

APPENDIX I.

- A. MAJOR LEGAL ENACTMENTS ADOPTED BY THE GOVERNMENT IN 1952.
- B. MAJOR ADMINISTRATIVE MEASURES ADOPTED BY THE MONETARY BOARD
IN 1952.

A—Major Legal Enactments Adopted by the Government in 1952

(i) Bank of Ceylon (Amendment) Act 19 of 1952

The Bank of Ceylon (Amendment) Act 19 of 1952 is the latest amendment to the Bank of Ceylon Ordinance No. 53 of 1938.

(1) Under section 1 (e) of Part I of the first schedule to the principal enactment the granting of credit by the Bank was subject to the condition that no advances, accommodation or credit could be made or granted against the primary security of fixed or immovable property other than fixed plant or machinery. This condition has now been removed.

(2) Under the amending act, the powers conferred on the Bank under section 1 (m) of Part I of the first schedule to construct buildings, or improve, alter, develop or otherwise deal with any property or rights of the Bank were extended to apply to any land taken on lease by the Bank.

(3) Under section 3 (cc) of Part II of the first schedule the Bank was enjoined at all times to maintain in cash (either in the Bank's Treasury or at credit with the Bank's clearing agents) a total reserve of an amount not less than 10 per cent of the total credit of depositors in current, deposit or other accounts, in the Bank. The amending act deleted this provision since section 92 of the Monetary Law Act requires all commercial banks operating in Ceylon to maintain prescribed reserves with the Central Bank.

(4) The provision in section 3 (dd) of Part II of the first schedule limiting the maximum period of a loan to 24 months for seasonal loans and to six months for other loans has been repealed by the amending act.

(ii) The Exchange and Securities Control (Continuation) Act 35 of 1950

This Act, which provided for the continuance in force after December 9th, 1950 for a period of one year of the Defence (Finance) Regulations, Defence (Finance No. 2) Regulations, Defence (Finance No. 3) Regulations, and the Defence (Securities) Regulations, was further extended by resolutions passed in the Senate and House of Representatives for various periods, pending the passing into law of the Exchange Control Bill. The regulations continued to be in force throughout the year as a result of these resolutions.

B—Major Administrative Measures adopted by the Monetary Board in 1952

(i)

Circular No. 1
Revised January 4, 1952.**CENTRAL BANK'S EXCHANGE RATES**
(Reference : Section 73 of the Monetary Law Act)

1. The following exchange rates are applicable to transactions by the Central Bank with commercial banks in Ceylon :—

	Central Bank buying rates for telegraphic transfers	Central Bank selling rates for telegraphic transfers
Sterling (per Ceylon rupee)		
Spot	<i>s. d.</i> 1 6 $\frac{3}{4}$	<i>s. d.</i> 1 6 $\frac{3}{4}$
Forward (up to six months)	1/128 <i>d.</i> per month discount against spot	1/128 <i>d.</i> per month premium against spot
Indian rupee (per 100)		
Spot	Rs. 99 $\frac{1}{8}$	Rs. 99 $\frac{7}{8}$
Forward (up to six months)	1/32 of a rupee per month discount against spot*	1/32 of a rupee per month premium against spot*

* Contracts to be taken up at the option of the commercial bank but at the contracted exchange rate if taken up before expiry of the contract period.

2. The Central Bank's rates for the U.S. dollar applicable to transactions with commercial banks will be subject to frequent change within one half of one per cent of the legal parity. Such changes will be communicated as and when they occur.

3. The provisions of this circular may be withdrawn, added to, or amended at any time.

JOHN EXTER,
Governor.

Circular No. 1
Revised January 28, 1952.

CENTRAL BANK EXCHANGE RATES

(Reference : Section 73 of the Monetary Law Act)

1. The following exchange rates are applicable to transactions by the Central Bank with commercial banks in Ceylon :—

	Central Bank buying rates for telegraphic transfers	Central Bank selling rates for telegraphic transfers
Sterling (per Ceylon rupee)	<i>s. d.</i>	<i>s. d.</i>
Spot	1 6 $\frac{1}{2}$	1 6 $\frac{1}{2}$
Forward (up to six months)	1/128 <i>d.</i> per month discount against spot*	1/128 <i>d.</i> per month premium against spot*
Forward (up to six months) against purchase of forward dollars of corresponding delivery	—	1 6 $\frac{1}{2}$
Indian rupee (per 100 Indian Rupees)		
Spot	Rs. 99 $\frac{1}{2}$	Rs. 99 $\frac{1}{2}$
Forward (up to six months)	1/32 of a rupee per month discount against spot*	1/32 of a rupee per month premium against spot*

* Contracts to be taken up at the option of the commercial bank but at the contracted exchange rate if taken up before expiry of the contract period.

