



JANAWASA LAW, No. 25 OF 1976

OF

THE NATIONAL STATE ASSEMBLY

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*Janawasa Law, No. 25 of 1976*

L. D.—O. 77/76.

**A LAW TO PROVIDE FOR THE REGISTRATION OF CERTAIN SOCIETIES AS JANAWASAS, FOR THE ESTABLISHMENT OF A JANAWASA COMMISSION TO REGISTER, REGULATE AND SUPERVISE JANAWASAS, FOR THE FORMATION OF A JANAWASA FEDERATION, AND FOR MATTERS INCIDENTAL TO OR CONNECTED WITH THE MATTERS AFORESAID.**

BE it enacted by the National State Assembly of the Republic of Sri Lanka as follows:—

1. This Law may be cited as the Janawasa Law, No. 25 of 1976, and shall come into operation on such date as the Minister may appoint by Order published in the *Gazette* (hereinafter referred to as the "appointed date").

Short title  
and date of  
operation.

**PART I**

**REGISTRATION**

2. Any society which—

(a) has the objects set out in paragraph (a) or paragraph (b) of section 9, and

(b) consists of members—

(i) who are citizens of Sri Lanka;

(ii) who are not less than eighteen years of age; and

(iii) in the case of a society having the objects set out in paragraph (a) of section 9, who have entered into an agreement to work in accordance with the principles of this Law and subject to such conditions as may be determined by the Janawasa Commission,

may be registered by the Janawasa Commission as a Janawasa under this Law.

Societies  
which may  
be registered  
as Janawasas.

3. (1) For the purposes of registration an application shall be made to the Janawasa Commission in such form as may be prescribed by by-laws made by such Commission.

Application  
for regis-  
tration.

(2) The person or persons making the application shall furnish such information in regard to the society as the Janawasa Commission may require.

**Registration.**

4. If the Janawasa Commission is satisfied that a society has complied with the provisions of this Law and the regulations and by-laws made thereunder and that the by-laws of the society are not contrary to this Law or to such regulations and by-laws, it may, if it thinks fit, register the society as a Janawasa.

An appeal in accordance with such regulations as may be made in that behalf shall lie to the Minister against the refusal of the Janawasa Commission to register any society. The decision of the Minister on such appeal shall be final and conclusive and shall not be questioned in any court.

**Evidence of registration.**

5. A certificate of registration signed by the Chairman of the Janawasa Commission shall be conclusive evidence that the society therein mentioned is duly registered unless it is proved that the registration of the society has been cancelled.

**Savings for existing Janawasas.**

6. (1) Every society registered as a janawasa society under the Co-operative Societies Law, No. 5 of 1972, shall, with effect from the appointed date, be deemed to be registered as a Janawasa under this Law, and the by-laws of such Janawasa shall, in so far as they are not inconsistent with the express provisions of this Law, continue in force until altered or rescinded under this Law.

(2) With effect from the appointed date—

(a) all the property held by, and

(b) all the existing rights and liabilities under any contract or agreement of,

a janawasa society registered under the Co-operative Societies Law, No. 5 of 1972, which is deemed to be a Janawasa registered under this Law shall be held by, and be transferred to, such Janawasa.

**Janawasas to be bodies corporate.**

7. The registration of a society as a Janawasa shall render it a body corporate by the name under which it is registered, with perpetual succession and a common seal, and with power to hold property, to enter into contracts, to institute and defend suits and other legal proceedings, and to do all things necessary for the purpose of its constitution.

**Addresses of Janawasas.**

8. Every Janawasa shall have an address registered in accordance with the by-laws to which all notices and communications may be sent, and shall within seven days of any change of that address notify the Janawasa Commission of such change.

PART II

OBJECTS, POWERS AND FUNCTIONS

9. The objects of a Janawasa shall be—

Objects of  
Janawasas.

- (a) (i) to foster the collective management and development of agricultural land, and the collective development of animal husbandry and agro-based and cottage industries,
  - (ii) to ensure maximum productivity and maximum utilization of agricultural land for maximum employment and profit sharing in proportion to the quality and quantity of the work output,
  - (iii) to promote the social and cultural development of the members,
  - (iv) to promote and foster group farming among owners or cultivators of neighbouring agricultural lands; or
- (b) to provide agricultural machinery, implements and inputs and other such services to members.

