

**MINUTES OF THE 87TH MEETING OF THE MAHAPOLA HIGHER EDUCATION
SCHOLARSHIP TRUST FUND**

DATE & TIME: 1ST APRIL 2021 AT 7.40 A.M.

VENUE: MINISTRY OF TRADE, NO.22, VAUXHALL STREET,
COLOMBO 2.

PRESENT:

1. HON. DR BANDULA GUNAWARDENA MINISTER OF TRADE	FOUNDER TRUSTEE
2. MRS. BHADRANIE JAYAWARDHANA	EX OFFICIO TRUSTEE
3. PROF. KAPILA PERERA	EX OFFICIO TRUSTEE
4. MR. S.V.D. KESARRALAL GUNASEKARA	APPOINTED TRUSTEE
5. DR. RAVI LIYANAGE	APPOINTED TRUSTEE

EXCUSED

1. HIS LORDSHIP THE CHIEF JUSTICE HON. J. JAYASURIYA P.C.	EX. OFFICIO TRUSTEE
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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 86TH MEETING HELD ON 2ND MARCH 2021

The Minutes of the 86th Meeting of the Mahapola Higher Education Trust Fund held on 2nd March 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 signed the minutes as a correct record of the proceedings.

2. **MATTERS ARISING FROM THE MINUTES**

There were no matters arising from the minutes of the previous meeting.

3. **BOARD PAPER NO.1**
AMENDMENT OF MAHAPOLA ACT NO.66 OF 1981

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

Mr. M.P. Bandara informed the Board, that as approved by the Board of Trustees and the COPE directions the Mahapola Act is proposed to be amended and the draft of the amendment submitted to the Legal Draftsman to prepare the amended bill to be submitted to Cabinet.

The Board was informed that the proposed amendments are:

- (i) Change of the subject Ministry of Mahapola from the Ministry of Higher Education to the Ministry of Trade (before the 1st Amendment approved by the Cabinet, it was under the Ministry of Trade).
- (ii) Change the Chairmanship of the Fund, COPE directives and the approval of the BOT. Chairman Ex-officio members held Chief Justice of the Supreme Court of Sri Lanka proposed to be changed and a retired Judge of the Supreme Court to be appointed as a member and the Chairman of the Board.
- (iii) Name of the Fund to be re-named as "Lalith Athulathmudali Mahapola Higher Education Scholarship Trust Fund.

Mr. P. Bandara, Director informed the Board that the Ministry of Trade is working on the proposed amendment to the Act to be submitted to the Cabinet early.

A copy of the draft amended Act was tabled for the information of the Board. The Board was informed that the Hon Chief Justice has written to the Secretary to the President that he cannot be the Chairman of the Board of Trustees.

4. **BOARD PAPER NO.2**
APPROVAL FOR THE DRAFT CABINET MEMORANDUM FOR THE UNCOLLECTED REVENUE OF THE DEVELOPMENT LOTTERIES BOARD (DLB)

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

Mr. Bandara informed the Board, that as discussed at the last meeting of the Board of Trustees which was held on 2nd March 2021, the profit sharing of DLB has not been equally distributed among the co-partners (investors) of the DLB.

The Board was also informed that the revenue of the unclaimed prize money is not distributed to MTF. In addition, 50% of the regular income has also not been distributed to the MTF during the last couple of years.

Accordingly, the Board of Trustees decided to submit a Cabinet Memorandum through the Ministry of Trade in this regard. A copy of the draft Cabinet Memorandum was submitted for the information of the Board.

A copy of the letter with the schedule for unclaimed prize money received from DLB and remitted to the President's Fund was submitted for the information of the Board.

A copy of the draft Cabinet Memorandum prepared for the rectification of the income distribution of DLB between the Presidents' Fund and MTF was also tabled.

Dr. Ravi Liyanage, Appointed Trustee informed the Board that it was important to provide to the Hon. Minister of Trade at the time of submitting the Cabinet Memorandum the following information i.e. historical information on Mahapola's 50% investment in DLB, accounts of DLB, old Cabinet Papers and the approval for same.

The Board having noted the contents, approved the draft Cabinet Memorandum prepared for the rectification of the income distribution of DLB between the Presidents' Fund and MTF.

