

PARLIAMENT OF CEYLON

2nd Session 1957



Co-operative Wholesale Establishment (Amendment) Act, No. 39 of 1957

Date of Assent : September 6, 1957

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AN ACT TO AMEND THE CO-OPERATIVE WHOLESALE
ESTABLISHMENT ACT, NO. 47 OF 1949.

[Date of Assent: September 6, 1957]

BE it enacted by the Queen'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 Co-operative Wholesale Establishment (Amendment) Act, No. 39 of 1957.

Short title.

2. Section 2 (as amended by Act, No. 36 of 1955) of the Co-operative Wholesale Establishment Act, No. 47 of 1949, hereinafter referred to as the "principal Act", is hereby further amended, in sub-section (2) of that section, as follows:—

Amendment of
section 2 of
Act, No. 47
of 1949.

(1) by the substitution, for paragraph (b) of that sub-section, of the following new paragraph:—

"(b) to carry on business as exporters and importers of, and as wholesale and retail dealers in, goods of every description;"; and

(2) by the substitution, for paragraph (d) of that sub-section, of the following new paragraph:—

"(d) to carry on the business of insurance of every description including the grant of annuities upon human life."

3. Section 5 (inserted by Act, No. 36 of 1955) of the principal Act is hereby amended, in sub-section (1) of that section, by the substitution, for the word "seven", of the word "nine".

Amendment of
section 5 of
the principal
Act.

Insertion of
new heading
and new
sections 31A,
31B and 31C
in the principal
Act.

4. The following new heading and new sections are hereby inserted immediately after section 31, and the new sections shall have effect as sections 31A, 31B and 31C, of the principal Act:—

“ Provisions relating to insurance business.

Re-insurance.

31A. The Board may—

- (a) re-insure with any person any liability arising out of any policy or contract of insurance issued or effected in the course of the insurance business carried on by the Board; and
- (b) accept re-insurance of any liability arising out of any policy or contract of insurance issued or effected by any other person in the course of his carrying on any kind of insurance business that is carried on by the Board.

Investment
of insurance
moneys.

31B. All or any part of the moneys received in consequence of the insurance business carried on by the Board may be invested in any securities mentioned in section 20 of the Trusts Ordinance, or in such other securities as may be approved by the Minister with the concurrence of the Minister of Finance.

Cap. 72.

Insurance
moneys not
available for
discharge of
liabilities of
the Board.

31C. The moneys received in consequence of the insurance business carried on by the Board shall not be utilized for the discharge of any liabilities of the Board other than liabilities arising out of policies or contracts of insurance issued or effected by the Board, and, notwithstanding anything to the contrary in any other written law, shall not be seized in execution of any decree against the Board other than a decree relating to any liability arising out of any such policy or contract of insurance.”

5. Section 35 of the principal Act is hereby amended as follows:—

Amendment of
section 35 of
the principal
Act.

(1) by the re-numbering of that section as sub-section (1) of section 35;

(2) in re-numbered sub-section (1) of that section—

(a) by the substitution, in paragraph (d) of that sub-section, for the words “Board; and”, of the word “Board;”;

(b) by the substitution, in paragraph (e) of that sub-section,—

(i) for the words “the Board”, of the words “the Board, other than assets comprising moneys received in consequence of the insurance business carried on by the Board,”; and

(ii) for the words “the Minister.”, of the words “the Minister; and”; and

(c) by the addition, immediately after paragraph (e) of that sub-section, of the following new paragraph:—

“ (f) arrange for the transfer to any person of the insurance business carried on by the Board in accordance with a scheme of transfer prepared by the liquidator and approved by the Minister.”; and

(3) by the addition, immediately after re-numbered sub-section (1) of that section, of the following new sub-section:—

“ (2) Upon the transfer to any person of the insurance business carried on by the Board in accordance with a scheme of transfer prepared and approved under paragraph (f) of sub-section (1), all the policies or contracts of insurance issued or effected by the Board in the course of that business shall be deemed to have been issued or effected by such person.”.

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(Amendment) Act, No. 39 of 1957

Amendment of
section 36
of the
principal Act.

6. Section 36 of the principal Act is hereby amended, in sub-section (1) of that section, by the substitution, for the words "including the General Reserve shall", of the following:—

"(including the General Reserve), other than the moneys received in consequence of the insurance business carried on by the Board, shall".