

A
COLLECTION
OF
THE ACTS

OF
THE CENTRAL LEGISLATURE
AND OF THE GOVERNOR
GENERAL

FOR THE YEAR

1940



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Short titles of Acts passed by the Central Legislature and made by the Governor General in the year 1940.

- I. The Registration (Emergency Powers) Act, 1940.
- II. The Foreigners Act, 1940.
- III. The Royal Indian Navy (Extension of Service) Act, 1940.
- IV. The Offences on Ships and Aircraft Act, 1940.
- V. The Trade Marks Act, 1940.
- VI. The Indian Coinage (Amendment) Act, 1940.
- VII. The Reserve Bank of India (Closing of Annual Accounts) Act, 1940.
- VIII. The Indian Emigration (Amendment) Act, 1940.
- IX. The Reserve Bank of India (Amendment) Act, 1940.
- X. The Arbitration Act, 1940.
- XI. The Coal Mines Safety (Stowing) Amendment Act, 1940.
- XII. The Income-tax Law Amendment Act, 1940.
- XIII. The Reserve Bank of India (Second Amendment) Act, 1940.
- XIV. The Parsi Marriage and Divorce (Amendment) Act, 1940.
- XV. The Excess Profits Tax Act, 1940.
- XVI. The Indian Finance Act, 1940.
- XVII. The Factories (Amendment) Act, 1940.
- XVIII. The National Service (European British Subjects) Act, 1940.
- XIX. The Defence of India (Amendment) Act, 1940.
- XX. The Insurance (Amendment) Act, 1940.
- XXI. The Indian Tariff (Amendment) Act, 1940.
- XXII. The Indian Tariff (Second Amendment) Act, 1940.
- XXIII. The Drugs Act, 1940.
- XXIV. The Indian Mines (Amendment) Act, 1940.
- XXV. The Petroleum (Amendment) Act, 1940.
- XXVI. The Motor Vehicles (Amendment) Act, 1940.
- XXVII. The Agricultural Produce Cess Act, 1940.
- XXVIII. The Indian Works of Defence (Amendment) Act, 1940.

- XXIX. The Indian Navy (Discipline) Amendment Act, 1940.
- XXX. The Indian Navy (Discipline) Second Amendment Act, 1940.
- XXXI. The Cantonments (Amendment) Act, 1940.
- XXXII. The Repealing and Amending Act, 1940.
- XXXIII. The Indian Registration (Amendment) Act, 1940.
- XXXIV. The Code of Civil Procedure (Amendment) Act, 1940.
- XXXV. The Code of Criminal Procedure (Amendment) Act, 1940.
- XXXVI. The Indian Companies (Amendment) Act, 1940.
- XXXVII. The War Donations and Investments (Companies) Act, 1940.
- XXXVIII. The Reserve Bank of India (Third Amendment) Act, 1940.
- XXXIX. The Motor Spirit (Duties) Amendment Act, 1940.
- XL. The Indian Income-tax (Amendment) Act, 1940.
- XLI. The Indian Sale of Goods (Amendment) Act, 1940.
- XLII. The Excess Profits Tax (Amendment) Act, 1940.
- * The Indian Finance (No. 2) Act, 1940.

*No number was given to this Act which was made by the Governor General under section 67B of the Government of India Act as set forth in Sch. IX to the Government of India Act, 1935.

ACT No. IX OF 1940.

[PASSED BY THE INDIAN LEGISLATURE.]

(Received the assent of the Governor General on the
11th March, 1940.)

An Act further to amend the Reserve Bank of India Act, 1934.

II of 1934.

