



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

**SARAVANAPAVAN FOUNDATION
(INCORPORATION)**

A

BILL

to incorporate the Saravanapavan Foundation

*Presented by Hon. M. A. Sumanthiran, M. P. for Jaffna District
on 25th October, 2016*

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Saravanapavan Foundation
(Incorporation)

AN ACT TO INCORPORATE THE SARAVANAPAVAN FOUNDATION

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

AND WHEREAS the said Foundation has heretofore
successfully carried out and transacted several objects and
matters for which it was established, and has applied to be
incorporated and it will be expedient to grant the said
10 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 the Saravanapavan Short title.
Foundation (Incorporation) Act, No. of 2016.

15 2. From and after date of commencement of this Act, such
and so many persons as now are members of the
“Saravanapavan Foundation” (hereinafter referred to as the
“Foundation”) or shall hereafter be admitted as members of
the Corporation hereby constituted, shall be a body corporate,
20 with perpetual succession, under the name and style of the
“Saravanapavan 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.

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

(a) to encourage and assist persons to commence business
in the agricultural import, export, commercial and
other sectors and to provide such persons with the
30 necessary training and technical assistance;

4. Subject to the provisions 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—
- 5
- (a) to raise funds and receive grants, gifts or donations in cash or kind;
- (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;
- 15
- (d) to invest any funds not immediately required for the purposes of the Corporation in such manner as the Board of Management may determine;
- 20
- (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;
- 25
- (f) to determine the fees to be paid in respect of registration of different categories of membership; and
- (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
- General powers of the Corporation.

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5 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 a Board of Directors consisting of the Chairman, the Secretary, Treasurer and another two members elected in accordance with such rules. Management of the Corporation.

10 (2) The Board of Management of the Corporation shall consist of the members of the Board of Directors of the day immediately preceding the date of commencement of this Act.

15 (3) A member of the Board of Directors other than the Chairman shall unless he vacates his office earlier by death or resignation, hold office for a period of five years. Where due to death or resignation a vacancy occurs in the Board of Directors a new member shall be appointed to fill such vacancy and such a new member shall hold office for a period of five years.

20 6. (1) It shall be lawful for the Corporation, from time to time, at any general meeting and by the votes not less than two-thirds of the members present and voting, to make rules, not inconsistent with the provisions 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 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 25 at a like meeting and in like manner, be altered, added to, 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 Corporation shall have its own fund. All Fund of the Corporation.
moneys received by way of gifts, bequests, donations, transfers, subscriptions, contributions, or fees shall be deposited to the credit of the Corporation in one or more
5 Banks as the Board of Management shall determine.

(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.

10 (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
15 Corporation.

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

(2) The Corporation shall cause proper accounts to be kept of income and expenditure, assets and liabilities and
20 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 —

25 (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 an Accountant issued by the Council of such institute; or

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5 (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 Accountant issued by the Council of such institute.

10 **9.** The seal of the Corporation shall not be affixed to any instrument whatsoever, except in the presence of the Chairman 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 a witness. Seal of the Corporation.

15 **10.** 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 Corporation.

20 **11.** The Corporation shall be able and capable in law, to take and hold any property, movable or immovable, which may become vested in 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.

30 **12.** 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 Property remaining on dissolution.

transferred to some other Foundation or Foundations having objects similar to those of the Corporation, and which is or are, by its rules thereof prohibited from distributing any income or property among its or their members. Such Foundation or
5 Foundations shall be determined by the Board at or immediately before the dissolution of the Corporation.

13. No member of the Corporation shall, for the purpose of discharging the debts and liabilities of the Corporation or for any other purpose, be liable to make any contribution
10 exceeding the amount of annual subscription payable by him to the Corporation.

Limitation of liabilities of members.

14. 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
15 mentioned in this Act and those claiming by, from or under them.

Saving of the Rights of the Republic and others.

15. 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.

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