



THE REPUBLIC OF KENYA

LAWS OF KENYA

GOLD MINES DEVELOPMENT LOANS ACT

CHAPTER 311

Revised Edition 2012 [1962]

Published by the National Council for Law Reporting
with the Authority of the Attorney-General

www.kenyalaw.org

CHAPTER 311

GOLD MINES DEVELOPMENT LOANS ACT

ARRANGEMENT OF SECTIONS

PART I – PRELIMINARY

Section

1. Short title.
2. Interpretation.

PART II – ESTABLISHMENT OF BOARD AND PROVISION OF MONEYS

3. Establishment and Constitution of Board.
4. Board to be body corporate.
5. Chairman.
6. Procedure and meetings of Board.
7. Execution of documents.
8. Exemption from stamp duty and other charges.
9. Provision out of public funds.

PART III – GRANT OF LOANS BY THE BOARD

10. Loans.
11. Repayment of loans.
12. Loans to be free of interest.

PART IV – MISCELLANEOUS

13. Appeals.
14. Accounts.
15. Access to accounts, etc., of Board.
16. Board may require production of accounts, etc.
17. Rules.
18. Secrecy.
19. False statements.

CHAPTER 311

GOLD MINES DEVELOPMENT LOANS ACT

[Date of assent: 22nd April, 1952.]

[Date of commencement: 22nd April, 1952.]

An Act of Parliament to provide for the granting of financial assistance for the underground development of gold mines in Kenya, and for purposes incidental thereto and connected therewith

[L.N. 342/1956, L.N. 343/1956, L.N. 293/1956, L.N. 172/1960, L.N. 173/1960, L.N. 496/1961, L.N. 550/1961, L.N. 649/1963, L.N. 365/1964, Act No. 12 of 1985.]

PART I – PRELIMINARY

1. Short title

This Act may be cited as the Gold Mines Development Loans Act.

2. Interpretation

In this Act, except where the context otherwise requires—

“**gold mine**” means a mine which produces gold either alone or in conjunction with any other mineral;

“**the Board**” means the Gold Mines Development Loans Board established by section 3.

PART II – ESTABLISHMENT OF BOARD AND PROVISION OF MONEYS

3. Establishment and Constitution of Board

(1) There is hereby established a Board, to be known as the Gold Mines Development Loans Board.

(2) The Board shall consist of the Permanent Secretary of the Ministry for the time being responsible for industry, who shall be the chairman, the Senior Mining Engineer of the Mines and Geological Department and two persons appointed by the Minister after consultation with the Kenya National Chamber of Commerce and Industry.

4. Board to be body corporate

The Board shall be a body corporate, and shall be capable of suing and of being sued, and of purchasing or otherwise acquiring; holding and alienating property, movable and immovable, and subject to the provisions of this Act, of doing or performing such acts and things as bodies corporate may by law do and perform.

5. Chairman

(1) The chairman shall preside at all meetings of the Board at which he is present.

(2) If the chairman is absent from any meeting, the Board shall elect one of their number to act as chairman at that meeting.

6. Procedure and meetings of Board

(1) The Board shall meet at such times as may be necessary or expedient for the transaction of the business of the Board, and meetings shall be held at such place and time and on such days as the Board may determine.

(2) A quorum of the Board shall be two.

(3) The decisions of the Board shall be by a majority of votes; and if the votes are equal the chairman of the meeting shall have an additional vote.

(4) The powers of the Board shall not be affected by any vacancy in the membership thereof, nor by the fact that it is afterwards discovered that there was some defect in the appointment or qualifications of a person purporting to be a member of the Board.

(5) Subject to the provisions of this Act, the Board shall have power to regulate its own proceedings.

7. Execution of documents

All deeds, instruments, contracts and other documents shall be deemed to be duly executed by or on behalf of the Board if signed by the chairman of the Board and one other member.

8. Exemption from stamp duty and other charges

(1) No stamp duty, transfer duty or registration fee shall be payable in respect of any transfer of property to the Board otherwise than by way of mortgage or security for an advance.

(2) Subject to the exception contained in subsection (1), no certificate, instrument or other document issued by or in favour of the Board in giving effect to the powers conferred upon it by this Act shall be subject to stamp duty or to any fee or charge whatsoever, nor shall the Board be liable for the payment of any search or inspection fee in any mining titles or deeds registry or other registration office.

9. Provision out of public funds

(1) There shall be set aside from public revenues for the purposes of this Act such sum of money as may be voted for the purpose by Parliament.

(2) The Permanent Secretary of the Ministry for the time being responsible for Industry shall, out of moneys so set aside, make such payments as the Board may by resolution direct.

