

**MINUTES OF THE 76TH MEETING OF LALITH ATHULATHMUDALI MAHAPOLA
HIGHER EDUCATION SCHOLARSHIP TRUST FUND**

**(FORMERLY KNOWN AS MAHAPOLA HIGHER EDUCATION
SCHOLARSHIP TRUST FUND)**

DATE & TIME: 24TH DECEMBER 2019 AT 9.45 A.M.

VENUE : OFFICE OF THE HON. MINISTER, MINISTRY OF
HIGHER EDUCATION, TECHNOLOGY AND
INNOVATIONS, NO. 18, WARD PLACE,
COLOMBO 07

PRESENT:

1. HON. BANDULA GUNAWARDENA MINISTER OF HIGHER EDUCATION, TECHNOLOGY AND INNOVATIONS	FOUNDER TRUSTEE
2. MR. D.M.A.R.B. DISSANAYAKE SECRETARY, MINISTRY OF HIGHER EDUCATION, TECHNOLOGY AND INNOVATIONS	EX OFFICIO TRUSTEE
3. MR. H.M. CHITHRANANDA SECRETARY, MINISTRY OF EDUCATION	EX OFFICIO TRUSTEE
4. MR. S.V.D. KESARRALAL GUNASEKARA	EX OFFICIO TRUSTEE

EXCUSED

HIS LORDSHIP THE CHIEF JUSTICE MR. J. JAYASURIYA, P.C.	EX.OFFICIO TRUSTEE
SECRETARY MINISTRY OF INTERNAL TRADE, FOOD SECURITY AND CONSUMER AFFAIRS	EX.OFFICIO TRUSTEE
MR. A. GULAM RASHEED	APPOINTED TRUSTEE

BY INVITATION

- (i) Mr. M.P. Bandara, Director MTF
- (ii) Ms. H.W. Nadeesha Dilrukshi, Legal Officer, Ministry of Higher Education
- (iii) Ms. R. Arulanandan, representing S S P Corporate Services (Private) Limited,
Secretaries

PROCEEDINGS

Mr. M.P. Bandara, Director, MTF welcomed everyone to the meeting.

In the absence of Hon. J. Jayasuriya, P.C. Chief Justice, Hon. Bandula Gunawardena, Minister of Higher Education, Technology and Innovations was appointed as the Chairman pro tem. to preside over the meeting.

Hon. Bandula Gunawardena, Minister of Higher Education, Technology and Innovations stated that according to the objectives of the Act, action should be taken to correct all allegations against the Trust and requested the members to work together to achieve the objective of the Trust.

1. CONFIRMATION OF THE MINUTES OF THE 75TH MEETING HELD ON 24TH JULY 2019

The Minutes of the 75th Meeting of the Mahapola Higher Education Trust Fund held on 11th October 2019 which had been circulated were approved and signed by Mr. S.V.D. Kesarralal Gunasekara, Appointed Trustee as a correct record of the proceedings

2. MATTERS ARISING FROM THE MINUTES

Procurement of Legal Advisory Services for Mahapola Trust Fund

Mr. M. P. Bandara, Director referring to the Minutes of the previous meeting sought the approval of the Board to appoint a Legal advisor since the Trust has approximately 4 pending cases.

The Board having noted the recommendation of Hon. Bandula Gunawardena, Minister of Higher Education, Technology and Innovations, approved the appointment of Mr. K. V. Choksy (Junior) as legal advisor of the Lalith Athulathmudali Mahapola Higher Education Scholarship Trust Fund.

3. AMENDMENT TO THE MAHAPOLA ACT FOR THE REMOVAL OF THE EX.OFFICIO POSITION OF CHAIRMAN OF THE BOARD (HON CJ)

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

The Board was informed that this matter was taken up at the previous meeting held on 11th October 2019, where Hon. Rauff Hakeem, Minister of City Planning, Water Supply and Higher Education proposed to submit a cabinet paper for the amendment of the Act accommodating the proposed change.

