

S S P Corporate Services (Private) Limited

**MINUTES OF THE 91ST MEETING OF THE MAHAPOLA HIGHER EDUCATION
SCHOLARSHIP TRUST FUND**

DATE & TIME: 23RD NOVEMBER 2021 AT 8.20 A.M.

VENUE: MINISTRY OF TRADE,
NO.492, DUPLICATION ROAD, COLOMBO 3.

PRESENT:

| | |
|---|----------------------------------|
| 1. HON. DR BANDULA GUNAWARDENA MINISTER OF TRADE | FOUNDER TRUSTEE |
| 2. MRS. BHADRANIE JAYAWARDHANA | EX OFFICIO TRUSTEE |
| 3. MR. S.V.D. KESARRALAL GUNASEKERA | APPOINTED TRUSTEE |
| 4. DR. RAVI LIYANAGE | APPOINTED TRUSTEE (Virtually) |

EXCUSED

| | |
|---|---------------------|
| 1. HIS LORDSHIP THE CHIEF JUSTICE HON. J. JAYASURIYA P.C. | EX. OFFICIO TRUSTEE |
| 2. PROF. KAPILA PERERA | EX OFFICIO TRUSTEE |

BY INVITATION

- (i) Mr. M.P. Bandara, Director MTF
- (ii) Ms. R. Arulanandan, representing S S P Corporate Services (Private) Limited, Secretaries

PRELIMINARY

The Board decided to consider the Hon. Chief Justice as excused having noted the contents of his letter dated 20th June 2019.

In the absence of Hon. J. Jayasuriya, P.C., Chief Justice, Hon. Dr Bandula Gunawardena, Minister of Trade was appointed as Chairman pro tem to preside over the meeting.

PROCEEDINGS

1. CONFIRMATION OF THE MINUTES OF THE 89TH MEETING HELD ON 1ST OCTOBER 2021

The Minutes of the 89th Meeting of the Mahapola Higher Education Trust Fund held on 1st October 2021 which had been circulated were approved by the Board. Proposed by Dr. Ravi Liyanage and seconded by Mr. S.V.D. Kesarralal Gunasekera, the Chairman pro tem. signed the minutes as a correct record of the proceedings.

2. MATTERS ARISING FROM THE MINUTES

2.1 APPOINTMENT OF THE DIRECTOR FOR MAHAPOLA TRUST FUND AND APPROVAL FOR THE REMUNERATION PACKAGE FOR THE POST OF DIRECTOR

Dr. Ravi Liyanage, Appointed Trustee referring to the approval granted at the previous meeting in respect of the Remuneration Package for the Post of Director stated that, since the Horticulture Project is at a standstill the payment of a special allowance for that project will not be applicable.

Dr Ravi Liyanage pointed out that a progress review should be carried out and submitted to the Secretary to the Ministry of Trade and accordingly an allowance should be paid only in respect of those projects which indicate a progress.

Dr. Ravi Liyanage recommended that, to start with to pay a lump sum of Rs. 20,000/- and after the Projects commence to pay Rs. 10,000/- per Project.

Mr. Parakrama Bandara informed the Board that in addition to handling the Projects he also acts as the Investment Manager at MTF.

Dr. Ravi Liyanage referring to the 2022 Budget inquired about the 50% surcharge that was added to the Budget.

The Board having noted the recommendation of Dr. Ravi Liyanage approved the payment of Rs. 20,000/- to Mr. Parakrama Bandara, Director in respect of Projects until the Projects commence.

3. **BOARD PAPER NO.1**
CABINET PAPER ON RESTRUCTURING OF THE SRI LANKA INSTITUTE OF INFORMATION TECHNOLOGY (SLIIT)

Mr. M.P. Bandara, Director tabled Board Paper No.1 in connection with the above.

The Chairman pro tem. Summarizing Informed the Board, that on the recommendation of the Report of the Committee on Public Enterprises (COPE) was tabled in Parliament on 6th April 2021 and the Report of the Special Presidential Commission appointed by HE the President in 2018, it was observed that the assets of SLIIT have been misused, all the buildings and equipment of SLIIT which was an asset of the Mahapola Trust Fund (MTF) during the ruling period of the government of Good Governance have been transferred to the Board of Directors of SLIIT through two agreements without the approval of the MTF or the Cabinet of Ministers.

The Chairman pro tem. Informed the Board that a Cabinet Memorandum has been drafted including proposals to obtain the surplus profits of SLIIT for the scholarship payments of the Mahapola Fund, to re-establish the assets of the Mahapola Fund under the Mahapola Fund and to establish SLIIT as a private university with the view of rectifying this situation and it is proposed to submit same for the approval of the Board of Trustees.

The Board having noted the contents of the draft Cabinet Memorandum approved same to be submitted to the Cabinet for approval.