WHEREAS it is expedient further to amend the Reserve Bank of India Act, 1934, for the purpose of enabling the Reserve Bank of India to act as agent of, and make loans and advances to, the Board of Commissioners of Currency of Ceylon;

It is hereby enacted as follows:—

1. This Act may be called the Reserve Bank of India (Amendment) Act, 1940. Short title.

2. In section 17 of the Reserve Bank of India Act, 1934,— Amendment of section 17 of Act II of 1934.

(a) in clause (4), as adapted and modified by the Third Schedule to the India and Burma (Burma Monetary Arrangements) Order, 1937, for the words “and Burma co-operative banks” the words “Burma co-operative banks and the principal currency authority of Ceylon” shall be substituted

(b) in clause (13), the words “a bank which is” shall be omitted, and for the words “such banks” the words “banks which are such principal currency authorities” shall be substituted.

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GIPD—L607 LD—20-6-40—5,000.

ACT No. XIII OF 1940.

[PASSED BY THE INDIAN LEGISLATURE.]

*(Received the assent of the Governor General on the
26th March, 1940.)*

**An Act further to amend the Reserve Bank of India Act,
1934.**

II of 1934.

WHEREAS it is expedient further to amend the Reserve Bank of India Act, 1934, for the purpose hereinafter appearing ;

It is hereby enacted as follows :—

1. This Act may be called the Reserve Bank of India Short title.
(Second Amendment) Act, 1940.

2. In section 4 of the Reserve Bank of India Act, Amendment of
section 4, Act
II of 1934.
1934, as adapted and modified in accordance with the Third Schedule to the India and Burma (Burma Monetary Arrangements) Order, 1937 (hereinafter referred to as the said Act), after sub-section (4) the following sub-section shall be inserted, namely :—

“(4A) Without prejudice to the validity of any registration made before the commencement of the Reserve Bank of India (Second Amendment) Act, 1940, no person shall, after the commencement of that Act, be registered as a shareholder in respect of any shares held by him whether in his own name or jointly with another person or persons in excess of a total nominal value of twenty thousand rupees, or be entitled to payment of any dividend on such shares or to exercise any of the rights of a shareholder in respect of such shares otherwise than for the purpose of selling the shares.”

3. In sub-section (2) of section 56 of the said Act, Amendment of
section 56, Act
II of 1934.
after the words “registered in his name” the following words shall be inserted, namely :—

“or that any shareholder, to whom the provisions of sub-section (4A) of section 4 apply, is the holder of shares in excess of a total nominal value of twenty thousand rupees”.

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GIPD—L643LD—24-6-40—5,000.

ACT No. XXXVIII OF 1940.

[PASSED BY THE INDIAN LEGISLATURE.]

(Received the assent of the Governor General on
the 27th November, 1940.)

An Act further to amend the Reserve Bank of India Act, 1934.

II of 1934.

WHEREAS it is expedient further to amend the Reserve Bank of India Act, 1934, for the purpose hereinafter appearing ;

It is hereby enacted as follows :—

1. This Act may be called the Reserve Bank of Short title,
India (Third Amendment) Act, 1940.

II of 1934.

2. After sub-section (3) of section 42 of the Reserve Bank of India Act, 1934, the following sub-section shall be inserted, namely :—

Amendment of
Section 42, Act
II of 1934.

‘(3A) When under the provisions of sub-section (3) penal interest at the increased rate of five per cent. above the bank rate has become payable by a scheduled bank, if thereafter on the day fixed for the next return the balance held at the Bank is still below the prescribed minimum as disclosed by this return,—

(a) every director and any managing agent, manager or secretary of the scheduled bank, who is knowingly and wilfully a party to the default, shall be punishable with fine which may extend to five hundred rupees and with a further fine which may extend to five hundred rupees for each subsequent day on which the default continues, and

(b) the Bank may prohibit the scheduled bank from receiving after the said day any fresh deposit,

and, if default is made by the scheduled bank in complying with the prohibition referred to in clause (b), every director and officer of the scheduled bank who is knowingly and wilfully a party to such default or who through negligence or otherwise contributes to such default shall

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in respect of each such default be punishable with fine which may extend to five hundred rupees and with a further fine which may extend to five hundred rupees for each day after the first on which a deposit received in contravention of such prohibition is retained by the scheduled bank.

Explanation.—In this sub-section "officer" includes a managing agent, manager, secretary, branch manager, and branch secretary.