Mr. Kesarralal Gunasekara, Appointed Trustee informed the Board that the Act had stated that the Board should include the Hon. Chief Justice considering the fact the the MTF deals with funds worth approximately Rs.10 Bn in value and awards 300,000 scholarships and has spent Rs. 13 Bn over the last 38 years.

The Board having discussed the matter further noted the recommendation of Hon. Bandula Gunawardena, Minister of Higher Education, Technology and Innovations and Mr. S.V.D. Kesarralal Gunasekara, Appointed Trustee that the Hon. Chief Justice or nominee of the Hon. Chief Justice or a Supreme Court Judge should be a member of the Board of Trustees, due to the above reason.

The Board having noted the contents of the Cabinet Memorandum approved same.

4. BUDGET ESTIMATE OF MAHAPOLA TRUST FUND FOR THE YEAR 2020 AND ANNUAL REPORT 2018 TOGETHER WITH STRATEGIC PLAN 2020-2025 AND ANNUAL PROCUREMENT PLAN OF MAHAPOLA FOR 2020

Mr. M.P. Bandara, Director, MTF tabled Board Paper No.02 in connection with the above.

The Board having noted the contents approved the following:

- i. The Budget Estimate for 2020 with Procurement Plan 2020 of Mahapola Higher Education Scholarship Trust Fund.
- ii. The Annual Report of Mahapola Higher Education Scholarship Trust Fund for 2018 with Auditor General's Report of MTF for 2018, which will be submitted to the Cabinet by the Ministry of Higher Education.
- iii. The Strategic Plan 2020-2025 of Mahapola Higher Education Scholarship Trust Fund.

Hon. Bandula Gunawardena, Minister of Higher Education, Technology and Innovations suggested that since the Trust is short of funds to consider looking at introducing the Sweep Ticket. The Hon. Minister stated that the Trust should sell the Sweep Tickets stating that it is for Mahapola.

Mr. S.V.D. Kesarralal Gunasekara, Appointed Trustee stated that the National Lotteries Board and the Development Lotteries Board will not permit others to enter the market. The Hon. Minister then suggested introducing an Online Lottery. Mr.M.P. Bandara, Director stated that Online Lotteries are very expensive,

5. LAND FOR CONSTRUCTION OF MAHAPOLA HEAD QUARTERS BUILDING

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

The Board was informed, that at the previous meeting it was approved to select a land using the following methods i.e.

- i. Paper Advertisement for selection of suitable land
- ii. Request the Public Trustee for Land
- iii. Request a piece of land from UDA

Mr. M.P. Bandara, Director informed the Board that the UDA has informed that the Land at Denzil Kobbekaduwa Mawatha, Battaramulla is available for the development of office space for Government Institutions and they are calling proposals. Accordingly, the project proposal has also been submitted and a copy of same was tabled for the information of the Board.

Mr. M.P. Bandara, Director also informed the Board that the Ministry of Higher Education has identified the land at Rajagiriya close to Ayurvedic Hospital, Rajagiriya, which is owned by the Irrigation Department and they have agreed to vest the said land in the Ministry of Higher Education and accordingly a new cabinet paper in this regard has been submitted.

Mr. S.V.D. Kesarralal Gunasekara, Appointed Trustee informed the Board that the Trust is 39 years old but does not own a building of its own.

Hon. Bandula Gunawardena, Minister of Higher Education, Technology and Innovations suggested that the design of the building to be constructed should be done by a person free of charge. He also suggested designing something with Hon. Lalith Athulathmudali's statue. The Hon. Minister requested Mr. Kesarralal Gunasekara to look at a suitable Architect. The Hon. Minister suggested to check with Prof. Chithra Wedikkara an eminent Architect to recommend a good Architect for this purpose.

