

ශ්‍රී ලංකා ප්‍රජාතාන්ත්‍රික සමාජවාදී ජනරජයේ ගැසට් පත්‍රය

අති විශේෂ

The Gazette of the Democratic Socialist Republic of Sri Lanka

EXTRAORDINARY

අංක 1438/23 – 2006 මාර්තු 30 වැනි බ්‍රහස්පතින්දා – 2006.03.30

No. 1438/23 – THURSDAY, MARCH 30, 2006

(Published by Authority)

PART IV (A) — PROVINCIAL COUNCILS

Provincial Council Notifications

UVA PROVINCIAL COUNCIL

**A Statute to Amend the Co-operative Societies and Co-operative Employees' Commission Statute
No. 05 of 1991 for the Statute of Co-operative Societies and Co-operative Employees' Commission of
No. 05 of 1992 of the Uva Provincial Council**

THE above statute of the Uva Provincial Council of 6th December, 1992 of the Democratic Socialist Republic of Sri Lanka has been approved by the Honourable Governor of the Uva Province on 01st December, 1992 and it is hereby published for the notification of the public.

B. M. DHARMADASA,
Secretary,
Uva Provincial Council.

Council Secretariat,
Uva Provincial Council,
Kings Street,
Badulla,
20th March, 2006.

A STATUTE TO AMEND THE CO-OPERATIVE SOCIETIES AND CO-OPERATIVE EMPLOYEES' COMMISSION STATUTE No. 05 OF 1991 OF THE UVA PROVINCIAL COUNCIL

1. This statute may be cited as the Co-operative Societies and Co-operative Employees' Commission (Amendment) Statute No. 05 of 1992 and shall come into effect from the date of assent of the Governor.

Short title and
date of
operation.

2. The Uva Province Co-operative Societies and Co-operative Employees' Commission Statute No. 05 of 1991 (hereinafter referred to as the principal statute) is hereby amended by the substitution for the words "the organization, registration, supervision, development of the Provincial Co-operative Societies and establishment of Provincial Co-operative Employees' Commission and employment, promotion, retirement of employees of Provincial Co-operative Employees' Commission and to provide for matters connected therewith and incidental thereto of the words "organization, registration, administration, development Co-operative Societies within the province and the establishment of the Provincial Co-operative Employees' Commission and to provide for matters connected therewith and incidental thereto".

Amendment of
the long title of
the Co-operative
Societies and
Co-operative
Employees'
Commission
Statute No. 05 of
1991 of the Uva
Provincial
Council.

Replacement of
Section 3 of the
principal statute.

3. Section 3 of the principal statute is hereby repealed and the following section is substituted therefore :

“Societies which
may be
registered”.

3. Subject to the provisions hereinafter contained –

(a) a Society which has as its object the provision, in accordance with Co-operative principles, of specified services contributing to the economic, social, educational and cultural welfare of its members ;

(b) a Society consisting of registered Societies as its members established with the object of facilitating the operation of Societies referred to in paragraph (a).

May be registered under this statute, with or without limited liability :

Provided that the liability of a Society of which a member is a registered Society, shall be limited.

Amendment of
Section 4 of the
principal statute.

4. Section 4 of the principal statute is hereby emended as follows :—

(1) by the repeal of subsection (1) thereof and the substitution therefore of the following subsection : —

“(1) No. society shall be registered under this statute if –

(a) it consists only of members, it does not consist of at least ten persons, who are over eighteen years of age or reside or are employed on owns immovable property within the area of operation of the society and who is capable of utilizing the services rendered by the society ; or

(b) it consists only of registered societies, it does not have at least three members ;

(c) it has not obtained a report or recommendation from such person or institution as is prescribed, to the effect that –

(i) the activities it proposes to engage in, are economically feasible ;

(ii) its proposed by-laws are not inconsistent with the provisions of this statute or any rules made thereunder ;

(d) the proposed by-laws have not been adopted at a general meeting duly summoned for the purpose ;

(e) its proposed by-laws do not contain provision that at least two members of the Committee of the society shall be persons who are between the ages of eighteen and thirty-five.

(f) all the members signing the application for registration have not completed the payment in respect of their membership ; or

(g) such society has failed to furnish all information as may be required by the Provincial Registrar for the purpose of registration ; and

(2) in subsection (2) thereof, by the substitution for the words “any question arises as to the age, residence, employment or property qualification of any person”, of the words “any question arises as to whether the conditions specified in the preceding provisions have been satisfied.

