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SOCIALIST REPUBLIC OF
SRI LANKA**

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SUPPLEMENT

(Issued on 03.11.2023)



**MOHAN ELLAWALA SOCIAL
DEVELOPMENT FOUNDATION
(INCORPORATION)**

(Private Members' Bill)

A

BILL

to incorporate the Mohan Ellawala Social Development Foundation

*To be presented in Parliament by Hon. Akila Ellawala, M. P.
for Ratnapura District*

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*Mohan Ellawala Social Development
Foundation (Incorporation)*

AN ACT TO INCORPORATE THE MOHAN ELLAWALA SOCIAL
DEVELOPMENT FOUNDATION

WHEREAS a Foundation called and known as the “Mohan Ellawala Social Development 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 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 for the public advantage to grant such 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 Mohan Ellawala Social Development Foundation (Incorporation) Act, No. of 2023.

2. (1) From and after the date of commencement of this Act, such and so many persons as now are members of the Mohan Ellawala Social Development 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 “Mohan Ellawala Social Development Foundation” (hereinafter referred to as the “ body corporate”) and by that name may sue and be sued, in all Courts with full power and authority to have and use a common seal and to alter the same at its pleasure.

(2) The body Corporate shall be deemed to be a Voluntary Social Service Organization within the meaning, and for the purpose of the Voluntary Social Service Organizations

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(Registration of the Supervision) Act, No. 31 of 1980 and the provisions of the Act shall apply to and in relation to the management of the affairs of the body corporate.

- 5 3. The body corporate shall operates exclusively as a not-for profit Organization and it is solely for the society and its members Body corporate operates as a not-profit Organization
4. (1) The general objects for which the body corporate is constituted are hereby declared to be:- The General objects of the body corporate
- 10 (a) to plan, gather financial resources, implement and carryout programmes with a view to cleave religious and cultural progress that would enhance peace, cordiality and understanding among Sinhala, Tamil, Muslim nationalities and Buddhist, Christian, Hindu and Islam religious groups;
- 15 (b) to plan, raise fund and conduct programmes that contribute to conserve the environment for future generations preventing the degeneration of Sri Lanka;
- 20 (c) to plan, implement and carryout programmes relevant to Educational Development, Healthcare and Nutrition of children of low-income families in Sri Lanka;
- (d) to donate houses and grant support to construct the houses for the low-income families;
- 25 (e) to provide material, financial and professional assistance for disabled children to improve their standard of life;
- (f) to sponsor and provide subsidies for the affected people at the emergency disaster situations;

- (g) to conduct carrier guidance programmes and sponsor in sport activities for young men and women;
- 5 (h) to implement programmes targeting to create harmony among all religions;
- (i) to contribute environmental management and minimize the environmental destruction by establishing forestry projects;
- 10 (j) to protect ancient places of heritage available in the area; and to sponsor and contributing to programmes aiming at conservation of those for the future generation;
- (k) to intervene directly and indirectly to enhance the standard of life of different races engaged in plantation industry;
- 15 (l) to improve cultivation of farmers and to provide latest knowledge in order to uplift the social welfare and life standard of farmers and sponsoring for the welfare affairs of their children;
- 20 (m) to intervene directly in guidance connected with internationals by way of improving the traditional attitudes of people, indigenous medicine, art, cultural affairs and handicrafts;
- 25 (n) to provide legal assistance and legal aid at the common and communal issues depending on its equity;
- (o) to provide necessary facilities to the people engaged for livelihood by way of town and urban decorations;
- 30 (p) to sponsor for national festivals for which it is felt necessary to be given a contribution;

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(g) to develop peoples' livelihood and counselling in marketing guidance; and

5 (r) to implement appropriately the decisions regarding the current issues with the consent of the foundation.

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

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

Body corporate to ensure no conflict with work of Ministry or Department of Government or Province

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

Management of the affairs of the body corporate

(2) (a) The Board 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 body corporate until the first Board is appointed or elected in the manner
25 provided for by rules made under section 7.

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

(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
5 of the said period of three years.

(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 body corporate, elect or appoint a person to fill such vacancy.

