

**CHAPTER 479**

**RAILWAY DAILY-PAID WORKERS'  
BENEVOLENT ASSOCIATION**

Act  
No. 3 of 1965,  
Law  
No. 10 of 1975.

AN ACT TO INCORPORATE THE CEYLON RAILWAY DAILY-PAID WORKERS' BENEVOLENT ASSOCIATION.

[29th July. 1965.]

Short title. **1.** This Act may be cited as the Ceylon Railway Daily-paid Workers\* Benevolent Association (Incorporation) Act.

Incorporation. **2.** The persons who, at the time of the coming into operation of this Act, are members of the Ceylon Railway Daily-paid Workers' Benevolent Association (hereinafter referred to as "the Association ") and such other persons as are hereafter enrolled as members of the Association, shall be a body corporate (hereinafter referred to as "the Corporation ") with perpetual succession, a common seal, and the name "The Ceylon Railway Daily-paid Workers' Benevolent Association". The Corporation may sue and be sued by that name.

General objects. **3.** The general objects of the Corporation shall be—

- (a) to promote thrift among its members;
- (b) to give relief to its members in times of distress;
- (c) to pay to each member on his retirement or resignation from the service of the Government Railway, such portion of his contributions to the funds of the Corporation and such donations, if any, as may be authorized by the rules of the Corporation for the time being in force; and
- (d) in the event of the death of any member prior to his ceasing to be an employee of the Government

Railway, to pay to his nominee appointed in accordance with the rules of the Corporation, or in the absence of a properly appointed nominee, to his heirs-at-law, such portion of his contributions to the funds of the Corporation and such donation, if any, as may be authorized by the rules of the Corporation.

**4.** The affairs of the Corporation shall, subject to the provisions of this Act and of the rules for the time being in force of the Corporation, be administered by a Committee of Management (hereinafter referred to as "the Committee ") consisting of the President, the Vice-President, the Secretary, and the Treasurer, respectively, of the Corporation, and seventeen other members to be elected, respectively, by the members of the Corporation, in accordance with the rules of the Corporation (hereinafter referred to as "the elected members of the Committee ").

**5.** The first Committee of Management shall consist of the President, the Vice-President, the Secretary, and the Treasurer of the Association and the seventeen elected members of the Committee of the Association holding office at the time of the coming into operation of this Act, and that Committee of Management shall continue to function until the first annual general meeting of the Corporation held after the coming into operation of this Act.

**6.** (1) There shall be elected each year by the members of the Corporation from among their number at the annual general

**Cap. 479] RAILWAY DAILY-PAID WORKERS' BENEVOLENT ASSOCIATION**

meeting of the Corporation the President, the Vice-President, the Secretary and the Treasurer, respectively, of the Corporation and the seventeen elected members of the Committee.

(2) No member shall be eligible to be elected or to continue as the President, the Vice-President, the Secretary, or the Treasurer of the Corporation or as an elected member of the Committee if he does not reside within a radius of fifteen miles of the city of Colombo.

Qualifications of the Secretary and the Treasurer.

**7.** No member shall be eligible to be elected the Secretary or the Treasurer of the Corporation unless—

- (a) he has been employed in the public service for not less than ten years;
- (b) he has been a member of the Association for not less than five years;
- (c) he has passed the Junior School Certificate examination in Sinhala, Tamil or English;
- (d) where he has passed the Junior School Certificate examination in Sinhala, he has passed the sixth standard in English and possesses a fair knowledge of the Tamil language;
- (e) where he has passed the Junior School Certificate examination in Tamil, he has passed the sixth standard in Sinhala and in English;
- (f) where he has passed the Junior School Certificate examination in English, he has passed the sixth standard in Sinhala and possesses a fair knowledge of the Tamil language.

Duties of the Committee.

**8.** The Committee shall, subject to the provisions of this Act and the rules of the Corporation, have full power and authority generally to govern, direct and decide all matters whatsoever connected with the appointment and dismissal of officers and servants of the Corporation, the administration of the affairs of the

Corporation, and the accomplishment of the objects thereof, and to defray out of the funds of the Corporation all expenses necessary for the purposes of such appointments and administration:

Provided that the Committee shall not exercise any powers which are by this Act or by the rules of the Corporation declared to be exercisable by the Corporation in general meeting:

Provided also that any rules made by the Corporation in general meeting shall not invalidate any prior act of the Committee which would have been valid if such rule had not been made.

