

GOVERNMENT GUARANTEES (DEVELOPMENT PURPOSES) ACT

Act 44 of 1970 – 3 December 1970

ARRANGEMENT OF SECTIONS

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GOVERNMENT GUARANTEES (DEVELOPMENT PURPOSES) ACT

1. Short title

This Act may be cited as the Government Guarantees (Development Purposes) Act.

2. Interpretation

In this Act—

“development purposes” means purposes which, in the opinion of the Minister, promote the economic development of Mauritius;

“Minister” means the Minister to whom responsibility for the subject of finance is assigned;

“resident” includes any body corporate, society, syndicate or partnership which is resident in Mauritius.

3. Guarantee of money borrowed

(1) Subject to this Act, the Minister may execute, in the name and on behalf of Government, any instrument required to be executed for the purpose of guaranteeing, wholly or partly, the repayment of any money borrowed by a resident in Mauritius for development purposes.

(2) Before executing any such instrument, the Minister may require the resident to furnish proof of his capacity to repay the money borrowed.

(3) The Minister may, as a condition of the guarantee, require the resident—

- (a) to pay an annual fee not exceeding one per cent of the money guaranteed;
- (b) to give security, in any specific case, in such manner and form as he may specify, sufficient to indemnify Government of any liability it may incur under any such instrument.

(4) Any money the repayment of which is guaranteed under any such instrument shall be a charge on the Consolidated Fund and any liability incurred under it shall be paid out of such Fund.

4. Submission of financial statements

The Minister may require any resident who has borrowed money the repayment of which is wholly or partly guaranteed by Government, by notice in writing, to submit, in such form as may be required by the Minister, an annual financial statement regarding the money so borrowed.

5. Exemption from duty

Any instrument executed under section 3 shall be exempt from stamp duty or registration dues.