10 (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.

7. Subject to the provisions of this Act and any other written law, the body corporate shall have the power to do,
15 perform and execute all such acts and matters as are necessary or desirable for the promotion or any one of them, including the power:— Powers of the body corporate

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

(b) to raise funds and receive grants, gifts or donations
25 in cash or kind or without security:

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
30 grants, gifts or donations made to the body Corporate;

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- (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 accouts in any banks;
 - 5 (d) to invest any funds that are not immediately required for the purposes of the body corporate in such manner as the Board may determine;
 - 10 (e) to undertake, accept, execute, perform and administer any lawful trust or any real or personal property with a view to promoting the objects of the body corporate;
 - 15 (f) to appoint, employ, dismiss or terminate the services of officers and servants of the body corporte and exercise disciplinary control over them and to pay them such salaries, allowances and gratuities as may be determined by the body corporate; and
 - (g) to do all other things as are necessary or expedient for the proper and effective carrying out the objects of the body corporate.
- 20 **8.** (1) It shall be lawful for the body corporate, 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 all or any of the following matters:—
- Rules of the
body
corporatate
- 25 (a) the classification of membership, admission, withdrawal, expulsion or resignation of members and fees payable by the members;
 - 30 (b) the election of the office bearers for the Board, vacation or removal from of office bearers and the powers, duties, and functions of the office bearers;

- (c) the terms and conditions of appointment, powers, functions and duties of various officers, agents and servants of the body corporate;
- 5 (d) the procedure to be followed for 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 members of the Board and the body corporate;
- (f) the administration and management of the property of the body corporate; and
- 15 (g) the management of the affairs of the body corporate and the accomplishment of its objects and dissolution of the body corporate.

(2) The rules made by the body corporate 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 body corporate shall at all times be subject to the rules of the body corporate.

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

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

10. (1) The body corporate shall have its own Fund.

Register of
members

Fund of the
body
corporate

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5 (2) All moneys received by way of gifts, bequests, donations, subscriptions, contributions, fees or grants for and on account of the body corporate shall be deposited in one or more banks approved by the Board to the credit of the body corporate.

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

10 **11.** (1) The financial year of the body corporate shall be the calendar year. Accounts and Auditing

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

15 (3) The accounts of the body corporate shall be audited by the Auditor-General or by a qualified auditor appointed by the Auditor-General or by General in terms of Article 154 of the Constitution.

20 (4) For the purposes of this section “a 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 practise as an Accountant, issued by the Council of such Institute; or

30 (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 practise as an Accountant issued by the Council of such Institute.

12. (1) The Board shall prepare a report of the activities of the body corporate 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 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.

Annual
Report

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

13. All debts and liabilities of the Foundation existing on the day preceding the date of commencement of this Act, shall be paid by the body corporate hereby constituted, and all debts due to, and subscriptions and contributions payable to the Foundation on that day shall be paid to the body corporate for the purposes of this Act.

Debts due by
and payable
to the
Foundation

14. Subject to the provisions of this Act, the body corporate 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 purchases, grant, gift, testamentary disposition or otherwise and all such property shall be held by the body corporate for the purpose of this Act and subject to the rules of the body corporate made under section 7, with power to sell, mortgage, lease, exchange or otherwise dispose of the same.

Body
corporate
may hold
property
movable and
immoveble

15. The moneys and property of the body corporate however derived shall be applied solely towards the promotion of the objects of the body corporate and no portion thereof shall be paid or transferred directly or indirectly by way of dividend, bonus or profit to the members of the body corporate.

Application
of moneys
and property

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16. (1) The Seal of the body corporate 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
body
corporate

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

17. (1) If upon the dissolution of the body corporate 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 body corporate, but shall be given or transferred to any other institution having objects similar to those of the body corporate, and which is by the rules thereof, prohibited from distributing any income or property among its members.

Property
remaining on
dissolution

(2) For the purposes of subsection (1), the appropriate institution shall be determined by the members of the body corporate immediately before the dissolution at a general meeting by the majority of votes of the members present.

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

Savings of
the rights of
the Republic
and others

19. 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

