

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

Part II of April 28, 2017

SUPPLEMENT

(Issued on 02.05.2017)



**PANASOMA FRIENDSHIP FOUNDATION
(INCORPORATION)**

(Private Member's Bill)

A

BILL

to incorporate the Panasoma Friendship Foundation

*To be presented in Parliament by Hon. Hector Appuhamy,
M. P. for Puttalam District*

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*Panasoma Friendship Foundation
(Incorporation)*

AN ACT TO INCORPORATE THE PANASOMA FRIENDSHIP
FOUNDATION

WHEREAS Foundation called and known as the “Panasoma Preamble.
Friendship 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 the 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 Panasoma Friendship Short title.
Foundation (Incorporation) Act, No. of 2017.

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

25 (2) The Corporation shall be deemed to be a voluntary
social service organization within the meaning, and for the
purpose of the Voluntary Social Service Organizations
(Registration and Supervision) Act, No. 31 of 1980 and the
provisions of that Act shall apply to and in relation to the
30 management of the affairs of the Corporation.

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

- 5 (a) to initiate model agro projects in Sri Lanka in order to educate the farmers the new Japanese Technology and production of organic fertilizer;
- (b) to increase the productivity and efficiency of Sri Lankan economic crops by supplying agricultural equipment where it is necessary to the young farmers encouraging them towards the agricultural sector;
- 10 (c) to provide short term training courses to Sri Lankan agricultural teachers in the field of agriculture in Japan and taking step to provide them necessary instruments and services in order to create model agro farms in the same schools;
- 15 (d) to take steps in order to develop Maize related agro products and encourage and provide assistance in order to cultivate other kinds of grains;
- (e) to introduce new market facilities;
- 20 (f) to introduce Japanese technologies to formalize and enhance the milk production and to expand the production of organic raw materials for cattle feedings and to provide necessary related services;
- 25 (g) to donate bicycles in order to facilitate the transport need of the rural students, and to provide stationeries for them, and to provide necessary facilities in order to uplift the pre-school education;
- 30 (h) to obtain international supports during natural disasters and other social services when necessary and implementing such programmes in accordance with government regulations;

- (i) to provide services and equipment to hospitals and sectors serving in the field of medical services; and
- (j) to do all such other acts and things as are necessary for and incidental or conducive to the attainment of the above objects.

(2) In the implementation of the objects specified in subsection (1), the Corporation shall ensure that such implementation shall be carried out without any discrimination based on race, religion, language, caste, sex, political opinion, place of birth or any of such grounds

4. The objects of the Corporation shall be carried out in such manner so as not to create any conflict between the work of the Corporation and any work being carried out simultaneously by any Ministry or Department of the Government or any Provincial Council.

Corporation to ensure no conflict with work of Ministry or Department of the Central Government or Province.

5. (1) Subject to the provisions of this Act the Corporation shall be carried out by a Board of Directors (hereinafter referred to as "the Board") consisting of such number of office bearers as may be specified by the rules made under section 7.

Management of the affairs of the Corporation.

(2) (a) The Board of Directors of the foundation that holds office on the day immediately preceding the date of commencement of this Act, shall function as the Board of the Corporation until the first Board is appointed or elected in the manner provided for by rules made under section 7.

(b) The first Board of the Corporation shall be appointed or elected within one year of the date of commencement of this Act.

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5 (3) (a) Every office bearer of the Board including the
 patrons and advisors, shall be appointed or
 elected for a period of three years and any such
 office bearer, patron or advisor shall be eligible
 for re-appointment or re-election after lapse of
 the said period of three years.

10 (b) In the event of a vacancy occurring due to the
 death, resignation, incapacity or removal from
 office of an office bearer, the Board shall having
 regard to the rules of the Corporation, elect or
 appoint a person to fill such vacancy.

15 (c) The person elected or appointed under paragraph
 (b) shall hold office only for the unexpired
 portion of the term of office of the member whom
 he succeeds.

20 6. Subject to the provisions of this Act and any other Powers of the
 written law, the Corporation shall have the power to do, Corporation.
 perform and execute all such acts and matters as necessary
 or desirable for the promotion or any one of them, including
 the power—

25 (a) to purchase, acquire, rent, construct, renovate and
 otherwise obtain lands or buildings which may be
 required for the purpose of the Corporation and to
 deal with or dispose of the same as may be deemed
 expedient with a view to promoting the objects of
 the Corporation;

 (b) to raise funds and receive grants, gifts or donations,
 in cash or kind:

30 Provided that, the Board shall obtain the prior
 written approval of the Department of External
 Resources of the Ministry of the Minister assigned
 the subject of Finance, in respect of all foreign
 grants, gifts or donations made to the Corporation;

- 5 (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 accounts in any banks;
- (d) to invest any funds not immediately required for the purposes of the Corporation in such manner as the Board may determine;
- 10 (e) to undertake, accept, execute, perform and administer any lawful trust or conditions or personal property with a view to promoting the objects of the Corporation;
- 15 (f) to appoint, employ, dismiss or terminate the services of officers and servants of the Corporation and exercise disciplinary control over them and to pay them such salaries, allowances and gratuities as may be determined by the Corporation; and
- 20 (g) to do all other things as are necessary or expedient for the proper and effective carrying out of the objects of the Corporation.