**9.** (1) Meetings for the transaction of the business of the Committee shall be held at least once in every month, and the Secretary on the requisition of three members of the Committee shall call a meeting of the Committee at any time for the transaction of such business as may be mentioned in the requisition.

Meetings of the Committee.

(2) It shall be lawful for the President or the General Manager of Railways to convene a special meeting of the Committee whenever the President or the General Manager, as the case may be, shall consider it desirable. Where the General Manager convenes a meeting, he or his representative shall have the right to be present at such meeting and address the members present thereat, but shall not have the right to vote.

[§ 2, Law 10 of 1975.]

(3) Any member of the Committee who does not attend three consecutive meetings thereof shall cease to be a member thereof.

**10.** (1) The President shall, if present, preside at meetings of the Committee. In the absence of the President, the Vice-President shall preside. In the absence of the President and the Vice-President, such member of the Committee as may be elected for the purpose by the members present at the meeting shall preside.

Who shall preside, quorum, &c.

(2) The President, or in his absence the member presiding, shall have a casting vote in addition to his original vote.

# **RAILWAY DAILY-PAID WORKERS' BENEVOLENT ASSOCIATION [Cap. 479**

(3) The quorum for meetings of the Committee shall be nine members of the Committee.

Vacancies how filled.

**11.** (1) In the event of the death or resignation of any member of the Committee or in the event of any member ceasing to be a member of the Committee under section 9 (3), it shall be lawful for the remaining members of the Committee to elect—

(a) where the vacancy is in respect of the office of President, the Vice-President, the Secretary or the Treasurer, any member of the Committee to fill the vacancy ; and

(6) where the vacancy is in respect of an elected member of the Committee, any member of the Corporation who resides within a radius of fifteen miles of the city of Colombo.

(2) Any person elected under subsection (1) shall continue in office until the annual general meeting of the Corporation next following his election.

Duties of the Secretary.

**12.** The Secretary shall—

(a) act as secretary of the Committee and shall be responsible for summoning all meetings of the Committee and the meetings of the Corporation;

(b) have disciplinary control of the staff employed by the Corporation, subject to the general or special directions of the Committee ;

(c) be responsible for the administration of the affairs of the Corporation, subject to the provisions of this Act, the rules of the Corporation and the general or specific directions of the Committee; and

(d) prepare and submit to the Corporation annually the annual report of the Corporation.

**13.** The Treasurer shall—

Duties of the Treasurer.

(a) receive and keep an account of all moneys and funds of the Corporation;

(b) pay, subject to the provisions of this Act and the rules of the Corporation, all claims, loans, advances and expenses authorized by the Committee;

(c) prepare and submit monthly to the Committee an account of the transactions of the Corporation; and

(d) prepare and submit annually to the Corporation a statement of income and expenditure of the funds of the Corporation.

**14.** Every person holding a permanent appointment in the service of the Government Railway who fulfils the requirements of the rules of the Corporation shall be eligible for admission as a member of the Corporation and may, in the discretion of the Committee, be admitted a member. Membership.

**15.** (1) The Committee shall cause to be kept a register in which every person who, at the date of the coming into operation of this Act, is a member of the Association, and every person thereafter duly admitted as a member of the Corporation hereby constituted shall have his name inscribed. Register of members-

(2) The register shall contain the following particulars:—

(a) the name, the age at admission, the address and occupation of each member;

(b) the date on which the name of any person was inscribed in the register of members;

(c) the date on which any person commenced to be a member;

(d) the date on which any person ceased to be a member •

# Cap. 479] RAILWAY DAILY-PAID WORKERS' BENEVOLENT ASSOCIATION

(e) the name, the relationship and the address of the nominee appointed.

(g) the administration and management of the property of the Corporation;

Books of account.  
[§ 3, Law 10 of 1975.]

**16.** The Committee shall cause appropriate books of account to be kept which shall be open at all reasonable times for inspection by members of the Corporation and by any person or persons whom the Secretary to the Ministry charged with the subject of Government Railways (hereinafter referred to as the "Secretary to the Ministry") or the General Manager of Railways may at any time appoint to examine the same.

(h) the establishment of savings schemes, provident funds and other superannuation schemes for the benefit of members, officers, employees and servants of the Corporation;

(i) generally, for the management of the affairs of the Corporation and the accomplishment of its objects.

Remuneration of members of the Committee.

