

**CHAPTER 477**

**RAILWAY BENEFIT ASSOCIATION**

*Ordinances* AN ORDINANCE TO INCORPORATE THE CEYLON RAILWAY BENEFIT ASSOCIATION.  
 Nos. 16 of 1908,  
 15 of 1931,  
 4 of 1938,  
 40 of 1946.

[26th October. 1908]

Short title. **1.** This Ordinance may be cited as the Ceylon Railway Benefit Association Ordinance.

Ceylon Railway Benefit Association incorporated.

**2.** From and after the passing of this Ordinance such and so many persons as now are members of the Ceylon Railway Benefit Association (hereinafter referred to as "the association"), or shall hereafter be admitted members of the corporation hereby constituted, whose names shall be inscribed in the register mentioned in section 12, shall be and become a corporation with continuance for ever under the name of "The Ceylon Railway Benefit Association", (hereinafter referred to as "the corporation") and by that name shall and may sue and be sued in all courts, and shall have full power and authority to have and to use a common seal, and change and alter the same at their will and pleasure.

General objects.

**3.** The general objects for which the corporation is constituted are hereby declared to be to promote thrift, to give relief to the members in times of sickness or distress, and ultimately, on or after the death, or the retirement, resignation or dismissal from the public service, or the withdrawal from membership, of any member, to pay to such member or to his nominee or to his widow and children or if there is no widow or child surviving him 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 made as hereinafter provided.

Affairs of the corporation to be administered by a committee of management.

**4.** (1) The affairs of the corporation shall, subject to the rules of the corporation made as hereinafter provided, be administered by a committee of

management consisting of the following:—

Ex officio members :-

- (i) the president of the corporation (hereinafter referred to as "the president") elected each year by the members of the corporation from among their own number at the annual general meeting of the corporation; and
- (ii) the two senior clerks, according to the seniority list of the Government Railway, being members of the corporation, who are employed respectively in the offices of the General Manager and the Chief Accountant of the Government Railway, or the persons for the time being acting for them.

(b) Elected members:—

twelve persons elected each year by the members of the corporation from among their own number at the annual general meeting of the corporation:

Provided that a member of the corporation who is not employed in Colombo shall not be eligible for election and shall not remain as the president, or as a member of the committee of management.

(2) The first committee of management shall consist of the president, secretary, and treasurer, and members of the committee of

management holding office at the time of the coming into operation of this Ordinance.

Secretary to the Treasury, be appointed by the said committee on such terms and conditions as may be approved by the committee.

Powers of committee.

5. The committee of management shall, subject to the provisions of this Ordinance and of any rules made under section 15, have full power and authority generally to govern, direct, and decide all matters whatsoever connected with the appointment and dismissal of officers, agents, and servants, and with 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 ;

(4) If at any time it is necessary provisionally to fill the joint office of secretary and treasurer any person may be appointed in that capacity for a period of three months by the said committee on such terms and conditions as may be agreed upon from time to time.

Provided that the said committee shall not exercise any powers which are by this Ordinance or by any rules made under section 15 declared to be exercisable by the corporation in general meeting;

7. The person appointed to the joint office of secretary and treasurer (in this Ordinance and in any rules made thereunder referred to as " the secretary and treasurer ") shall receive and keep account of all the moneys and funds of the corporation and shall act as secretary of the committee of management and shall pay, subject to the provisions of section 22 (2), all claims, loans, advances and expenses authorized by the said committee. He shall also prepare and submit monthly to the said committee an account of the transactions of the corporation and generally act under the direction of the ex officio members of the said committee.

Duties of secretary and treasurer.

Provided also that no rule made by the corporation in general meeting shall invalidate any prior act of the said committee which would have been valid if such rule had not been made,

8. Meetings for the transaction of the business of the said committee shall be held at least once in every month, and the president, on the requisition of two committee members, shall call a meeting of the committee at any time for the transaction of such business as may be mentioned in the requisition.

Committee meetings.

Secretary and treasurer.

6. (1) The committee of management shall select a person employed in the public service for appointment to the joint office of secretary and treasurer of the corporation.

(2) The appointment of such person as secretary and treasurer of the corporation shall be subject to the approval of the Secretary to the Treasury, and after such approval has been obtained, he shall be seconded for service as secretary and treasurer, and appointed by the said committee in that capacity on such terms and conditions as may be agreed upon from time to time between the Government and the committee.

9. (1) The president shall, where possible, preside at all meetings of the said committee, and in his absence the ex officio members of the committee shall in order of seniority be entitled to preside. If the president and the ex officio members are absent, the members present shall elect a chairman for the occasion.

Who shall preside, quorum, &c.

(3) If at any time it is not possible in the opinion of the said committee to appoint a suitable person in the public service to the joint office of secretary and treasurer, a person who is not employed in the public service may, subject to the approval of the

(2) The president, or in his absence the chairman, shall have a casting vote in addition to his original vote.

(3) Seven members of the said committee shall form a quorum at any meeting thereof.

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Vacancies how filled.

