

**MINUTES OF THE 88TH MEETING OF THE MAHAPOLA HIGHER EDUCATION
SCHOLARSHIP TRUST FUND**

DATE & TIME:

31ST MAY 2021 AT 7.55 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 (VIRTUALLY)
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
(Virtually)

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 87TH MEETING HELD ON 1ST APRIL 2021

The Minutes of the 87th Meeting of the Mahapola Higher Education Trust Fund held on 1st April 2021 which had been circulated were approved by the Board subject to the following amendment:

Board Paper No.5 – Valuation of Assets of SLIIT

Mr. S.V.D. Kesarralal Gunasekara, Appointed Trustee pointed out that the second paragraph of the above minute should be amended to read as follows:

“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 and the valuation of the business to the Book of Assets of MTF.”

Thereafter proposed by Dr. Ravi Liyanage and seconded by Mr. S.V.D. Kesarralal Gunasekara, the Chairman signed the minutes as a correct record of the proceedings.

2. MATTERS ARISING FROM THE MINUTES

2.1 Amendment of Mahapola Act No.66 of 1981

Mr. S.V.D. Kesarralal Gunasekara, Appointed Trustee referring to the change of the Chairmanship of the Fund, recommended the compulsory appointment of a retired Supreme Court Judge appointed by the Hon. Chief Justice for a period of 5 years.

2.2 Approval for the draft Cabinet Memorandum for the Uncollected Revenue of the Development Lotteries Board (DLB)

The Board was informed that the draft Cabinet Memorandum which was approved by the Board at the previous meeting, with regard to the rectification of the income distribution of DLB between the Presidents' Fund and MTF which was submitted to Cabinet has not been approved yet.

Mr. S.V.D. Kesarralal Gunasekara pointed out that the Cabinet Paper should be submitted, otherwise it would be a big loss to the Trust.

3. **BOARD PAPER NO.1**

PROGRESS OF PREPARATION OF EX-MAHPOLA RECIPIENTS LIST FOR REQUESTING DONATIONS

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, MTF commenced the preparation of the List of Ex-Mahapola Recipients from 1981 to 2018 in order to prepare a data base and thereafter request donations to increase the main fund of the Mahapola Trust Fund.

	No.
The total No. of Scholarships awarded from 1981/82 to 2018/19 (University students only) Data collected up to 20.05.2021	279,951 (254,381)
Balance data to be updated	25,570

The Board was informed that the target date for completion of work is 30th June 2021. Thereafter the Trust hopes to upload the information to the MTF web and send out individual letters to the Ex-Mahapola Recipients requesting donations.

Dr. Ravi Liyanage, Appointed Trustee stated that there should be a Liaison Officer to coordinate this work, preferably someone with some marketing background. He stated that he/she could be designated as a Fund Promotion/Liaison Officer and the Trust could provide a TOR and set some KPI's and set an annual target. He stated that it was important to have a specified person to coordinate this since once Mahapola Recipients get to know of this, there will be many people prepared to fund.

4. **BOARD PAPER NO.2**

PRESENT POSITION OF THE VALUATION OF SLIIT PROPERTY AND COPE REPORT SUBMITTED

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

Mr. Bandara informed the Board, that the decision of the last meeting was to prepare the necessary documents and get legal advice from Mr. V.K. Choksy P.C. and respond to the letter received from SLIIT on 1st March 2021 regarding the valuation of Assets of SLIIT.

Mr. Bandara informed the Board, that since Mr. V.K. Choksy P.C.'s legal charges are high requested the Board to assign some other lawyer whose charges are lower than the MTF legal consultant.

The Board was also informed, that the Chairman COPE Prof. Charitha Herath (MP) submitted the COPE Report on Mahapola investment in SLIIT on 6th April 2021. A copy of same was tabled for the information of the Board.

Mrs Bhadrane Jayawardhana, Secretary Ministry of Trade suggested to recommend a clever and honest person who would be able to advice the Board.