5. Section 5 of the principal statute is hereby amended as follows :—

Amendment of
Section 5 of the
principal statute.

 - (1) in subsection (1) thereof by the substitution for the words “made to the Registrar”, of the words “made to the Provincial Registrar in such Form as may be prescribed”.
 - (2) in subsection (2) thereof –
 - (i) by the substitution for the words and figures “requirements of section 4(1) and” in paragraph (a), of the words and figures “requirements of section 4(1) (a) and”
 - (ii) in paragraph (b) by the substitution for the all words from “by a duly authorized person on behalf of every such registered society” to the end of that paragraph of the words “by a person duly authorized by every such society”.
 - (3) by the repeal of subsection (3) thereof, and the substitution therefore of the following subsection :—

“(3) The application shall be accompanied by –

 - (a) two copies of the proposed by-laws ;
 - (b) a feasibility report pertaining to the economic activities which the society proposes to engage in ;
 - (c) certified copies of minutes of the general meeting at which the resolution to register the society was passed and the by-laws adopted together with details of attendance ;
 - (d) a certificate by the committee of the society confirming the payment of membership fees by the members signing the application and the fact that such moneys are in the custody of such committee”.
6. Section 7 of the principal statute is hereby amended as follows :—

Amendment of
Section 7 of the
principal statute.

 - (1) by the renumbering of that section as subsection (1) thereof and
 - (2) by the addition immediately after the renumbered subsection (1) of the following new subsection :—

“(2) The Provincial Registrar shall upon registering a society under section 6 issue to such society a certificate of registration”.
7. Section 8 of the principal statute is hereby amended by the insertion immediately after subsection (2) of that section of the following new subsection :—

Amendment of
Section 8 of the
principal statute.

“(2A) No amendment of a by-law of a registered society shall be registered unless such amendment is accompanied by a report referred to in section 4(1) (C) (ii)”.
8. Section 9 of the principal statute is hereby amended as follows :—

Amendment of
Section 9 of the
principal statute.

 - (1) in subsection (1) thereof, by the substitution for the words “members or delegates present and voting at a general meeting”, of the words “members or delegates eligible to be present and vote at a general meeting”.
 - (2) in subsection (2) thereof, by the substitution for the words “members or delegates present and voting at a general meeting”, of the words “members or delegates eligible to be present and vote at a general meeting”.

(3) in subsection (3) thereof —

(a) by the renumbering of that subsection as paragraph (a) thereof and

(b) by the addition immediately after the renumbered paragraphs (a) of the following new paragraph :—

“(b) No approval shall be given by the Provincial Registrar to any society to transfer its assets and liabilities to any other registered society, to divide itself into two or more societies or to amalgamate with another registered society if —

(i) a report of recommendation has not been obtained from a person or institution as is prescribed, regarding the economic feasibility of the proposed transfer, division or amalgamation ;

(ii) a report stating that the by-laws of the societies into which the registered society has been divided or amalgamated, as the case may be, are not inconsistent with the provisions of the law or any rule made thereunder has not been obtained from an institution or designated person as for the purposes of section 4”.

Amendment of
Section 11 of the
principal statute.

9. Section 11 of the principal statute is hereby amended as follows :—

(1) by the insertion immediately after subsection (1) thereof of the following new subsection :—

(1A) Where the liability of members of a society is limited, no member other than a registered society shall hold such portion of the share capital of the society, subject to a maximum of one-fifth as may be prescribed by the rules” and

(2) by the substitution in subsection (2) for the words and figures “of any scheduled agricultural product under the Agricultural Products (Guaranteed Prices and Control of Hulling and Milling Act No. 33 of 1961”, of the words “of any scheduled agricultural product as an agent of the Paddy Marketing Board”.

Insertion of new
sections 11A,
11B, 11C and
11D in the
principal statute.

10. The following new sections are hereby inserted immediately after section 11 of the principal statute and shall have effect as section 11A, 11B, 11C and 11D of that statute.

“Mode of
payment to
purchase shares.

11A. A member may commence payment for the purchase of any share with an initial payment of rupees ten and shall increase payment of such instalment to rupees one hundred within one year from the date of such initial payment. The minimum value may be increased as desired. The total value of a share may be paid in a single instalment.