10. (1) Land required by a Janawasa for the purposes of achieving its objects may be obtained by way of lease from—

Land for  
Janawasas.

- (a) the Land Reform Commission,
- (b) any state institution, or
- (c) any other source.

(2) Before the expiry of a lease referred to in subsection (1), the Janawasa may apply to the Janawasa Commission for permission to purchase such land and such Commission shall if it is satisfied that the Janawasa has satisfactorily achieved its objects, grant such permission. An appeal shall lie to the Minister against the refusal of the Janawasa Commission to grant permission. The decision of the Minister on such appeal shall be final and conclusive.

11. No land held by a Janawasa shall be used for the benefit of any individual member of the Janawasa except for an extent of not exceeding thirty perches which may be leased to a member for residential purposes on such terms and conditions as may be determined by the Janawasa.

Janawasa  
land not to  
be used  
for benefit  
of individual  
members.



Powers and  
functions of  
Janawasa.

12. A Janawasa may, in addition to the powers and functions conferred on or assigned to it by this Law, exercise and discharge all such powers and functions as are necessary or conducive to the attainment of its objects or as may be conferred on or assigned to it by by-laws.

### PART III

#### MEETINGS OF MEMBERS, COUNCIL OF MANAGEMENT, RIGHTS AND PRIVILEGES OF MEMBERS AND TERMINATION OF MEMBERSHIP

Meetings of  
members of  
Janawasa.

13. (1) A meeting of the members of a Janawasa (hereinafter referred to as the "general body") shall be held at least once a year.

(2) By-laws may be made relating to—

- (a) the holding of extraordinary meetings of the general body;
- (b) the convening of meetings and the transactions of business and procedure at meetings, both annual and extraordinary; and
- (c) all matters connected with or incidental to the matters aforesaid.

Council of  
Management.

14. (1) Each Janawasa shall have a Council of Management (hereinafter referred to as the "Council").

(2) By-laws may be made relating to—

- (a) the constitution of the Council and the term of office and remuneration of its members;
- (b) the convening of meetings and the transaction of business and procedure at meetings; and
- (c) all matters connected with or incidental to the matters aforesaid.

Powers and  
functions of  
the Council.

15. Subject to the provisions of this Law and the regulations and by-laws made thereunder, the Council shall manage and control the affairs and business of the Janawasa and exercise and discharge the powers and functions conferred on or assigned to the Janawasa by or under this Law.

16. (1) No person shall be registered as a member of a Janawasa unless—

- (a) he is a citizen of Sri Lanka ;
- (b) he has attained eighteen years of age; and
- (c) in the case of a society having the objects set out in paragraph (a) of section 9, he has entered into an agreement to work in accordance with the principles of this Law and subject to such conditions as may be determined by the Janawasa Commission.

Registration of members and exercise of rights by members.

(2) No member of a Janawasa shall exercise the rights of a member unless and until he has made such payments to the Janawasa in respect of his membership or acquired such interest in the Janawasa as may be prescribed by by-laws.

17. The transfer of the share or interest of a member or past member or deceased member in the capital of a Janawasa shall be subject to such conditions as to the maximum holding as may be prescribed by this Law or the regulations.

Restrictions on transfer of share or interest.

18. (1) Every member of a Janawasa shall have the right to nominate a person on whom his shares and other interest in the Janawasa shall devolve on his death.

Nominations.

(2) There shall be maintained by the Janawasa a register in which nominations shall be registered.

(3) A member shall have the right to change such nomination.

19. A member of a Janawasa shall cease to be such member—

Termination of membership of a Janawasa.

- (a) on death;
- (b) on his being convicted of an offence, punishable with imprisonment for a term not less than one year, and which, in the opinion of two-thirds of the members of both the Council and the general body and of the Janawasa Commission, involves moral turpitude;
- (c) where in the opinion of two-thirds of the members of both the Council and the general body and of the Janawasa Commission, he is permanently incapable of performing his duties due to physical disability or unsoundness of mind; or

(d) on his being expelled by a decision of two-thirds of the members of both the Council and the general body and ratified by the Janawasa Commission.

