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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 26/41

**An Ordinance to amend the Rubber Control Ordinance,  
No. 63 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 Rubber Control (Amendment) Ordinance, No. of 1941 Short title.

2. Section 45 of the Rubber Control Ordinance, No 63 of 1938, (hereinafter referred to as the "principal Ordinance") is hereby amended by the insertion, immediately after sub-section (1) thereof, of the following new sub-section:— Amendment of section 45 of Ordinance No. 63 of 1938

"(1A) The Controller may, by notification published in the *Gazette* and in at least one English, one Sinhalese and one Tamil newspaper circulating in the Island, direct that the provisions of sub-section (1) shall not apply in any such year of control as may be specified in the notification, and no registered dealer shall be entitled to receive stock export coupons under sub-section (1) in any year of control specified in any such notification."

3. (1) Section 61 of the principal Ordinance is hereby amended in sub-section (2) thereof, as follows:— Amendment of section 61 of the principal Ordinance.

(a) in paragraph (k), by the substitution, for the words "this Ordinance", of the words "this Ordinance and of the dependants of such persons, officers and servants,"; and

(b) by the insertion, immediately after paragraph (k), of the following new paragraph —

“(kk) the payment of gratuities, from any fund or scheme established under paragraph (k), to persons, officers and servants employed under the Rubber Control Ordinance or under this Ordinance and to the dependants of such persons, officers and servants, notwithstanding that such persons, officers or servants may have retired from service or died before the date of the establishment of the fund or scheme or that the services of such persons, officers or servants may have been terminated prior to that date on the ground of ill-health or for purposes of retrenchment;”

Cap. 300-

(2) Section 61 of the principal Ordinance shall, on and after the fifteenth day of December, 1938, (being the date of the commencement of that Ordinance), be deemed to have had effect as though the amendments effected in that section by paragraphs (a) and (b) of sub-section (1) of this section had been inserted in that Ordinance on that date.

*Objects and Reasons.*

Section 45 of the Rubber Control Ordinance, No 63 of 1938, provides that where a dealer has coupons in his possession at the end of any year of control and has in his possession a quantity of rubber equivalent to that represented by such coupons he will be entitled to obtain stock export coupons which will be valid for a period of two months commencing on the first day of January in the next succeeding year of control.

The International Rubber Regulation Committee has decided that in view of the exceptional circumstances prevailing at present any deficiency in actual net exports for the year 1941, as compared with the permissible exports for that year, will not be carried forward to the year 1942. In view of this decision it is necessary to provide that stock export coupons will not be issued in 1942 in exchange for coupons which cease to be valid at the end of 1941.

The object of Clause 2 of this Bill is to insert in section 45 of the principal Ordinance a new sub-section under which power will be conferred on the Controller, by notification published in the *Gazette* and in the press, to suspend the operation of section 45 in the year 1942 and if necessary in a subsequent year.

2. Section 61 (2) (k) of the principal Ordinance enables regulations to be made providing for the establishment and regulation of a provident fund or scheme for the payment of gratuities to persons, officers and servants employed for the purposes of that Ordinance. The power so conferred does not enable provision to be made for the payment of gratuities in cases where persons employed under the Ordinance or under the previous Rubber Control Ordinance ceased to be so employed before the date of the establishment of the Gratuity Scheme. The object of Clause 3 of this Bill is to insert in section 61 (2) of the principal Ordinance a new paragraph under which regulations can be made providing for the payment of gratuities in such cases.

D. S. SENANAYAKE,

Minister for Agriculture and Lands.

Colombo, October 20, 1941.

MINUTE.

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

L D—O 16/41

**An Ordinance to amend the Tea Control Ordinance.**

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 Tea Control (Amendment) Ordinance, No. of 1941.

Amendment of section 11A of Chapter 299.

