

THE CORPORATIONS SOLE (ESTABLISHMENT) ACT, 1974

ARRANGEMENT OF SECTIONS

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THE UNITED REPUBLIC OF TANZANIA



No. 23 OF 1974

I ASSENT,

Julius K. Nyerere
President

20TH: AUGUST, 1974

An Act to enable the President to establish corporations sole to facilitate the more efficient carrying on of commercial or industrial enterprises by public department

[.....]

ENACTED by the Parliament of the United Republic of Tanzania.

1. This Act may be cited as the Corporations Sole (Establishment) Short title Act, 1974.

2. In this Act "Minister" in relation to any corporation sole means ^{Interpreta-} the Minister for the time being responsible for the department for ^{tion} which the corporation sole is established.

3.—(1) Where the President is of the opinion that it is expedient ^{President} or desirable to establish a corporation sole in order to facilitate the ^{may} carrying on of any commercial or industrial enterprise by a public ^{designate any} department he may, by order in the *Gazette*, designate any public office ^{public office} to be a corporation sole. ^{to be} ^{corporation} ^{sole}

(2) Every order made under subsection (1) shall specify the public department in relation to which the corporation is established and may specify the commercial or industrial enterprise which may be carried on by the corporation.

(3) Where any public office is designated to be a corporation sole the public officer for the time being holding or acting in the public office shall have and may exercise all the powers of a corporation sole.

(4) Every corporation sole established by an order under this section shall—

- (a) have perpetual succession and a common seal;
- (b) in its corporate name be capable of suing and being sued;
- (c) subject to the provisions of this Act and any order made by the President in that behalf be capable of purchasing and otherwise acquiring, and of alienating any property, movable or immovable.

Functions of
corporation
sole

4.—(1) Every corporation sole shall carry on the commercial or industrial enterprise which it is authorized to carry on in an efficient manner and in accordance with the best mercantile traditions and may—

- (a) do anything or enter into any transaction which in its opinion is calculated to facilitate the proper and efficient carrying on of its activities and the proper exercise of its functions;
- (b) do all such acts and things as may be necessary to uphold and support the credit of the corporation and to obtain and justify public confidence, and to avert or minimize any loss to the corporation.

(2) The Minister responsible for the public department in relation to which a corporation sole is established may give the corporation such directions of a general or specific nature as he may consider fit and the corporation shall give effect to every such direction.

Financial
provisions

5.—(1) The funds and resources of a corporation sole shall be—

- (a) such sums as may be provided by Parliament either by way of loan or grant;
- (b) such sums of money as the corporation may borrow;
- (c) such sums of money or other property as may in any manner become payable to or vested in the corporation sole by any written law or incidental to the carrying out of its functions.

(2) A corporation sole shall not borrow any sum of money from any person other than the Government, the National Bank of Commerce, the Tanzania Investment Bank or the Tanzania Rural Development Bank, save in accordance with the regulations made under this Act:

Provided that a person lending money to a corporation sole shall not be bound to enquire whether the provisions of this subsection have complied with.

(3) Not less than two months before the beginning of any financial year (other than the first financial year) every corporation sole shall cause to be prepared and submit to the Minister and the Treasury Registrar a detailed budget (in this Act called the annual budget) of the amounts respectively—

- (a) expected to be received; and
- (b) expected to be disbursed,

by the corporation sole during that financial year.

(4) If in any financial year a corporation sole requires to make any disbursement not provided for or of an amount in excess of the amount provided for, in the annual budget for that year, it shall submit to the Minister and the Treasury Registrar a supplementary budget detailing such disbursement.

(5) The annual budget and every supplementary budget shall be in such form and include such details as the Treasury Registrar may direct.