Transfer of shares and interest on termination.

20. (1) Where after making a valid nomination the membership of any person in a Janawasa is terminated by his death, the Janawasa may—

- (a) if the nominee so desires and is otherwise eligible for membership according to the provisions of this Law and the regulations and by-laws made thereunder register him as a member; or
- (b) in the case of a nominee who is less than eighteen years of age at the date of the termination of membership, register him if he reaches the age of eighteen years within five years of such date and is eligible according to the provisions of this Law and the regulations and by-laws made thereunder; or
- (c) if the nominee does not so desire or is not eligible to membership the Janawasa shall, after the expiry of a period of two years reckoned from the date of the death of the member, pay the nominee such sum as it considers reasonable being the value of the deceased person's share and of any improvements done by him, if any, to any extent leased for residential purposes, as at the date of the financial year immediately preceding the date of his death;

Provided that no sum shall be paid as representing the value of any such improvements until such nominee or other person in occupation of the leased extent vacates or is evicted therefrom.

(2) Where, without making a valid nomination, the membership of any person in a Janawasa is terminated by death, or where the membership of any person is terminated for any other reason specified in section 19, the Janawasa shall deal with his shares and other interests in such manner as it may appear to be just and equitable, and shall after the expiry of the period of two years reckoned from the date of termination of membership, pay the past member or his dependants such sum as it considers reasonable being the value of the past member's share and of any improvements done by him, if any, to any extent leased to such past mem-



ber for residential purposes, as at the date of the financial year immediately preceding the date of termination of membership:

Provided that no sum shall be paid as representing the value of such improvements until such person or his dependants in occupation of the leased extent vacates or is evicted therefrom.

(3) From the amount payable to any person under this section, the Janawasa may deduct such sum as it considers reasonable being the amount of any loss or damage caused by such member or his dependant to the Janawasa property.

(4) All transfers and payments made by a Janawasa in accordance with the provisions of this section shall be valid and effectual as against any demand upon the Janawasa by any other person.

21. Any nominee registered as a member of a Janawasa in succession to a deceased member shall have the same rights, privileges and liabilities as the member whom he succeeds.

Rights of  
nominated  
members.

22. (1) Where on the termination of the membership of any person in a Janawasa no nominee is registered as a member under section 20 (1) (a) every person in occupation or in possession of any land in the Janawasa leased by it to the past member shall, within a period of one month reckoned from the date of such termination, vacate such land.

Ejectment  
from  
land on  
termination of  
membership.

(2) Where any person fails to comply with the provisions of subsection (1), the Janawasa shall on application made in that behalf, with the approval of the Janawasa Commission, to the Magistrate's Court having jurisdiction over the area where the land is situated, be entitled to an *ex parte* order of the court directing the Fiscal to eject all persons in occupation or possession of such land.

(3) Where an order under subsection (1) is issued to the Fiscal by the Magistrate's Court, he shall forthwith execute the order and shall in writing report to the court the manner in which that order was executed.

(4) For the purpose of executing the order issued by the Magistrate's Court under subsection (1) the Fiscal or any person acting under his direction may use such force as may be necessary to enter the land to which the order relates and to eject any person or persons, in occupation or possession therefrom.



Liability of  
past member  
and estate  
of  
deceased  
member for  
debts of  
Janawasa.

23. (1) The liability of a past member for the debts of a Janawasa as they existed on the date on which he ceased to be a member shall continue for a period of two years reckoned from that date.

(2) The estate of a deceased member shall, for a period of two years reckoned from the date of his decease, be liable for the debts of the Janawasa as they existed on the date of his decease.

Federation.

24. (1) There shall be an association of Janawasas (in this Law referred to as "Federation") which shall consist of all Janawasas.

(2) The Federation shall—

(a) participate in the framing of policies of Janawasas,

(b) assist in the supply and distribution of agricultural machinery, implements and inputs and the provision of other such services to members,

(c) assist in the marketing of produce of members, and

(d) exercise and discharge such powers and functions conferred or assigned to it by regulations.