2. Section 11A of the Tea Control Ordinance, (hereinafter referred to as “the principal Ordinance”), is hereby amended, in sub-section (5) thereof, by the addition, at the end of that sub-section, of the following:—

“No person shall be entitled to be registered as an exporter by reason only of the fact that he acts as a shipping agent for the purposes of the exportation of made tea from Ceylon”

3. The following new section is hereby inserted immediately after section 11A of the principal Ordinance, and shall have effect as section 11B of that Ordinance —

Insertion  
of new  
section 11B  
in the principal  
Ordinance

Registration  
of blenders

11B (1) The Controller shall keep a register of blenders

(2) Any person who desires to be registered as a blender shall apply to the Controller for registration. Every such application shall be in the prescribed form.

(3) No person who is registered as a manufacturer or as an exporter may be registered as a blender.

(4) The Controller shall decide whether any person shall be registered as a blender

(5) The Controller may cancel the registration of any person who is registered as a blender—

(a) if the Controller is satisfied that such person has ceased to be a blender or is registered as a manufacturer or as an exporter, or

(b) if such person has, in any application under this section, made any statement or furnished any particulars which are untrue or incorrect, or

(c) if such person has acted in contravention of, or has failed to comply with, any provision of this Ordinance or of any regulation

(6) An appeal shall lie to a Board of Appeal—

(a) against any decision of the Controller under sub-section (4), or

(b) against the cancellation of the registration of any person under sub-section (5)

4. Section 19A of the principal Ordinance is hereby amended in sub-section (3) thereof, by the substitution, for the word "manufacturer", of the words "manufacturer, or as a blender,".

Amendment  
of section  
19A of the  
principal  
Ordinance.

5. Section 20A of the principal Ordinance is hereby amended as follows.—

Amendment  
of section  
20A of the  
principal  
Ordinance.

(1) in sub-section (3), by the substitution, for the words "registered manufacturer", wherever they occur collectively in that sub-section, of the words "registered manufacturer or a registered blender",

(2) in sub-section (4), by the substitution, for the words "registered exporter", wherever they occur collectively in that sub-section, of the words "registered blender or a registered exporter",

(3) by the insertion, immediately after sub-section (4), of the following new sub-section which shall have effect as sub-section (4A) of section 20A —

"(4A) No coupon credit held in the Bank by any registered blender shall be sold or transferred, in whole or in part, by that blender to any person other than a registered blender or a registered exporter, and no such coupon credit shall be purchased, in whole or in part, from a registered blender by any person other than a registered blender or a registered exporter."

(4) by the insertion, at the end of that section, of the following new sub-sections which shall have effect as sub-sections (8) and (9) of section 20A.—

"(8) Notwithstanding anything in the preceding provisions of this section, no coupon credit held in the Bank shall be sold or transferred under any such provision—

(a) by any person to any registered blender; or

(b) by any registered blender to any other registered blender or to any registered exporter; or

(c) by any registered exporter to any other registered exporter,

unless, at the time of the sale or transfer of such coupon credit, the seller or transferor sells and delivers to the purchaser or transferee, as the case may be, a quantity of made tea which shall not be less than the amount represented by such coupon credit.

(9) Where the provisions of sub-section (8) are applicable in the case of the sale or transfer of any coupon credit, the Controller may require either or both the parties to the sale or transfer to furnish proof that a quantity of made tea equivalent to the amount represented by such coupon credit was sold and delivered in accordance with the provisions of that sub-section; and the Controller may, if such proof is not furnished to his satisfaction, by order

refuse to credit to the account in the Bank of the purchaser or transferee the coupon credit so sold or transferred and to recognise such sale or transfer for any purpose whatsoever

Every such order shall be notified by the Controller to the purchaser or transferee affected thereby, and an appeal shall lie to a Board of Appeal against that order."

Amendment of section 20B of the principal Ordinance

6. Section 20B of the principal Ordinance is hereby amended by the insertion, immediately before sub-section (9) thereof, of the following new sub-section :—

"(8A) Nothing in the preceding provisions of this section shall apply in the case of a person who is registered as a manufacturer in accordance with the provisions of section 20BB."

Insertion of new section 20BB in the principal Ordinance.