**17.** The Corporation may, by resolution passed at any general meeting, decide to remunerate the services of any member or members of the Committee and from time to time to fix the amount of such remuneration.

(2) Any rule made by the Corporation may be amended or rescinded in like manner as a rule may be made under subsection (1).

Power to make rules.

**18.** (1) The Corporation may, subject to the provisions of this Act, from time to time, at any general meeting and by a majority of not less than three-fourths of the number of members present and voting make such rules as it may deem expedient for any of the following purposes;—

(3) The rules of the Association in force at the time this Act comes into operation shall be deemed to be rules of the Corporation made under this section and may accordingly be amended, rescinded or replaced by new rules so made.

(a) the admission, resignation or expulsion of members;

(4) The members of the Corporation shall be subject to the rules of the Corporation.

(b) the imposition of fines and forfeitures for breaches of rules;

(5) No rule or amendment or rescission of any rule shall have effect unless the same is confirmed by the Secretary to the Ministry. Notice of such confirmation shall be published in the Gazette and thereupon the same shall be as valid and effectual as if it had been herein enacted. [§ 4, Law 10 of 1975]

(c) the amount of subscription payable by members, the payment of moneys due to them, the payment of donations to members and the granting of loans to members;

(d) the regulation of loans to be given to members and the prescribing of conditions relating to the grant of such loans;

**18A.** (1) Notwithstanding the provisions of section 18, it shall be lawful for the General Manager of Railways to make, amend or rescind any rule of the Corporation. Power of General Manager of Railways to make, amend or rescind rules of the Corporation. [§ 5, Law 10 of 1975.]

(e) the powers, conduct and duties of the Committee and of the various officers, agents and servants of the Corporation;

(2) No such rule, amendment or rescission shall have effect unless it is published in the Gazette.

(f) the procedure relating to the transaction of business at general and annual general meetings of the Corporation;

(3) Where there is any conflict or inconsistency between any rule made by the General Manager and any rule made by the Corporation, the provisions of the rule made by the General Manager shall prevail.

# RAILWAY DAILY-PAID WORKERS' BENEVOLENT ASSOCIATION [Cap, 479

General meetings.

**19.** (1) The Secretary, upon the request of the Committee or upon the written request of not less than seventy-five members of the Corporation, shall call a general meeting of the members of the Corporation.

(2) No general meeting shall be held unless a quorum of members prescribed by the rules of the Corporation be present and unless at least fourteen days' notice specifying the time and place of such meeting and the purpose for which it is to be held has been given by advertisement in three local newspapers or in such other manner as may be required by any rule of the Corporation, and no business shall be brought up or transacted at such meeting other than the business specified in such notice.

Power of General Manager of Railways to summon general meetings of the Corporation. [§ 6, Law 10 of 1975.]

**19A.** (1) Notwithstanding the provisions of section 19, it shall be lawful for the General Manager of Railways to convene by giving at least seven days' notice, a general meeting of the members of the Corporation whenever he shall consider it desirable.

(2) The General Manager or his representative shall have the right to be present at such meeting and address the members present thereat but shall not have the right to vote.

Annual general meeting.

**20.** (1) An annual general meeting of members of the Corporation shall be held not later than the thirty-first day of March of each year, at which there shall be submitted the annual report, together with the balance sheet containing a statement of assets and liabilities of the Corporation as on the preceding thirtieth day of September and an account of income and expenditure of the Corporation during the twelve months ending on the thirtieth day of September of the preceding year.

(2) The balance sheet and statement of accounts shall—

- (a) be prepared by the Treasurer;
- (b) be duly examined and audited and the correctness thereof certified prior to the annual general meeting

at which the same are submitted by one or more auditors elected at the preceding annual general meeting; and

- (c) be forwarded in triplicate to the Secretary to the Ministry not later than one month from the date of the annual general meeting.

(3) There shall be elected at every annual general meeting one or more auditors for the purpose of auditing the accounts of the Corporation for the ensuing year, and the expenses incurred by such auditor or auditors shall be met out of the funds of the Corporation.

(4) The election of an auditor under subsection (3) shall not be valid until it is approved by the Secretary to the Ministry.

(5) No person shall be elected auditor under subsection (3) unless he is—

- (a) a member of the Institute of Chartered Accountants of Sri Lanka;
- (b) a member of the Institute of Chartered Accountants in England and Wales or of any society incorporated by Royal Charter whose members are entitled to use the designation "Chartered Accountant";
- (c) a member of the Society of Incorporated Accountants and Auditors of Great Britain; or
- (d) a public auditor appointed under section 18 of the Societies Ordinance.