## PART IV

### FINANCE

Capital.

25. The capital of a Janawasa shall include—

(a) the value of the shares held by members;

(b) deposits lying to the credit of the Janawasa in fixed deposits and current accounts in any specified institution;

(c) money borrowed by a Janawasa;

(d) fixed and movable assets; and

(e) profits and reserve.

Disposal of  
profits.

26. Every Janawasa shall out of its profits in any financial year, as ascertained by audit made as hereinafter provided, set apart sums to be utilized for the following purposes:—

(a) the development of the Janawasa;

- (b) distribution as dividends and interim dividends among members and the payment of bonuses to members;
- (c) the welfare of the members;
- (d) for general expenditure; and
- (e) as a reserve.

27. (1) The Janawasa Commission shall audit or cause to be audited by some person authorized by it by general or special order in writing in that behalf the accounts of every Janawasa once at least in every year.

Audit.

(2) For the purposes of an audit under subsection (1), the Janawasa Commission or any person authorized by it to audit the accounts shall have such powers as may be prescribed by by-laws.

(3) The Janawasa Commission or any person authorized by general or special order in writing in that behalf by the Janawasa Commission, shall at all times have access to all the books, accounts, papers and securities of a Janawasa, and shall be entitled to inspect the cash in hand, and every officer or member of the Janawasa shall furnish such information in regard to the transactions and working of the Janawasa as the person making an audit may require.

28. (1) The Janawasa Commission may of its own motion and shall on the application of a majority of the members of a Janawasa, hold or direct some person authorized by it by order in writing in that behalf, to hold an inquiry into the constitution, working and financial condition of the Janawasa.

Inquiry.

(2) An inquiry into the constitution, working or financial condition of a Janawasa society registered under the Co-operative Societies Law, No. 5 of 1972 commenced under that Law and pending on the appointed date may, if such society is deemed under section 6 to be registered as a Janawasa, be continued and concluded under this Law.

(3) For the purposes of an inquiry under subsection (1) or subsection (2) the Janawasa Commission or any person authorized by it to hold an inquiry, shall have such powers as may be prescribed by by-laws.

Dissolution  
of Council.

29. (1) If the Janawasa Commission is of the opinion after an inquiry under section 28, that the Council of any Janawasa is not performing its duties properly, it may, after giving an opportunity to the Council to state its objections, if any, to its dissolution, and after considering such objections, at a general meeting of the Janawasa summoned by it, by order in writing—

(a) dissolve the Council; and

(b) direct that the affairs of the Janawasa shall be managed and administered by a suitable person or persons appointed as hereinafter provided.

(2) Every direction under paragraph (b) of subsection (1) shall have effect for such period not exceeding two years as may be specified in the order containing such direction:

Provided, however, that the Janawasa Commission may in its discretion from time to time amend the order for the purpose of extending the period during which the direction shall have effect, so however that the aggregate period during which the direction shall so have effect shall not exceed four years:

(3) Where any order is made under subsection (1), the Janawasa Commission shall by the same or a subsequent order appoint a fit and proper person or two or more such persons to manage and administer the affairs of the Janawasa, and may from time to time remove or replace any person so appointed or appoint additional persons.

(4) Subject to the general direction and control of the Janawasa Commission, any person or persons appointed under this section to manage the affairs of a Janawasa—

(a) shall have the power to recover the assets and discharge the liabilities of the Janawasa and take such other steps as may be necessary in its interests; and

(b) may exercise all the powers, rights and privileges of a duly constituted Council of the Janawasa.



(5) Persons appointed under this section to manage the affairs of a Janawasa shall be jointly and severally responsible for any loss sustained through any such acts committed by them as are contrary to this Law or the by-laws of the Janawasa.

(6) The Janawasa Commission may fix the remuneration payable to any person or persons appointed by it under this section to manage the affairs of a Janawasa. The amount of such remuneration and other expenses, if any, incurred in the management of the Janawasa shall be payable from its funds.

(7) It shall be the duty of the person or persons appointed under this section to manage the affairs of a Janawasa and holding office immediately prior to the date on which the direction under paragraph (b) of subsection (1) ceases to have effect, to arrange, prior to the date aforesaid, for the appointment of a new Council in accordance with the by-laws of the Janawasa.