Mr. D.M.A.R.B. Dissanayake, Secretary, Ministry of Higher Education, Technology and Innovations stated that the Treasury has stated that for three years they will not spend money to build. Mr. Kesarralal Gunasekara, Appointed Trustee stated that the Trust does not require government funding to construct the building, the Trust will use its own funds.

6. EXEMPTION FROM THE TAXES OF MAHAPOLA INCOME AND REVENUE

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

The Board was informed that Section 12 of the Mahapola Higher Education Scholarship Trust Fund Act No.66 of 1981 has made provision for the revenue and donations received by Mahapola to be exempted from payment of taxes. However, as per the new Inland Revenue Act No.24 of 2017 which came in to effect from 1st April 2018 the above exemption has not been granted.

The Directors of MTF requested from the Commissioner General of Inland Revenue to get the exemption from the payment of Taxes on the Revenue of Mahapola to be incorporated in the new Inland Revenue Act No.24 of 2017. The Commissioner General of Inland Revenue informed by his letter dated 15th August 2019 that Mahapola Trust Fund is not included in the 3rd schedule of the new Inland Revenue Act. Therefore, the exemption has not been granted. A copy of the letter dated 15th August 2019 was tabled for the information of the Board.

The Board of Trustees at its 75th meeting held on 11th October 2019 decided to submit a Cabinet Memorandum to restore the above exemption for Mahapola Trust Fund.

Accordingly the Ministry of Higher Education has submitted a Cabinet Paper and a copy of same was tabled for the information of the Board.

7. PRESENT STATUS OF NWCL/NWSL AFTER SUSPENSION OF PD LICENCE

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

Mr. Bandara informed the Board that as per the Cabinet decision, the Fund Management Agreement with NWCL has been cancelled and the total funds of the said Company have been transferred to the Mahapola Trust Fund Account at Bank of Ceylon on 28th February 2019.

The Board was informed that the Board of Directors of NWSL had submitted a Report which was tabled at the last meeting held on 11th October 2019 and the Board having noted the contents informed the Director, MTF to submit his observations on same to the next meeting of the Board of Trustees for consideration. Accordingly a copy of the Status Report together with the observation of the Director, MTF was tabled for the information of the Board.

Mr. M.P. Bandara, informed the Board that the Central Bank of Sri Lanka has issued an order to revoke the suspension of the Primary Dealer Licence with effect from 30th November 2019 for a period of six months in order to facilitate the restructuring process, to transfer the shares to a new investor. A copy of the CBSL letter was tabled for the information of the Board.

The Board was informed that the Procurement Process for the transfer of shares of NWSL to a prospective investor has commenced and Litigation files of NWSL have been submitted to AG's Department for AG's opinion and his decision was awaited.

The Board having discussed decided to inform the Cabinet that Natwealth Securities Limited will continue as it is and will not be privatized which should be made clear to the Cabinet.

8. CURRENT STATUS OF THE SRI LANKA INSTITUTE OF INFORMATION TECHNOLOGY (SLIIT) MALABE

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

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

- i. Submitting the new cabinet paper on restructuring of SLIIT and inform the Secretary to His Excellency the President to initiate and submit the cabinet paper rectifying the delisting of SLIIT.
- ii. Obtain a valuation report from the Chief Valuer of the Valuation Department for 25 A land and building situated at Malabe (SLIIT)
- iii. Submitting cabinet paper for establishment of the new University specialized in IT education under the Mahapola or UGC.

9. MINUTES OF THE 4TH MEETING OF THE INVESTMENT COMMITTEE OF MTF WHICH WAS HELD ON 16TH OCTOBER 2019

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

Mr. M.P. Bandara tabled the Minutes of the 4th meeting of the Investment Committee of the Mahapola Trust Fund held on 16th October 2019.

The Board having noted the contents, approved of the Minutes of the 4th Meeting of the Investment Committee of the Mahapola Trust Fund held on 16th October 2019.

