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The Gazette of the Democratic Socialist Republic of Sri Lanka

EXTRAORDINARY

අංක 1890/35 - 2014 නොවැම්බර් මස 28 වැනි සිකුරාදා - 2014.11.28

No.1890/35 - FRIDAY NOVEMBER 28, 2014

(Published by Authority)

## PART IV (A) — PROVINCIAL COUNCILS

### Provincial Councils Notifications

#### SABARAGAMUWA PROVINCE PROVINCIAL COUNCIL

##### Co-operative Employees' Pension Schemes Statute No. 02 of 2014 of the Sabaragamuwa Provincial Council

REGULATIONS made by Me, the Chief Minister of the Sabaragamuwa Provincial Council and Minister in charge of the subjects of Law and Order, Finance and Planning, Local Government, Health and Indigenous Medicine, Women Affairs, Co-operatives, Trade and Food, Passenger Transport and Estate Welfare, Environment, News, Housing and Construction under Section 24 of the Co-operative Employees' Pension Scheme Statute, No. 02 of 2014 of the said Provincial Council.

MAHEEPALA HERATH,

Chief Minister and Minister in charge of the subjects of Law and Order, Finance and Planning, Local Government, Health and Indigenous Medicine, Women Affairs, Co-operatives, Trade and Food, Passenger Transport and Estate Welfare, Environment, News, Housing and Construction of Sabaragamuwa Provincial Council.

At Sabaragamuwa Provincial Council,  
11th November, 2014.

#### REGULATIONS

1. These regulations shall be referred to as the regulations of the Co-operative Employees' Pension Scheme Statute No. 02 of 2014 of the Sabaragamuwa Provincial Council. Short title.

2. I. Any person who is employed in any Co-operative Society or Union registered under the Co-operative Act, No. 05 of 1972 as amended by Acts, No. 32 of 1983 and No. 11 of 1992 and registered in the Sabaragamuwa Province under the Sabaragamuwa Provincial Co-operative Statute No. 03 of 1994 and No. 03 of 2007 and has received a permanent appointment within the meaning as stipulated in the co-operative employees' service commission Act, No.12 of 1972 as amended by Act No. 51 of 1992 (hereinafter referred to as the "employee") shall be eligible to contribute to the co-operative employees' pension scheme. Eligibility to contribute.



II. Notwithstanding anything to the Contrary in 2.1 above, the persons employed in any co-operative society or union on the date of this co-operative employees' pension scheme statute No. 02 of 2014 of the Sabaragamuwa Provincial Council coming into operation, who have not received a permanent appointment as stipulated in 2.1 above shall be entitled to the benefits of this scheme as personal to them, if they have received the approval of the Sabaragamuwa Provincial Co-operative Employees' Service Commission as personal to them for the confirmation of service and if there are excess employees and made them permanent on the basis of excess employees.

III. Those employees who recruited after the date of this scheme coming into operation should be within the approved cadre and approved by the co-operative employees' commission.

To intimate  
willingness and  
application

3. I. (a) Any person who has been in service on the date of this scheme coming into operation and is entitled to join the scheme, should intimate his willingness to contribute to the pension scheme.
- (b) Any person entitled to join the scheme shall for the purpose of joining the scheme complete the application prescribed for the purpose by the director of the scheme (hereinafter referred to as the director) shall submit it to the authorized official within the period of time prescribed by the director.
- (c) The period of time referred to in 3.I(b) above shall not exceed more than 06 months from the date of the scheme coming into operation.

II. The employees who have joined or will join the permanent employment after the date of this scheme coming into operation and prior to coming into effect of these regulations shall complete the application prescribed for the purpose by the director of the scheme and shall submit it to the official authorized by the director within 90 days from these regulations coming into effect or from the date of appointment which ever occurs later.

To deem as a  
contributor

III. Any people who joins the scheme after these regulations coming into effect, shall complete the application prescribed for the purpose by the director of the scheme and shall submit it to the official authorized by the director within 90 days from date of recruitment to the scheme.

4. I. The authorized official shall on the receipt on an application, verify the authenticity and the accuracy of the particulars furnished by the applicant and shall submit same together with his recommendation to the director within thirty (30) days of receipt of such application.

II. The applicant upon whose application being approved the director, shall be deemed as the contributor to the scheme.

Rejection of  
application.