39. (1) If the Janawasa Commission—

(a) after an inquiry under section 28,

(b) on receipt of an application made by three-fourths of a Janawasa and after giving an opportunity to such Janawasa to state their objections,

is of opinion that the Janawasa ought to be dissolved it may by order under its hand cancel the registration of the Janawasa.

(2) Any member of a Janawasa may, within two months from the date of an order under subsection (1), appeal from such order to the Minister.

(3) Where no appeal is presented within two months from the making of an order cancelling the registration of a Janawasa, the order shall take effect on the expiry of that period. Where an appeal is presented within the two months, the order shall not take effect until it is confirmed.

(4) Where the Janawasa Commission cancels the registration of a Janawasa under subsection (1), it may appoint one or more persons to be in charge of the books, documents and other property of the Janawasa and to manage the affairs of the Janawasa until

Dissolution  
of Janawasas.



the order cancelling the registration of the Janawasa takes effect, or until such order is reversed in appeal by the Minister.

(5) On the appointment of such person or persons the Council of the Janawasa or any other person in charge of the books, documents and other property of the Janawasa shall hand over such books, documents or property to the first-mentioned person or persons and such Council shall, until the order cancelling the registration takes effect or until such order is reversed in appeal by the Minister, cease to function.

Effect of  
cancellation  
of  
registration.

31. Where the registration of a Janawasa is cancelled by an order under section 30 the Janawasa shall cease to exist as a corporate body from the date on which the order takes effect, hereinafter referred to as the "date of dissolution":

Provided that any privileges conferred on the Janawasa by or under this Law shall be deemed to be vested in any liquidator or liquidators appointed for that Janawasa by the Janawasa Commission.

Liquidation  
after  
cancellation  
of  
registration  
of Janawasa.

32. (1) Where a Janawasa is dissolved under section 31 the Janawasa Commission may appoint one or more persons to be the liquidator or liquidators of the Janawasa.

(2) With effect from the date on which an order of cancellation takes effect all the property of the Janawasa shall vest in the liquidator or liquidators.

## PART V

### JANAWASA COMMISSION

Establishment  
of Janawasa  
Commission.

33. (1) There shall be established a Janawasa Commission (hereinafter in this Law referred to as "the Commission") which shall consist of the persons who are for the time being members of the Commission under section 34.

(2) The Commission shall by the name assigned to it by subsection (1) be a body corporate and shall have perpetual succession and a common seal and may sue and be sued in such name.

34. (1) The Commission shall consist of the following members:—

Constitution  
of the  
commission.

(a) four members appointed by the Minister of whom at least two shall be members of the Land Reform Commission; and

(b) three members elected by the Federation.

(2) A person shall be disqualified from being appointed or from continuing as a member of the Commission—

(a) if he is or becomes a member of the National State Assembly, or

(b) if he, directly or indirectly, holds or enjoys any right or benefit under any contract made by or on behalf of the Commission, or any Janawasa, or

(c) if he has any such function or any other interest as is likely to affect prejudicially the discharge by him of his functions as a member of the Commission.

35. (1) Every member shall ordinarily hold office for a period of three years unless he earlier vacates his office by death, resignation or removal from such office by the Minister or, in the case of a member who is a member of the Land Reform Commission, on his ceasing to be a member of such Commission.

Term of  
office of  
members of  
Commission.

(2) Every member other than a member removed from office by the Minister shall be eligible for re-appointment or re-election, as the case may be.

(3) Any member appointed to succeed a member who has ceased to be a member of the Commission before the expiry of his term of office shall, unless he earlier vacates office as aforesaid, hold office for the unexpired portion of the term of office of the member whom he succeeds.

36. (1) The Minister may, if he considers it expedient to do so, remove by Order published in the *Gazette* any member of the Commission appointed under subsection (1) of section 34 without reasons stated.

Removal of  
members of  
Commission.

(2) A member of the Commission in respect of whom an Order under subsection (1) is made by the Minister shall vacate his office on the date of the publication of such Order in the *Gazette*.

