



# THE CEYLON GOVERNMENT GAZETTE

EXTRAORDINARY

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## PART II.—LEGAL.

(Separate paging is given to each Part in order that it may be filed separately.)

### DRAFT ORDINANCES.

#### MINUTE.

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

**An Ordinance to amend the Loan Board Ordinance.**

Cap. 280  
(Vol. VI.,  
p. 245).

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 Loan Board (Amendment) Ordinance, No. of 1947.

Short Title.

2. Section 18 of the Loan Board Ordinance (hereinafter referred to as "the principal Ordinance"), is hereby repealed, and the following new section is substituted therefor :—

Substitution of  
new section for  
section 18 of  
Chapter 280.

18. Out of the aggregate interest actually received by the Board from the investments made under section 12, the Commissioners shall pay to the Government of Ceylon, in respect of each year, a sum equal to the amount for the time being approved by the Governor as the equivalent of or nearest approximation to the aggregate expenses incurred or borne by that Government in connection with the management of the affairs of the Board.

Re-imbursment  
of expenses  
borne by  
Government.

3. Section 20 of the principal Ordinance is hereby amended as follows :—

Amendment of  
section 20 of  
the principal  
Ordinance.

(1) in sub-section (1) thereof :—

- (a) by the omission of the marginal note thereto ;
- (b) by the substitution, for the words "If any money", of the words "If any sum of money, not being less than one hundred rupees,";
- (c) by the substitution for the words "for the period of one-third of a century from the date of such deposit", of the words "for the period of thirty years next succeeding the date of the last deposit (other than a deposit made by the Commissioners on account of interest), or the last withdrawal authorised in that case by the order of a competent Court,"
- (d) by the substitution, for all the words from "to be carried" to the end of that sub-section of the following :—

"to be carried to the account of the public revenue :

Provided, however, that in any case where any money subject to a trust or to a fidei commissum, or belonging to a minor or to a person adjudged to be a lunatic or to be of unsound mind, is so carried to the account of the public revenue, if any person at any time thereafter establishes a claim to the whole or any part of such money to the satisfaction of the Court, the Governor may authorise the payment to that person, out of the public revenue, of such sum, not exceeding the

amount which was carried in that case to the account of the public revenue, as may be specified in the order made by the Court upon that claim.”;

(2) in sub-section (2) thereof:—

- (a) by the omission of the marginal note thereto;
- (b) by the substitution, for the words “If any money”, of the words “If any sum of money, being less than one hundred rupees,”;
- (c) by the omission of the words “for any period less than one-third of a century”;
- (d) by the substitution for the words “ten years and upwards”, where they occur for the first time in that sub-section, of the words “ten years from the date of the last deposit, or the last withdrawal, authorised in that case by the order of a competent Court,”;
- (e) by the omission of the parenthesis “(after the expiration of ten years and upwards aforesaid)”;
- (f) by the substitution, for all the words from “to be carried” to the end of the proviso to that sub-section, of the following:—

“to be carried to the account of the public revenue:

Provided, however, that in any case where any person makes a claim to the whole or any part of such money within the period of twenty years next succeeding the date on which the money is so carried to the account of the public revenue and establishes such claim to the satisfaction of the Court, such sum, not exceeding the amount so carried to the account of the public revenue, as may be specified in the order made by the Court upon that claim, may be paid to that person out of the public revenue:

Provided further, that in any case where any money subject to a trust or to a fidei commissum, or belonging to a minor or to a person adjudged to be a lunatic or to be of unsound mind, is so carried to the account of the public revenue, if any person, even after the period of twenty years next succeeding the date on which the money is so carried to the account of the public revenue, establishes to the satisfaction of the Court a claim to the whole or any part of such money, the Governor may authorise the payment to that person, out of the public revenue, of such sum, not exceeding the amount so carried to the account of the public revenue, as may be specified in the order made by the Court upon that claim.

(3) by the addition of the following new sub-section, which shall have the effect as sub-section (3) of that section:—

“(3) Every claim under the foregoing provisions of this section shall be made by way of summary procedure, under Chapter XXIV. of the Civil Procedure Code, in the action to the credit of which the money is in deposit immediately before it is carried to the account of the public revenue, and the Attorney General and all persons known to have any interest in or claim to such money shall be made parties to the application.”

Repeal of section 21, and renumbering of section 22, of the principal Ordinance.

4. Section 21 of the Principal Ordinance is hereby repealed, and section 22 renumbered as section 21.

#### *Objects and Reasons.*

The establishments charges and other expenses of the Loan Board are met in the first instance out of the general revenue; and by way of a return for this, the Board is required by section 18 of the Loan Board Ordinance (Chapter 280) to contribute to the revenue, in respect of each year, a sum or sums equal to one-fifth of the interest actually received by the Board from its investments. This share of the profits of the Board has been found to be far in excess of the actual

cost borne by the Government. It is, therefore, proposed to substitute for section 18 a new section which will give the Governor power to fix from time to time the actual amount payable by the Commissioners (Clause 2).

2. The disposal of moneys in deposit with the Loan Board and remaining unclaimed for long periods is governed by section 20 of the Ordinance. That section divides the case into two classes and provides that where any money has been in deposit and has remained unclaimed for more than one-third of a century, such money is to be forfeited to the Crown, and that where any money has been in deposit for less than one-third of a century and has remained unclaimed for more than ten years, such money is to be credited to public revenue subject to the right of any person entitled to such money to establish a claim thereto and recover payment within one-third of a century. These provisions have been found to be too stringent; and it is now proposed that an exception should be made and claims allowed without a time-limit in the case of moneys which have been subject to a trust or *fidei commissum* or belonged to lunatics or minors, and that amounts of less than one hundred rupees should be credited to revenue at the end of ten years subject to the right of claimants to obtain a refund within the twenty years next succeeding. The amendments set out in Clause 3 will effect these changes in the law.

3. Section 21 of the Ordinance is no longer required and is therefore to be repealed (Clause 4) and section 22 renumbered as section 21.

Financial Secretary's Office, C. E. JONES,  
Colombo, 9th May, 1947. Acting Financial Secretary.