

with effect from the appointed date, cease to be in force.

- (g) The new memorandum and articles of association of the company shall be as prescribed.
- (h) Any transfer of the ownership of shares in the company made on or after the fourth day of January, 1972, shall be void.

3. (1) After the appointed date,—

- (a) no person, other than the Public Trustee, shall, whether by himself or jointly or in the aggregate with any individual who is his or her spouse or minor child, hold more than two *per centum* of the total number of shares of the company; and

- (b) the Board of Directors of the company shall have the power to decide to refuse to register any person as the holder of any share or shares in the company, whether by himself or jointly or in the aggregate with any such individual in excess of the said limitation of two *per centum*. Notice of such decision shall be sent by such Board by registered letter through the post to such person.

(2) Any person who is aggrieved by the decision of the Board of Directors of the company refusing to register him as the holder of any share of the company under subsection (1) may, within the prescribed period, prefer an appeal against such decision to the District Court of Colombo which may, on such appeal, make an order either confirming or setting aside such decision. The procedure to be followed for preferring, and at the hearing of, such appeal shall be prescribed.

(3) Any order made by the District Court of Colombo on any appeal preferred to it under subsection (2) shall be final and conclusive and shall not be called in question in any other court or tribunal, whether by way of action, application in revision, appeal, writ or otherwise.

4. Compensation in respect of each share of the company which vests in the Public Trustee by virtue of the operation of the provisions of section 2 shall be paid by the Public Trustee on behalf of the Government to the person who was the holder of that share of the company immediately prior to the appointed date, at a price to be determined by reference to—

- (a) the par value of such share;
- (b) the price at which the most recent transaction in respect of such shares took place before that day between the holders of such shares; and
- (c) the liquidator's valuation of such share.

5. (1) Subject to the provisions of section 3, the Public Trustee shall, acting under the authority of written directions in that behalf issued to him from time to time by the Minister, sell—

- (a) to such members of the public as shall be specified in such directions;
- (b) such number of shares of the company vested in him as shall be so specified; and
- (c) at such price as shall be so specified.

(2) Any written directions issued by the Minister under the preceding provisions of this section shall be final and conclusive and shall, subject to the provisions of section 3, not be called in question in any court or tribunal, whether by way of action, application in revision, appeal, writ or otherwise.

6. (1) The provisions set out hereafter in this subsection shall have effect in respect of the following matters:—

- (a) The Directors of the company on the day immediately prior to the appointed date shall cease to hold office as such on that date.
- (b) The management and administration of the business and affairs of the company shall be vested in a Board of Directors constituted as provided in this section.

Compensation in respect of shares of the company which are vested in the Public Trustee.

Sale of shares of the company vested in the Public Trustee to members of the public.

Special provisions in respect of certain matters.

Limitation on the number of shares of the company which may be held by any person.

209
1

ASSOCIATED NEWSPAPERS OF CEYLON LTD.
(SPECIAL PROVISIONS)

[Cap. 377]

CHAPTER 377

ASSOCIATED NEWSPAPERS OF CEYLON LTD.
(SPECIAL PROVISIONS)

Laws
Nos. 28 of 1973,
23 of 1974.

A LAW TO CHANGE THE STATUS OF THE COMPANY CARRYING ON BUSINESS UNDER THE NAME OF THE ASSOCIATED NEWSPAPERS OF CEYLON, LIMITED, TO PROVIDE FOR THE REDISTRIBUTION OF THE SHARES OF SUCH COMPANY, AND FOR THE RECONSTITUTION OF THE BODY RESPONSIBLE FOR THE MANAGEMENT AND ADMINISTRATION OF THE BUSINESS AND AFFAIRS OF SUCH COMPANY, AND FOR MATTERS CONNECTED THEREWITH OR INCIDENTAL THERETO.

[20th July, 1973.]

Short title.

1. This Law may be cited as the Associated Newspapers of Ceylon, Limited (Special Provisions) Law.

made up to the fourth day of January, 1972, and tendered to the Registrar of Companies, shall not be entitled to more than twenty-five *per centum* of the total number of shares in the company :

Special provisions relating to the company carrying on business under the name of the Associated Newspapers of Ceylon Limited.