7. The following new section is hereby inserted immediately after section 20B of the principal Ordinance and shall have effect as section 20BB of that Ordinance :—

Cases where proprietors who have no factories are deemed to be manufacturers.

20BB. (1) In any case where the tea leaf produced on any estate or estates is converted into made tea, on behalf of the registered proprietor of the estate or estates, at a factory which is not in his possession, and such made tea is delivered to that proprietor, that proprietor shall be deemed to be a manufacturer and may, on application made to the Controller in that behalf, be registered as a manufacturer; and all the provisions of this Ordinance relating to the registration of manufacturers and to registered manufacturers, (other than the provisions of sub-sections (1) to (8) of section 20B), shall apply accordingly in any such case

(2) Where any person is registered as a manufacturer in accordance with the provisions of sub-section (1), the limit of the coupon credit of that manufacturer in his capacity as such, during each period of three months in any period of assessment, shall be such amount as the Controller may by order determine, having regard to the amount of made tea which is likely to be manufactured on behalf of that person from tea leaf produced on the estate or estates of which he is the proprietor.

(3) An appeal shall lie to a Board of Appeal against any order of the Controller under sub-section (2), and a Board of Appeal may on any such appeal confirm the order of the Controller, or increase or reduce the amount of the limit of the coupon credit of the manufacturer by whom the appeal is preferred.

Insertion of new section 20cc in the principal Ordinance

8. The following new section is hereby inserted immediately after section 20c of the principal Ordinance and shall have effect as section 20cc of that Ordinance :—

Limit of coupon credit of registered blender.

20cc. (1) The limit of the coupon credit of a registered blender at any time in any period of assessment shall, subject to any variation made by the Controller or by a Board of Appeal as hereinafter provided, be an amount equivalent to such amount as the Controller may determine to be the average amount of made tea likely to be sold by that blender to registered blenders and exporters during each month in such period of assessment.

(2) As soon as may be after the registration of a blender, the Controller shall, by order, determine the limit of the coupon credit of that blender and notify that blender of the amount of such limit.

(3) The Controller may, at any time in any period of assessment, by order reduce the amount of the limit of the coupon credit of any registered blender if he is satisfied, after such enquiry as he may deem necessary, that such amount is excessive, having regard to the amount of made tea actually sold by that blender to registered blenders and exporters and to all the other circumstances of the case. Every such order shall be notified by the Controller to the blender affected thereby.

(4) The Controller may, at any time in any period of assessment, upon application made to him in that behalf by any registered blender, by order increase the amount of the limit of the coupon credit of that blender if he is satisfied, after such enquiry as he may deem necessary, that such amount is insufficient, having regard to the amount of made tea actually sold by that blender to registered blenders and exporters and to all the other circumstances of the case. Every such order, and every refusal to make any such order, shall be notified by the Controller to the blender affected thereby.

(5) An appeal shall lie to a Board of Appeal against any order of the Controller under sub-section (2) or sub-section (3) or sub-section (4) or against any refusal by the Controller to make an order under sub-section (4); and a

Board of Appeal may, upon any such appeal, confirm the order of the Controller or increase or reduce the amount of the limit of the coupon credit of the blender by whom the appeal is preferred

(6) The coupon credit in the Bank of any registered blender shall not at any time exceed the limit of the coupon credit of that blender for the time being.

9. Section 20D of the principal Ordinance is hereby amended in sub-section (3) thereof as follows —

Amendment of section 20D of the principal Ordinance.

- (1) by the substitution, for the words "registered manufacturer", wherever they occur collectively in that sub-section, of the words "registered manufacturer or registered blender";
- (2) by the substitution, for the words "that manufacturer", wherever they occur collectively in that sub-section, of the words "that manufacturer or blender"; and
- (3) by the substitution, for the words "the manufacturer", of the words "the manufacturer or blender".

10. Section 20E of the principal Ordinance is hereby amended, in sub-section (2) thereof, as follows :—

Amendment of section 20E of the principal Ordinance.

