

THE UNITED REPUBLIC OF TANZANIA



No. 2 OF 1971

I, RASHIDI M. KAWAWA, having been appointed by the President to discharge the Functions of the Office of the President during his absence, assent.

*R M Kawawa*

Second Vice-President

25TH JANUARY, 1971

**An Act to acquire the Shares of the Printpak Tanzania Limited**

[25TH JANUARY, 1971]

ENACTED by the Parliament of the United Republic of Tanzania.

**1.** This Act may be cited as the Printpak (Acquisition of Shares) Act, 1971.

Short title

**2.** In this Act, unless the context otherwise requires—"asset" means real and personal property of every kind including—

Interpretation

- (a) any right under any contract or agreement;
- (b) stock-in-trade;
- (c) books, books of account and records;
- (d) choses in action;
- (e) machinery, plant, furniture, fittings and equipment;
- (f) any other right, interest or claim in or to real or personal property, whether liquidated or unliquidated, certain or contingent, accrued or accruing;

"the Board" means the Board of Directors of the National Development Corporation;

"the Company" means the Printpak Tanzania Limited incorporated in Tanganyika under the Companies Ordinance;

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"the Corporation" means the National Development Corporation established by the National Development Corporation (Establishment) Order, 1969, made under the Public Corporations Act, 1969;

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"effective date" means the twenty-fifth day of January, 1971;

"Minister" means the Minister for the time being responsible for commerce;

"scheduled company" means a company specified in the Schedule to this Act.

Vesting of shares

**3.** As from the effective date all the shares in the Company shall, by virtue of this section and without further assurance, vest, free of any trust, mortgage, charge, lien, interest or other encumbrance whatsoever, in the Corporation, and the Corporation shall be the sole shareholder of the Company.

Directors to retire from office

**4.**-(1) As from the effective date, the Directors of the Company shall cease to hold office.

(2) A Director who ceases to hold office by virtue of subsection (1) shall not, notwithstanding any provisions to the contrary in any law or in the Articles of Association, charter, agreement, contract or other instrument whatsoever, be entitled to any damages or compensation in respect of the loss of office.

Board of Directors

**5.** Notwithstanding any provision to the contrary in any law or in any Articles of Association, charter, agreement, contract or other instrument whatsoever-

- (a) the Board shall, after consultation with the Minister, appoint directors of the Company;
- (b) the management of the Company shall vest in the Board of Directors of the Company;
- (c) the Board of Directors may, with the approval of the Minister, appoint a General Manager of the Company;
- (d) subject to the provisions of the Articles of Association, the Board may regulate its own procedure.

Compensation

**6.**-(1) The United Republic shall pay full and fair compensation in respect of the shares vested in the Corporation by virtue of the provisions of section 3.

(2) When the amount of compensation payable to any person entitled thereto by virtue of subsection (1) has been determined, the Minister for Finance shall issue a certificate setting out such amount, and that amount shall constitute a charge on and be paid out of the Consolidated Fund:

Provided that the said amount of compensation shall be payable in such manner and in such installments as the Minister for Finance, after consultation with the person entitled, shall determine.

Construction of instruments affecting shares

**7.**-(1) Any disposition-

- (a) which was effected by testamentary instrument executed before the effective date; and
- (b) which would have operated as a bequest of all or any of the shares vested in the Corporation under the provisions of this Act,

shall have effect as a bequest of the right of the testator to be paid compensation in respect of the acquisition of the shares in relation to which that disposition would have operated.

- (2) Any power of attorney or other instrument-
- (a) which was executed before the effective date; and
  - (b) which operates in relation to all or any of the shares of the Company,

shall have the like operation in relation to the right to payment of compensation in respect of the acquisition of the shares to which that power of attorney or other instrument relates.

**8.** (1) Where, in the opinion of the Minister-

- (a) any asset of a scheduled company was, immediately prior to the commencement of this Act, being utilized for the purpose of or in connection with the carrying out of the activities of the Company or of the Tanganyika Standard (Newspapers) Limited, or for the benefit of any employee of the Company or of any employee of the Tanganyika Standard (Newspapers) Limited; or
- (b) it is desirable to acquire an asset of a scheduled company for the purpose of enabling the Company or the Tanganyika Standard (Newspapers) Limited to carry out its activities efficiently,

Minister may acquire assets of scheduled companies

he may, by order under his hand, vest such asset in the Corporation:

Provided that no order shall be made under this subsection after the thirty-first day of December, 1971.

(2) Where an order is made under subsection (1) in respect of any asset, such asset shall, by virtue of such order and without further assurance, vest in the Corporation free of any trust, mortgage, charge, lien, interest or other encumbrance whatsoever.

(3) Where an order is made in respect of any asset of a scheduled company, the United Republic shall pay full and fair compensation to the scheduled company in respect of such asset.

(4) When the amount of compensation payable to any scheduled company entitled thereto by virtue of subsection (3) has been determined, the Minister for Finance shall issue a certificate setting out such amount, and that amount shall constitute a charge on and be paid out of the Consolidated Fund:

Provided that the said amount of compensation shall be payable in such manner and in such installments as the Minister for Finance, after consultation with the scheduled company entitled to the compensation, shall determine.

**9.**-(1) Where on or before the twenty-eighth day of February, 1971 an order is made under section 8 in respect of any asset, the order shall not be ineffective by reason only of the fact that on the date thereof the asset was not owned by the scheduled company if at any time on or after the first day of January, 1970, the asset was owned by a scheduled company, and in every such case any disposition of the asset by the scheduled company or by any person claiming under the scheduled company shall be inoperative and shall, for the purposes of such order, be deemed never to have been made.

Assignment transfer of vested in corporation to be invalid

(2) Nothing in this section shall prejudice the right of any person to claim compensation from a scheduled company or any other person in respect of an asset to which the provisions of that subsection apply.

Directors,  
employees,  
etc., to  
assist in  
take-over

**10.**-(1) Every person who immediately before the effective date was a director, member or employee of the Company shall do all such lawful things and acts as he may be called upon, in writing, to do by the Corporation in order to assist the Corporation in the take-over of the shares and in assuming effective control of the Company.

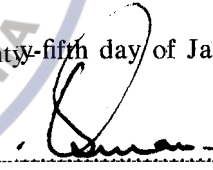
(2) Where an order is made under section 8 in respect of an asset of a scheduled company, every director, member and employee of the scheduled company and every person having any right, title or interest in or over the asset, shall do all such lawful things and acts as he may be called upon, in writing, to do by the Corporation in order to assist the Corporation in taking over and acquiring the asset.

(3) Any person who contravenes the provisions of subsection (1) or subsection (2) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding ten thousand shillings in respect of each day that the contravention continues.

SCHEDULE

- (a) Tanganyika Standard Limited (incorporated in Tanganyika).
- (b) Standard Properties Limited (incorporated in Kenya).
- (c) Printing and Packaging Corporation Limited (incorporated in Kenya).
- (d) Any body corporate wheresoever incorporated which is the beneficial owner of not less than seventy per centum of the issued share capital of any of the foregoing scheduled companies.
- (e) Any body corporate wheresoever incorporated not less than seventy per centum of the issued share capital of which is owned by or on behalf of any one or more of the foregoing scheduled companies, including a body corporate referred to in paragraph (d).

Passed in the National Assembly on the twenty-fifth day of January, 1971.

  
Clerk of the National Assembly