Provided however that a member shall not enjoy the right to vote or the right to hold Office until the expiry of one year from the date of enrolment.

Provided further, that the provisions of this section shall not apply to an in respect of persons who have applied to the Provincial Registrar for registration of a society under the provisions of section 4(1) (a) and (b) and 5(1) and (2).

Eligibility to
vote.

11B. A member shall be entitled to vote at any meeting of a registered society and be elected to any Office in such society only after obtaining full membership.

Disqualification.

11C. No. person who is a member of Parliament, Provincial Council, Municipal Council, Urban Council or Pradeshiya Sabha shall be eligible to be elected to or continue in Office as member of the committee of registered Co-operative Society.

11D. A person shall be disqualified from being elected as a Chairman of a registered society, the membership of which consists of registered societies, if he is on the date of his election, the Chairman of any other registered society, the objects of which are not similar to the objects of the first-mentioned society, the membership of which consists of registered societies.	Disqualification for election as Chairman.
11. Section 12 of the principal statement is hereby amended in subsection (1) thereof by the substitution for the words "Admit an individual as an associate member", of the words "Admit as any associate member any individual who enters into a contract for the transaction of business with the by-laws of the society".	Amendment of Section 12 of the principal statute.
11(a) Same as provided in this section, an associate member shall have such privileges and rights of a member and be subject to such liabilities of a member as may be specified in the by-laws of the society.	Inclusion of subsection (3) of section 12 of the principal statute.
12. The following new heading is hereby substituted for the heading "duties of registered societies" heading to appearing in Chapter III, of the principal statute.	Replacement of the Chapter III of the principal statute.
"RIGHTS, OBLIGATION AND PRIVILEGES OF REGISTERED SOCIETIES".	
13. Section 24 of the principal statute is hereby amended in sub-paragraph (iii) of paragraph (a) thereof, by the substitution for the words and figures "of any scheduled agricultural product under the Agricultural Products (Guaranteed Prices and Control of Hulling and Milling) Act No. 33, of 1961" of the words "of any scheduled agricultural product as an agent of the Paddy Marketing Board".	Amendment of Section 24 of the principal statute.
14. (1) The following paragraph is hereby inserted as a new sub-section (2) of section 27 of the principal statute. "A registered society shall pay all other moneys due to the deceased member from the society, to such nominee heir or Legal Representative, as the case may be".	Amendment of Section 27 of the principal statute.
(2) Sub-section (2) of section 27 of the principal statute is hereby amended by renumbering it as sub-section (3).	
15. Section 39 of the principal statute is hereby amended as follows :	Amendment of Section 39 of the principal statute.
(1) by the repeal of the proviso to subsection (1) thereof and the substitution therefore, of the following new proviso :— "Provided that, with the approval of the general body of registered society and on such conditions as may be imposed by it, a registered society may grant loans to another registered society or supply goods on credit to an associate member" and	
(2) by the repeal of subsection (2) of that section and the substitution therefore, of the following new subsection :— "Provided that, with the approval of the general body, a registered society shall not lend money on the security of any movable property other than agricultural produce".	
16. Section 42 of the principal statute is hereby amended by the omission of the words "approved for this purpose by the Provincial Registrar" wherever those words occur in that section.	Amendment of Section 42 of the principal statute.
17. Section 43 of the principal enactment is hereby amended by the repeal of subsection (3) of that section.	Amendment of Section 43 of the principal statute.
18. The following new heading is hereby substituted for the heading "ACCOUNTS BUDGET, AUDIT, INQUIRY, INSPECTION OR INVESTIGATION" to CHAPTER VII of the principal statute :—	Replacement of heading in Chapter VII of the principal statute.

“ACCOUNTS BUDGET, AUDIT, INQUIRY AND INSPECTION OF A REGISTERED SOCIETY”

Amendment of
Section 44 of the
principal statute.

