

State Mining Corporation (Establishment)

GOVERNMENT NOTICE No. 163 published on 18/8/72

THE PUBLIC CORPORATIONS ACT, 1969

(No. 17 of 1969)

ORDER

Made under sections 3, 5 and 11

- Title** THE STATE MINING CORPORATION (ESTABLISHMENT) ORDER, 1972
- Interpretation Act, 1969 No. 19**
1. This Order may be cited as the State Mining Corporation (Establishments) Order, 1972.
2. In this Order, unless the context otherwise requires—
- “the Act” means the Public Corporation Act, 1969;
- “the Board” means the Board of Directors provided for in paragraph 6;
- “the Corporation” means the State Mining Corporation established by this Order;
- “to mine” means to engage in any act, operation or process of, connected with or incidental to, the mining, extraction or treatment of any minerals; and
- “mine” means any piece of land, place, building or structure, whether over or under the surface of the earth, whereon or wherein any mining operation is carried on;
- “mineral” means any mineral substance and includes metals, precious metals, precious stone, semi-precious stone, salt and any other mineral whatsoever;
- “Minister” means the Minister for the time being responsible for mineral resources;
- “precious metals” means gold, silver or any other metal of the platinoid group;
- “precious stone” means diamond, ruby, emerald, opal, sapphire, turquoise, tanzanite and any other gemstone or stone commonly falling within the group of precious stones.
- Corporation** 3. There is hereby established a Corporation to be known as the State Mining Corporation.
- Functions** 4.—(1) The functions of the Corporation shall be:—
- (a) to carry on the business of prospectors, miners producers, refiners, graders, cutters, storers, suppliers, buyers, sellers and distributors of minerals;
- (b) to conduct or engage in mineral prospecting and mining operations including exploration, testing, appraisal, extraction, producing, treatment, processing, grading, cutting, storing, transportation and such other activities relating thereto (including buying, selling and marketing of minerals) as the Board may, from time to time decide;
- (c) to acquire by agreement and hold interests in any undertaking, enterprise or project associated with the exploration, prospecting and mining of minerals and for such purposes to obtain, exercise, carry out and use any mining lease, licence, concession, franchise, authority, power, right or privilege which any government, public body or other authority may be empowered to grant;

- (d) to acquire shares or interest in any firm, company or other body of persons, whether corporate or unincorporate, engaged in mining of, or in prospecting, refining, grading, producing, cutting, processing, buying or selling or marketing of minerals;
- (e) to manage the affairs of any corporation, company, firm or other body the interests of which are transferred to or acquired by the Corporation under the provisions of the Act, this Order or otherwise;
- (f) to carry on its business, operations and activities either within Tanganyika or elsewhere, whether as principal agent, contractor or otherwise, and either alone or in conjunction with any other persons, firms or bodies corporate;
- (g) to 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;
- (h) to do any thing or enter into any transaction which, in the opinion of the Board is calculated to facilitate the proper and efficient carrying on of its activities and the proper performance of its functions as specified in this paragraph.

5.—(1) The authorized nominal capital of the Corporation shall be one hundred million shillings divided into ten thousand shares having a par value of ten thousand shillings each.

(2) The initial paid up capital of the Corporation shall be sixty five million shillings which shall be raised by the issue of six thousand and five hundred fully paid up shares allotted to the United Republic.

(3) No person other than the United Republic shall be entitled to hold any share in the Corporation.

(4) Payment for any further share or shares issued by the Corporation and allotted to the United Republic shall be made in such manner as the Minister, after consultation with the Board and the Minister for the time being responsible for finance, may decide.

6.—(1) The management of the Corporation is hereby vested in a Management Board of Directors.

(2) The Board shall consist of—

- (a) a chairman who shall be appointed by the President;
- (b) such other members, being not less than seven nor more than eleven, as the Minister may appoint.

(3) The President shall appoint a General Manager who shall be the chief executive officer of the Corporation and shall be responsible to the Board for the management of the affairs of the Corporation.

(4) The terms of employment of the General Manager shall be determined by the President.

(5) The Board may from time to time appoint, on such terms and conditions as it thinks fit, such other officers and servants of the Corporation as may be necessary for conducting the business of the Corporation.

(6) The chairman and other members of the Board shall be entitled to such allowances and at such rates as the Minister may from time to time prescribe.

(7) The Minister may make regulations with respect to—

- (a) the appointment of and the tenure and vacation of office by the members of the Board;

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- (b) the appointment of a vice-chairman or a temporary chairman;
- (c) the quorum, proceedings and meetings of the Board and determinations of the Board.

(8) Subject to the provisions of any regulations made under sub-paragraph (6) the Board shall have power to regulate their own procedure.

Salaries etc. to be paid out of Corporation's Fund

7. All salaries, fees and other allowances whatsoever payable to the Chairman, a member of the Board, the General Manager and other officers and servants of the Corporation, shall be paid out of the funds of the Corporation.

The seal of the Corporation

8.—(1) The seal of the Corporation shall be affixed by the chairman, the vice-chairman or the General Manager and the person affixing the seal shall sign the document in witness thereof.

(2) All contracts, guarantees, agreements, bonds, authorities, mortgages, charges, bills of exchange, promissory notes, bank drafts, letter of credit, securities and other instruments whatsoever to which the Corporation is a party, shall be executed on behalf of the Corporation by—

- (a) the chairman, the vice-chairman or the General Manager;—
- (b) such other person or persons as may be authorized by the Board in that behalf.

Provided that the chairman may, in writing, delegate his function under this sub-paragraph to any officer of the Corporation.

Board may act notwithstanding vacancy

9. Subject to the provisions of any regulations relating to quorum made under sub-paragraph (7) of paragraph 6 the Board may act notwithstanding any vacancy in the membership thereof and no act or proceeding of the Board shall be invalid by reason only of some defect in the appointment of a member or a person who purports to be a member or, where such regulations provide for the appointment of an alternate member, in the appointment of such alternate member or a person who purports to be such alternate member.

Borrowing power of the Corporation

10. The Corporation may from time to time borrow such sums of money as it may require to meet any of its obligations or for the purposes of its business or of the business of any of its subsidiary company, and may give such security for any such loan as it may deem fit.

Delegation

11.—(1) The powers conferred on the President by section 6 of the Act are, in relation to the Board, hereby delegated to the Minister.

(2) The Minister is hereby designated as the Minister for the purposes of the provisions of sub-section (3) of section 7 of the Act which relates to the accounts of the Corporation.



Dar es Salaam,
12th August, 1972

JULIUS K. NYERERE,
President