(6) If no auditor is elected under subsection (3) or if any auditor elected under that subsection is unable to act as such owing to death or any other cause, or refuses or neglects to perform his duties, the Committee may elect an auditor who shall be deemed to have been duly elected under subsection (3).

**Cap. 479] RAILWAY DAILY-PAID WORKERS' BENEVOLENT ASSOCIATION**

(7) Every auditor elected by the members of the Corporation or by the Committee shall receive such remuneration for his services as may be fixed by the members of the Corporation or the Committee, as the case may be, at the time of his election.

[51, Law 10 of 1975.]

(8) If no election of an auditor is made as aforesaid, the Secretary to the Ministry may, whether on the application of a member of the Corporation or not, appoint an auditor or auditors for the purpose of examining and auditing any such balance sheet and statement of accounts and may fix the remuneration to be paid to him or them by the Corporation and such remuneration shall be paid accordingly. Any auditor or auditors so appointed shall be deemed to have been duly elected under subsection (3).

(9) At every such annual general meeting all business shall be transacted of which due notice has been given, and there shall also be elected the President, the Vice-President, the Secretary, the Treasurer, and the required number of elected members of the Committee who shall respectively hold office as such until the next subsequent annual general meeting.

Who shall preside at general meetings.

**21.** The President shall preside at all general meetings of the Corporation and, in his absence, the Vice-President shall preside. If both the President and the Vice-President are absent, the members present shall elect one of themselves to be chairman for the occasion. Whoever presides at the general meeting shall have a casting vote in addition to his own vote as a member.

Security from officers and servants.

**22.** It shall be lawful for the Committee to require security to be given by any of the officers, agents or servants appointed by it and to determine the nature and value of such security.

Property to be held by the Corporation.

**23.** Any property acquired by the Corporation after the coming into operation of this Act, and all subscriptions, contributions, donations, grants, loans and advances received or to be received, shall be held by the Corporation for the purposes of this Act.

**24.** All debts and liabilities of the said "Ceylon Railway Daily-paid Workers' Benevolent Association existing at the time of the coming into operation of this Act shall be paid by the Corporation hereby constituted, and all debts due to, and subscriptions and contributions payable to, the said Association shall be paid to the Corporation.

Debts due by and payable to the Corporation

**25.** The Corporation shall have power to acquire and hold any movable or immovable property which may become vested in it by right of purchase, grant, gift, testamentary disposition or otherwise and all such property shall be held by the Corporation for the purposes of this Act, with power to sell, mortgage, lease, exchange or otherwise dispose of the same, subject to any provision in that behalf contained in this Act or in the rules of the Corporation.

Power to hold property

**26.** (1) The funds of the Corporation shall be placed in the name of the Corporation at one or more of the local banks, and it shall be lawful for the Committee from time to time to invest such part of such funds as is not required for loans, advances or other current expenses in fixed deposit in one or more of the local banks or in securities of the Government of Sri Lanka, or in such other manner as the Secretary to the Ministry may from time to time determine.

Funds of the Corporation, how to be accounted, paid out and invested.

(2) All cheques and orders against the said funds shall be signed by the President, the Secretary and the Treasurer, and in the absence of any one of the three officers, the Vice-President may sign in place of such absent officer.

**27.** The Committee may from time to time under the common seal of the Corporation appoint such officers or agents as it may deem necessary for the recovering of dividends, interest or other revenue to be derived from the investment of the funds of the Corporation or for otherwise carrying out the provisions of this Act, and all persons who are so appointed shall hold office during the pleasure of, and shall be entitled to such remuneration as may be determined by, the Committee.

Appointment of officers and agents.

**RAILWAY DAILY-PAID WORKERS' BENEVOLENT ASSOCIATION [Cap. 479**

Seal of the Corporation, **28.** The seal of the Corporation may be altered at the pleasure of the Corporation. It shall not be affixed to any instrument except in the presence of at least two of the following three office-bearers: the President, the Secretary and the Treasurer. The two office-bearers shall sign their names on the instrument in token of their presence, and such signing shall be independent of the signing of any person as a witness.

Corporation may not sell, exchange, or mortgage, land without leave of court.