III. Any application to contribute to the scheme may be rejected on anyone or more of the following grounds:-

- (a) If is not an employee as stipulated in Sections 2.1 and 2.11 of these regulations.
- (b) If is below 18 years or below 60 years of age.
- (c) If the application is incomplete.
- (d) If furnished false particulars.
- (e) If the application is not submitted within the prescribed period stipulated in the regulations.

IV. Rejection of an application shall be determined with the concurrence of the advisory committee of the scheme (hereinafter referred to as the advisory committee). When a decision is taken to reject any application The director shall within 30 days intimate such decision to the applicant concerned.

contribution

5. I. Every contributor who joins the scheme shall make an initial payment of Rs. 5000/- and a monthly contribution equivalent to 5% of his/her monthly consolidated salary and shall authorize in writing the employer society or the union to deduct such contribution from his/her monthly salary and remit same to the director.

II. The employer society or the union or the employee shall pay to the director in full or installments a sum of Rs. 5000/- in respect of each contributor who joins the scheme within a period of time as required by the director. However, such period shall not exceed 6 months and the employer society or union shall pay the scheme a monthly contribution equivalent to 2.5% of his/her monthly salary.

Contribution of the society or union

III. The employer society or the union shall remit the monthly contribution deducted from the salary of the contributor to the director on or before the last day of the following month.

Remittance of contribution

IV. The co-operative societies or union, which fails to remit contributions to the director as prescribed in 5.111 above, shall be liable to a fine as follows and such society or union shall pay such fine to the director on the date as required by the director.

To impose fine

Delay less than 10 days	05%
Delay from 11 days to 1 month	10%
Delay from 1 month to 3 months	15%
Delay from 3 months to 6 months	20%
Delay from 6 months to 12 months	30%
Delay more than 12 months	50%

6. Every contributor who joins the scheme shall compulsory complete the payments of 60 monthly contributions to the director to be entitled to the pension.

Minimum contribution and entitlement of pension

I. (a) In the case of any contributor who is above the age of 55 years on the date of coming into operation of the pension scheme, if he fails to make the minimum contribution in 60 installments, the contributor shall pay in full or in installments the balance contribution outstanding based on his last drawn salary before he reaches 60 years of age.

(b) Provided that if any contributor is unable to pay the minimum contribution in full before he reaches 60 years of age due to any reason, such contributor shall be entitled to pay such contribution in full within a maximum period of 1 year from his retirement.

(c) Any contributor who completes the payment of contribution under 6.1(a) and 6.1(b) above shall be entitled to the pension as stipulated in table 02 of schedule A of these regulations.

II. (a) Any employee who was in service on the date of this pension statute coming into operation and has retired on the date of these regulations coming into effect and who has contributed to the pension scheme, shall make the minimum contribution of 60 installments based on his last drawn salary in full or in installments within a period of 01 year.

(b) Any contributor who completes the payment of contribution under 6.II(a) above, shall be entitled to the pension as stipulated in table 2 of schedule A of these regulations.

(c) In the case of any contributor who is not more than 55 years of age on his next birthday at the time of joining the scheme, such contributor shall make the minimum contribution as stipulated in table 01 of schedule A of these regulations and shall be entitled to a pension as *given* in column IV of that table.

7. In the case of any contributor who has retired on medical grounds,

Benefits under medical grounds

(I) If he is more than 50 years of age at his retirement and has made the minimum contribution of 60 installments, such contributor shall be entitled to a pension on reaching 60 years of age.

- (II) If he is less than 50 years of age at his retirement and has made a minimum contribution of 120 installments, such contributor shall be entitled to a pension on reaching 60 years of age;
- (III) Provided however, that such contributor shall be entitled to receive as a lumpsum payment the contribution he has so far made together with the relevant interest thereon if he so wishes on the approval of the advisory committee;
- (IV) The contributor shall be entitled only to receive either a pension under Section 7.I or 7.II or a lump sum payment under Section 7.III;
- (V) as for a contributor who is above the age of 50 years and has not even made the minimum contribution of 60 installments such contributor shall be entitled to receive a pension on reaching 60 years of age if he completes the payment of contribution outstanding in full or in installments within a period of time as required by the director. The period to make the outstanding contribution shall be one year from the date of his reaching the age of 60 years or from the date on which such payment is prescribed whichever occurs earlier;
- (VI) As for a contributor who is below the age of 50 years and has not even made the minimum contribution of 120 installments, such contributor shall be entitled to receive as a lumpsum payment his net contribution and the relevant interest thereon on the concurrence of the advisory committee;
- (VII) If no claim is made under 7.V above, such contributor shall be entitled to receive as a lumpsum payment his net contribution and the relevant interest thereon on the concurrence of the advisory committee.