Indian Rupee Swap Facilities.—In order to provide commercial banks with working balances in Indian rupees when necessary, the Central Bank will sell Indian rupees spot against a forward purchase for a period not exceeding three months at level rates. Swap facilities will be allowed up to Indian rupees 1,000,000. The swap may be renewed at the discretion of the Central Bank.

2. The Central Bank's rates for the U.S. dollar applicable to transactions with commercial banks will be subject to frequent change within one half of one per cent. of the legal parity. Such changes will be communicated as and when they occur.

3. The provisions of this circular may be withdrawn, added to, or amended at any time

JOHN EXTER,
Governor.

CENTRAL BANK EXCHANGE RATES FOR U.S. DOLLARS

The following exchange rates for the U.S. Dollar were applicable to transactions by the Central Bank with commercial banks during 1952 :—

Date	Circular No.		Buying (per \$ 100)	Selling (per \$ 100)
4. 1.52	1/6	Spot	Rs. 478	Rs. 478.50
		Forward up to six months	Cts. 25 per month discount against spot	Cts. 50 per month premium against spot
18. 1.52	1/7	Spot	Rs. 478.30	Rs. 478.55
		Forward up to three months	Cts. 75 per month discount against spot	Rs. 1.25 per month premium against spot
14. 2.52	1/8	Spot	Rs. 478.30	Rs. 478.55
		Forward up to three months	Cts. 50 per month discount against spot	Re. 1.00 per month premium against spot
28. 2.52	1/9	Spot	Rs. 478	Rs. 478.25
		Forward up to three months	Cts. 50 per month discount against spot	Re. 1.00 per month premium against spot
29. 2.52	1/10	Spot	Rs. 478.25	Rs. 478.50
		Forward up to three months	Cts. 50 per month discount against spot	Re. 1.00 per month premium against spot
12. 3.52	1/11	Spot	Rs. 478.25	Rs. 478.50
		Forward up to three months	Re. 1.00 per month discount against spot	Rs. 1.50 per month premium against spot
13. 3.52	1/12	Spot	Rs. 477.50	Rs. 477.75
		Forward up to three months	Re. 1.00 per month discount against spot	Rs. 1.50 per month premium against spot
14. 3.52	1/13	Spot	Rs. 476.75	Rs. 477
		Forward up to three months	Re. 1.00 per month discount against spot	Rs. 1.50 per month premium against spot
15. 3.52	1/14	Spot	Rs. 475	Rs. 475.25
		Forward up to three months	Cts. 50 per month discount against spot	Rs. 1.25 per month premium against spot
20. 3.52	1/15	Spot	Rs. 474	Rs. 474.25
		Forward up to three months	Cts. 50 per month discount against spot	Rs. 1.25 per month premium against spot
22. 3.52	1/16	Spot	Rs. 474.50	Rs. 474.75
		Forward up to three months	Cts. 50 per month discount against spot	Rs. 1.25 per month premium against spot
26. 3.52	1/17	Spot	Rs. 474	Rs. 474.25
		Forward up to three months	Cts. 50 per month discount against spot	Rs. 1.25 per month premium against spot
2. 4.52	1/18	Spot	Rs. 473.75	Rs. 474
		Forward up to three months	Cts. 50 per month discount against spot	Rs. 1.25 per month premium against spot
5. 4.52	1/19	Spot	Rs. 475	Rs. 475.25
		Forward up to three months	Cts. 50 per month discount against spot	Rs. 1.25 per month premium against spot
7. 4.52	1/20	Spot	Rs. 475.50	Rs. 475.75
		Forward up to three months	Cts. 50 per month discount against spot	Rs. 1.25 per month premium against spot
8. 4.52	1/21	Spot	Rs. 474.25	Rs. 474.50
		Forward up to three months	Cts. 25 per month discount against spot	Cts. 75 per month premium against spot