- (1) by the substitution, for the words "prescribed in that Order.", of the words "prescribed in that Order."; and
- (2) by the addition, at the end of that sub-section, of the following :—

" Provided, however, that in any case where the price paid or received, for or in respect of any tea coupon or coupon credit which is delivered or transferred on any day, is a price specified in that behalf in a written contract, entered into prior to that day, for the purchase or sale of that coupon or coupon credit, then—

- (a) if the price so specified was not higher than the maximum price prescribed in any Order under sub-section (1) which was in force at the time such contract was entered into, or
- (b) if no such order was in force at that time, no person shall be deemed to have committed a breach of the preceding provisions of this sub-section by reason only of the fact that the price so paid or received is higher than the maximum price prescribed in any Order under sub-section (1) which is in force on the day of such delivery or transfer."

11. Section 20F of the principal Ordinance is hereby amended in paragraphs (b) and (d) of sub-section (1), by the substitution, for the words "registered manufacturer" where they occur collectively in each of those paragraphs, of the words "registered manufacturer, registered blender".

Amendment of section 20F of the principal Ordinance.

12. Section 20G of the principal Ordinance is hereby amended in sub-section (1) thereof as follows :—

Amendment of section 20G of the principal Ordinance

- (1) by the substitution, for the words "registered manufacturer", of the words "registered manufacturer or registered blender";
- (2) by the substitution, for the words "that the manufacturer", of the words "that the manufacturer or blender";
- (3) by the substitution, for the words "of that manufacturer.", of the words "of that manufacturer or blender."; and
- (4) by the substitution, in the marginal note to that section, for the word "manufacturer.", of the words "manufacturer or blender."

13. Section 23 of the principal Ordinance is hereby amended in paragraph (b) of sub-section (1) thereof, by the substitution, for all the words from "purchased" to "transfer", of the following .

Amendment of section 23 of the principal Ordinance.

" purchased or obtained from a registered manufacturer or a registered blender any coupon credit which that manufacturer or blender is authorised to transfer"

14. Section 25 of the principal Ordinance is hereby amended, by the addition at the end of that section, of the following :—

Amendment of section 25 of the principal Ordinance.

" Provided further that in any case where the International Tea Committee has approved the exportation from Ceylon during any period of assessment, otherwise than under the authority of export licences of any quantity

of made tea for any purpose specified by the Committee, the Controller may from time to time grant special export permits authorising exportation from Ceylon during that period for that purpose of a quantity of made tea which shall not in the aggregate exceed the quantity so specified by the Committee."

Amendment of section 32A of the principal Ordinance

15. Section 32A of the principal Ordinance is hereby amended by the substitution, for the word "manufacturer", of the words "manufacturer or as a blender"

Amendment of section 40 of the principal Ordinance

16. Section 40 of the principal Ordinance is hereby amended as follows —

- (1) by the substitution, for the words "registered manufacturer" wherever those words occur collectively in that section, of the words "registered manufacturer, registered blender", and
- (2) by the substitution, for the words "manufacturer or exporter", wherever those words occur collectively in that section, of the words "manufacturer, blender or exporter".

Amendment of section 42 of the principal Ordinance

17. (1) Section 42 of the principal Ordinance is hereby amended in sub-section (2) thereof, as follows —

- (a) in paragraphs (f), (ff) and (g), by the substitution, for the word "manufacturers", of the words "manufacturers, blenders";
- (b) in paragraph (i), by the substitution, for the words "this Ordinance", of the words "this Ordinance and of the dependants of such persons, officers and servants,";
- (c) by the insertion, immediately after paragraph (i), of the following new paragraph:—

"(ii) the payment of gratuities, from any fund or scheme established under paragraph (i), to persons, officers and servants employed under the Tea Control Ordinance, No 11 of 1933, or under this Ordinance and to the dependants of such persons, officers and servants, notwithstanding that such persons, officers or servants may have retired from service or died before the date of the establishment of the fund or scheme or that the services of such persons, officers or servants may have been terminated prior to that date on the ground of ill-health or for purposes of retrenchment."