(3) The removal of any member under subsection (1) shall not be called in question in any court or tribunal whether by way of writ or otherwise.

Resignation  
of members of  
Commission.

37. Any member of the Commission may resign his office by letter addressed to the Minister.

Chairman of  
Commission.

38. (1) The Minister shall appoint one of the members of the Commission to be the Chairman. The Chairman shall preside at all meetings of the Commission at which he is present. In the absence of the Chairman from any meeting of the Commission, any member chosen by those present shall preside thereat.

(2) If the Chairman of the Commission becomes by reason of illness or other infirmity or absence from Sri Lanka temporarily unable to perform the duties of his office, the Minister may appoint a fit and proper person to act in place of such Chairman.

(3) The Chairman of the Commission may resign his office by letter addressed to the Minister.

(4) The Chairman of the Commission shall, unless he vacates the office of Chairman by resignation or is removed therefrom, hold office as Chairman for the period for which he holds office as a member of the Commission.

(5) The Minister may without assigning any reason terminate the appointment of any member as Chairman of the Commission and appoint another member as Chairman of such Commission.

Acts not  
invalidated  
by vacancy.

39. Any act or proceeding of the Commission shall not be invalid by reason only of the existence of a vacancy among its members or any defect in the appointment of its members.

Remuneration  
of members.

40. The Chairman and members of the Commission shall be paid such remuneration and such allowances as may be determined by the Minister in consultation with the Minister in charge of the subject of Finance.



41. (1) The Commission may appoint a Secretary to the Commission.

Appointment of Secretary and other staff of the Commission.

(2) The Commission may also appoint such other staff and agents and advisers as it seems necessary.

(3) The terms and conditions of service of the Secretary and other staff shall be such as may be determined by the Commission.

42. The Secretary shall discharge such functions as are entrusted to him by the Commission from time to time.

Functions of the Secretary.

43. The quorum for a meeting of the Commission shall be three members.

Quorum of the Commission.

44. (1) The seal of the Commission shall be in the custody of the Commission.

The seal of the Commission.

(2) The seal of the Commission may be altered in such manner as may be determined by the Commission.

(3) The seal of the Commission shall not be affixed to any instrument or document except in the presence of two members of the Commission both of whom shall sign the instrument or document in token of their presence.

45. (1) At the request of the Commission any officer in the state service may, with the consent of that officer and of the Secretary to the Ministry in charge of the subject of Public Administration, be temporarily appointed to the staff of the Commission, for such period as may be determined by the Commission with like consent or be permanently appointed to such staff.

Appointment of state officers and Corporation employees to the Commission.

(2) Where any officer in the state service is temporarily appointed to the staff of the Commission, the provisions of subsection (2) of section 9 (other than the provisions of paragraph (a) of that subsection) of the Motor Transport Act, No. 48 of 1957, shall, *mutatis mutandis*, apply to and in relation to him.

(3) Where any officer in the state service is permanently appointed to the staff of the Commission, the provisions of subsection (3) of section 9 of the Motor Transport Act, No. 48 of 1957, shall, *mutatis mutandis*, apply to and in relation to him.



(4) Where the Commission employs any person who has entered into a contract with the Government to serve the Government for a specified period, any period of service to the Commission by that person shall be regarded as service to the Government for the purpose of discharging the obligations of such contract.

(5) At the request of the Commission, any officer or servant of a public Corporation may, with the consent of such officer or servant and the Board of Directors of such Corporation, be temporarily or permanently appointed to the staff of the Commission on such terms and conditions, including those relating to provident fund rights as may be agreed upon by the Board of Directors of such Corporation and the Commission.

(6) Where any person is temporarily appointed to the staff of the Commission under this section, he shall be subject to the same disciplinary control as any other member of such staff.

Directions  
by the  
Commission.

46. (1) The Commission may with the concurrence of the Land Reform Commission give such directions as it seems fit for the implementation of this Law to such officers and advisers of the Land Reform Commission whose services are made available to the Commission and such persons shall comply with such directions.

(2) Every person carrying out the directions of the Commission under subsection (1) shall be deemed to be acting as an agent of the Commission.

The powers  
and functions  
of the  
Commission.