**10.** On the death or absence from Sri Lanka of the president or any elected member of the committee of management, or in the event of such member absenting himself from three consecutive meetings of the committee or ceasing to be a member of the committee, it shall be lawful for the remaining members of the said committee to elect any member of the corporation resident in Colombo as his successor, and the member so elected shall continue in office until the annual general meeting of the corporation next following his election.

Membership.

**11.** -Every person holding an appointment in the service of the Government Railway who fulfils the requirements of the rules shall be eligible for admission as a member, and may, in the discretion of the said committee, be admitted a member.

Register of members.

**12.** (1) The committee of management shall cause a register to be kept in which every person who at the date of the passing of this Ordinance is a member of the association, and every person thereafter duly admitted a member of the corporation hereby constituted, shall have his name inscribed.

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

- (a) the name, age on admission, address, and occupation of each member;
- (b) the date at which the name of any person was inscribed in the register as a member;
- (c) the date at which any person commenced or ceased to be a member.

(3) All members of the association whose names are inscribed in the register shall be deemed to have been members of the corporation from the date referred to in subsection (1).

Books of account.

**13.** The committee of management shall also cause proper books of account to be kept, which shall be open at all reasonable times to the inspection of members of the corporation, and of any person or persons whom the Secretary to the Treasury may at any time appoint to examine the same.

**14.** It shall be lawful for the corporation by resolution passed at any general meeting to remunerate the services of any member or members of the committee of management, and from time to time to fix the amount of such remuneration, and to require such security from such member or members so remunerated as may be deemed sufficient.

Remuneration to member or member of committee'

**15.** It shall be lawful for the corporation from time to time at any general meeting of the members and by a majority of votes to make rules for the admission, withdrawal, or expulsion of members, for the imposition of fines and forfeitures for breaches of rules, for the conduct of the duties of the committee of management and of the various officers, agents, and servants of the corporation, for the procedure in the transaction of business, for the establishment and regulation of a provident fund for the benefit of the employees of the corporation or any of them and for all matters incidental thereto, including the determination of the amounts from time to time to be paid into such provident fund, whether by such employees or by the corporation from its funds, on account of contributions, bonus, interest, or otherwise, and the manner and conditions of making payments from such provident fund, for the payment of gratuities from the funds of the corporation to specified employees of the corporation upon the retirement of such employees from the service of the corporation or for the benefit of the dependants of the specified employees who have died on or after the 1st day of January, 1945, while in the service of the corporation and for all matters incidental thereto, including the method of calculation and the conditions of payment of such gratuities, for the regulation of the extraordinary loans to be given to members under section 22 and for prescribing the conditions of such loans including the nature and situation of the immovable property that may be accepted as security, and otherwise generally for the management of the affairs of the corporation and the accomplishment of its objects. Such rules when made may at a like meeting be altered, amended, or cancelled, subject however to the requirements of section 20:

Rules.

Provided that no rule or alteration, amendment, or cancellation of any rule shall have effect until the same is confirmed by

the Minister. 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,

General meetings.

**16.** (1) The secretary and treasurer, upon the request of the committee of management, or upon the written requisition of twelve or more members of the corporation, shall call a general meeting.

(2) No general meeting shall be held unless the quorum of members prescribed by the rules be present, and unless at least seven 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 two or more of the local newspapers, or in such other manner as may be required by any rule made by the corporation; and no business shall be brought before or transacted at such meeting other than the business specified in such notice.

Annual general meeting.

**17.** (1) An annual general meeting of the members of the corporation shall be held not later than the thirty-first day of October in each year, at which there shall be submitted a balance sheet, containing a statement of the assets and liabilities of the corporation on the preceding thirtieth day of June and an account of the income and expenditure of the corporation during the twelve months ending on the said thirtieth day of June.

(2) The said balance sheet, statement and account shall—

- (a) be prepared by the secretary and treasurer; and
- (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 for that purpose by the members of the corporation at the preceding annual general meeting; and
- (c) be forwarded in duplicate to the Minister through the Secretary to the Treasury within one month of the annual general meeting.

(3) If no auditor is elected under subsection (2) (b), or if any auditor elected under that subsection is unable to act as such through death or any other cause, or refuses or neglects to perform his duties, the committee of management may elect an auditor, who shall be deemed to have been duly elected under subsection (2) (b).

(4) Every auditor elected by the members of the corporation or by the committee of management shall receive such remuneration for his services as may be fixed by the members of the corporation, or by the committee, as the case may be, at the time of his election.

(5) If no election of an auditor or auditors is made as aforesaid, the Secretary to the Treasury may, on the application of any member of the corporation, appoint an auditor or auditors for the purpose of examining and auditing any such balance sheet, statement, and account as aforesaid, 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 (2) (b).

(6) 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, and the required number of members of the committee of management, who shall respectively hold office as such until the next subsequent annual general meeting.

(7) No person shall be appointed auditor under this section unless he is—

- (a) a member of the Institute of Chartered Accountants in England and Wales, or of any similar society incorporated by Royal Charter whose members are entitled to use the designation "Chartered Accountant";
- (b) a member of the Society of Incorporated Accountants and Auditors of Great Britain, or

(c) a public auditor appointed under section 18 of the Societies Ordinance.

committee of management from time to time to invest such part of the said funds as is not required for loans, advances and other current expenses—

Who shall preside at general meetings.