19. Section 44 of the principal statute is hereby amended by the repeal of subsection (2) thereof and the substitution thereof of the following :—

“(2) The audit under subsection (1) shall include —

- (a) An examination of overdue debts ;
- (b) a valuation and verification of assets and liabilities of registered societies ;
- (c) an examination as to whether the organization systems, procedures, books records and other documents have been properly and adequately designed to ensure proper financial control and the presentation of information, to enable a continuous evaluation of the activities of the society, and whether such systems, procedures, books records and other documents are in effective operation ;
- (d) an examination as to whether the conduct of the society has been in accordance with the provisions of this statute, or rules, regulations or by-laws made thereunder and whether of the affairs of the society has been in accordance with the provisions of such statute, rules, regulations or by-laws ;
- (e) an examination as to whether the utilization of the Fund has been efficiently and economically carried out ;
- (f) an examination as to whether a satisfactory procedure has been formulated so as to ensure the safety of money and property belonging to and under the control of, the registered society ;
- (g) an examination as to whether the accounts audited have been so designed as to present a true and accurate account of the affairs of the society in respect of the period under consideration having due regard to the principles of accountancy, financing and valuation ; and
- (h) other prescribed matters”.

Amendment of
Section 44 of the
principal statute.

19B. The following new paragraph is hereby inserted as subsection (5) of section 44 of the principal statute. “The Provincial Registrar and every person authorized by him to audit the accounts of a registered society shall be deemed to be public servants within the meaning of the Penal Code.

19C. Subsection 5(a) of the principal statute is hereby renumbered as “(b) (a)” and amended by the substitution for the words “the rules made this statute” of the words “the rules framed under this statute or any other regulations or rules approved by the Provincial Registrar for Co-operative Societies or rules pertaining to the financial procedure or orders issued by the Provincial Registrar or the Co-operative Employees’ Commission.

Amendment of
Section 46 of the
principal statute.

20. Section 46 of the principal statute is hereby repealed and the following section is substituted therefore :—

Inquiry and
inspection.

46. (1) The Registrar may of his own motion and shall on the application of a majority of the committee or of not less than one-third of the members of a registered society hold an inquiry or inspection or direct some person authorized by him by orders in writing in that behalf to hold an inquiry into the constitution, working, and financial condition, or an inspection into the books of the registered society.

(2) For the purposes of an inquiry under subsection (1), the Registrar or any person authorized by him to hold an inquiry or inspection shall have the power —

- (a) to summon any past or present, Officer, agent, servant or member of the society or any other person who, in the opinion of the Registrar or the person authorized by him to inquire or inspect, can give material information about any transactions of the society or the management of its affairs.
- (b) to require the production of any book or document relating to the affairs of the society, or any cash, security, or other property belonging to the society, by any past or present Officer, agent, servant or member of the society or other person in possession of or having the custody of such book, document, cash, security or other property.
- (c) to summon a general meeting of the members of the society at such time and place as may be specified by him to determine such matters as may be directed by him and
- (d) to take into his custody books of accounts, or documents of the society where he has reason to believe that there is a fraud or irregularity, in the course of such inquiry or inspection.

(3) The Provincial Registrar and every person authorized by him to hold an inquiry or inspection under this section shall be deemed to be public servants within the meaning of the "Penal Code".

21. Section 47 of the principal statute is hereby repealed.

Repeal of section 47 of the principal statute.

22. Section 48 of the principal state is hereby repealed and the following new section is substituted therefore :—

Replacement of section 48 of the principal statute.

Dissolution of the committee of a society.

48. (1) If the Provincial Registrar is of opinion after an inquiry or inspection into the books of the registered society under section 46 that the committee of a registered society is not performing its duties in a manner, he may after giving the committee an opportunity to state its objections, if any, to its dissolution, report his findings to the general body summoned by him in accordance with rules, if such inquiry or inspection under section 46 had been held on his own motion or, to the general meeting summoned in accordance with the by-law, if such inquiry or inspection had been held on the application of a majority of the committee, or of not less than one-third of the number of members, and the general body may –

- (a) remove the offending committee member or members and fill the resulting vacancies in accordance with the by-laws ;
- (b) dissolve the committee and elect a new committee or appoint a suitable person or body of persons to manage the affairs of the society.

(2) The committee so elected or person or persons so appointed shall hold Office for the remainder of the period of Office of the dissolved committee.

(3) The person or persons appointed under paragraph (b) of subsection (1) may exercise all the powers, rights and privileges of a duly appointed committee of the society.

(4) Any person or persons appointed under paragraph (b) of subsection (1) shall be jointly and severally responsible for any loss sustained through any such acts committed by them as are contrary to the law, rules or by-laws of the society.

(5) The general body may fix the remuneration payable to any person, appointed under paragraph (b) of subsection (1) to manage the affairs of the society. The amount of such remuneration and other expense, if any, incurred in the management of the society shall be payable from its funds.

