



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

**CHAMBER OF CONSTRUCTION INDUSTRY OF
SRI LANKA (INCORPORATION)
ACT, No. 23 OF 2019**

[Certified on 18th of November, 2019]

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*Chamber of Construction Industry of
Sri Lanka (Incorporation) Act, No. 23 of 2019*

[Certified on 18th of November, 2019]

L.D.—O. (Inc.) 01/2015

AN ACT TO INCORPORATE THE CHAMBER OF CONSTRUCTION
INDUSTRY OF SRI LANKA

WHEREAS a Chamber called and known as the “Chamber of Construction Industry of Sri Lanka” has heretofore been registered under the Companies Act, No. 7 of 2007 for the purpose of effectually carrying out its objects and transacting all matters connected with the said Chamber according to the rules agreed to by its members:

Preamble.

AND WHEREAS the said Chamber has heretofore successfully carried out and transacted the several objects and matters for which it was established 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 Chamber of Construction Industry of Sri Lanka (Incorporation) Act, No. 23 of 2019.

Short title.

2. From and after the date of commencement of this Act, such and so many persons as now are members of the Chamber of Construction Industry of Sri Lanka (hereinafter referred to as the “Chamber”) and shall hereafter be admitted as members of the body corporate hereby constituted shall have perpetual succession under the name and style of the “Chamber of Construction Industry of Sri Lanka” (hereinafter referred to as the “body corporate”) 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 Chamber of
Construction
Industry of
Sri Lanka.

2 *Chamber of Construction Industry of
Sri Lanka (Incorporation) Act, No. 23 of 2019*

General objects
of the body
Corporate.

3. The general objects for which the body corporate is constituted are hereby declared to be—

- (a) to act as a representative body, to promote and protect the interests of those engaged in construction activities;
- (b) to assist the relevant authorities to stimulate the development of national construction industry;
- (c) to study issues of national significance and to make recommendations;
- (d) to establish panels of professionals in such areas in projects relating to its members and to evaluate and issue reports and certificates on such projects;
- (e) to act as a centre for recruitment of staff for member firms in the national construction industry on the request of such firms;
- (f) to secure contracts within and outside Sri Lanka for the members of the body corporate upon receipt of the registration of the Construction Industry Development Authority and subject to the provisions of the Construction Industry Development Authority Act, No. 33 of 2014 and standards and guidelines of the Construction Industry Development Authority;
- (g) to award scholarships and fellowships for the furtherance and development of the local construction industry;
- (h) to conduct training courses and issue certificates with the approval of the Tertiary and Vocational Education Commission established under section 2 of the Tertiary and Vocational Education Act, No. 20 of 1990; and

- (i) to act as trustees, custodians or managers to funds subscribed or donated for the upliftment of the construction industry.

4. The objects of the body corporate shall be carried out in such manner so as not to create any conflict between the work of the body corporate and any work being carried out simultaneously by any Ministry or Department of the Government or of any Provincial Council.

Body corporate to ensure no conflict with work of Ministry or Department of the Government or Provincial Council.

5. (1) Subject to the provisions of this Act, the management and administration of the affairs of the body corporate shall be carried out by a Board of Management consisting of such number of office bearers as may be specified by the rules made under section 7.

Management of affairs of the body corporate.

(2) (a) The members of the Board of Management of the Chamber that holds office on the day immediately preceding the date of commencement of this Act shall function as an Interim Committee of the body corporate until the first Board of Management is appointed or elected in the manner provided for by rules made under section 7.

(b) The Interim Committee shall have the power to make rules for the interim administration of the body corporate and for election or appointment of the members of the first Board of Management of the body corporate.

(c) Any decision of the Interim Committee shall be taken by the majority of its members present at such Committee meeting.

(d) The first Board of Management of the body corporate shall be appointed or elected within one year of the date of commencement of this Act.

(3) (a) Every office bearer of the Board of Management including the patrons and advisors, shall be appointed or elected for a period of three years and any such office bearer,

patron or advisor shall be eligible for re-appointment or re-election after lapse of the said period of three years.

(b) In the event of a vacancy occurring due to the death, resignation, incapacity or removal from office of an office bearer, the Board of Management shall, having regard to the rules of the body corporate, elect or appoint a person to fill such vacancy.

(c) The person elected or appointed under paragraph (b) shall hold office only for the unexpired portion of the term of office of the member whom he succeeds.

Powers of the
body corporate.