5. **BOARD PAPER NO.3**
PRESENT STATUS AND THE CURRENT PROGRESS OF THE LIQUIDATION PROCESS OF
NWCL/NWSL SUBSIDIARY COMPANIES OF MTF

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

The Board was informed that as per the Cabinet decision taken on 3rd November 2020 the two subsidiaries of MTF NWCL/NWSL commenced the liquidation process and appointed a Liquidation Committee to facilitate the liquidation.

The Board having noted the progress of the Liquidation of NWCL/NWSL, approved of the following:

1. Covering approval in respect of the Payment of Compensation of Rs.21.5 Mn for the staff of NWSL/NWCL whose employment was terminated as per the order of the Commissioner General of Labour dated 3rd March 2021.
2. Settlement of Due Taxes of NWSL which was approved by the Board of Directors of NWSL at the 190th Meeting of the Board of Directors held on 22nd March 2021.
3. The standby arrangement and taking over the operations of NWSL/NWCL with effect from 15th March 2021 and deploying the MTF staff to undertake the

operations and the payment of monthly fixed allowance proposed and approved by the Board of Directors of NWSL/NWCL.

Referring to the Compensation/Ex-gratia payment for the employees of NWSL/NWCL Dr. Ravi Liyanage, Appointed Trustee requested Mr. Bandara to present the decision of the Boards of NWSL/NWCL for the reference of the Board.

Dr. Ravi Liyanage, pointed out that the services of all the employees were terminated after paying the Compensation of Rs.21.5 Min as per the decision of the Labour Department and stated that he is of the view that this Compensation payment is sufficient and suggested that the employees be informed that there will be no Ex-gratia payment made.

The Board approved the above recommendation of Dr. Ravi Liyanage.

6. **BOARD PAPER NO.4**
PROGRESS OF THE PREPARATION OF EX-MAHAPOLA RECIPIENTS LIST FOR REQUESTING A DONATION

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

Mr. Bandara informed the Board, that as informed by the Board of Trustees, MTF has commenced to prepare a list of details of the Ex Mahapola Recipients to request a Donation to improve the MTF Main Fund.

Mr. Bandara informed the Board that since MTF has a small staff and there are in total approximately 100,000 entries to be made on or before 30th April 2021, recommended a payment of Rs.2/- per entry for the extra work after office hours which would total to approximately Rs. 200,000/- to be shared among 6 staff members.

A summary of the work done was tabled for the information of the Board.

The Board having noted the above approved the payment of Rs.2/- per entry to prepare the Ex-Mahapola Recipients List by the employees of MTF after office hours, on the basis that the list is completed before 30th April 2021.

7. **BOARD PAPER NO.5**
VALUATION OF ASSETS OF SLIIT

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

Mr. Bandara informed the Board, that as approved by the Board of Trustees arrangements have been made to get the valuation report from the Government Chief Valuer for the SLIIT Property at Malabe, in order to get the asset valuation to the Book of Assets of MTF.

The Board was informed that as requested by MTF, SLIIT has sent a letter confirming that the valuation can only be done on Land. A copy of the letter received from SLIIT in this regard was submitted for the information of the Board.

The Board having discussed the matter decided to get legal advice and respond to the letter sent by SLIIT indicating that the land and the business is owned by Mahapola.

8. **BOARD PAPER NO.6**

APPROVAL FOR THE SERVICE EXTENSION OF THE DIRECTOR MAHAPOLA TRUST FUND

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

The Board noted that as per Cabinet decision on 5th October 2020 the service of the Director of MTF Mr. M.P. Bandara was extended up to 2nd March 2021.

At the Board of Trustees Meeting held on 2nd March 2021 this matter was discussed and the filling of this vacancy and the approval of the SOR of MTF was also taken up.

The Board was informed that Hon. Dr. Bandula Gunawardena, Chairman pro tem has proposed to extend the service of the existing Director by 3 months from 2nd March 2021 and stated that a letter of request for the extension of the release from UGC was submitted on 9th February 2020.

A copy of the letter of release for the post of Director from University Grants Commission (UGC) dated 18th March 2021 was tabled for the information of the Board. Accordingly, the Board noted that UGC has approved one more extension for three (03) months from **3rd March 2021**.