The Chairman pro tem. suggested Mr. Palitha Kumarasinghe P.C., attached to the University Grants Commission which was noted by the Board. The Chairman pro tem. then telephoned Mr. Palitha Kumarasinghe P.C. and informed him about the advice required from him and requested him to look at it legally and submit a Report to the Board. The Chairman pro tem. stated that there is a Presidential Commission Report available in this connection which will be provided to him as well. The Chairman pro tem. stated that Mr. Palitha Kumarasinghe P.C. had agreed to advice the Board and had stated that he will not charge any fee but to pay a fee for his Juniors.

The Board having noted the above approved the appointment of Mr. Palitha Kumarasinghe P.C. as the Legal Consultant to handle the SLIIT matter.

Mr. S.V.D. Kesarralal Gunasekara, Appointed Trustee recommended re-visiting the Cabinet Paper which was submitted previously.

Dr. Ravi Liyanage, Appointed Trustee stated that he is of the view that SLIIT should be allowed to continue with the business but provide us the right as an investor.

5. **BOARD PAPER NO.3**
PROGRESS OF THE FILLING OF THE CADRE VACANCIES OF MTF

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

The Board noted that as approved by the Board of Trustees, action has been taken to fill the vacancy of the Post of Director of MTF.

The Board noted that the following steps have already been taken,

- i. Approval of the Department of Management Services has been obtained.
- ii. Relevant Scheme of Recruitment for the post of Director was approved by the Board of Trustees.
- iii. The vacancy was published in the newspapers calling for applications and the closing date for submission of applications was 25th April 2021. The interviews are scheduled to be held on 1st June 2021.

The Board noted that Mr. S.V.D. Kesarralal Gunasekara, Appointed Trustee is on the Interview Panel.

The Board having noted the above, decided to circulate a Resolution of Trustees with the recommendation of the Interview Panel after the interview on 1st June 2021, seeking the approval of the Board of Trustees on the appointment of the Director.

Dr. Ravi Liyanage, Appointed Trustee stated that the Additional Secretary of the Ministry should circulate the Papers and that Mr. M.P. Bandara should not get involved in the in the process, which was noted by the Board.

6. BOARD PAPER NO.4
PROGRESS OF THE NEW PROJECTS OF THE MTF

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

Mr. Bandara informed the Board, that having obtained principle approval from the Board of Trustees, the following 03 main projects have been initiated.

1. Universal University Village – Millewa 152 Acres vested by UDA

Progress

- (i) Initial land allocation letter was received from the UDA on 16th February 2021.
- (ii) The Secretary Ministry of Trade sent a letter on 11th March 2021 to the Director General, UDA requesting the lease valuation and the terms and conditions of the Draft Lease Agreement.
Ms. Dayani Francis of the UDA has informed that the above request has been submitted to the Director, Lands and the valuation has not been finalized yet.
- (iii) As approved by the Board of Trustees, the following Project Coordinators were appointed on 1st March 2021:
Additional Secretary, Ms. Sumana Bandara and CFO K.D. Chithrapala
- (iv) The Project Steering Committee which was appointed held its first meeting on 21st May 2021 at the Ministry of Trade.
- (v) The Concept Paper which was prepared by Mr. Jayantha, Consultant, appointed for the Project was discussed with Hon. Minister's Coordinating Secretary for the Project Ms. Tulani Weerakoon.

A copy of the Concept Paper was tabled for the information of the Board.

Dr. Ravi Liyanage, Appointed Trustee stated to check with the UDA the procedure and whether they permit the MTF to re-lease the land after the Project or if the land is not utilized for the Project for a period of 5 years whether the MTF is permitted to re-lease if necessary and that the MTF can pay only when the Project begins/ MTF will only be able to pay an advance.

Dr. Ravi Liyanage, stated that a Concept Paper and a Strategic Paper should be prepared and tabled for the information and approval of the Board. He also recommended that the Consultant appointed for the Project should make a presentation to the Board through the Investment Committee.

The Chairman pro tem. at this stage got Mr. Prasad Ranaweera, DG, UDA on line to update the Board on the current status of the Project.

