



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

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**GRASSROOTS FOUNDATION  
(INCORPORATION) ACT, No. 77 OF 2009**

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[Certified on 29th December, 2009]

*Printed on the Order of Government*

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*Grassroots Foundation (Incorporation)*  
*Act, No. 77 of 2009*

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L. D. —O. Inc. 27/2008

AN ACT TO INCORPORATE THE GRASSROOTS FOUNDATION

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

Preamble.

AND WHEREAS the said association has heretofore successfully carried out and transacted the several objects and matters for which it was formed and has applied to be incorporated and it will be for the public advantage 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 the Grassroots Foundation (Incorporation) Act, No. 77 of 2009.

Short title.

**2.** From and after the date of commencement of this Act such and so many persons as now are members of the “Grassroots 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 Grassroots Foundation (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 the Grassroots Foundation.

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

General objects of the Corporation.

- (a) To protect individual and collective civil rights, civil liberty and dignity of people irrespective of religion, race, caste, creed, color and social standing;

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- (b) to educate the poor and marginalized people at grassroot level on civil rights, fundamental duties and entitlements of the citizens of Sri Lanka;
- (c) to promote economic development and social upliftment of the poor and marginalized people at grassroot level by organizing various skill development programmes and creating various employment oriented programmes;
- (d) to promote peace, social justice, racial equality, religious harmony, mutual trust and respect amongst people of all races and religious faiths by organizing various educational and awareness programmes;
- (e) to encourage people to foster their mother tongue, cultural values, good customs and traditions;
- (f) to promote the right to information among urban and rural poor by providing training in computers and computer technology and various other information technology programmes;
- (g) to introduce training programmes to enhance communication skills and technological skills of poor and needy;
- (h) to work in close association with Governmental and Non-Governmental Organizations, religious bodies, cultural groups, International organizations and other institutions and organizations in order to achieve the objects of the Corporation.

(2) The Corporation shall ensure that the implementation of the objects of the Corporation shall be carried out without any distinction based on race, religion, language, caste, sex or political opinion.

4. 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 and matters as are necessary or desirable for the promotion or furtherance of the objects of the Corporation or any one of them, including the power—

Powers of the Foundation.

- (a) to purchase, acquire, rent, construct and otherwise obtain lands or buildings which may be required for the purposes of the Corporation;
- (b) to raise funds and receive grants, gifts or donations in cash or kind;
- (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, maintain and close accounts in any bank;
- (d) to enter into contracts partnerships or agreements with any Governmental or non Governmental organizations or any other person or institution whether in Sri Lanka or abroad;
- (e) to invest any funds that are not immediately required for the purposes of the Corporation, in such manner as the Board of Management may determine;
- (f) to appoint, employ, dismiss or terminate the services of officers and servants of the Corporation and exercise disciplinary control over them and to pay them such salaries, allowances and gratuities as may be determined by the Corporation;
- (g) to train personnel in Sri Lanka or abroad for the purposes of the Corporation; and
- (h) to do all other things as are necessary or expedient for the proper and effective carrying out of the objects of the Corporation.

Corporation  
may hold  
property  
movable and  
immovable.

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

Management of  
the affairs of the  
Corporation.

**6.** (1) The management and administration of the affairs of the Corporation shall subject to the provisions of this Act be administered by a Board of Management consisting of such number of office bearers elected in the manner as may be provided by the rules of the Corporation made under section 7.

(2) The first Board of Management of the Corporation shall consist of the members of the Board of Management of the Foundatin who hold office on the day immediately preceding the date of commencement of this Act.

Rules of the  
Corporation.

**7.** (1) It shall be lawful for the Corporation from to time, at any general meeting of the Corporation and by a majority of not less than two-thirds of the members present and voting, to make rules, not inconsistent with the provisins of this Act or any other written law, for all or any of the following matters:—

- (a) the classificatin of membership, admission, withdrawal, expulsion or resignation of members and fees payable by the members;
- (b) the election of office bearers of the Board of Management or vacation of or removal from office and the powers, duties and functions of the office bearers;
- (c) the appointment, powers, functions and duties and the terms and conditions of the various officers, agents and servants of the Corporation;

- (d) the procedure to be followed at the summoning and holding of meetings of the Board of Management, the Corporation or any sub-committee thereof, filling of vacancies, notices and agenda of such meetings, the quorum and the conduct of business thereat;
- (e) the qualifications and disqualifications for members of the Board of Management and the Corporation; and
- (f) the administration and management of the property of the Corporation for the accomplishment of the objects of the Corporation

(2) Any rule made by the Corporation may be amended, altered, added to or rescinded at a like meeting and in like manner, as a rule made under subsection (1) of this section.

(3) The members of the Corporation shall at all times be subject to the rules of the Corporation made under this section.

**8.** (1) The Corporation shall have its own fund. Found of the Corporation.

(2) All moneys received by way of gift, bequest, donation, subscription, contribution, fess or grant for and on account of the Corporation shall be deposited in one or more banks approved by the Board of Management to the credit of the Corporation.

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

**9.** (1) The financial year of the Corporation shall be the calendar year. Accounts and Auditing.

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

(3) The accounts of the Corporation shall be audited annually by a qualified auditor appointed by the Board of Management.

(4) In this section “qualified auditor” means—

(a) an individual who, being a member of the Institute of Chartered Accountants of Sri Lanka or of any other Institute established by law, who possesses a certificate to practise as an Accountant, issued by the Council of such Institute; or

(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, who possesses a certificate to practise as an Accountant, issued by the Council of such Institute.

Debts due by and payable to the Foundation.

**10.** All debts and liabilities of the Foundation existing on the day immediately preceding the date of commencement of this Act shall be paid by the Corporation hereby constituted and all debts due to and subscription and contributions payable to the Foundation on that day shall be paid to the Corporation for the purposes of this Act.

Limitation of liability of members.

**11.** 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 such membership fees as may be due from time to time to the Corporation.

Property remaining on dissolution.

**12.** 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 prohibited from distributing any income or property among its or their members.

**13.** The seal of the Corporation shall not be affixed to any instrument whatsoever, except in the presence of two members of the Board of Management of the Corporation and 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 Corporation.

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

Saving of the rights of the Republic.

**15.** In the event of any inconsistency between the Sinhala and the Tamil texts of this Act, the Sinhala text shall prevail.

Sinhala text to prevail in case of inconsistency.



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