**18.** The president shall, where possible, preside at all general meetings of the corporation and in his absence the members present shall elect a chairman for the occasion. The president, or in his absence the chairman, shall have a casting vote in addition to his original vote.

(a) in fixed deposits in one or more of the local banks, or in securities of the Government of Sri Lanka; or

(b) in extraordinary loans to members of the corporation to be secured by mortgage of immovable property situated within such limits as may be prescribed by rules made under section 15; or

Security from officers, agents, and servants.

**19.** It shall be lawful for the committee of management to require security to be given by any of the officers, agents, or servants appointed by them, and to determine the nature and value of such security.

(c) in such other manner as the Secretary to the Treasury may from time to time approve.

Mode in which rule or order once made may be subsequently altered, amended, or cancelled.

**20.** No rule passed and no decision come to by the corporation in general meeting shall be altered, amended, or cancelled, except by at least a majority of two-thirds of the members present and voting at any subsequent general meeting.

(2) All cheques and orders against the said funds shall be signed by at least two of the following four persons :—

Property vested in corporation.

**21.** (I) On the coming into operation of this Ordinance, all and every the property belonging to the association, whether held in the name of the association or in the name of any person or persons in trust for the association, shall be and the same are hereby vested in the corporation hereby constituted, and the same, together with all after-acquired property and all subscriptions, contributions, donations, fines, amounts of loans and advances received or to be received, shall be held by the said corporation for the purposes of this Ordinance.

(a) the three ex officio members of the committee of management; and

(b) the secretary and treasurer of the corporation.

**23.** Subject to and in accordance with rules made under section 15, it shall be lawful for the corporation out of its funds to contribute to any provident fund duly established for the benefit of its employees and to pay gratuities to its employees upon their retirement and to the dependants of employees dying on or after the 1st day of January, 1945, while in the service of the corporation.

Power to contribute to provident fund and to play gratuities

Debts due by and payable to association.

(2) All debts and liabilities of the association existing at the time of the coming into operation of this Ordinance shall be paid by the corporation hereby constituted, and all debts due to and subscriptions, contributions, fines, and amounts of loans and advances payable to the association shall be paid to the said corporation for the purposes of this Ordinance.

**24.** The committee of management may from time to time under the common seal of the corporation appoint such officer or officers, agent or agents, as they may consider necessary for recovering all dividends, interest, or other revenue to be derived from such investments, or for otherwise carrying out the provisions of this Ordinance; and all persons so appointed shall hold office during the pleasure of, and shall be entitled to such remuneration as may be determined by, the said committee.

Appointment of officers, agents, &c-

Funds of the corporation how to be kept, paid out, and invested.

**22.** (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

Seal of the corporation how to be affixed to instruments.

**25.** The seal of the corporation shall not be affixed to any instrument whatsoever, except in the presence of at least two of the four persons mentioned in section 22 (2), 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.

(2) A copy of every such petition shall be served on the Attorney-General at least fourteen days before the hearing of the petition.

Corporation may hold property, movable and immovable.

**26.** 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 grant, gift, testamentary disposition, or otherwise, and all such property shall be held by the corporation for the purposes of this Ordinance.

(3) The Attorney-General may oppose the prayer of the petition, and if, after hearing him upon such opposition, the said court shall be of opinion that it will be for the general advantage of the corporation to grant the prayer of the petition, a decree may be made to that effect, and if the court decline to grant the prayer of the petitioner, it shall be competent for the petitioner to appeal to the Court of Appeal; and any land so sold or exchanged or any land which, having been mortgaged, is sold in execution under a mortgage decree obtained from a competent court, shall be held by the purchaser or person taking the same in exchange free of the trusts created by this Ordinance-

Corporation may demise lands on lease.

**27.** It shall be lawful for the corporation to demise any of the lands vested in it for building or other purposes, on lease for any term not exceeding ninety-nine years, reserving the best yearly or monthly rental procurable for the same, and with the ordinary covenants for re-entry in case of non-payment of rent, breach of covenant, or otherwise.

**29.** In case any doubt or ambiguity shall arise, and any controversy shall take place among the members of the corporation and of the committee of management, or either of them, as to the interpretation of this Ordinance or as to the powers of the said committee, the same shall be referred to the Secretary to the Treasury whose decision shall be final and conclusive.

Doubt or ambiguity how decided.

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

**28.** (1) It shall not be lawful for the corporation to sell, exchange, or mortgage any of the lands vested in it without the leave of the District Court of Colombo, which leave shall be applied for by petition addressed to the said court setting out the facts and reasons for which the corporation desires to sell, exchange, or mortgage such lands, and praying for a decree of the said court.

**30.** Nothing in this Ordinance contained shall affect or be deemed to affect the rights of the Republic, or of any body politic or corporate, or of any other persons, except such as are mentioned in the foregoing provisions of this Ordinance and those claiming by, from, or under them.

Saving of rights of the Republic and others.