6. Subject to the provisions of this Act and any other written law, the body corporate 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 body corporate or any one of them, including the power—

- (a) to purchase, acquire, rent, construct, renovate and otherwise obtain lands or buildings which may be required for the purposes of the body corporate and to deal with or dispose of the same as may be deemed expedient with a view to promoting the objects of the body corporate;
- (b) enter into and perform or carry out, whether directly or through any officer or agent authorized in that behalf by the body corporate, all such contracts or agreements as may be necessary for the attainment of the objects or the exercise of the powers of the body corporate;
- (c) to borrow or raise funds with or without securities and to receive grants, gifts or donations in cash or kind:

Provided that, the Board of Management shall obtain the prior written approval of the Department

of Externeal Resources of the Ministry of the Minister assigned the subject of Finance, in respect of all foreign grants, gifts or donations made to the body corporate;

- (d) 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;
- (e) to invest any funds that are not immediately required for the purposes of the body corporate, in such manner as the Board of Management may determine;
- (f) to undertake, accept, execute, perform and administer any lawful trust or any real or personal property with a view to promoting the objects of the body corporate;
- (g) to appoint, employ, dismiss or terminate the services of officers and servants of the body corporate and exercise disciplinary control over them and to pay them such salaries, allowances and gratuities as may be determined by the body corporate;
- (h) to organize lectures, seminars and conferences with a view to promoting the objectives of the body corporate;
- (i) to liaise and co-ordinate with other local and foreign institutions having similar objects to that of the body corporate;
- (j) to train personnel within and outside Sri Lanka for the purposes of the body corporate;
- (k) to establish, print and publish newspapers, trade directories, journals, magazines or periodicals relating to the activities of the body corporate or

matters pertaining to the construcion industry and to disseminate such information in any manner as the Board of Management may decide; and

- (l) to do all other things as are necessary or expedient for the proper and effective carrying out of the objects of the body corporate.

Rules of the
body corporate.

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

- (a) the classification 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 of office bearers and the powers, duties and functions of the office bearers;
- (c) the terms and conditions of appointment, powers, functions and duties of various officers, agents and servants of the body corporate;
- (d) the procedure to be followed for the summoning and holding of meetings of the Board of Management or any sub-committee thereof, notices and agenda of such meetings, the quorum and the conduct of business thereat;
- (e) the qualifications and disqualifications to become a member of the Board of Management and the body corporate;

- (f) the administration and management of the property of the body corporate; and
- (g) generally the management of the affairs of the body corporate and the accomplishment of its' objects and dissolution of the body corporate.

(2) Any rule made by the body corporate 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 rules made under subsection (1) shall be published in the *Gazette*.

(4) The members of the body corporate shall at all times be subject to the rules of the body corporate.

8. The Board of Management shall maintain a register of members in which name, address and other essential details of the members shall be inscribed.

Register of members.

9. (1) The body corporate shall have its own Fund.

Fund of the body corporate.

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

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

10. (1) The financial year of the body corporate shall be the calendar year.

Accounts and Auditing.

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

(3) The accounts of the body corporate shall be audited annually by the Auditor General or a qualified auditor appointed by the Auditor General in terms of provisions of Article 154 of the Constitution.

(4) For the purpose of 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, 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, possesses a certificate to practise as an Accountant, issued by the Council of such Institute.

Annual Report.

11. (1) The Board of Management shall prepare a report of the activities of the body corporate for each financial year and submit such report together with the audited statement of accounts to the Secretary of the Ministry of the Minister assigned the subject of Construction Industry and to the Registrar of Voluntary Social Services Organizations appointed under the Voluntary Social Services Organization (Registration and Supervision) Act, No. 31 of 1980 before the expiration of six months of the year succeeding the year to which such report relates.

(2) A separate account relating to the foreign and local moneys received by the body corporate during the financial year shall be attached to the report referred to in subsection (1).

12. All debts and liabilities of the Chamber existing on the day immediately preceding the date of commencement of this Act, shall be paid by the body corporate hereby constituted and all debts due to and subscriptions and contributions payable to the Chamber on that day shall be paid to the body corporate for the purposes of this Act.

Debts due by and payable to the Chamber.

13. All movable and immovable properties of the Chamber existing on the day preceeding the date of commencement of this Act for all purposes shall be vested in the body corporate hereby consituted, subject to any trust, condition or provision of any written law affecting such properties.

Property vested in the Chamber.

14. Subject to the provisions of this Act, the body corporate 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 body corporate for the purpose of this Act and subject to the rules of the body corporate made under section 7, with power to sell, mortgage, lease, exchange or otherwise dispose of the same.

Body corporate may hold property movable and immovable.

15. The moneys and property of the body corporate however derived, shall be applied solely towards the promotion of the objects of the body corporate and no portion thereof shall be paid or transferred directly or indirectly by way of dividend, bonus or profit to the members of the body corporate.

Application of moneys and property.

16. (1) The seal of the body corporate shall not be affixed to any instrument whatsoever, except in the presence of two members of the Board of Management 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 body corporate.

(2) The seal of the body corporate shall be in the custody of an office bearer of the Board of Management as may be decided by the Board of Management.

Property
remaining on
dissolution.

17. (1) If upon the dissolution of the body corporate 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 body corporate, but shall be given or transferred to any other institution having objects similar to those of the body corporate, and which is by the rules thereof, prohibited from distributing any income or property among its members.

(2) For the purposes of subsection (1) the appropriate institution shall be determined by the members of the body corporate immediately before the dissolution at a general meeting by the majority of votes of the members present.

Saving of the
rights of the
Republic.

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

Sinhala text to
prevail in case
of inconsistency.

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