4. **BOARD PAPER NO.2**
SUBMISSION OF THE PRESENT PROGRESS OF LIQUIDATION OF THE NWCL AND NWSL COMPANIES AND THE REPORT OF THE LIQUIDATION COMMITTEE

Mr. M.P. Bandara, Director tabled Board Paper No.2 in connection with the above.

The Board was informed that a Committee Meeting on the liquidation of NWCL and NWSL was held under the patronage of Hon (Dr.) Bandula Gunawardena, Minister of Trade/Chairman pro tem on 2nd November 2021. A copy of the Committee Report consisting of the matters discussed and the observations made was tabled for the information of the Board.

The Board having noted the contents of the minutes, approved the proposals and future activities taken up at the special committee meeting on liquidation of the companies held on 2nd November 2021 with a view to liquidating NWCL and NWSL.

5.

BOARD PAPER NO.3

REVISION OF THE BUDGET OF MTF IN 2021 AND 2022

Mr. M.P. Bandara, Director tabled Board Paper No.3 in connection with the above.

Mr. M.P. Bandara informed that the budget of the Mahapola Scholarship Trust Fund for the year 2021/2022 has already been approved and the relevant activities are being carried out accordingly. However, it was pointed out that since the amount of provision approved for the payment of rent in respect of acquisition of land to commence a University Village project had to be increased up to Rs.315 million, the capital expenditure on projects in the Budget of 2021 were increased. Accordingly, a revised Budget for 2021 and 2022 were tabled.

In addition, the Board was informed that, the Secretary to the Treasury has informed that the financial provisions which are allocated for scholarship payments of MTF under the budgetary provisions of 2022 will be reduced by Rs.200 million. Accordingly, MTF has been requested to cover that amount from the reserves of the Mahapola Fund in the year 2022.

The Board having discussed decided to inform the Treasury that the MTF is in agreement to bear the additional cost of Rs.200 million only due to the pandemic situation and MTF will try and earn this through the Online Lottery. The Board noted that it is proposed to outsource the online lottery through an investment.

Dr. Ravi Liyanage suggested to have TOR in respect of this Project.

The Board having noted the contents approved the revision of the Budget of MTF in 2021 and 2022 for the surplus cost of Rs.200 million required for the payment of scholarships.

6.

BOARD PAPER NO.4

TO EXPAND SPACE FOR THE HEAD OFFICE OF THE MTF AND TO EXTEND THE PRESENT LEASE AGREEMENT BY ONE YEAR

Mr. M.P. Bandara, Director tabled Board Paper No.4 in connection with the above.

The Board having noted the contents of the Board Paper

Resolved

"That the present Lease Agreement in respect of premises No.191A/1-5, 1/1, Dharmapala Mawatha, Colombo 7, in extent total floor area of 1,830 square feet in the 4th floor with J R Jayawardena Centre having its registered office at NO. 191A 1/1.,

Dharmapala Mawatha, Colombo 7 be extended by one (01) year commencing from 1st March 2021 to 28th February 2022 subject to the terms and conditions set out in the Lease Agreement”

Further resolved

“That any two Trustees of the Company be authorized to sign the Lease Agreement on behalf of the Board”

Further resolved

“That the Company in principle be authorized to take on lease additional 3,005 square feet in extent at the present Ministry of Trade building situated at no.492, R.A. De Meal Mawatha, Colombo 3”

7. **BOARD PAPER NO.5**
APPROVAL TO OPEN A NEW CURRENT ACCOUNT AND AN INVESTMENT ACCOUNT AT
PEOPLE’S BANK FOR THE MTF *

Mr. M.P. Bandara, Director tabled Board Paper No.5 in connection with the above.

The Board having noted the contents of the Paper

7.1 **Approval to enter into a Master Repurchase Agreement with People’s Bank**

It was resolved

“To enter into a Master Repurchase Agreement with People’s Bank established under People’s Bank Act No.29 of 1961 as amended in Sri Lanka being an authorized primary dealer and having its registered address at No.75, Sir Chittampalam A. Gardiner Mawatha, Colombo 2 as per the terms and conditions set out in the Agreement”

Further resolved

“That Mr. S.V.D. Kesarralal Gunasekera, Appointed Trustee and Mrs. Bhadrani Jayawardhana, Ex officio Trustee be authorized to sign the Master Repurchase Agreement on behalf of the Mahapola Higher Education Scholarship Trust Fund”

7.2 **Opening of New Account at People's Bank, Colombo 2 and approve authorized signatories**

It was resolved

"That a banking account for Mahapola Higher Education Scholarship Trust Fund be opened with the People's Bank at their Sir Chittampalam A. Gardiner Mawatha, Colombo 2 Branch and the Bank be and is hereby empowered to honour cheques, bills of exchange, promissory notes, drawn, signed, accepted, or made on behalf of the Company by any two (02) of the following Authorized Signatories:

| | |
|----------------------------------|--------------------------------|
| Mrs. Bhadrane Jayawardhana | - Secretary, Ministry of Trade |
| Mr. S.V.D. Kesarralal Gunasekera | - Appointed Trustee |
| Mr. Parakrama Bandara | - Director, MTF |
| Ms. Samanthika Rajapakshe | - Administrative Officer " |