(2) Section 42 of the principal Ordinance shall, on and after the first day of April, 1938, (being the date of the commencement of that Ordinance) be deemed to have had effect as though the amendments effected in that section by paragraphs (b) and (c) of sub-section (1) of this section had been inserted in that Ordinance on that date

Amendment of section 46 of the principal Ordinance.

18. Section 46 of the principal Ordinance is hereby amended as follows —

- (1) by the insertion, immediately after the definition of "Bank", of the following new definition —  
 "blender" means a person (other than a manufacturer or an exporter) who carries on the business of blending made tea for the purpose of selling blends of made tea to exporters, ;
- (2) in the definition of "manufacturer", by the substitution, for the word "factory," of the words "factory, and includes any person who is deemed under section 20BB to be a manufacturer ;".

#### *Objects and Reasons.*

The object of this amendment of the Tea Control Ordinance (Chapter 299) is to effect certain changes in the new provisions relating to transactions in coupon credits which were introduced into that Ordinance by the Tea Control (Amendment) Ordinance, No. 26 of 1940.

2. The object of Clause 2 is to include specific provision in section 11A of the Ordinance to the effect that a person, who merely ships tea from Ceylon as the agent for any other person, will not be entitled as such to be registered as an exporter.

3 Clause 3 of the Bill will insert in the principal Ordinance a new section 11B providing for the registration of blenders of tea. A "blender" will be defined (Clause 18) to mean any person (other than a manufacturer or exporter) who carries on the business of blending teas of different grades for the purpose of selling blends of tea to exporters. Accounts in the Coupon Credit Bank will be opened in the name of all registered blenders. Section 20A of the principal Ordinance, as amended by Clause 5 of the Bill, will provide that a coupon credit may be sold or transferred to a blender only if the sale or transfer takes place simultaneously with the delivery to the blender of an equivalent amount of made tea, and that a blender may transfer a coupon credit to an exporter or blender only if he delivers made tea to that exporter or blender at the same time.

The limit of the coupon credit of a registered blender will be determined by the Controller subject to any variation which may be made by a Board of Appeal. Such limit may be increased or reduced, subject to appeal, by the Controller who will, in effecting any such change, have regard to the amount of made tea actually sold by the blender to registered exporters and to all the other circumstances of the case (Clause 8).

4. The opportunity is being taken to amend section 20A of the principal Ordinance in order to provide that an exporter may not transfer a coupon credit to any other exporter unless the transfer is accompanied by the delivery of an equivalent amount of made tea.

5. Under the law as at present a registered proprietor who has no factory but who has his leaf converted into made tea outside his estate is not entitled to have a manufacturer's account in the Coupon Credit Bank. The purpose of Clause 7 is to insert in the Ordinance a new section 20BB which enables such a proprietor to be registered as a manufacturer. The amount to the limit of the coupon credit of a person so registered in his capacity as a manufacturer will be specially determined by the Controller.

6. Section 20E of the principal Ordinance enables the Executive Committee to fix the maximum price at which a tea coupon or coupon credit may be sold. The maximum price fixed under this section has been varied from time to time and manufacturers have experienced difficulty in the preparation of their annual estimates and programmes of work by reason of the fact that there is no certainty as to the amount which will have to be paid for coupon credits which such manufacturers propose to purchase.

The object of Clause 10 of this Bill is to amend section 20E by providing that where a person enters into a forward contract for the purchase or sale of tea coupons or coupon credits at a specified price which is lawful at the time the contract is made, such price may be lawfully paid or received on any date thereafter notwithstanding that it is higher than the maximum price prescribed in any Order in force on that date.

7. The International Tea Committee have agreed that a maximum of 200,000 lb of tea may be sent annually as gifts for the troops free of licence. The object of Clause 14 is to make the necessary amendments in section 25 of the principal Ordinance in order to allow the Controller to grant special export permits to allow exportation in the cases referred to, the amendment has been drafted in wide terms so as to cover any other special cases in which the Tea Committee may agree to the exportation of tea free of licence.

