



# 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—CF 45/43

No 1/4/66 (FSO)

**An Ordinance to provide for the exemption from import and export duties of tea imported into Ceylon for the purposes of re-exportation during the emergency caused by the present war**

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 Imported Tea (Exemption from Duties) Ordinance, No of 1943

Short title

2. All imports of tea, certified by the Tea Commissioner to be intended for re-exportation after being polished, prepared or blended in Ceylon, shall be exempt from the import duty leviable and payable under the provisions of section 9 of the Customs Ordinance

Exemption from import duty

Cap 185

3. Where any consignment of tea brought to any Customs premises for the purpose of exportation is certified by the Tea Commissioner to be a blend containing a specified proportion of any tea referred to in section 2, a proportion of that consignment equal to such specified proportion shall be exempt from the export duty leviable and payable under each of the provisions of law specified in the Schedule hereto

Exemption from export duty

4. Where any duty referred to in section 2 or section 3 has for any reason been paid by any person on any tea declared to be exempt from such duty by either of those sections, a sum equal to the amount of such duty shall be refunded to him out of the general revenue or other fund to which such amount may have been credited under the law applicable in that case

Refund of duty

5. This Ordinance shall be deemed to have come into operation on the first day of September 1943, and shall continue in operation until such date as may be appointed by the Governor by Proclamation published in the *Gazette*

Commencement and duration of Ordinance

#### Schedule

Section 8 of the Tea Propaganda Ordinance (Chapter 130)

Section 28 of the Medical Wants Ordinance (Chapter 176)

Section 9 of the Customs Ordinance (Chapter 185)

Section 36 of the Tea Control Ordinance (Chapter 299)

Section 11 of the Tea Research Ordinance (Chapter 301), read with section 3 of the Tea Cess (Temporary Increase) Ordinance, No 12 of 1930

#### Objects and Reasons

The object of this Bill is to exempt from import duty all tea imported from abroad for the preparation of blended tea for export from Ceylon and to exempt from export duty such proportion of all exports of blended tea as may be equal to the proportion of imported tea included in such blend. The reason for this proposal is that unless such an exemption is given the prices that have been fixed for the tea exported from Ceylon for the use of the Ministry of Supply in the United Kingdom will have to be increased in the case of blended teas, and such variations of the prices are undesirable.

2. As consignments of tea for the purpose referred to above commenced to be imported in September this year, it is proposed to give the new law retrospective effect from 1st September. It is to continue in operation until a date to be appointed by the Governor by Proclamation.

Financial Secretary's Office,  
Colombo, 30th October, 1943

H J HUXHAM,  
Financial Secretary

## MINUTE

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

L D — O 41/43

994/1(CY)

**An Ordinance to amend the Currency Ordinance,  
No. 21 of 1941.**

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 Currency Amendment Ordinance, No. of 1943

Amendment of  
section 18 of  
Ordinance  
No 21 of 1941

2. Section 18 of the Currency Ordinance, No 21 of 1941, (hereinafter referred to as "the principal Ordinance"), is hereby amended by the insertion, immediately after sub-section (2), of the following new sub-section —

"(3) The holder of any Ceylon coin demonetized under sub-section (1) may, on tendering such coin at the office of the Board in Colombo at any time after the date specified in the Proclamation, be paid legal tender in exchange if the Board, having regard to all the circumstances of the case, considers it expedient to make such payment"

Amendment of  
section 23 of  
the principal  
Ordinance

3. Section 23 of the principal Ordinance is hereby amended as follows —

- (1) in the proviso to sub-section (1) thereof, by the substitution, for the word "Colombo", of the words "Colombo, that part of the Security Fund which has been invested in securities issued by the Government of Ceylon by authority of the War Loan Ordinance, No 1 of 1941, and",
- (2) in sub-section (3) thereof, by the substitution for the words "Such proportion of the Security Fund", of the words "A part of the Security Fund, not being less than such proportion",
- (3) in sub-section (6) thereof by the substitution, for all the words from "general or special directions" to "Secretary of State", of the words "general directions as may be given by the Board with the prior approval of the Governor and the Secretary of State, and to such special directions, not inconsistent with such general directions, as may from time to time be given by the Board"

*Objects and Reasons*

The Governor may, by Proclamation under sub-section (1) of section 18 of the Currency Ordinance, No 21 of 1941, declare that any currency notes or Ceylon coins shall cease to be legal tender after a date to be specified in such Proclamation. The holder of a demonetized currency note is entitled, under sub-section (2) of that section, to receive legal tender in exchange for such note on tendering such note at the office of the Board at any time after the date specified in the Proclamation. The object of Clause 2 of this Bill is to insert in section 18 of the principal Ordinance provision similar to that contained in sub-section (2) so as to enable the Board, in its discretion, to pay legal tender in exchange for any demonetized coin tendered after the date specified in such Proclamation.

2 By Clause 3 (1) it is proposed to amend section 23 of the principal Ordinance so as to enable the Board to hold in Colombo that part of the Security Fund which has been invested in the Ceylon War Loan and which under the existing law has to be held by the Crown Agents or the Reserve Bank of India.

3 Sub-section (3) of section 23 of the principal Ordinance empowers the Board to determine the proportion of the Security Fund which shall ordinarily be held in liquid form. As the amount of the Fund varies from day to day, the liquid part of the Fund cannot be maintained at a fixed proportion. Clause 3 (2) will accordingly effect a suitable amendment in that sub-section.

4 Sub-section (6) of section 23 vests in the Board the power to give with the prior approval of the Governor and the Secretary of State, general or special directions to the Crown Agents and the Reserve Bank with regard to the investment of the Security Fund and the sale of securities. By the amendment which will be made in this sub-section by Clause 3 (3), the Board will be empowered to give special directions to the Crown Agents and the Reserve Bank without reference to the Governor or the Secretary of State, such special directions not being inconsistent with any general directions given under that sub-section.

Financial Secretary's Office,  
Colombo, 30th October, 1943

H J HUXHAM,  
Financial Secretary