Date	Circular No.		Buying (per \$ 100)	Selling (per \$ 100)
5. 5.52	1/22	Spot Forward up to three months	Rs. 475.25 Cts. 25 per month discount against spot	Rs. 475.50 Cts. 75 per month premium against spot
19. 5.52	1/23	Spot Forward up to three months	Rs. 475.75 Cts. 25 per month discount against spot	Rs. 476 Cts. 75 per month premium against spot
23. 5.52	1/24	Spot Forward up to three months	Rs. 476.75 Cts. 25 per month discount against spot	Rs. 477 Cts. 75 per month premium against spot
24. 5.52	1/25	Spot Forward up to three months	Rs. 475.75 Cts. 25 per month discount against spot	Rs. 476 Cts. 75 per month premium against spot
26. 5.52	1/26	Spot Forward up to three months	Rs. 476.75 Cts. 25 per month discount against spot	Rs. 477 Cts. 75 per month premium against spot
28. 5.52	1/27	Spot Forward up to three months	Rs. 477.50 Cts. 25 per month discount against spot	Rs. 477.75 Cts. 75 per month premium against spot
12. 6.52	1/28	Spot Forward up to three months	Rs. 477.75 Cts. 25	Rs. 478 Cts. 75 per month premium against spot
13. 6.52	1/29	Spot Forward up to three months	Rs. 478 Rs. 478	Rs. 478.25 Cts. 75 per month premium against spot
16. 6.52	1/30	Spot Forward up to three months	Rs. 478.25 Rs. 478.25	Rs. 478.50 Cts. 75 per month premium against spot
6. 8.52	1/31	Spot Forward up to three months	Rs. 477.50 Rs. 477.50	Rs. 477.75 Cts. 75 per month premium against spot
14. 8.52	1/32	Spot Forward up to three months	Rs. 478.25 Rs. 478.25	Rs. 478.50 Cts. 75 per month premium against spot
16.10.52	1/33	Spot Forward up to three months	Rs. 477.75 Rs. 477.75	Rs. 478.00 Cts. 75 per month premium against spot
21.10.52	1/34	Spot Forward up to three months	Rs. 477 Rs. 477	Rs. 477.25 Cts. 75 per month premium against spot
23.10.52	1/35	Spot Forward up to three months	Rs. 476.50 Rs. 476.50	Rs. 476.75 Cts. 75 per month premium against spot
3.11.52	1/36	Spot Forward up to three months	Rs. 475.50 Rs. 475.50	Rs. 475.75 Cts. 75 per month premium against spot
10.11.52	1/37	Spot Forward up to three months	Rs. 476.50 Rs. 476.50	Rs. 476.75 Cts. 75 per month premium against spot
17.11.52	1/38	Spot Forward up to three months	Rs. 475.75 Rs. 475.75	Rs. 476 Cts. 75 per month premium against spot
2.12.52	1/39	Spot Forward up to three months	Rs. 475.25 Rs. 475.25	Rs. 475.50 Cts. 75 per month premium against spot
8.12.52	1/40	Spot Forward up to three months	Rs. 475.75 Rs. 475.75	Rs. 476 Cts. 75 per month premium against spot
15.12.52	1/41	Spot Forward up to three months	Rs. 475 Rs. 475	Rs. 475.25 Cts. 75 per month premium against spot
29.12.52	1/42	Spot Forward up to three months	Rs. 474.50 Rs. 474.50	Rs. 474.75 Cts. 75 per month premium against spot

(Circular No. 2
Revised January 4, 1952.

COMMERCIAL BANK EXCHANGE RATES
(Reference : Section 75 of the Monetary Law Act)

The following exchange rates are applicable to transactions by commercial banks :—

	Minimum Buying Rates Clean telegraphic transfers <i>Rs. cts.</i>	Maximum Selling Rates Clean telegraphic transfers <i>Rs. cts.</i>
Sterling (per £1)		
(a) For amounts of £100 or below	13·26 (Corresponding to 1/6 ³³ / ₃₂ per rupee)	13·36 (Corresponding to 1/5 ³³ / ₃₂ per rupee)
(b) For amounts over £100	13·38 (Corresponding to 1/6 ¹³ / ₃₂ per rupee)	13·33 (Corresponding to 1/6 per rupee)
United States dollars (per \$1)	4·73	4·80
Indian rupees (per 100 Indian rupees)	99 ²⁵ / ₃₂	99 ²⁵ / ₃₂
*Australian pounds (per A. £1)		
*Pakistan rupee (per 100 Pakistan rupees)		

2. The provisions of this Circular may be withdrawn, added to, or amended at any time.

* To be announced later.

JOHN EXTER,
Governor.

Circular No. 2,
Revised January 8, 1952.

COMMERCIAL BANK EXCHANGE RATES
(Reference : Section 75 of the Monetary Law Act)

The following exchange rates are applicable to transactions by commercial banks :—

	Minimum Buying Rates Clean telegraphic transfers <i>Rs. cts.</i>	Maximum Selling Rates Clean telegraphic transfers <i>Rs. cts.</i>
Sterling (per £1)		
(a) For amounts of £100 or below	13·26 (Corresponding to 1/6 ³³ / ₃₂ per rupee)	13·36 (Corresponding to 1/5 ³³ / ₃₂ per rupee)
(b) For amounts over £100	13·28 (Corresponding to 1/6 ¹³ / ₃₂ per rupee)	13·33 (Corresponding to 1/6 per rupee)
United States dollars (per \$1)	4·73	4·80
Indian rupees (per 100 Indian rupees)	99 ²⁵ / ₃₂	99 ²⁵ / ₃₂
Australian pounds (per A. £1)	—	10·71 (Corresponding to 1/10 ³³ / ₃₂ per rupee)
Pakistan rupees (per 100 Pakistan rupees)	143·36 (Corresponding to 69 ³ / ₃₂ Pakistan rupees per 100 Ceylon rupees)	144·14 (Corresponding to 69 ³ / ₃₂ Pakistan rupees per 100 Ceylon rupees)

2. The provisions of this circular may be withdrawn, added to, or amended at any time.

JOHN EXTER,
Governor.