8. Section 42 (2) (i.) of the principal Ordinance authorises the establishment of a gratuity scheme for the payment of gratuities to persons, officers and servants employed for the purposes of that Ordinance; but no power has been conferred to pay gratuities in cases where officers had retired or died before the establishment of the gratuity scheme. The object of Clause 17 is to insert a new paragraph in section 42 (2) to enable regulations to be made authorising the payment of gratuities in the case of officers employed, whether under the old Tea Control Ordinance or under the existing Ordinance, who have died or retired before the establishment of the gratuity scheme.

9. The other amendments effected in the principal Ordinance by this Bill will be consequential upon the amendments which have been referred to above.

D. S. SENANAYAKE,  
Minister for Agriculture and Lands,

Colombo, October 20, 1941.

## MINUTE.

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

L. D.—O 14/41

Cap. 331,  
Vol. VI,  
p. 739.

Short title.

Amendment of  
sections 7 and  
7A of Chapter  
331.

**An Ordinance to amend the Cattle Trespass Ordinance.**

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 Cattle Trespass (Amendment) Ordinance, No. of 1941.

2. Sections 7 and 7A of the Cattle Trespass Ordinance are hereby amended as follows :—

- (1) by the re-numbering of each of those sections as sub-section (1) of sections 7 and 7A respectively ;
- (2) by the addition in each of those sections, after the re-numbered sub-section (1), of the following new sub-sections :—

“ (2) In any case where any animal is detained by any police constable or headman under sub-section (1), the owner or other person entitled to the custody of that animal at the time of the trespass may, at any time before the date on which an inquiry into the case is held under that sub-section by a Magistrate's Court or Village Tribunal and pending the final determination of the case, deposit with such constable or headman the amount of the damages sustained by such trespass as assessed by such constable or headman and of the costs and charges for keeping the animal during the period of such detention ; and upon such amount being deposited, the constable or headman shall deliver the animal into the custody of the owner or other person making such deposit.

The amount so deposited shall be applied in payment of the damages, charges and penalty, if any, which may be awarded by the Court or Village Tribunal under sub-section (1) ; and where no such award is made or where any balance remains after the payment of such damages, charges and penalty, the amount so deposited or such balance, as the case may be, shall be refunded to the owner or other person by whom such amount was deposited.

(3) In any case where any animal is detained by any police constable or headman under sub-section (1), and—

- (a) the report of such constable or headman is not produced before the Magistrate's Court or Village Tribunal in accordance with the provisions of that sub-section by the proprietor or occupier of the land trespassed upon or some other person on his behalf ; or
- (b) such proprietor, occupier or other person fails to appear without reasonable cause before the Magistrate's Court or Village Tribunal on any date fixed for the inquiry into the case ; or
- (c) the Court or Tribunal after inquiry refuses to award damages in respect of the trespass, the Court or Tribunal may, upon application made in that behalf by the constable or headman, order that the person by whom notice of the seizure of such animal was given under sub-section (1), shall pay to the constable or headman the fair and reasonable costs and charges for keeping the animal during the period of the detention ; and any sum so ordered to be paid shall be recovered from that person in the same manner as a fine imposed by the Court or Tribunal.

*Objects and Reasons.*

Section 7 of the Cattle Trespass Ordinance provides that where notice of the seizure of a trespassing animal is given to a police constable or headman the officer assesses the amount of the damages and takes charge of the animal ; if the amount so assessed and the cost of keeping the animal during detention is not paid within forty-eight hours, it is the duty of the owner or occupier of the land trespassed upon to report the matter to the appropriate Magistrate's Court or Village Tribunal, which after inquiry awards damages for the trespass as well as the costs and charges incurred by the constable or headman in keeping the animal during detention.