The Board having discussed, decided to meet the officials of the UDA and check on what basis the land will be provided to the MTF.

The Chairman pro tem. informed the Board that MTF has requested for a 99-year lease. The Board was informed that once the valuation is received the Lease Agreement could be signed. The Board noted that a meeting has been fixed with the UDA on Friday (3/6/2021) that week to discuss matters in this connection.

2. Mihintale Trading City Project – 3 Acres Land adjoining the Rajarata University of Sri Lanka

Progress

- (i) Cabinet approval was granted on 11th January 2021 for the allocation of the land.
- (ii) According to the Cabinet decision for the implementation of the proposed project, it was recommended to appoint a committee chaired by the Secretary, Ministry of Trade. The nominations from the respective Ministries were received on 10th May 2021.
- (iii) A Steering Committee for the Project was also appointed and the 1st meeting of the Committee was held on 21st May 2021.
- (iv) A Concept Paper and a Project Proposal will be prepared in order to evaluate the proposal.

The Chairman pro tem. informed the Board that MTF will provide the infrastructure facilities and the Road Development Authority will construct the roads within the premises. The Chairman pro tem. stated that the plan is to provide the following facilities:

1. Provide premises to traders to sell their products within the warehouse complex
2. Allow the vehicles to park within the premises and sell their products.

The Chairman pro tem. stated that he has requested for a Customs Warehouse as well.

3 Bio-System Technology (Floriculture) Institute Project Ambewela – 23 Acres Land at Ambewela

Progress

- (i) As approved by the Board of Trustees, the Concept Paper and the draft Project Proposal have been prepared by Prof. Gamini Senanayake, Lead Consultant of the Project.
- (ii) As the land is now being occupied, by the **Youth Crop (please check)** of the Ministry of Youth, the consent of the Hon. Minister of Youth is necessary in order to take further action. An urgent meeting to be arranged with the Hon. Nasal Rajapakse, MP to finalize the land issue of the Project.
- (iii) MTF at its 87th Meeting discussed the current issues of the project and Dr. Ravi Liyanage, Appointed Trustee pointed out to check on the availability of water as this Project requires a large amount of water and the said land is situated at a high area.
- (iv) The land survey has been completed and the land allocation will be finalized early pending the consent of the Hon. Minister of Youth and Sports.

The Chairman pro tem. stated that they were unable to check on the availability of water and carryout a soil test as suggested by Dr. Ravi Liyanage at the last meeting.

Dr. Ravi Liyanage pointed out that if MTF is looking at commercial operation the soil test was essential.

Ms. Bhadrane Jayawardena, Secretary, Ministry of Trade stated that she will write to the Ministry of Geological Survey in this connection.

The Board was informed that the Investment Committee of MTF has requested for complete Project Proposals and Feasibility Studies of the above projects in order to evaluate the feasibility of the above 3 Projects.

7. **BOARD PAPER NO.5**
APPROVAL FOR THE DISPOSAL OF UNUSED ASSETS OF MTF

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 all the assets of NWSL/NWCL were transferred to MTF. It was reported that part of the assets was transferred to MTF's office at J.R. Jayawardena Centre while the rest of the assets were transferred to the Ministry of Trade. The Board was informed that there is one Generator and 10 Nos. Air Conditioners in unusable condition at the MTF office.

The Board was informed that MTF has rented out additional 700 square feet premises at J.R. Jayawardena Centre to the above unused assets at a monthly rent of Rs. 105,000/-.

The Board having noted the contents of the Board Paper approved the recommendation to dispose of the unused assets of MTF i.e. one 60 KVA Generator and 10 Nos. Air Conditioning Units by following the National Procurement Guidelines.

8. **BOARD PAPER NO.6**
SUBMISSION OF FORENSIC AUDITED REPORTS TO CID

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

The Board was informed that as per the complaint lodged by the Hon. Minister Dr. Bandula Gunawardena at his office of the Ministry of Higher Education Technology and Innovation, as the Mahapola came under that Ministry in 2019, as requested by the CID, the above forensic investigation was undertaken for further investigation of the losses and the illegitimate transactions that had taken place at NSWL and NWCL during the period 2015 to 2019.