Circular No. 2,
Revised January 28, 1952.

COMMERCIAL BANK EXCHANGE RATES

(References : Section 75 of the Monetary Law Act)

The following exchange rates are applicable to transactions by commercial banks :—

	Minimum Buying Rates Clean telegraphic transfers <i>Rs. cts.</i>	Maximum Selling Rates Clean telegraphic transfers <i>Rs. cts.</i>
Sterling (per £1)		
(a) For amounts of £100 or below	13·26 (Corresponding to 1/6 $\frac{3}{4}$ per rupee)	13·36 (Corresponding to 1/5 $\frac{3}{4}$ per rupee)
(b) For amounts over £100	13·28 (Corresponding to 1/6 $\frac{1}{16}$ per rupee)	13·33 (Corresponding to 1/6 per rupee)
United States dollars (per \$1)	4·73	4·80
Indian rupees (per 100 Indian rupees)	99 $\frac{33}{4}$	99 $\frac{33}{2}$
Australian pounds (per A. £1)	—	10·71 (Corresponding to 1/10 $\frac{3}{4}$ per rupee)
Pakistan rupees (per 100 Pakistan rupees)	143·36 (Corresponding to 69 $\frac{3}{4}$ Pakistan rupees per 100 Ceylon rupees)	144·14 (Corresponding to 69 $\frac{3}{4}$ Pakistan rupees per 100 Ceylon rupees)

2. The provisions of this circular may be withdrawn, added to, or amended at any time.

JOHN EXTER,
Governor.Circular No. 2,
Revised May, 24 1952.

COMMERCIAL BANK EXCHANGE RATES

(Reference : Section 75 of the Monetary Law Act)

The following exchange rates are applicable to transactions by commercial banks :—

	Minimum Buying Rates Clean telegraphic transfers <i>Rs. cts.</i>	Maximum Selling Rates Clean telegraphic transfers <i>Rs. cts.</i>
Sterling (per £1)		
(a) For amounts of £100 or below	13·26 (Corresponding to 1/6 $\frac{3}{4}$ per rupee)	13·36 (Corresponding to 1/5 $\frac{3}{4}$ per rupee)
(b) For amounts over £100	13·28 (Corresponding to 1/6 $\frac{1}{16}$ per rupee)	13·33 (Corresponding to 1/6 per rupee)
United States dollars	Not more than Cts. 75 per \$100 below Central Bank's buying rate	Not more than Rs. 1·50 per \$100 over Central Bank's selling rate
Indian rupees (per 100 Indian rupees)	99 $\frac{33}{2}$	99 $\frac{27}{2}$
Australian pounds (per A. £1)	—	10·71 (Corresponding to 1/10 $\frac{3}{4}$ per rupee)
Pakistan rupees (per 100 Pakistan rupees)	143·36 (Corresponding to 69 $\frac{3}{4}$ Pakistan rupees per 100 Ceylon rupees)	144·14 (Corresponding to 69 $\frac{3}{4}$ Pakistan rupees per 100 Ceylon rupees)

2. The provisions of this circular may be withdrawn, added to, or amended at any time.

JOHN EXTER,
Governor.

(iii)

PARITIES NOTICE OF JUNE 27, 1952

(Extract from the "Ceylon Government Gazette")
No. 10,418 of June 27, 1952)

It is hereby notified in terms of section 72 of the Monetary Law Act that the notice relating to parities of foreign currencies with respect to the Ceylon rupee published in *Ceylon Government Gazette* Extraordinary No. 10,144 of Monday, August 28, 1950, is amended by the substitution, for the parities set out in the Schedule thereto, of the parities set out in the Schedule hereto.

JOHN EXTER,
Governor,
Central Bank of Ceylon.

Colombo June, 27, 1952.

Schedule

Country	Currency Unit	Parity Rs.
Australia	Pound	10.6666
Burma	Rupee	1.00
Denmark	Kroner	.6894
India	Rupee	1.00
Japan	Yen	.0132
New Zealand	Pound	13.2423
Pakistan	Rupee	1.4393
Philippines	Peso	2.3810
Singapore	Dollar	1.5556
South Africa	Pound	13.3333
Sweden	Kroner	.9205
United Kingdom	Pound	13.3333
U.S.A.	Dollar	4.7619