



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

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**AKURANA BAITHUZ ZAKATH  
(INCORPORATION)**

**A**

**BILL**

**to incorporate the Akurana Baithuz Zakath**

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*Presented by the Hon. Imran Maharroof, M.P. for Trincomalee District  
on 07th of October 2021*

(Published in the Gazette on September 27, 2021)

*Ordered by Parliament to be printed*

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**[Bill No. 80]**

PRINTED AT THE DEPARTMENT OF GOVERNMENT PRINTING, SRI LANKA  
TO BE PURCHASED AT THE GOVERNMENT PUBLICATIONS BUREAU, COLOMBO 5

**Price : Rs. 12.00**

**Postage : Rs. 15.00**

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*Akurana Baithuz Zakath*  
(Incorporation)

AN ACT TO INCORPORATE THE AKURANA  
BAITHUZ ZAKATH

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

Preamble

AND WHEREAS the said Organization has heretofore successfully carried out and transacted a several objects and matters for which it was established, and has applied to be incorporated, and it will be expedient in public interest 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 Akurana Baithuz Zakath (Incorporation) Act, No. of 2021.

Short title

**2.** From and after the date of commencement of this Act, such and so many persons as now are members of the Akurana Baithuz Zakath (hereinafter referred to as the “Organization”) 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 “Akurana Baithuz Zakath” (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 Akurana  
Baithuz  
Zakath

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

General  
objects of the  
Corporation

(a) to eliminate poverty and to collect Zakath (annual donation) fund and distribute according to Islamic ‘Sharia’ Law ;

2 *Akurana Baithuz Zakath*  
(Incorporation)

- (b) to promote the conditions of religious, health, educational, cultural, social and economical development;
- (c) to contribute to achieve racial and communal harmony; and
- 5 (d) to do all such other acts and things as are necessary for and incidental or conducive to the attainment of the above objects.

4. (1) The affairs of the Corporation shall, subject to the rules in force for the time being of the Corporation, be 10 administered by a Board of Management elected in accordance with the rules of the Corporation. Management of the affairs of the Corporation

(2) The first Board of Management of the Corporation shall consist of the members of the Board of Management of the Organization holding office on the day preceding the 15 date of commencement of this Act.

5. 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, matters and things whatsoever as are necessary or desirable for the furtherance 20 of its objects or any one of them, including the power to open, operate and close bank accounts, to borrow or raise moneys with or without security, to receive or collect grants or donations, to invest its funds, to erect any building or structure on any land held by the Corporation, and to engage, 25 employ and dismiss officers and servants required for the carrying out of the objects of the Corporation. General Powers of the Corporation

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 two thirds of the members present and voting, to make rules, 30 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 and servants of the Corporation, for the procedure to be followed in the Rules of the Corporation

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  
5 manner, be altered, added to, amended or rescinded.

(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 gift, bequest, donation, transfer, subscription, contribution or fees shall be deposited to the  
10 credit of the Corporation in one or more Banks as the Board of Trustees 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  
15 expenditure incurred by the Corporation in carrying out the objects of the Corporation.

(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  
20 thereof shall be paid or transferred directly or indirectly by way of dividend, bonus or otherwise, to any member of the Corporation.

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

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

(4) In this section, “Qualified Auditor” means —

- 5                   (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
- 10                   (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.

15       **9.** The seal of the Corporation shall not be affixed to any instrument whatsoever, except in the presence of the Secretary or a member of the Board as may be duly authorized by the Board and another member of the Board who shall sign their names on the instrument in token of their presence  
20 and such signing shall be independent of the signing of any person as witness.

Seal of the Corporation

25       **10.** 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 exceeding the amount of annual subscription payable by him to the Corporation.

Limitation of liability of members

30       **11.** All debts and liabilities of the Organization 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 Organization on that day shall be paid to the Corporation for the purpose of this Act.

Debts due by and payable to the Organization

- 5     **12.** 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.
- 10     **13.** 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 Institution or Institutions 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 Institution or Institutions shall be determined by the Board at or immediately before the dissolution of the Corporation.
- 20     **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 mentioned in this Act and those claiming by, from or under them.
- 25     **15.** No person shall be liable in any suit or other legal proceeding for any act done, or purporting to be done, in good faith in pursuance of the powers conferred by or under this Act, or for the purpose of carrying out the provisions of this Act.
- 30     **16.** In the event of any inconsistency between the Sinhala and Tamil texts of this Act, the Sinhala text shall prevail.
- Corporation may hold property movable and immovable
- Property remaining on dissolution
- Saving of the rights of the Republic and others
- Indemnity for acts done in good faith
- Sinhala text to prevail in case of inconsistency

