

The ESSO Undertakings Acquisition Act, 1975

(ACT NO. XVI OF 1975)

An Act to provide for acquisition of undertakings in Bangladesh of ESSO Eastern Inc.

WHEREAS in pursuance of an offer made to it the Government have agreed to acquire the undertakings in Bangladesh of ESSO Eastern Inc. of the United States;

It is hereby enacted as follows:-

Short title and commencement 1. (1) This Act may be called the ESSO Undertakings Acquisition Act, 1975.

(2) It shall be deemed to have come into force on the 14th day of March, 1975.

Definitions 2. In this Act, unless there is anything repugnant in the subject or context,-

(1) “appointed day” means the day specified in the notification under section 3;

(2) “ESSO” means ESSO Eastern Inc. of the United States;

(3) “ESSO undertakings” means the business in Bangladesh of ESSO of purchasing, distributing, marketing and reselling of petroleum products and the interests of ESSO in the issued and paid up share capital of the Standard Asiatic Oil Company Limited and includes-

(a) all assets, rights, powers, authorities and privileges and all property, movable and immovable, cash balances, reserve funds, investments and all other rights and interests in or arising out of, such property as were, immediately before the appointed day, in the ownership, possession, power or control of ESSO in relation to such undertakings;

(b) all books of account, registers, records and all other documents of whatever nature relating thereto; and

(c) all borrowings, liabilities and obligations of whatever kind then subsisting of ESSO in relation to such undertakings,

but does not include-

(i) any trade mark, and any right of ESSO to use any trade mark in Bangladesh;

(ii) all patents and designs, if any, registered in Bangladesh in the name of ESSO or ESSO's affiliates; and

(iii) confidential and proprietary information material, and information and material pertaining to trade secrets furnished by ESSO to such undertakings or procured by ESSO for use in connection with such undertakings from any other source.

Acquisition of ESSO undertakings

3. The Government may, by notification in the official Gazette, declare that it acquires on the day specified therein ESSO undertakings and thereupon ESSO undertakings and all right, title and interest of ESSO in such undertakings shall stand transferred to, and vest in, the Government.

Effect of acquisition

4. (1) All deeds, bonds, agreements, power-of-attorney, grants of legal representation and other instrument of whatever nature in relation to ESSO undertakings subsisting and having effect immediately before the appointed day to which ESSO is a party or which are in favour of ESSO shall be of as full force and effect against or in favour of the Government and may be enforced and acted upon as fully and effectually as if references in such deeds, bonds, contracts, agreements, powers, grants and instruments to ESSO were references to the Government:

Provided that in the case of any contract for any service, sale or supply in Bangladesh, the Government may, by order in writing, terminate the contract or make such alternation or modification of its terms as it may deem fit.

(2) All suits, appeals and other legal proceedings instituted by or against ESSO for the purpose of, or in relation to, ESSO undertakings, before the appointed day, shall be deemed to be suits, appeals and legal proceedings by or against the Government and may be continued and proceeded with accordingly.

(3) Where any property is held by ESSO for the purpose of, or in relation to, ESSO undertakings under any lease or under any right of tenancy the Government shall, without prejudice to the provisions of section 3, be deemed to have become, on the appointed day, the lessee or the tenant, as the case may be, in respect of such property as if the lease or tenancy had been granted to the Government and thereupon all rights under such lease or tenancy, including the right of renewal thereof, shall be deemed to have been transferred to, and vested in, the Government:

Provided that after the expiry of the term of any such lease or tenancy, the Government may continue to hold the property for such period as it may consider necessary on the same terms and conditions on which it was held immediately before such expiry as if the lease or tenancy had been renewed for such period.

(4) Where any question arises as to whether any property appertains to, or is held for the purpose of, or in relation to, ESSO undertakings or any rights, powers, liabilities, or obligations were acquired or incurred, or any contract, agreement or other instrument was made by ESSO for the purpose of, or in relation to, ESSO undertakings or whether any document relates to those purposes the question shall be referred to the Government whose decision thereon shall be final and binding.

Payment of compensation

5. For the acquisition of ESSO undertakings under section 3 there shall be paid by the Government to ESSO as compensation such amount and in such manner as the Government may, after consultation with ESSO, determine.

Provisions relating to

6. (1) Notwithstanding anything contained in any contract or agreement or in the conditions of service the permanent officers or other employees of