**29.** (1) It shall not be lawful for the Corporation to sell, exchange, or mortgage any land vested in it without the leave of the District Court of Colombo. Such leave shall be applied for by the Committee on behalf of the Corporation by petition addressed to the said court setting out the facts and the reasons for which the Corporation desires to sell, exchange, or mortgage such land, and praying for an order of the said court.

(2) If the said court is of opinion that it is to the general advantage of the Corporation to grant the prayer of the petition, an order may be made to that effect, and if the court declines to grant the prayer, it shall be competent for the Committee to appeal against such decision to the Court of Appeal-

Powers vested in the Secretary to the Ministry. [§ 8, Law 10 of 1975.]

**30.** (1) The Secretary to the Ministry may at any time, either on his own motion or on representations made to him, appoint one or more persons to constitute a board of inquiry to investigate and report upon the administration of the affairs of the Corporation and the finances of the Corporation and to make recommendations for improvements in the administration of the affairs of the Corporation.

(2) Where such board is appointed it shall have the power to examine all books and records of the Corporation and to question any office-bearer or member of the Corporation and to make all such investigations relating to the affairs of the Corporation as the board may consider necessary for the purpose.

[§ 8, Law 10 of 1975.]

(3) Every such board shall, as soon as may be possible after the investigation, submit a report to the Secretary to the Ministry who shall cause copies of such report to be sent to every office-bearer and every member of the Corporation.

(4) All expenses incurred by the Secretary to the Ministry and the board in connexion with any inquiry under this section shall be a charge on the funds of the Corporation. [§ 8, Law 10 of 1975-]

(5) It shall be the duty of every office-bearer and member of the Corporation to furnish all information required by the board of inquiry and to make available all books of account and records pertaining to the affairs of the Corporation.

**30A.** (1) Where a report of the board of inquiry appointed under section 30 discloses—

Secretary to the Ministry to direct appointment of Special Committee of Administrators in the event of mismanagement by the Committee. [§ 9, Law 10 of 1975.]

- (a) grave irregularities in the administration of the affairs of the Corporation; or
- (b) gross mismanagement of the funds of the Corporation,

the Secretary to the Ministry shall direct the General Manager of Railways to dissolve the Committee elected under section 6, and to appoint a Special Committee of Administrators consisting of three persons, to administer the affairs of the Corporation until new office-bearers and a new Committee are elected in accordance with the provisions of subsection (5).

(2) Where a direction is given under subsection (1) the General Manager shall—

- (a) by Order published in the Gazette, dissolve the Committee; and
- (b) appoint a Special Committee of Administrators.

(3) Where a Committee is dissolved by the General Manager by Order published in the Gazette, such Committee shall for all purposes be deemed to have been dissolved with effect from the date of publication of such Order in the Gazette.

(4) A Special Committee of Administrators appointed by the General Manager under subsection (2) shall have full power and authority, until new office-bearers and a new Committee are elected, to carry out the functions and exercise the powers ordinarily carried out and exercised by an elected Committee.

## Cap. 479] RAILWAY DAILY-PAID WORKERS' BENEVOLENT ASSOCIATION

(5) The General Manager shall, not later than six months from the date of dissolution of the elected Committee, convene a special general meeting of the members of the Corporation for the purpose of electing new office-bearers and a new Committee.

Winding up  
of the  
Corporation.

**31.** (1) Where the Committee decides that the Corporation shall be wound up, the Secretary shall summon a special general meeting of the Corporation. Two months' notice of such meeting shall be given by the Secretary to each member of the Corporation and the notice convening such meeting shall be published in one Sinhala newspaper, one Tamil newspaper, and one English newspaper not less than two months prior to the date of such meeting. A resolution to wind up the Corporation shall not be deemed to have been passed unless it is approved by three-fourths of the members on roll of the Corporation.

(2) Where the resolution to wind up the Corporation is passed with the requisite majority, the granting of loans shall be stopped forthwith, and a liquidator shall be appointed by the Secretary to the Ministry for the purpose of winding up the affairs and distributing the assets of the Corporation. After meeting the liabilities of the Corporation, the assets, if any, shall be distributed among the members of the Corporation proportionately according to the contributions and donations lying to the credit of each member of the Corporation. [§ 10, Law 10 of 1975-]

**32.** Nothing in this Act shall prejudice or affect the rights of the Republic, or of any body politic or corporate, or of any other persons, except such as are mentioned in this Act and those claiming by, from, or under them. Savings of rights of the Republic and others.