47. The Commission may exercise and discharge the following powers and functions, namely—

- (a) to acquire, hold, take or give on lease or hire, exchange, mortgage, pledge, sell or otherwise dispose of, any movable or immovable property;
- (b) to carry out investigations, surveys and record data concerning and relating to any agricultural land and call for return in the prescribed form concerning and relating to agricultural land;
- (c) to conduct, assist and encourage research into all aspects of land tenure and reform;

- (d) to establish and maintain branch offices for the purposes of the Commission.
- (e) to direct and decide all matters connected with the administration of its affairs;
- (f) to enter into and perform, either directly or indirectly through any officer or agent of the Commission, all such contracts or agreements as may be necessary for enabling it to achieve the objects of this Law and to exercise its powers under this Law;
- (g) to borrow money for the purposes of its business;
- (h) to establish a provident fund and provide welfare and recreational facilities, houses, hostels and other accommodation for persons employed by the Commission;
- (i) to invest and deal with moneys not immediately required for its purposes in such accounts, investments and securities in specified institutions, or carrying a Government guarantee;
- (j) to register Janawasas;
- (k) to supervise and regulate the work of Janawasas and the Federation;
- (l) to provide management advice, technical knowledge and the expertise to Janawasas and the Federation;
- (m) to audit or cause to be audited the accounts of Janawasas and the Federation and for that purpose to exercise such powers as it deems necessary;
- (n) to dissolve the Council of a Janawasa when it is satisfied that such Council is not carrying out its duties properly and order the election of another Council in its place;
- (o) to cancel the registration of a Janawasa when it is satisfied that such Janawasa is acting in contravention of the provisions of this Law or the regulations or by-laws made thereunder or has failed to achieve its objects;
- (p) to issue general or special directions to Janawasas;

(q) to inspect books, accounts and securities of Janawasas ; and

(r) to discharge such other functions as are assigned to it by this Law or any regulation or by-law made thereunder.

By-laws.

48. (1) The Commission may make by-laws providing for the powers and functions that may be exercised and discharged by a Janawasa for the management of its affairs, and in particular—

(a) the conditions to be complied with by persons applying to be members of a Janawasa;

(b) the accounts and books to be maintained by a Janawasa;

(c) the returns to be submitted to the Commission by a Janawasa;

(d) the objects for which the reserve fund may be applied;

(e) the declaration and distribution of dividends to members;

(f) the audit of annual accounts of the Federation;

(g) all matters relating to the liquidation of a Janawasa, including the powers of a liquidator, the powers of the Commission to exercise control over a liquidator, the directions that the Commission may give a liquidator, the procedure to be followed in liquidation proceedings, the order of preference in which distribution of assets may be made and the closure of liquidation;

(h) generally to facilitate the regulation and supervision of Janawasas; and

(i) in respect of matters for which by-laws are required or authorized to be made.

(2) All by-laws of janawasa societies deemed under section 6 to be Janawasas registered under this Law and continued in force under that section may be amended, varied, added to or rescinded under this Law in like manner as by-laws made under this section.

49. (1) The initial capital of the Commission shall be twenty million rupees.

Capital  
of the  
Commission.

(2) The amount of the initial capital of the Commission shall be paid to the Commission out of the Consolidated Fund in such instalments as the Minister in charge of the subject of Finance may in consultation with the Minister determine.

(3) The capital of the Commission may be increased from time to time by a resolution of the National State Assembly.

50. (1) The Commission shall have its own fund.

Fund  
of the  
Commission.

(2) There shall be paid into the fund of the Commission—

(a) all such amounts as may be voted from time to time by the National State Assembly for the use of the Commission;

(b) all such sums of money received by the Commission in the exercise, discharge and performance of its powers, duties and functions; and

(c) all such sums of money as may be advanced from time to time by the Minister to the Commission.

(3) There shall be paid out of the fund of the Commission all such sums of money required to defray the expenses incurred by the Commission in the exercise, discharge and performance of its powers, duties and functions under this Law or any other written law and all such sums of money as are required to be paid out of the fund by or under this Law.

51. The financial year of the Commission shall be the period of twelve months commencing on the first day of January each year.

