bills of exchange or promissory notes payable in scheduled currency shall be deemed to be scheduled currency; and
- (b) the expression "transfer" includes transfer by way of loan or security; and a person shall be deemed to transfer securities from Ceylon to any place outside Ceylon if he transfers securities from a register in Ceylon to a register outside Ceylon;

and for the purposes of so much of paragraph (1) as restricts the taking or sending of securities out of Ceylon, documents of title relating to securities shall be deemed to be securities, and references to securities in paragraphs (6) and (8) shall be construed as including references to such documents of title as aforesaid.

6. (1) Any bank note, money order, postal order, gold, security or currency (whether scheduled or otherwise) seized under regulation 5 shall be forfeited to His Majesty and may, when so forfeited, be dealt with or disposed of in such manner as the Governor may direct:

Provided that the exporter of any such bank note, gold, security or currency (whether scheduled or otherwise) may, in accordance with such directions as may be issued by the Financial Secretary either generally or specially in the circumstances of any particular case, be paid in Ceylon currency an amount not exceeding the value in Ceylon currency of any bank note, gold, security or currency (whether scheduled or otherwise) so forfeited.

(2) Payment to any exporter under paragraph (1) shall be made by or by order of the Deputy Financial Secretary; and any money required for any such payment is hereby charged upon the public revenue and other funds of the Island.

(3) In this regulation, "exporter" means—

- (a) in a case where any bank note, money order, postal order, gold, security or currency (whether scheduled or otherwise) has been seized under paragraph (6) of regulation 5, the traveller referred to in that paragraph of that regulation;
- (b) in a case where any bank note, money order, postal order, gold, security or currency (whether scheduled or otherwise) has been seized under paragraph (8) of regulation 5, the person who in the opinion of the Collector of Customs is the exporter of such bank note, money order, postal order, gold, security or currency (whether scheduled or otherwise).

Forfeiture and disposal of securities, &c., which are seized.

(4) No direction given or act done or decision made by the Financial Secretary or the Deputy Financial Secretary or the Collector of Customs under the preceding provisions of this regulation shall be called in question or subject to review in any court of law.

7. These regulations shall be read and construed as one with the Customs Ordinance so far as they are consistent with the provisions of that Ordinance; and for the purpose of the application of the provisions of that Ordinance, these regulations shall be deemed to be an Ordinance, and any bank note, money order, postal order, gold, security or currency (whether scheduled or otherwise) shall be deemed to be an article the exportation of which is restricted by Ordinance.

Regulations to be read as one with the Customs Ordinance. Cap. 185.

8. Any person who contravenes any of the provisions of these regulations shall be guilty of an offence and shall, on conviction after summary trial before a Magistrate, be liable to a fine not exceeding one thousand five hundred rupees or to imprisonment of either description for a term not exceeding six months or to both such fine and such imprisonment.

Offences and penalties.

9. The Schedule to these regulations may at any time be added to or amended by Order of the Governor published in the *Gazette*.

Amendment of schedule.

10. (1) In these regulations, unless the context otherwise requires—

Interpretation.

“authorised dealer” means any bank authorised by the Governor under regulation 3;

“authorised officer” means any officer of customs authorised in that behalf by the Principal Collector of Customs, or an officer of Police, not below the rank of sergeant, and includes any other person or member of a class of persons specially or generally authorised in that behalf by the Governor;

“Controller” means the Controller of Exchange appointed by the Governor under regulation 2;

“gold” means gold coin or bullion;

“paragraph” means a paragraph of the regulation in which the word occurs;

“scheduled currency” means the currency of any territory specified for the time being in the Schedule to these regulations;

“security” includes shares, stock, bonds, debentures, debenture stock, Treasury bills and promissory notes issued by the Government of Ceylon or the Government of India, but does not include any other promissory note or a bill of exchange.

(2) The Interpretation Ordinance shall apply to the interpretation of these regulations as it applies to the interpretation of an Ordinance enacted by the Governor with the advice and consent of the State Council.

Cap. 2.

11. The Defence (Finance) Regulations, 1939, published in *Gazette Extraordinary* No. 8,490 of September 3, 1939, are hereby rescinded without prejudice, however, to anything done under those regulations or to any order made, exemption or permission granted or direction given, under those regulations.

Repeal.

Schedule.

1. Any territory not forming part of the British Empire.
2. British Honduras.
3. Canada.
4. Hong Kong.
5. Newfoundland.
6. Sudan.

THE FOOD CONTROL ORDINANCE.

IT is hereby notified in terms of section 4 (3) of the Food Control Ordinance (Chapter 132), that the Order dated September 5, 1939, and Order dated September 6, 1939, made under the Ordinance prescribing the maximum prices above which rice shall not be sold, and published in *Gazette Extraordinary* No. 8,493 of September 5, 1939, and No. 8,495 of September 6, 1939, respectively, have been confirmed by the Board of Ministers.

G. C. S. COREA,
Minister for Labour, Industry and Commerce.

Colombo, September 15, 1939.