2. The following provisions shall, on the appointed date, apply in respect of the company which was, on the day immediately prior to that date, carrying on business under the name of The Associated Newspapers of Ceylon, Limited :—

Provided that no individual shareholder shall hold more than two *per centum* of the total number of shares of the company as on the fourth day of January, 1972.

(a) Such company, hereinafter in this Law referred to as "the company", shall be, for the purposes of the Companies Ordinance,* a company other than a private company within the meaning of that Ordinance.

(d) In accordance with the preceding provisions of this section, the persons whose names and addresses are specified in the entries in Column I of the Schedule to this Law, being persons who were shareholders of the company in terms of the Annual Return in Companies Form 63 made up to the fourth day of January, 1972, and tendered to the Registrar of Companies, may hold shares in the company in such numbers as are specified in the corresponding entries in Column II of that Schedule.

(b) Not less than seventy-five *per centum* of the total number of all the shares of the company shall vest in the Public Trustee on behalf of the Government, and the company shall register the Public Trustee, under the title "The Public Trustee on behalf of the Government of Sri Lanka", as the holder of such shares of the company, and shall issue the necessary share certificates to the Public Trustee under that title.

(e) The balance shares of the company shall vest in the Public Trustee on behalf of the Government in terms of the provisions of paragraph (b).

(c) From and after the appointed date, persons who were shareholders of the company in terms of the Annual Return in Companies Form 63

(f) The memorandum and articles of association of the company shall,

* Repealed and replaced by the Companies Act, No. 17 of 1982.

205
2

ASSOCIATED NEWSPAPERS OF CEYLON LTD.
(SPECIAL PROVISIONS)

[Cap. 377]

(c) The Board of Directors so constituted may exercise, discharge or perform the powers, functions or duties of the company for the purpose of carrying on the business and administering the affairs of the company.

(d) The first Board of Directors of the company after the appointed date shall consist of five Directors all of whom shall be appointed by the Public Trustee, and—

(i) at least one of whom shall be a person who was the holder of any shares of the company on the day immediately prior to the appointed date,

(ii) at least one of whom shall be a person who is a working journalist of the company, and

(iii) at least one of whom shall be a person who is a qualified accountant.

The Public Trustee shall nominate one of the Directors to be the Chairman of the Board of Directors and Managing Director of the company.

(e) The Directors constituting the first Board of Directors of the company after the appointed date shall, unless they earlier vacate office as such, hold office as such Directors until the conclusion of the first annual general meeting of the company.

(f) The first annual general meeting of the company shall be held before the expiration of a period of one year from the appointed date.

(g) At the first annual general meeting of the company after the appointed date, and at every subsequent annual general meeting of the company, the persons who are the holders of shares of the company shall elect from among themselves five Directors of the company who

shall, unless they earlier vacate office as such, hold office as such Directors until the conclusion of the next annual general meeting of the company :

Provided, however, that where the Public Trustee on behalf of the Government—

(i) holds at least fifty-one *per centum* of the total number of the shares in the company, only two such Directors shall be so elected and the other three Directors shall be appointed by the Public Trustee, or

(ii) holds at least forty *per centum* of such total number, only three such Directors shall be so elected and the other two Directors shall be appointed by the Public Trustee, or

(iii) holds at least twenty *per centum* of such total number, only four such Directors shall be so elected and the other Director shall be appointed by the Public Trustee.

(2) For so long and so long only as the Public Trustee is entitled to appoint a Director or Directors of the company, he shall not be entitled to participate or to vote in the election of the other Directors of the company.

(3) A person may be appointed by the Public Trustee as a Director of the company notwithstanding that such person does not have the necessary qualifying share or shares of the company as may be required by the articles of association of the company to enable him to be such Director.

(4) The Director or Directors of the company appointed by the Public Trustee under paragraph (g) of subsection (1) shall, unless he or they earlier vacate office, hold office as such Director or Directors until the conclusion of the next annual general meeting of the company after his or their appointment.

