



**PARLIAMENT OF THE DEMOCRATIC
SOCIALIST REPUBLIC OF
SRI LANKA**

**CEYLON HOTELS CORPORATION
(REPEAL) ACT, No. 25 OF 2007**

[Certified on 12th July, 2007]

Printed on the Order of Government

Published as a Supplement to Part II of the **Gazette of the Democratic
Socialist Republic of Sri Lanka** of July 13, 2007

PRINTED AT THE DEPARTMENT OF GOVERNMENT PRINTING, SRI LANKA

TO BE PURCHASED AT THE GOVERNMENT PUBLICATIONS BUREAU, COLOMBO 5

Price : Rs. 7.00

Postage : Rs. 5.00

Ceylon Hotels Corporation (Repeal)
Act, No. 25 of 2007

[Certified on 12th July, 2007]

L.D.—O. 41/2005.

AN ACT TO PROVIDE FOR THE TAKING OVER OF THE FUNCTIONS OF THE
CEYLON HOTELS CORPORATION BY A PUBLIC COMPANY INCORPORATED
FOR THAT PURPOSE; TO REPEAL THE CEYLON HOTELS CORPORATION
ACT, NO. 14 OF 1966 ; AND FOR MATTERS CONNECTED THEREWITH
AND INCIDENTAL THERETO.

BE it enacted by the Parliament of the Democratic Socialist
Republic of Sri Lanka as follows :—

1. (1) This Act may be cited as the Ceylon Hotels Corporation (Repeal) Act, No. 25 of 2007. The Minister may by Order published in the *Gazette* appoint a date (hereinafter referred to as the “appointed date”) which date shall be the date from which the repeal of the Ceylon Hotels Corporation Act, No. 14 of 1966, shall take effect.

Short title and
date of
operation.

(2) Notwithstanding the repeal of the Ceylon Hotels Corporation Act, the Minister shall, in consultation with the Minister in charge of the subject of Finance, direct the Registrar of Companies, under subsection (1) of section 2 of the Conversion of Public Corporations or Government Owned Business Undertakings into Public Companies Act, No. 23 of 1987, to incorporate a company to take over the functions of Ceylon Hotels Corporation as specified in the direction. The company incorporated in pursuance of such direction shall be designated as the “Ceylon Hotels Corporation Limited”. The provisions of the Conversion of Public Corporations or Government Owned Business Undertakings into Public Companies Act, No. 23 of 1987, shall apply to and in relation to the Ceylon Hotels Corporation Limited :

Provided however, the provisions of subsection (3) of section 2 of the Conversion of Public Corporations or Government Owned Business Undertakings into Public Companies Act, No. 23 of 1987 shall have no application to

the vesting of the ordinary and preference shares held by the Ceylon Hotels Corporation on the day immediately preceding the appointed date and accordingly the ordinary and preference share structure applicable on such date shall continue to be applicable to the share structure of the Ceylon Hotels Corporation Limited, with effect from the appointed date :

Provided further that—

- (a) the shareholders of the Ceylon Hotels Corporation on the date immediately preceding the appointed date shall with effect from the appointed date continue to be the shareholders of the Ceylon Hotels Corporation Limited ; and
- (b) the Directors of the Ceylon Hotels Corporation holding office on the date immediately preceding the appointed date shall with effect from the appointed date be deemed to be the first Directors of the Ceylon Hotels Corporation Limited.

(3) Every reference to the “Ceylon Hotels Corporation”, “shareholders of the Ceylon Hotels Corporation” and “the Directors of the Ceylon Hotels Corporation ” in any written law, notice, notification or other document shall be read and construed as a reference respectively to “the Ceylon Hotels Corporation Limited”, “shareholders of the Ceylon Hotels Corporation Limited” and “the Directors of the Ceylon Hotels Corporation Limited ”.

(4) (a) The officers and servants of the Ceylon Hotels Corporation holding office on the day immediately preceding the appointed date shall, with effect from the appointed date, be offered employment in the Ceylon Hotels Corporation Limited on terms and conditions not less favourable than those enjoyed by them on the day immediately preceding the appointed date.

(b) The taking over of employment in the Ceylon Hotels Corporation Limited by an employee of the Ceylon Hotels Corporation, shall for purposes of the Termination of Employment of Workmen (Special Provisions) Act, No. 45 of 1971, be deemed not to be a termination of the service of such employee by the Ceylon Hotels Corporation.

