



# THE CEYLON GOVERNMENT GAZETTE

EXTRAORDINARY

No. 10,887 — MONDAY, JANUARY 30, 1956

(Published by Authority)

## PART I: SECTION (I) — GENERAL

### Government Notifications

L.D.—B. 172/36

#### THE REGISTERED STOCK AND SECURITIES ORDINANCE

BY virtue of the powers vested in me by section 4 of the Registered Stock and Securities Ordinance (Chapter 289), as modified by the Proclamation published in *Gazette Extraordinary* No. 9,773 of September 24, 1947, I, Mahabalage Don Henry Jayawardena, Minister of Finance, do by this Order direct that, of the sum of six hundred million rupees for the raising of which by way of loan, authority has been given by the Ceylon Development Loans Act, No. 6 of 1954, the sum specified in the Schedule hereto shall be raised in Ceylon in the mode and upon the terms and conditions specified in that Schedule.

M. D. H. JAYAWARDENA,  
Minister of Finance.

Colombo, January 30, 1956.

#### SCHEDULE

1. The sum of money to be raised shall be fifty million rupees, and it shall be raised by way of—
  - (a) a 5-7 year loan issued at par; and
  - (b) a 20-25 year loan issued at par.
2. Each of the two loans shall be raised by the creation and issue of registered stock only.
3. The rate of interest payable shall—
  - (a) In the case of the 5-7 year loan, be 2½ per centum per annum, and
  - (b) In the case of the 20-25 year loan, be 3½ per centum per annum.
4. The dates in each year, on which the half-yearly interest on each of the two loans shall be payable, shall be the first day of February and the first day of August.
5. A half-yearly appropriation out of the Consolidated Fund as a contribution to the Sinking Fund to be established for the purpose of redeeming each of the two loans shall—
  - (a) in the case of the 5-7 year loan, be made at the rate of 5 per centum per annum and such contribution shall commence on the 1st day of February, 1957, and
  - (b) in the case of the 20-25 year loan, be made at the rate of 3 per centum per annum and such contribution shall commence on the 1st day of February, 1958.
6. The date of redemption of the registered stock issued for the purpose of raising each of the two loans shall—
  - (a) in the case of the 5-7 year loan, be the 1st day of February, 1963, and
  - (b) in the case of the 20-25 year loan, be the 1st day of February, 1981:

Provided, however, that the Government shall have the option of redeeming at par the registered stock issued for the purpose of raising each of the two loans—

- (a) in the case of the 5-7 year loan, on such date subsequent to the first day of February, 1961, and
- (b) in the case of the 20-25 year loan, on such date subsequent to the first day of February, 1976,

as may be appointed by the Minister of Finance by notification published, not less than six months prior to that date, in the *Gazette* and in at least two Ceylon newspapers.

## PROSPECTUS

*The Lists will be opened on February 1, 1956, and will be closed on February 29, 1956, or earlier if the loans are fully subscribed*

### CEYLON GOVERNMENT LOANS

**Issue of Rs. 50,000,000**

2½ per cent. Loan, 1961-63—issued at par—repayable at par

3½ per cent. Loan, 1976-81—issued at par—repayable at par

THE Central Bank of Ceylon, on behalf of the Government of Ceylon, invites applications for the following loans :—

- (a) 2½ per cent. loan repayable at par on February 1, 1963, but the Government will have the option of repayment at par on or after February 1, 1961, on giving six months' notice.
- (b) 3½ per cent loan repayable at par on February 1, 1981, but the Government will have the option of repayment at par on or after February 1, 1976, on giving six months' notice.

The allocation between the two loans will not be fixed, but the total amount to be subscribed will not exceed Rs. 50,000,000.

**Authority.**—The loans are raised on the authority of the Ceylon Development Loans Act, No. 6 of 1954 and under the provisions of the Registered Stock and Securities Ordinance, 1937 (Chapter 289)

**Purpose.**—The loans are raised by the Government of Ceylon for expenditure on any work connected with or incidental to the development of Ceylon.

**Form of Issue.**—The loans will be issued in the form of Registered Stock. (Leaflets containing the general conditions applicable to Registered Stock are available on application to the Department of Public Debt, Central Bank of Ceylon)

**Issue Price.**—The issue price is Rs 100 per cent. payable in full at the time of application. The minimum holding is Rs. 100.

**Applications.**—Applications will be received by the Registrar, Department of Public Debt, Central Bank of Ceylon, Hemas Building, P. O. Box 1149, Colombo 1, from February 1, 1956, and until the lists are closed. Applications must be on the proper form and must be accompanied by a remittance in full. Depositors of the Ceylon Savings Bank and Post Office Savings Bank may by arrangement with these institutions forward their applications through these institutions.

A commission of 1/16 per cent. on the nominal amount of subscription will be allowed to Bankers (including the Ceylon Savings Bank and the Post Office Savings Bank), recognized stock-brokers and brokers in respect of applications bearing their stamp. A negotiating fee of the same percentage will be allowed to Proctors in respect of applications bearing their stamp.

**Payment for stock.**—Payment should be made by cheque drawn in favour of the Central Bank of Ceylon and crossed "on account of Ceylon Government Loans".

**Scrip.**—Stock Certificates will be issued after receipt and acceptance of the applications.

**Interest.**—Interest at the appropriate rate will be payable half-yearly on the 1st day of February and the 1st day of August in each year. The first payment of interest will be on the 1st day of August 1956 and will be for the period commencing on the date on which the application is accepted up to and including the 31st day of July, 1956.

**Taxation.**—All documents used in the issue, transfer or redemption of the loans will be free from stamp duty. Interest to resident holders will be paid without deduction of income tax, but resident holders liable to income tax should include such interest in their income tax returns. Deductions of tax at source will be made from holdings of non-residents. (Current rate of income tax is 34 per cent. in the case of non-resident individuals and 40 per cent. in the case of non-resident companies). Persons who are exempt from Ceylon income tax will be entitled to claim repayment of the tax deducted.

**Security.**—The loans are secured on the Consolidated Fund of Ceylon. A separate sinking fund will be established towards the redemption of each loan under the management of the Monetary Board of the Central Bank of Ceylon, who are the Trustees of the sinking funds. Half yearly contributions to the two Sinking Funds will be commenced on the dates, and at the rates mentioned below :

- (a) 2½ per cent. Loan, 1961-63 : 5 per cent. per annum to commence on 1.2.57
- (b) 3½ per cent. Loan, 1976-81 : 3 per cent. per annum to commence on 1.2.58

**Public Debt.**—The present funded public debt of Ceylon is Rs. 1,055,284,910 (exclusive of Rs 31,277,700 war loans issued on behalf of the United Kingdom Government). The approximate market value of the accumulated sinking funds amounts to Rs 208,607,651. The net funded public debt is thus Rs. 846,677,259.

**Application forms.**—Application forms may be obtained at the Department of Public Debt, or at any Commercial Bank, Kachcheri, Post Office or at the Office of the Commissioner, National Savings Movement.

C. L. B. PERERA,  
*Registrar.*

Department of Public Debt,  
Central Bank of Ceylon,  
Hemas Building,  
P. O. Box 1149,  
Colombo, January 30, 1956.