



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

**SRI LANKA SETHSEWA FOUNDATION
(INCORPORATION)**

A

BILL

to incorporate the Sri Lanka Sethsewa Foundation

*Presented by the Hon. K. Kader Masthan, M.P. for Vanni District on
11th February, 2016*

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[Bill No. 82]

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Sri Lanka Sethsewa Foundation (Incorporation)

AN ACT TO INCORPORATE THE SRI LANKA SETHSEWA FOUNDATION

WHEREAS a Foundation called and known as the “Sri Lanka
Sethsewa Foundation” has heretofore been formed in Sri
Lanka in Matale for the purpose of effectually carrying out
its objects and transacting all matters connected with the
said Foundation according to the rules agreed to by its
members:

Preamble.

AND WHEREAS the said Foundation has heretofore
successfully carried out and transacted a several objects and
matters for which it was established, and has applied to be
incorporated and will be expedient to grant the said
application :

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

1. This Act may be cited as Sri Lanka Sethsewa
Foundation (Incorporation) Act, No. of 2016.

Short title.

2. From and after the date of commencement of this Act,
such and so many persons as now are members of Sri Lanka
Sethsewa Foundation (hereinafter referred to as the
“Foundation”) or shall hereafter be admitted as members of the
Corporation hereby constituted, shall be a body corporate, with
perpetual succession, under the name and style of the “Sri
Lanka Sethsewa Foundation” (hereinafter referred to as the
“Corporation”) and by that name may sue and be sued, with full
power and authority to have and use a common seal and to alter
the same at its pleasure.

Incorporation
of Sri Lanka
Sethsewa
Foundation.

3. The general objects for which the Corporation is
constituted are hereby declared to be :—

General
objects of the
Corporation.

(a) to offer advice, assistance and co-operation in general
for the upliftment of health care of residents in Matale
District ;

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- (b) to advice, assist and support to safeguard community health care and avoid infections diseases ;
- (c) to assist maintenance and development of public health care units and dispensaries in the district ;
- 5 (d) to provide furniture, surgical instruments, equipment and any other needs as and when medical authorities request for such assistance ;
- (e) to provide assistance for the development and expansion of public health care institutions ;
- 10 (f) to provide health care facilities and welfare aspects to the needy patients ;
- (g) to help the poverty stricken and provide necessities to downtrodden sickly persons ;
- 15 (h) to provide books, stationery and educational requirements to needy children in less privileged schools ;
- (i) to provide sports materials to small children in underprivileged rural pre-school ;
- 20 (j) to award national scholarships to deserving students taking into consideration the foundation's financial situation ; and
- (k) to construct and provide housing to the downtrodden sickly and helpless and poverty stricken person.

25 **4.** Subject to the provision of this Act and any other written law, the Corporation shall have the power to do, perform and execute all such acts and matters as necessary or desirable for the promotion or furtherance of the objects of the Corporation or any one of them, including the power—

Powers of the Corporation.

- 30 (a) to raise funds and receive grants, gifts or donations, in cash or kind ;

- 5 (b) to acquire, in any manner whatsoever and hold, take or give on lease or hire, rent, sell or otherwise dispose of, any movable or immovable property and construct, maintain and alter any buildings or works necessary or convenient for the business of the Corporation ;
- 10 (c) to make, draw, accept, discount, endorse, negotiate, buy, sell and issue bills of exchange, cheques, promissory notes and other negotiable instruments and to open, operate and close bank accounts and borrow or raise money with or without security ;
- (d) to invest any funds not immediately required for the purposes of the Corporation in such manner as the Board of Management may determine ;
- 15 (e) to enter into agreement or contracts with any person, or body of persons whether incorporated in Sri Lanka or abroad or with any Government Department, Corporation, Board, Provincial Council or Local Authority for the achievement of the objects of the Corporation ;
- 20 (f) to determine the fees to be paid in respect of registration of different categories of membership ; and
- 25 (g) appoint, employ, dismiss or terminate the services of officers and servants of the Corporation and to pay them such salaries, allowances and gratuities as may be determined by the Corporation.

30 **5.** (1) The affairs of the Corporation shall, subject to the other provisions of this Act and the rules in force for the time being of the Corporation, be administered by an Executive Committee consisting of the twenty seven members elected in accordance with the rules of the Corporation.

Management
of the
Corporation.

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(2) Notwithstanding anything to the contrary in subsection (1) on this section Mr. A. W. Eramudugolla shall be the Director General of the Corporation for life and the Committee shall nominate his successor to be Director
5 General of the Corporation after him. Such succeeding Director General shall hold the office of Director General for a period of one year.

(3) The Executive Committee of the Corporation shall consist of the members of the Executive Committee of the
10 day immediately preceding the date of commencement of this Act.