10. NEW AUTHORIZED SIGNATORIES FOR MAHAPOLA BANK ACCOUNTS OF BOC CORPORATE BRANCH & BOC TORRINGTON BRANCH

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

The Board having noted the contents

Resolved

“That the Lalith Athulathmudali Mahapola Higher Education Scholarship Trust Fund be authorized to operate A/c No.1791 at Bank of Ceylon Corporate Branch and A/c No. 45383302834 at Bank of Ceylon, Torrington Branch and A/c No.0000004079 at Bank of Ceylon Corporate Branch and new Custodian Trust A/c No. 000083867162 at the investment banking division of Bank of Ceylon by any two of the following authorized persons in place of the previous authorized signatories

1. Mr. D.M.A.R.B. Dissanayake – Secretary, Ministry of Higher Education Technology and Innovation, Ex- Officio Trustee, Chief Accounting Officer of MTF
2. Mr. S.V.D. Kesaralal Gunasekara – Appointed Trustee – Lalith Athulathmudali Mahapola Higher Education Scholarship Trust Fund
3. Mr. M.P. Bandara – Director, Lalith Athulathmudali Mahapola Higher Education Scholarship Trust Fund
4. Ms. S. Rajapaksha – Administrative Officer – Lalith Athulathmudali Mahapola Higher Education Scholarship Trust Fund (in respect of routine Administrative payments for a defined level of recurrent nature)”

11. APPOINTMENT OF MEMBERS TO THE INVESTMENT COMMITTEE/AUDIT COMMITTEE OF MAHAPOLA

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

The Hon. Bandula Gunawardena, Minister of Higher Education, Technology and Innovations suggested appointing Prof Abeyratne Bandara and Mr. D.M.A.R.B. Dissanayake, Secretary, Ministry of Higher Education, Technology and Innovation to the Investment Committee

The Board having noted the contents of the Board Paper and the recommendation of Hon. Bandula Gunawardena, Minister of Higher Education, Technology and Innovations.

Resolved

“That the Investment Committee will consist of the following members:

- Mr. D.M.A.R.B. Dissanayake, Secretary, Ministry of Higher Education, Technology and Innovation Chairman
- Prof. Abeyratne Bandara
- Mr. S.V.D. Kesarralal Gunasekara,
- Mr. Manjula De Silva
- Mr. M.P. Bandara

Further resolved

“That the Audit and Management Committee will consist of the following members:

- Mr. D.M.A.R.B. Dissanayake, Secretary, Ministry of Higher Education, Technology and Innovation Chairman
- Mr. H.M. Chithrananda, Secretary, Ministry of Education
- Mr.S.V.D. Kesaralal Gunasekara,
- Mr. A. Gulam Rasheed

12. APPROVAL FOR THE CHANGES OF THE INVESTMENT POLICY & PORTFOLIO MANAGEMENT OF MTF WITH NWSL INVESTMENTS

Mr. M.P. Bandara, Director tabled Board Paper No.10 in connection with the above.

The Board having noted the contents of the Board Paper, decided to take a decision on the above, based on the recommendation of the Investment Committee.

13. TRANSFER OF DLB SHARE OF PROFIT TO MAHAPOLA TRUST FUND

Mr. M.P. Bandara, Director, MTF tabled Board Paper No.11 in connection with the above.

The Board having noted the contents approved

- i. The discussion with the President's Fund to negotiate the amount to be transferred to MTF out of DLB profit and unclaimed price money
- ii. Submission of the request to President's Fund on claiming the above received balance of Rs.1,275,546,280/- from President's Fund for the period 2012 to 2018, from the President's Fund.

The Board also authorized the Secretary, Ministry of Higher Education. Technology and Innovations to make a recommendation to Cabinet in respect of the above.

14. FILLING VACANCIES OF MAHAPOLA TRUST FUND MANAGEMENT ASSISTANT GRADE III, DRIVER, KKS

Mr. M.P. Bandara, Director, MTF tabled Board Paper No.12 in connection with the above.