(c) An officer or servant referred to in paragraph (a), who wishes to opt out of service in the Ceylon Hotels Corporation Limited may do so within three months from the date on which he was notified of the available offer of serving in the Ceylon Hotels Corporation Limited. If an officer or servant exercises his option not to accept the offer, he shall be paid compensation under a voluntary retirement scheme to be implemented in that behalf, with the approval of the Cabinet of Ministers.

(d) An officer or servant who retires under the voluntary retirement scheme referred to in paragraph (c) shall, being a member of the Employees' Provident Fund be paid in terms of the provisions of sub-paragraph (ii) of paragraph (f) of subsection (1) of section 23 of the Employees' Provident Fund Act, No. 15 of 1958, the total amount lying to the credit in the individual account of such officer or servant in such Fund, as soon as may be practicable after such officer or servant retires obtaining compensation, under such voluntary retirement scheme.

(5) The Secretary to the Treasury may, with the prior approval of the Cabinet of Ministers dispose of the remaining preference shares after converting them to ordinary shares of the Ceylon Hotels Corporation or of any rights over such shares, other than ten *per centum* of the shares which shall in the manner directed by the Minister, be distributed among the employees of the Ceylon Hotels Corporation, who on the day immediately preceding the appointed date are so employed, and such shares shall be vested in the Employees' Provident Fund and the Employees' Trust Fund, in the name of such employees.

(6) Notwithstanding anything to the contrary in any other written law the Memorandum and Articles of Association of the Ceylon Hotels Corporation Limited, shall contain provisions to the effect that the Board of Directors of the Ceylon Hotels Corporation Limited shall include a member of the Board of Trustees of the Employees' Trust Fund.

Savings.

2. (1) All contracts, agreements and other instruments of the Ceylon Hotels Corporation, subsisting on the day immediately preceding the appointed date shall, with effect from the appointed date be deemed to be the contracts, agreements and other instruments, as the case may be, entered into by the Ceylon Hotels Corporation Limited.

(2) All suits, actions and other legal proceedings instituted by, or against the Ceylon Hotels Corporation and pending on the day immediately preceding the appointed date shall, with effect from the appointed date be deemed to be suits, actions and other proceedings instituted by, or against, as the case may be, the Ceylon Hotels Corporation Limited.

(3) All the rights, liabilities and obligations of the Ceylon Hotels Corporation subsisting on the day immediately preceding the appointed date shall, with effect from the appointed date be deemed to be the rights, liabilities and obligations, as the case may be, of the Ceylon Hotels Corporation Limited.

(4) Every decree, order or judgement entered in favour of or against the Ceylon Hotels Corporation by any Court in any action or proceeding, and remaining unsatisfied on the day immediately preceding the appointed date, shall with effect from the appointed date, be deemed to be a decree, order or judgement entered in favour of or against, as the case may be, the Ceylon Hotels Corporation Limited, and may enforced accordingly.

Ceylon Hotels Corporation (Repeal) 5
Act, No. 25 of 2007

3. In the event of any inconsistency between the Sinhala and Tamil texts of this Act, the Sinhala text shall prevail. Sinhala text to prevail in case of inconsistency.

4. In this Act, unless the context otherwise requires— Interpretation.

“Ceylon Hotels Corporation” means the Ceylon Hotels Corporation established under the Ceylon Hotels Corporation Act, No. 14 of 1966 ;

“Employees’ Provident Fund” means the Employees Provident Fund established under the Employees Provident Fund Act, No. 15 of 1958 ;

“Employees’ Trust Fund” means the Employees Trust Fund established under the Employees’ Trust Fund Act, No. 46 of 1980 ; and

“Public Company” means a Public Company registered under the Companies Act, No. 7 of 2007.

Annual subscription of English Bills and Acts of the Parliament Rs. 885 (Local), Rs. 1,180 (Foreign), Payable to the SUPERINTENDENT, GOVERNMENT PUBLICATIONS BUREAU, DEPARTMENT OF GOVERNMENT INFORMATION, No. 163, KIRULAPONA AVENUE, COLOMBO 05 before 15th December each year in respect of the year following.