25 **7.** (1) It shall be lawful for the Corporation, from time to time at any general meeting and by the votes of not less than 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 all or any of the following matters:—

- (a) the classification of membership, admission, withdrawal, expulsion or resignation of members and fees payable by members ;
- 30 (b) the election of office bearers of the Board or vacation of or removal from office of office bearers and the powers, duties and functions of the office bearers ;

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- (c) the terms and conditions of appointment, powers, functions and duties of the various officers, agents and servants of the Corporation;
- 5 (d) the procedure to be followed at the summoning and holding of meetings of the Board, or any sub-committee thereof, notices and agenda of such meetings, the quorum and the conduct of business thereat;
- 10 (e) the qualifications and disqualifications to be a member of the Board and the Corporation;
- (f) the administration and management of the property of the Corporation; and
- 15 (g) the management of the affairs of the Corporation and the accomplishment of its objects and dissolution of the Corporation.

(2) The rules made by the Corporation may be amended, altered, added to or rescinded at a like meeting and in like manner as a rule made under subsection (1).

20 (3) The members of the Corporation shall at all time be subject to rules of the Corporation.

(4) The rules made under this section shall be published in the Government *Gazette*.

25 **8.** The Board shall maintain a register of members in which name, address and other essential details of the members be inscribed. Register of members.

9. (1) The Corporation shall have its own Fund. Fund of the Corporation.

30 (2) All moneys received by way of gifts, bequests, donations, subscriptions, contributions, fees of grants for an account of the Corporation shall be deposited in one or more Banks approved by the Board to the credit of the Corporation.

(3) There shall be paid out of the Fund all sums of moneys as are required to defray any expenditure incurred by the Corporation in the exercise, performance and discharge of its powers, duties and functions under the Act.

5 **10.** (1) The financial year of the Corporation shall be the calendar year. Accounts and
the Auditing.

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

10 (3) The accounts of the Corporation shall be audited by a qualified auditor appointed by Auditor General in terms of Article 154 of the Constitution.

(4) For the purpose of this section, "Qualified Auditor" means —

15 (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
20 institute; or

(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
25 Accountant issued by the Council of such institute.

30 **11.** (1) The Board shall prepare a report of the activities of the Corporation for each financial year and submit such report together with the audited statement of accounts to the Secretary of the Ministry of the Minister assigned the subject of Social Services and to the Registrar of Voluntary Social Services Organizations appointed under the Voluntary Social Annual
Report.

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Services Organization (Registration and Supervision) Act,
No. 31 of 1980 before the expiration of six months of the
year succeeding the year to which such report relates.

5 (2) A separate account relating to the foreign and local
moneys received by the Corporation during the financial
year shall be attached to the report referred to in subsection
(1).

10 **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.

15 **13.** Subject to the provisions of this Act, 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
20 rules of the Corporation made under section 7, with power
to sell, mortgage, lease, exchange or otherwise dispose of
the same.

Corporation
may hold
property
movable and
immovable.

25 **14.** The money and property of the Corporation
however derived shall be applied solely towards the
promotion of the objects of the Corporation and no portion
thereof shall be paid or transferred directly or indirectly by
way of dividend, bonus or profit to the members of the
Corporation.

Application
of money
and property.

30 **15.** (1) The seal of the Corporation shall not be affixed
to any instrument whatsoever, except in the presence of two
members of the Board who shall sign their names to 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.

(2) The seal of the Corporation shall be in the custody of an office bearer of the Board as may be decided by such Board.

5 **16.** (1) 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 any other institution having objects similar to those of the Corporation, and which is by the rules
10 thereof, prohibited from distributing any income or property among its members.

Property remaining on dissolution.

(2) For the purpose of this subsection (1) the appropriate institution shall be determined by the members of the Corporation immediately before the dissolution at a general
15 meeting by the majority of votes of the members present.

17. Nothing in this Act contained shall prejudice or affect the rights of the Republic or of any body politic or corporate.

Saving of the rights of the Republic and others.

20 **18.** 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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