It has been found in many cases that, owing to the absence of the Magistrate or President on circuit, animals have to be



detained for a long period and that the owner of the animal has ultimately to pay large sums in respect of the charges for detention

The new sub-section (2) which will be inserted in section 7 by this Bill provides that the owner of an animal may, pending inquiry into the case, deposit the amount of the assessed damages and of the costs of the detention and obtain the release of the animal from detention. The amount so deposited will be applied in payment of any award subsequently made by the Court or Tribunal after inquiry into the case.

2. Cases have occurred in which owners of lands who seize trespassing animals subsequently fail to appear before the Court or Village Tribunal or fail to obtain an award after inquiry into the case. In such cases the Ordinance does not provide for the recovery by police constables and headmen of the charges incurred by them for keeping the animal during detention.

The new sub-section (3) which will be inserted in section 7 will provide that in such cases the Court or Tribunal may order that the charges referred to will be recoverable from the person who gave notice to the constable or headman of the seizure of the animal

3. Similar amendments will be effected in section 7A of the Ordinance

D B JAYATILAKA,  
Minister for Home Affairs.

Colombo, October 8, 1941

### MINUTE.

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

L D —O 34/41

**An Ordinance to amend the Agricultural Produce Agents (Registration) Ordinance, No. 28 of 1941.**

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

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|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------|
| <p>1. This Ordinance may be cited as the Agricultural Produce Agents (Registration) Amendment Ordinance, No. of 1941.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <p>Short title</p>                                                                     |
| <p>2. The Agricultural Produce Agents (Registration) Ordinance, No 28 of 1941, is hereby amended by the insertion, immediately after section 10 of that Ordinance, of the following new section which shall have effect as section 10A of that Ordinance.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                     | <p>Insertion of new section 10A in Ordinance No 28 of 1941</p>                         |
| <p>10A (1) Regulations may be made providing for the exemption from liability of any licensed agent or any class of such agents from the liability to open an Agricultural Produce Account under section 7 and prescribing the conditions subject to which such exemption may be granted and the circumstances in which such exemption may be withdrawn by the Registrar.</p>                                                                                                                                                                                                                                                                                                                     | <p>Exemption from liability to keep Agricultural Produce Accounts in certain cases</p> |
| <p>(2) Where any licensed agent who is exempt from the liability to open an Agricultural Produce Account under section 7 receives any money in respect of the sale of any agricultural produce of any person, such agent shall not appropriate for his own use any part of that money other than such sums as may be necessary to cover the following :—</p> <p>(a) the expenses, commission and other prescribed charges of or incidental to the sale or disposal of such produce by such agent in his capacity as an agricultural produce agent ;</p> <p>(b) any sums which may be due, owing and payable to such agent by the person on whose behalf such sale or disposal was carried out</p> |                                                                                        |

*Objects and Reasons.*

Section 7 of the Agricultural Produce Agents (Registration) Ordinance, No 28 of 1941, requires every person licensed as an agricultural produce agent to keep a separate bank account, in a bank approved by the Executive Committee of Agriculture and Lands, into which all moneys received by him in the conduct of his business must be paid. Representations have been made that this provision will cause considerable hardship to agricultural produce agents whose businesses are not run on a large scale and it is considered equitable that such agents should be exempted from the liability to keep separate Agricultural Produce Accounts.

2. The object of this Bill is to insert in the principal Ordinance a new section 10A which will empower the Executive Committee to prescribe by regulation the classes of agents who will be exempted from the liability to keep an Agricultural Produce Account, and the conditions subject to which such exemption will be granted and the circumstances in which

such exemption may be withdrawn. The new section also provides that a licensed agent who has been so exempted shall not use for his own purposes any money received by him in respect of the sale of any produce, other than such sums as may be necessary to cover his authorised commission or any sum otherwise due to him from the person whose produce has been sold. The interests of producers can be adequately protected as the Executive Committee is empowered to prescribe by regulation any further safeguards that may be considered desirable in cases where the proposed exemption is granted

D. S. SENANAYAKE,

Minister for Agriculture and Lands.

Colombo, October 8, 1941.