

PARLIAMENT OF CEYLON

3rd Session 1949-50



National Development Loan Act, No. 3 of 1950

Date of Assent : February 16, 1950

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National Development Loan Act, No. 3 of 1950.

L.D.—O. 47/49.

AN ACT TO MAKE PROVISION FOR RAISING A LOAN OF
FOUR HUNDRED MILLION RUPEES FOR EXPENDITURE ON
NATIONAL DEVELOPMENT PURPOSES.

[Date of Assent: February 16, 1950.]

BE it enacted by the King's Most Excellent Majesty, by and with the advice and consent of the Senate and the House of Representatives of Ceylon in this present Parliament assembled, and by the authority of the same, as follows:—

1. This Act may be cited as the National Development Loan Act, No. 3 of 1950.

Short title.

2. The Minister of Finance is hereby authorised to raise by way of loan a sum not exceeding four hundred million rupees for expenditure on any work connected with or incidental to national development.

Authority
to raise loan.

3. The loan or any part of the loan authorised by this Act may, subject as hereinafter provided, be raised under the Registered Stock and Securities Ordinance at such time or times as the Minister of Finance may determine:

Method of
raising loan.

Cap. 289.

Provided that section 4 (1) (e), sections 27 to 33 (both inclusive) and section 48 (1) (b) of the Registered Stock and Securities Ordinance shall not apply to any loan raised under the authority of this Act:

Provided further that the Minister of Finance may, by Order, direct that, in respect of such loan or any part of such loan, the provisions of the Registered Stock and Securities Ordinance (other than the provisions of the sections referred to in the preceding proviso) shall apply and have effect subject to such exceptions, modifications and amendments as may be specified in the Order; and every such Order shall, upon publication in the *Gazette*, be as valid and effectual as if it were herein enacted.

4. In addition to the sum specified in section 2, the Minister of Finance is hereby authorised to raise, in the manner prescribed in or under section 3, such further sums as may be necessary for the purpose of defraying the expenses incurred in raising the loan or any part thereof.

Authority
to raise
additional
sums for
incidental
expenses.

5. (1) All moneys raised by way of loan under section 2 may be expended on the work mentioned in section 2, but such expenditure shall not be finally charged to such loan or to any part of such loan except upon a resolution in that behalf passed by the House of Representatives.

Application
of moneys
raised by
way of loan
under
section 2.

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(2) Where moneys have been expended out of the Consolidated Fund on the work mentioned in section 2, whether before or after the commencement of this Act, such expenditure may, by a resolution passed by the House of Representatives, be declared to be charged to any loan or to any part of any loan raised under section 2.

Power to
issue Treasury
Bills, &c.

Cap. 287.

6. (1) In anticipation of the raising of any loan or of any part of any loan by authority of this Act, the Minister of Finance may, in his discretion, from time to time cause such sums as he may deem necessary to be raised by the issue of Treasury Bills under the Local Treasury Bills Ordinance; and the provisions of that Ordinance shall apply accordingly except in so far as they are inconsistent with the provisions of this Act.

(2) Every sum raised by the issue of Treasury Bills under the authority of sub-section (1) shall be applied—

(a) for the work mentioned in section 2, or

(b) for paying off at maturity any Treasury Bills issued under such authority.

(3) Upon the raising of the loan or part of the loan in anticipation of which any sum has been raised by the issue of Treasury Bills under the authority of sub-section (1), the Minister of Finance may—

(a) expend from such loan or part thereof such amounts as may from time to time be necessary to meet the liabilities of the Government in respect of such Treasury Bills: or

(b) where such liabilities have been met in the first instance out of the Consolidated Fund, refund to the Consolidated Fund such amounts as may have been expended therefrom for that purpose.

Exemption
from taxes
and duties.

Cap. 289.

7. The interest payable on any registered stock, promissory notes or bearer bonds issued by authority of this Act under the Registered Stock and Securities Ordinance and held by the Government of any part of His Majesty's dominions (including therein any British Protectorate or Protected State and any territory in respect of which a Mandate on behalf of the League of Nations has been accepted by His Majesty), shall be exempt from all taxes and duties leviable or payable under any written law in force in Ceylon, notwithstanding anything in any such law to the contrary.