6. (1) It shall be lawful for the Corporation, from time to time at any general meeting and by the votes of not less than
15 two thirds of the members present and voting, to make rules, not inconsistent with the provision of this Act or any other written law, for the admission, withdrawal or expulsion of members, the election of the Board of Management, for the conduct of the duties of the office bearers, agents, officers and servants of the Corporation for the procedure to be
20 followed in the transaction of business by the Corporation and Board of Management and generally, for the management of the affairs of the Corporation and the accomplishment of its objects. Such rules when made may at a like meeting and in like manner, be altered, added to,
25 amended or rescinded.

Rules of the Corporation.

(2) The members of the Corporation shall be subject to the rules of the Corporation.

7. (1) The Board shall cause to be maintained a register in which every person who on the date of commencement of
30 this Act, is a member of the Corporation, and every person thereafter duly admitted as member of the Corporation shall have inscribed in such register his name.

Register of members.

(2) The register shall contain the following particulars :—

(a) Name, address and occupation of the each member
35 of the Corporation ;

(b) The date on which the name of the member was inscribed in the register ; and

(c) The date on which any person ceased to be member.

5 **8.** (1) The Corporation shall have its own Fund. All Fund of the Corporation.
moneys received by way of gift, bequest, donation, transfer, subscription, contribution or fees shall be deposited to the credit of the Corporation in one or more Banks as the Executive Committee shall determine.

10 (2) There shall be paid out of the Fund of the Corporation, all such sums of money as may be required to defray any expenditure incurred by the Corporation in carrying out the objects of the Corporation.

15 (3) The moneys and property of the Corporation whosoever derived shall be applied solely towards the promotion of the objects as setforth herein and no portion thereof shall be paid or transferred directly or indirectly by way of dividend, bonus or otherwise, to any member of the Corporation.

20 **9.** The moneys and property of the Corporation however Corporation to be a non profit making organization.
direved shall be applied solely towards the promotion of its objects as setforth herein, and no portion thereof shall be paid or transferred, directly or indirectly, by way of dividend, loan, bonus or otherwise, howsoever, by way of profit, to the members of the Corporation.

25 Provided however, that the provision of this section shall not prohibit—

30 (a) the payment, in good faith of reasonable and proper remuneration to any officer or servants of the Corporation for any services rendered by him to the Corporation ;

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- (b) the payment of reasonable and proper rent for premises let to the Corporation or by any company of which a member of the Corporation is a shareholder ; and
- 5 (c) the reimbursement or repayment of reasonable and proper expenses incurred, with the prior approval of the Board of Management, by any member, officer or servant of the Corporation in the discharge or performance of his functions or duties or in
- 10 promoting the objects of the Corporation.

10. (1) The financial year of the Corporation shall be the calendar year. Accounts and Audit of the Corporation.

- (2) The Corporation shall cause proper accounts to be kept of income and expenditure, assets and liabilities and
- 15 all other transactions of the Corporation.

(3) The accounts of the Corporation shall be audited by a qualified auditor as may be determined by the Board.

In this section, “Qualified Auditor” means —

- 20 (a) an individual who being a member of the Institute of Chartered Accountants of Sri Lanka, or any other institute established by law, possesses a certificate to practice as Accountant issued by the Council of such institute; or
- 25 (b) a firm of Accountants each of the resident partners of which, being a member of the Institute of Chartered Accountants of Sri Lanka or of any other institute established by law, possesses a certificate to practice as an
- 30 Accountant issued by the Council of such institute.

11. The seal of the Corporation shall not be affixed to any instrument whatsoever, except in the presence of the Director General and the Secretary who shall sign their names on the instrument in token of their presence and such signing shall be independent of the signing of any person as witness. Seal of the Corporation.
12. All debts and liabilities of the Foundation existing on the day preceding the date of commencement of this Act, shall be paid by the Corporation hereby constituted, and all debts due to, and subscriptions and contributions payable to the Foundation on that day shall be paid to the Corporation for the purpose of this Act. Debts due by and payable to the Foundation.
13. The Corporation shall be able and capable in law, to take and hold any property movable or immovable which may become vested on it by virtue of any purchase grant, gift, testamentary disposition or otherwise, and all such property shall be held by the Corporation for the purposes of this Act, and subject to the rules in force for the time being of the Corporation with full power to sell, mortgage, lease, exchange or otherwise dispose of the same. Corporation may hold property movable and immovable.
14. If upon the dissolution of the Corporation there remains after the satisfaction of all its debts and liabilities, any property whatsoever, such property shall not be distributed among the members of the Corporation but shall be given or transferred to some other Foundation or Foundations having objects similar to those of the Corporation, and which is or are by the rules thereof prohibited from distributing any income or property among its or their members. Such Foundation or Foundations shall be determined by the Board at or immediately before the dissolution of the Corporation. Property remaining on dissolution.
15. Nothing in this Act contained shall prejudice or affect the rights of the Republic or of any body politic or corporate or of any other person, except such as are mentioned in this Act and those claiming by, from or under them. Saving of the rights of the Republic and others.

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16. In the event of any inconsistency between the Sinhala text and Tamil texts of this Act, the Sinhala text shall prevail.

Sinhala text
to prevail in
case of
inconsistency.

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