Financial  
year of the  
Commission.

52. The provisions of Part II of the Finance Act, No. 38 of 1971, shall, *mutatis mutandis*, apply to the financial control and accounts of the Commission.

Application  
of  
provisions  
of Part II  
of the  
Finance Act,  
No. 38 of  
1971.

53. All officers and servants of the Commission shall be deemed to be state officers within the meaning and for the purposes of the Penal Code.

Officers and  
servants  
of the  
Commission  
deemed  
to be state  
officers.



Commission deemed to be a scheduled institution within the meaning of the Bribery Act.

54. The Commission shall be deemed to be a scheduled institution within the meaning of the Bribery Act and the provisions of that Act shall be construed accordingly.

## PART VI

### GENERAL

Power of Minister to make regulations.

55. (1) The Minister may make regulations necessary for the purpose of carrying out or giving effect to the principles and provisions of the Law and in respect of which regulations are required or authorized to be made.

(2) Every regulation made by the Minister shall be published in the *Gazette* and shall come in to operation on the date of such publication or on such later date as may be specified therein.

(3) Every regulation shall, as soon as convenient after its publication in the *Gazette*, be brought before the National State Assembly for approval. Any regulation which is not so approved shall be deemed to be rescinded from the date of its disapproval but without prejudice to anything previously done thereunder. Notification of the date on which any regulation is deemed to be rescinded shall be published in the *Gazette*.

Direction by the Minister.

56. The Minister may give such general or special directions in writing to the Commission for the purpose of this Law as he considers necessary and the Commission shall give effect to such directions.

Settlement of disputes.

57. Any dispute between the members of a Janawasa or between one Janawasa and another Janawasa shall be referred to the Commission whose decision thereon shall be final.

Protection for action taken under this Law.

58. No suit or prosecution shall lie against the Commission or any member thereof or any person employed by it or any person acting as its agent or any Janawasa or the Federation for anything which is in good faith done or purported to be done under this Law.

59. Where any immovable property is required to be acquired for any purpose of the Commission and the Minister by Order published in the *Gazette* approves of the proposed acquisition, that property shall be deemed to be required for a public purpose and may accordingly be acquired under the Land Acquisition Act and be transferred to the Commission.

Acquisition of immovable property under the Land Acquisition Act for the Commission.

60. (1) Every person who—

Offences.

(a) neglects or fails to comply with any provision of this Law or any regulation, order or by-law made thereunder shall be guilty of an offence under this Law ;

(b) aids or abets any person or persons in the commission of an offence under this Law shall be guilty of an offence under this Law ;

(c) attempts to commit any offence under this Law shall be guilty of an offence under this Law.

(2) Every person who commits an offence under this Law shall, on conviction after trial before a Magistrate, be liable to imprisonment of either description for a period not exceeding one year or to a fine not exceeding one thousand rupees or to both such imprisonment and fine.

(3) Where any offence is committed by a body corporate, every individual who at the time of the commission of the offence was a director, general manager, secretary or other similar officer of the body corporate shall be deemed to be guilty of that offence unless he proves that the offence was committed without his consent or connivance and that he exercised all due diligence to prevent the commission of that offence as he ought to have exercised in the circumstances having regard to the nature of the offence.

61. With effect from the date on which a society registered under the Co-operative Societies Law, No. 5 of 1972, is deemed to be registered as a Janawasa under this Law, the registration of that society under that Law shall be deemed to be cancelled and the provisions of that Law shall cease to apply to such society.

Registrations under Co-operative Societies Law No. 5 of 1972, deemed to be cancelled.

62. In this Law, unless the context otherwise requires—

Interpretation.

“ Commission ” means the Janawasa Commission established by this Law ;

“ Federation ” means the association of Janawasas;

“ Janawasa ” means a society having the objects set out in section 9 and registered under this Law ;

“ Land Reform Commission ” means the Land Reform Commission established by the Land Reform Law, No. 1 of 1972 ;

“ specified institution ” means any institution declared by the Minister by Order published in the *Gazette* to be a specified institution ;

“ state institution ” means any institution declared by the Minister by Order published in the *Gazette* to be a state institution.