



**PARLIAMENT OF THE DEMOCRATIC
SOCIALIST REPUBLIC OF
SRILANKA**

**STATE EMPLOYEES DEVELOPMENT
FOUNDATION (INCORPORATION)**

A

BILL

to incorporate the State Employees Development Foundation

*Presented by Hon. Neranjan Wickremasinghe, M. P. for
Kurunegala District on 23rd October, 2013*

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*State Employees Development Foundation
(Incorporation)*

AN ACT TO INCORPORATE STATE EMPLOYEES DEVELOPMENT
FOUNDATION.

FOR the reasons that the Sri Lanka Local Government Employees Association, with the consent of its Membership formed Employees' Development Finance Corporate for the welfare and Financial Development of its member, ability
5 by the Rules and Regulations of the social Corporation and implemented productivity:

Preamble.

As the Social Corporation had performed its duties so far to satisfy the purposes to which the social corporation was established, and as the social corporation had made a request
10 to change the name as Government Employees Development Foundation and fulfilling the request is for the welfare of the General Public:

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

15 **1.** This Act will be named as State Employees Development Foundation (Incorporation) Act, No. of 2013.

Short title.

20 **2.** From and after the date of commencement of this Act, such and so many persons as now are members of the State Employees 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 (hereinafter referred to as "the Corporation") with perpetual succession, under
25 the name and style of the State Employees Development Foundation 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.

Incorporation of State Employees Development Foundation.

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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) performance of welfare activities, and providing loan facilities which would result in the social economical Development of Employees and the retired officers of the Central Government and the Local Government Sector and the Local Government Sector;
- 10 (b) starting and maintaining industries and services which would result in generating employment opportunities; and
- (c) to work co-operatively with similar establishment in Sri Lanka and Overseas.

15 4. Subject to the provisions of this Act and any other written law, the Corporation shall have the power— Powers of the
Corporation.

- (a) receiving money required for the functioning of the Corporation on the basis of loans or grants from lawful Banks and Financial Establishments;
- 20 (b) to enter into agreements or contracts with any person or body of persons in Sri Lanka or Overseas;
- 25 (c) 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, matters and things as are necessary or desirable for the promotion or furtherance of the objects of the Corporation and to open bank accounts, to receive or collect grants and donations, to invest funds and to engage, employ and dismiss, officers and servants required for carrying out of the objects of the Corporation.
- 30

5. (1) The management, control and administration of the Corporation shall be subject to the provisions of this Act and the rules in force for the time being of the Corporation, Management
of the affairs
of the
Corporation.

vest in a Governing Council (hereafter referred to as “the Director Board”) consisting of such number of members including the Chairman in accordance with the rules in force for the time being if the Corporation.

5 (2) The Board of Directors holding posts on the day prior to the implementation of this Act should be treated as the first Board of Directors of the Corporation.

6. (1) It shall be lawful for the Board of Directors from time to time to make rules not inconsistent with the provisions of this Act or any other written law for the following matters:—

Rules of the Corporation.

15 (a) election and qualifications of the Board of Directors including the Chairman, expulsion, payment of allowances and travelling, qualifications and appointment of staff, disciplinary matters, and all rules with regards to payment of salaries wages and allowances;

20 (b) all rules with regards to, performance, maintenance and protection of the common objectives appearing in the Act;

25 (c) all rules with regards to, implementation, maintenance and protection of powers appearing in the Act;

30 (d) all rules with regards to, Director Board meetings, minutes general administration, accounts auditing finance statements, rules and all rules needed to maintain records.

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

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7. (1) The Corporation shall have its own fund and all Fund of the Corporation.
moneys received by way of gifts, testamentary dispositions,
transfers, donations or contributions shall be deposited in
the name of the Corporation in once or more banks as may
5 be decided by the Council.

(2) The Corporation may establish a depreciation fund or a
sinking fund for the purpose of rehabilitation, development
or improvement of the property of the Corporation.

10 (3) All expenses incurred by the Corporation in the
exercise and discharge of the powers and functions of the
Corporation shall be paid out of the fund of the Corporation.

8. The Corporation shall be able and capable in law to Corporation
acquire and hold any property, movable or immovable, which may hold
may become vested in it by virtue of any purchase, property may
15 subscription, gift, grant, or testamentary disposition or be or
otherwise and all such property shall be held by the immovable.
Corporation, with full power to sell, mortgage, lease,
exchange or otherwise dispose of the same.

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

10. (1) All properties and debts and liabilities of the Debts due by
25 Foundation existing on the day immediately preceding the and payable
date of commencement of this Act, shall be paid by the to the
Corporation hereby constituted and all debts, due to, Corporation.
subscriptions and contributions payable to the Foundation
on such day shall be paid to the Corporation for the purposes
30 of this Act.

(2) The properties and services owned and maintained by
the State Employees Development Finance Foundation on
the date prior to the implementation of this Act shall hand
them over to the Corporation incorporated by this Act.

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- (a) the one acre land situated at No. 94 of
Hathdaththeewa village in the Mahiyangana
Sorabora Colony and the sand mining project;
- 5 (b) 8 perch land situated at Kohodapola village in the
Polgahawela electorate division and the building
of mechanical capentry workshop.
- 10 **11.** If upon the winding up or the dissolution of the Corporation there remains after the satisfaction of all its debts
and liabilities, any 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 its or their rules prohibited from distributing and
income or property among its or their members. Property
remaining on
the
dissolution of
the
Corporation.
- 15 **12.** (1) The financial year of the Corporation shall be
the calendar year. Auditing
activities.
- (2) The Corporation shall cause proper accounts to be
kept of its income and expenditure, assets and liabilities
and all their transactions of the Corporation.
- 20 (3) The accounts of the Corporation shall be audited by a
qualified auditor.

In this section "Qualified auditor" means:

- 25 (1) an individual who being a member of the Institute
of Chartered Accountants of Sri Lanka, or of any other
Institute established by law, possess a certificate to
practice as an Accountant issued by the council of
such institute; or
- 30 (2) a Firm of Accountants each of the resident partners
of which, 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.

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13. The Seal of the Corporation shall not be affixed to any instrument whatsoever, expect in the presence of the Chairman or the Managing Director or such other person as may be duly athorized by the Council who shall sign their
5 names to the instruments in token of their presence and such signing shall be independent of the signing of any person as a witness. Seal of the Corporation.
14. Nothing in this Act contained shall prejudice or affect the rights of the Republic or any body politic or
10 corporate of any other persons. 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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