[L.N. 293/1956, L.N. 496/1961, L.N. 550/1961, L.N. 365/1964.]

PART III – GRANT OF LOANS BY THE BOARD

10. Loans

(1) The Board may, upon such terms and conditions as it thinks fit, grant a loan to the owner of any gold mine for the underground development of the gold mine.

(2) An application for the grant of a loan under this section shall be made and signed by or on behalf of the owner of the gold mine, and shall be in such form and shall contain such particulars as may be prescribed.

(3) The Board may in its absolute discretion grant or refuse any application for a loan.

(4) The amount of any loan to be made under this section shall be calculated in such manner as may be prescribed.

11. Repayment of loans

A loan made under this Act shall be repayable in such manner and subject to such conditions as may be prescribed.

12. Loans to be free of interest

Every loan granted under this Act shall be free of interest.

PART IV – MISCELLANEOUS

13. Appeals

Any person aggrieved by a decision of the Board in relation to an application for a loan may, within thirty days of the decision, appeal in writing to the Minister, whose decision shall be final.

14. Accounts

(1) The Permanent Secretary of the Ministry for the time being responsible for Industry shall, as soon as possible after the 31st March in each year, transmit to the Minister for the time being responsible for finance, to be laid on the table of the National Assembly, a statement of accounts audited and certified by the controller Auditor-General (Corporations) showing the gross amount of loans made and moneys received by the direction or on behalf of the Board during the preceding twelve months.

(2) In addition to the accounts mentioned in this section, the Board shall render to the Minister for the time being responsible for finance from time to time such other accounts, reports and statements as that Minister may require.

[L.N. 293/1956, L.N. 496/1961, L.N. 550/1961, L.N. 649/1963, Act No. 12 of 1985, Sch.]

15. Access to accounts, etc., of Board

The Permanent Secretary of the Ministry for the time being responsible for Industry and any other public officer in his department deputed by him, and the Controller and Auditor-General and any other public officer in his department deputed by him, shall have full access to all such accounts, documents, papers and books as may be kept by the Board, and the Board shall at all times furnish to any such officer any information he may require.

[L.N. 293/1956, L.N. 496/1961, L.N. 550/1961.]

16. Board may require production of accounts, etc.

(1) The Board may from time to time, while any loan granted by this Act or any part of such loan has not been repaid, by notice in writing require the person

to whom such loan was granted to produce or cause to be produced any books, accounts, vouchers, receipts or other documents relating to the operation of the gold mine in respect of which such loan was granted.

(2) A person who without lawful excuse fails to produce any books, accounts, vouchers, receipts or other documents in compliance with the terms of a notice in writing requiring their production shall be guilty of an offence and liable, on conviction by a subordinate court of the first class to a fine not exceeding one thousand shillings or to imprisonment for a term not exceeding six months, or to both.

17. Rules

(1) The Minister may make rules generally for better carrying out the provisions of this Act.

(2) Rules made under subsection (1) may, without prejudice to the generality of the power thereby conferred—

- (a) prescribe the form and contents of an application for a loan under this Act;
- (b) provide for the manner in which and the means by which the amount of any loan to be granted under this Act shall be calculated;
- (c) prescribe the form of agreement for a loan;
- (d) prescribe the manner in which and the conditions subject to which a loan under this Act shall be repayable;
- (e) prescribe the fee which shall be payable on every appeal to the Minister under section 13, and prescribe the circumstances in which any such fee may be refunded; and
- (f) prescribe anything required by this Act to be prescribed.

[L.N. 343/1956, L.N. 173/1960.]

18. Secrecy

(1) Any person having an official duty or being employed in the administration of this Act shall regard and deal with all documents, information, returns and forms relating to applications for advances or the making of advances under this Act as secret and confidential.

(2) A person having possession of or control over any documents, information, returns or forms relating to any of the matters aforesaid who communicates or attempts to communicate the information or anything contained in the documents, returns or forms to a person—

- (a) other than a person to whom he is authorized by the Minister to communicate it; or
- (b) otherwise than for the purpose of this Act,

shall be guilty of an offence and liable, on conviction by a subordinate court of the first class, to a fine not exceeding two thousand shillings or to imprisonment for a term not exceeding six months or to both.

[L.N. 342/1956, L.N. 172/1960.]

19. False statements

An applicant for an advance who wilfully fails to disclose material information within his knowledge, or who wilfully makes a statement which he knows to be false or does not believe to be true, shall be guilty of an offence and liable, on conviction by a subordinate court of the first class, to a fine not exceeding two thousand shillings or to imprisonment for a term not exceeding twelve months, or to both, and shall further be liable to have any advance made to him by the Board cancelled forthwith, and to repay to the Board forthwith all sums advanced to him together with interest thereon.