(6) It shall be the duty of the person or persons appointed under this section to manage the affairs of a registered society dissolved under paragraph (b) of subsection (1) and holding Office immediately prior to the date on which it ceases to hold Office and to arrange for the election of a new committee in accordance with the by-laws of the society.

(7) Nothing in this section shall be deemed to affect the power of the Provincial Registrar to cancel the registration of the society under section 49”.

Repeal of section 48 A of the principal statute.

23. Section 48A of the principal statute is hereby repealed.

Amendment of Section 49 of the principal statute.

24. Section 49 of the principal statute is hereby amended in subsection (1) of that section by the substitution for the words and figures “an inspection or an investigation under section 47” of the words “an inspection”.

Amendment of Section 53 of the principal statute.

25. Section 53 of the principal enactments hereby amended, by the insertion of the following paragraph immediately after paragraph (j) and shall have effect as paragraph (jj) :—

“(jj) deposit all moneys collected by the liquidator in such manner as directed by the Provincial Registrar”.

Amendment of Section 54 of the principal statute.

26. Section 54 of the principal enactment is hereby amended as follows :—

(1) by the renumbering of that section as subsection (1) thereof and

(2) by the addition immediately after the renumbered subsection (1) of the following new subsection :—

“(2) there shall be established a Fund called the “Co-operative Fund” to which shall be credited all the moneys collected by the liquidator and such fund shall be operated by the Provincial Registrar in accordance with the rules”.

Amendment of Section 58 of the principal statute.

27. Section 58 of the principal statute is hereby amended in subsection (1) of that section by the substitution for all the words from “A claim by a registered society for any debt, demand or damages due to it” to touching the business of the society within the meaning of this subsection”, of the words “A claim by a registered society from any debt, demand or damages due to it from a member, Officer or employee, whether past or present, or any nominee, heir or legal representative of a deceased member, Officer of employee, or a claim for any debt, damage or demand due to a member from a registered society, from an Officer or employee or member, past or present or to any nominee, heir or legal representative of a deceased member, Officer or employee, from a registered society, whether such debt, demand or damages is admitted or not, shall be deemed to be a dispute touching the business of a society within the meaning of this subsection”.

Amendment of Section 59 of the principal statute.

28. Section 59 of the principal statute is hereby amended in subsection (4) of that section by the substitution for the words “at the time of imposing such sentence”, of the words and figures” at the time of imposing such sentence. Any defaulter sentenced to a term of imprisonment in default of the fine imposed in accordance with section 291 of the Code of Criminal Procedure Act No. 15 of 1979, shall not be absolved from the payment of any sum of money mentioned in the certificate specified in section 59 (1) (c)”.

Insertion of new Chapter XIA in the principal statute.

29. The following new Chapter is hereby inserted immediately after Chapter XI of the principal statute and shall have effect as Chapter XIA of the principal statute :—

CHAPTER XIA

SPECIAL PROVISIONS APPLICABLE TO REGISTERED SOCIETIES OPERATING WITH STATE FUNDS

60 A. (1) Where a registered society obtained a loan, advance or grant from the Government, every such loan, advance or grant shall be subject to the following conditions :—

Special conditions.

- (a) that the approval, in writing of the Provincial Registrar, shall be obtained by the society prior to acquiring by way of purchase, lease, gift or otherwise any land, building or other movable or immovable property or alienating by way of sale, mortgage, lease, exchange or in any other manner, and land buildings and other movable or immovable property for any purpose connected with its objects.
- (b) that the funds of the society shall be deposited or invested in any securities other than in a primary mortgage of immovable property in terms of section 20 of the Trust Ordinance or with any banker or a person acting as a banker approved for such purpose by the Provincial Registrar, or in the shares, or on the security of any other registered society, approved for the purpose by the Provincial Registrar or in any other mode provided for by the rules.

(2) If the Provincial Registrar is of opinion after an inquiry or inspection into the books of the registered society under section 46 that the committee of a registered society operating with state funds, is not performing its duties as required he may after giving such committee an opportunity to state its objections if any, to its dissolution report his findings to the general body summoned by him in accordance with the rules and such general body shall remove the committee within the time specified by the Provincial Registrar and if the general body fails or neglects to do so the Provincial Registrar shall remove the committee and require the general body to appoint a Board of Management. If the general body fails to appoint a Board of Management within fourteen days the Provincial Registrar may appoint a suitable person or persons to manage the affair of such society. The members of the committee so removed shall not be eligible to be elected to Office of any registered society for a period of five years from the date of such removal. The Board of Management appointed under this section shall hold Office for the same period and shall have the same powers and functions as a person appointed under paragraph (b) of subsection (1) of section 48.