7.3 **To obtain a Payment Gateway Facility Transactions with People's Bank**

It was resolved

"To obtain a Payment Gateway Facility Transactions with People's Bank, Colombo 2"

7.4 **Monthly Scholarship Instalment Payment for Institutes of Advanced Technological Education**

It was resolved

"To effect monthly scholarship instalment payment for the students of all Institutes of Advanced Technological Education as a direct bank transfers (slips) through People's Bank"

8. **BOARD PAPER NO.6**
TO APPOINT AN ACCOUNTANT FOR THE MTF ON ACTING BASIS

Mr. M.P. Bandara, Director tabled Board Paper No.6 in connection with the above.

The Board was informed that a newspaper advertisement was published on 14th November 2021 to fill the vacancy of Accountant at the MTF. The Board was informed that until the new recruitment is finalized arrangements have been made to appoint Mrs. Lakshmi Darshika an Accountant of the Ministry of Trade for a period of 6 months by the Secretary, Ministry of Trade.

A copy of the letter of appointment was tabled for the information of the Board. The Board was informed that pursuant to Section 12.3 of Chapter vii of the Establishment Code MTF may pay a remuneration to the Accountant and accordingly a monthly remuneration of Rs. 7,500/- has been proposed.

The Board having noted the contents approved the appointment of Mrs. Lakshmi Darshika as Accountant, Ministry of Trade, as Accountant MTF on acting basis for a period of 6 months at a remuneration of Rs. 7,500/- per month.

9. **BOARD PAPER NO.7**
INTERNAL RECRUITMENTS TO FILL VACANCIES IN THE MTF

Mr. M.P. Bandara, Director tabled Board Paper No.7 in connection with the above.

i. **Account Assistant**

Having noted the contents of the Board Paper, Dr. Ravi Liyanage informed the Board that MTF should follow the Recruitment Procedure of the Trust which should be based on qualifications, experience and promotion protocol or in the alternative the Trust should publish a Circular internally.

The Board having noted the need for an Account Assistant in principle granted approval for the Ministry to select a suitable person having checked the SOR.

ii. **Information Technology Officer**

The Board approved the recommendation to recruit a new Information Technology Officer on a two-year contract basis and to conduct a competitive examination by the Faculty of Computing and Technology, University of Kelaniya at a monthly remuneration of Rs. 75,000/-.

10. **BOARD PAPER NO.8**
IMPLEMENTATION OF THE BOOK DISTRIBUTION PROGRAMME INITIATED BY THE LATE HON. LALITH ATHULATHMUDALI UNDER THE MAHAPOLA TRUST FUND EFFECTIVE FROM 2022

Mr. M.P. Bandara, Director tabled Board Paper No.8 in connection with the above.

The Board having noted the contents of the Board Paper, the letter received from the Lalith Athulathmudali Commemorative Foundation Centre including a detailed report on

the said programme and the Trust's involvement in the Project over the past years approved a donation of Rs.1.5 million.

11. BOARD PAPER NO.9
MINUTES OF THE 9TH MEETING OF THE INVESTMENT COMMITTEE

Mr. M.P. Bandara, Director tabled Board Paper No.9 in connection with the above.

The Minutes of the 9th Meeting of the Investment Committee of the Mahapola Higher Education Scholarship Trust Fund held on 6th August 2021 was tabled.

The Board having noted the contents of the Paper noted the following:

i. Procurement of New ERP (Accounting Software) System for Mahapola Trust Fund

The Board having noted the recommendation of the Investment Committee, in principle granted approval to procure the new ERP (Accounting Software) System for MTF.

ii. Review of the Carder of MTF and re-visiting of Organizational Structure of MTF

The Board having noted the recommendation of the Investment Committee, approved of the following:

- (a) IT Manger under Director Investment should come under the Director Finance and Administration.
- (b) Approved the Organization Structure of the Trust.

iii. Procurement of Consultancy Services for the preparation of Project Proposals for the New Projects which are initiated by the MTF

The Board having noted the recommendation of the Investment Committee approved of the following:

- (a) To select one project as priority project and call EOI for Consultancy Services. The Mega Trading City Project at Mihintale selected as Priority Project and approved calling EOI for Consultancy Services.
- (b) To call quotations from all 4 reputed firms BDO Partners, KPMG, PwC and E&Y for the EOIs for Consultancy Services and preparation of the Project Proposals.

12. OTHER BUSINESS

There were no matters to be taken up under the above item.

There being no other business to be taken up the meeting concluded.

CONFIRMED TRUE RECORD


CHAIRMAN

A:/Min-91st