The audit was undertaken by M/s KPMG, Chartered Accountants, an audit firm and Reports submitted. Those Reports have been circulated among the Trustees.

A copy of the letter submitted to the Director/CID was tabled for the information of the Board.

9. **BOARD PAPER NO.7**
ESTABLISHMENT OF MAHAPOLA FOREIGN LANGUAGE UNIVERSITY COLLEGE

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

The Chairman pro tem informed the Board that it is proposed to establish an Institute for foreign language studies using online technology in respect of the following foreign languages:

English/Chinese/Korean/Japanese with Computer Studies.

The Board was informed that

- (i) The course will be A/L Exam oriented, 01-year full time course using the A/L syllabus and all candidates can sit for the A/L Examination in other categories to enter to the National Universities.
- (ii) Course Fee structure will be as follows:
Subject combination – 02 languages with Computer Studies (IT) Rs. 5,000/- per subject, accordingly for 3 subjects Rs. 15,000/- per month and per year Rs.180,000/-
- (iii) 20% of the tuition fees (Rs. 180,000/-) will be the income to MTF on a per student basis and MTF will select the Institute to conduct the courses (online) by Open Paper Advertisement.
- (iv) MOU signed with the selected Institute by MTF on conducting the courses.
- (v) MTF to hire space to conduct examinations and conduct lectures. The rent to be paid by the service provider. No cost to MTF.

The Chairman pro tem informed the Board that he had identified a suitable location situated at a Temple, to conduct lectures and examinations.

Dr. Ravi Liyanage, stated that the location should be situated at a convenient location at Kottawa/Homagama town or within Colombo where students could go after school. It was proposed that an advertisement could even be published to identify a suitable place.

The Board was informed that a Concept Paper and the Project Proposal will be submitted at the next meeting of the Board of Trustees.

The Board having noted the above, in principle approved the initialization of the above foreign language institute.

10. **BOARD PAPER NO.8**
REVIEW OF THE INVESTMENT COMMITTEE RECOMMENDATIONS AND
OBSERVATIONS

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

Mr. Bandara informed the Board, that the Board of Trustees appointed an Investment Committee in 2018. It was reported that 8 Meetings of the Investment Committee have been held and all investments of the MTF have been recommended by the Investment Committee for approval by the Board.

The Board was informed that as per the decision of the Investment Committee of MTF, from 2021 January, all the investments of the MTF requires the prior approval of the Investment Committee with the submission of the investment proposal together with the up to date cash flow of the investment.

Mr. Bandara tabled for the information of the Board, a summary of the investment decisions taken by the Investment Committee of MTF up to the 8th Meeting of the Investment Committee, the contents of which was noted by the Board.

The Board resolved

"That Mr. T. Dharmarajah be appointed to the Investment Committee with immediate effect."

The Board having discussed, requested the Secretary, Ministry of Trade to write to Prof. Abeyratne Bandara to continue as a member of the Investment Committee.

11. **BOARD PAPER NO.9**
RESIGNATION OF THE DIRECOTOR OF NWSL/NWCL PROF. ABEYRATNE BANDARA
(CHAIRMAN OF THE BOARD OF NWSL)

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

Mr. M.P. Bandara informed the Board that Prof. Abeyratne Bandara, Chairman of NWSL and Director NWCL has tendered his resignation from the post of Chairman and Director of NWSL and NWCL.

A copy of the letter of resignation of Prof. Abeyratne Bandara was tabled for the information of the Board.

The Board noted the resignation of Prof. Abeyratne Bandara, Chairman NWSL and Director NWCL with effect from 17th May 2021.

SSP Corporate Services (Private) Limited

The Board having noted the above, approved the appointment of Mr. T. Dharmarajah as Chairman NWSL with immediate effect.

The Board requested Mr. Bandara to check whether a Director should be appointed to the Board of NWCL as per the Articles of Association of the Company and report to the Board.

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

CONFIRMED TRUE RECORD

CHAIRMAN

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