60 B. (1) If the Provincial Registrar is of the opinion after an inquiry and inspection into the books of the registered society under section 46, that any Officer or employee of any registered society is not performing his duties in a proper manner, or is unfit or otherwise unable to discharge his duties efficiently, he may notwithstanding anything to the contrary in this statute or any other law after giving such Officer or employee, an opportunity to state their objections, by order in writing suspend or interdict as the case may be such Officer or employee pending such inquiry as may be necessary and after such inquiry remove such Officer or employee from Office.

Suspension or interdiction and removal of Officers

Provided that any employee aggrieved by an order of removal made under this subsection, may appeal there from to the Uva Provincial Co-operative Employees' Commission established under this statute within a period of thirty days and the decision of such commission shall be final.

(2) Where any employee is removed under subsection (1) and where such order for removal has been affirmed by the Co-operative Employees' Commission or no appeal against such order has been preferred within thirty days, another employee may be appointed, in accordance with the provisions applicable in respect of such appointment.

Nomination of members.	60C. Where the Provincial Registrar is of opinion that it is necessary or expedient to do so for the purpose of ensuring efficient management of the affairs of a registered society operating with state funds or for the purpose of safe-guarding any investments or advances in money or goods made to such society by the Government may notwithstanding anything to the contrary in this Law or any other Law or in the by-laws of such society nominate such number of persons to be members of the committee of such registered society as are in his opinion necessary or expedient for such purpose :
	Provided that the number of such nominated members, shall be less than one-half of the total number of members of such committee.
Amendment of Section 66 of the principal statute.	30. Section 66 of the principal enactment is hereby amended as follows : (1) in subsection (1) thereof, by the substitution for the words inspection of books and investigation of affairs of a society under section 47, of the words “or inspection of books of a registered society” and (2) in subsection (2) thereof, by the substitution for the words “by the Provincial Registrar on application to the Magistrate” of the words “by the Magistrate”.
Replacement of section 67 of the principal statute.	31. Section 67 of the principal statute is hereby repealed and the following section substituted therefore :— Declaration of assets and liabilities. 67 (1) The Chairman and every member of the committee of a registered society shall make, to the Provincial Commissioner of Co-operative Development in the prescribed form an annual declaration of — (a) all his assets and liabilities. (b) all the assets and liabilities of his spouse and (c) all the assets and liabilities of each of his children. as on the thirty-first day of March of the year in respect of which such declaration is made. (2) The declaration referred to in subsection (1) shall be made by the Chairman or member of the committee of a registered society, to the Provincial Commissioner of Co-operative Development, within three months of his election or appointment, as the case may be as such Chairman or member and unless he ceases to be such chairman or member before the first day of July of every year succeeding the year in which he made his first declaration.
Amendment of Section 67 of the principal statute.	32. Section 68 of the principal statute is hereby amended by the substitution for the words “or an inspection of books and investigation of the affairs of a registered society has been held under section 47, “of the words ” or an inspection of books of”.
Amendment of Section 72 A of the principal statute.	33. Section 74 of the principal statute is hereby amended by the substitution for the words and figures “under section 44, 46, 47, 49, 52, 66, 67 of the words and figures ” under sections 44, 46, 49, 52, 66.
Amendment of Section 111 of the principal statute.	34. Section 111 of the principal statute is hereby amended as follows :— (1) in the definition of the expression “committee” by the substitution for the words and figures “under section 48” of the words and figures “under subsection (2) of section 60 A”.

- (2) in the definition of the expression “primary society” by the substitution for the words “paragraph (b), (c) or (d) of section 3 (1) of the words ” paragraph (b) of section 3 and
- (3) by the addition immediately after the definition of the expression “rules” of the following new definition :—

“State funds” shall mean loans, advances and grants, granted by the Government or the Provincial Council or the Provincial Council Co-operative Fund and includes any loans, grant or advances out of the funds referred to in sections 48 and 57 of the statute.

35. In the event of any inconsistency between this Sinhala and Tamil text of this statute, the Sinhala text shall prevail.

Sinhala text to prevail in event of inconsistency.

04-226