The Board having noted the above, approved extending the service of Mr. M.P. Bandara, Director for a further period of 3 months with effect from **3rd March 2021**.

9. **BOARD PAPER NO.7**

PURCHASE OF ASSETS OF NWCL/NWSL ON LIQUIDATION OF THE COMPANIES

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

Mr. M.P. Bandara, Director informed the Board that as approved by the Board of Directors of NWCL/NWSL and the Board of Trustees, on the recommendation of the Liquidation Committee, transferred the Fixed Assets of NWCL/NWSL to MTF on valuation. The valuation was done by M/s Shockman and Samarawickrema, registered Valuers.

Mr. M.P. Bandara, Director stated that part of the Fixed Assets has already been transferred to the Ministry of Trade for the Trade Policy Office at the BMICH which belongs to MTF and given on loan basis as per the request of the Secretary, Ministry of Trade.

The Board was informed that as per the Cabinet decision the total Fixed Assets of NWCL/NWSL were transferred to MTF on valuation on the invoices submitted by NWCL which was Rs. 3,302,583/33.

The Board having noted the above approved the payment of Rs. 3,302,583/- being the value of Fixed Assets purchased from NWCL.

10. OTHER BUSINESS

10.1 Establishment of the Central Project Office for the New Projects Initiated by Mahapola Trust Fund

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

The Board having noted the contents of the Board Paper approved the establishment of a new project office at the new building premises of the Ministry of Trade and transfer the office furniture and other office equipment of Mahapola Trust Fund to the new project office of Mahapola Trust Fund at the Ministry of Trade, Duplication Road.

10.2 Appointment of Project Director/Project Coordinator and the Lead Consultant for the new projects initiated by the MTF

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

Mr. M.P. Bandara, Director informed the Board that the following new projects will be implemented by the MTF.

1. Universal University Village at Millewa Wattam Padukka (153 Acre land)
2. Trading City and Ware Housing Complex at Mihintale (200 Acre land)
3. Bio-Systems Technology (Floriculture) Project at Ambewela (23 Acre land)

The Board was informed that, Cabinet approval has been obtained for Projects (1) and (2) and the preliminary work of the Projects are being undertaken.

Mr. Bandara informed the Board that the Secretary, Ministry of Trade has appointed the following officers of the Ministry of Trade to co-ordinate the projects with MTF.

1. Mr. K.D. Chithrapala – CFO of Ministry of Trade appointed as Project Director of the Mihintale Project
2. Mrs. B.M.S. Bandara – Additional Secretary (Development) as Project Coordinator of the Universal University Village Project, Millewa, Padukka.

Further, Prof. Gamini Senanayake nominated by the Board of Trustees as Lead Consultant of the Bio Systems Technology Project, Ambewela.

Mr. M.P. Bandara, Director tabled the letters of appointment and the TOR for the Project Coordinator, Project Director and the Lead Consultant for the information of the Board.

The Board having noted the above ratified the appointments made by the Ministry in respect of Project Director for the Mihintale Project and the Project Coordinator for the Universal University Village Project.

The Board also approved the appointment of Mr. Gamini Senanayake as Lead Consultant of the Bio System Technology Project, Ambewela.

Dr. Ravi Liyanage, Appointed Trustee informed Mr. M.P. Bandara to request Mr. Gamini Senanayake, Lead Consultant to check the availability of water and to carry out a soil test at the respective locations.

10.3 Liquidation of NWSL/NWCL based on the Cabinet decision on 26th October 2020

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

The Board was informed that as per the Cabinet decision the two subsidiaries of MTF namely, NWCL and NWSL are required to go into liquidation after fulfilling certain requirements. Accordingly, the Secretary, Ministry of Trade with the approval of the Board of Trustees has appointed a Committee to facilitate the liquidation process in order to minimize the losses to MTF.

The Board having noted the observations of the Liquidation Committee, authorized the Liquidation Committee to make the negotiated settlement with the creditor and authorize the Board of Directors of NWSL to make the final settlement as recommended by the Liquidation Committee.

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

CONFIRMED TRUE RECORD

CHAIRMAN

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