Mr. M.P. Bandara, Director informed the Board that as approved by the Board of Trustees a list of applicants was obtained from the Ministry of Public Administration and interviews were held and applicants were selected for the post of Management Assistant Grade III. He informed the Board that most of the applicants selected did not accept the appointments due to appointments received in the government service.

Mr. M.P. Bandara tabled for the information of the Board the proposal approved by the Board at the previous meeting.

The Board having discussed decided to get the Hon. Bandula Gunawardena, Minister of Higher Education, Technology and Innovations to provide approximately 15 names of suitable applicants and the Trust to conduct an Examination and select. Referring to the salary that would be paid to them, Mr. M.P. Bandara stated that the salary will be approximately Rs.26,000/- plus attendance of Rs.10,000/- and with overtime the applicants could expect approximately Rs.40,000/- per month. Mr. M.P. Bandara, Director stated that the Trust would prefer applicants with good Advanced Level passes.

The Board ratified the appointment of Mr. T.N. Rajapaksha, Driver, Grade III taken on contract basis for a period of 6 months with effect from 1st October 2019 at a daily pay of Rs.1,500/- (9 hours) until the selection of a new Driver as per the approved method of recruitment.

15. EXTENSION OF THE SERVICE PERIOD OF THE DIRECTOR MTF

Mr. M.P. Bandara, Director tabled Board Paper No.13 in connection with the above.

The Board having noted the contents of the Board Paper granted approval for the extension of service of Mr. M.P. Bandara, Director MTF for a further period of one year with effect from 3rd September 2019 on the same terms and conditions as the employment contract which was entered on 4th September 2017 with subsequent amendments.

16. HEALTH INSURANCE POLICY FOR MTF STAFF

Mr. M.P. Bandara, Director, MTF tabled Board Paper No.14 in connection with the above.

Mr. M.P. Bandara, Director informed the Board that at the previous meeting it was decided to call quotations from NITF for "Agrahara Scheme. However, due to the small no of employees (13 numbers), NITF was not willing to give Agrahara Scheme for MTF staff.

The Board approved the recommendation of Mr. M.P. Bandara to renew the Health Insurance Policy which MTF had obtained from Sri Lanka Insurance Corporation (which expired on 2nd October 2019) where MTF will pay Rs.25,000/- per employee and the balance premium will be contributed by the employee.

17. SETTLEMENT OF OUTSTANDING BILLS TO ADCORE CREATIVE (PVT) LTD ON MAHAPOLA SCHOLARSHIP AWARDING CEREMONY HELD ON 2ND DECEMBER 2014 AT SHALIKA GROUNDS, COLOMBO

Mr. M.P. Bandara, Director, MTF tabled Board Paper No.15 in connection with the above.

The Board having noted the contents decided to defer the matter for the next meeting.

18. OTHER BUSINESS

18.1 Appointment of Directors to Nat Wealth Corporation Limited and Nat Wealth Securities Limited

The Board resolved:

“That the following be and are hereby appointed to the Board of Nat Wealth Corporation Limited and Nat Wealth Securities Limited.

Prof. Abeyratne Bandara
Mr. Parakrama Bandara
Mr. Nirosh De Silva
Mr. S. V. D. Kesaralal Gunasekera
Mr. Upali Seneratne
Mr. Anthony Mario Shanil Fernando”

18.2 Scholarship Awards Ceremony

The Board granted approval to hold the next Scholarship Awards Ceremony at the Sugathadasa Indoor Stadium.

CONFIRMED TRUE RECORD

CHAIRMAN

Approved by chrs.

A:/Min-76th M. Parackrama Bandara
Director
Mahapola Higher Education Scholarship Trust Fund
4th Floor, J.R. Jayewardene Centre,
No.191, Dharmapala Mawatha,
Colombo 07.