Benefits when  
resigned from  
service

8. I Any contributor who resigns from the co-operative service prior to his entitlement to the pension shall be deemed to have resigned from the scheme and on a written request made by him to the director shall be entitled to receive as a lumpsum payment his net contribution and the relevant interest thereon as determined by the director with the concurrence of the advisory committee.

When on no-pay  
leave

- II. When any employee is temporary away from the co-operative service on no-pay leave formerly approved for foreign employment, such period on no-pay leave shall not be counted for the pension and no contribution shall be made for such period.

Benefits to  
contributor of a  
society or union  
of which  
registration is  
cancelled.

9. When the registration of any co-operative society or union has been cancelled for the purpose of liquidation, and if the contributor has made contributions up to the date of such cancellation:-
- I. if the contributor is above 50 years of age on the date of cancellation of registration of any society or union and has made at least 60 installments, such contributor shall be entitled to a pension on reaching 60 years of age;
  - II. if the contributor is below 50 years of age on the date of cancellation of registration of any society or union and has made at least 120 installments, such contributor shall be entitled to a pension on reaching 60 years of age;
  - III. provided however, that such contributor shall be entitled to receive as a lumpsum payment the contribution he has so far made together with the relevant interest thereon if he so wishes on the advice of the advisory committee;
  - IV. the contributor shall be entitled only to receive either a pension under Section 9.I or 9.II or a lumpsum payment under Section 9.III;

- V. as a contributor who is above the age of 50 years and has not even made the minimum contribution of 60 installments, such contributor shall be entitled to receive a pension on reaching 60 years of age if he completes the payment of contribution outstanding in full or in installments within a period of time as required by the director. The period to make the outstanding contribution shall be one year from the date of his reaching the age of 60 years or from the date on which such payment is prescribed whichever occurs earlier;
- VI. as for a contributor who is below the age of 50 years and has not even made the minimum contribution of 120 installments, such contributor shall be entitled to receive as a lumpsum payment his net contribution and the relevant interest thereon with the concurrence of the advisory committee.
- VII. if no claim is made under 9.V above, such contributor shall be entitled to receive as a lumpsum payment his net contribution and the relevant interest thereon with the concurrence of the advisory committee.
10. Every contributor shall be entitled to a death gratuity as the case may be without making any additional contribution to the scheme. Death gratuity
11. In the event of the death of a contributor who possesses a period of service as mentioned in column I of the schedule B, the dependents of such contributor shall be entitled to receive a death gratuity as given in the column II as follows: Entitlement to receive the death gratuity
- I. if the deceased contributor is married -
- (a) a half of the death gratuity shall be paid to the widow/widower and the other half shall be paid equally to the unemployed, unmarried children.
- (b) where there are no unemployed, unmarried children, the widow / widower shall be entitled to the whole gratuity.
- (c) if the widow/widower of the contributor is not surviving, whole gratuity shall be divided equally among unemployed unmarried children.
- II. if the deceased contributor is unmarried;
- (a) the death gratuity shall be equally divided between the parents of the contributor. If either of them only is surviving, the death gratuity shall be paid to such parent.
- (b) if both parents are not surviving, the said gratuity shall be divided equal among unemployed, unmarried of the contributor.
- III. Where the minors of the contributor receive the death gratuity, such moneys shall be deposited in a minors' savings account in the Rural Bank/ National Savings Bank / People's Bank / Bank of Ceylon and shall be intimated thereof to the guardians concerned and shall be recorded. And the pass books / deposit certificate, shall be kept in safe and action shall be taken to release them on demand Upon their reaching maturity.
- IV. When irresolvable problems regarding the dependents arise, payments shall be made to the dependents as may be determined by the director with the concurrence of the advisory committee.

Death to be informed within 90 days.	12. When the dependents of the contributor becomes entitled to the death gratuity, such legal heir shall inform the director of the death of the contributor within 90 days from the occurrence of the death upon which he becomes so entitled to the gratuity.
Contribution of deceased contributor	13. In the event of the death of a contributor, the director, on the determination of the advisory committee shall pay the net contribution of such contributor together with the interest thereon to the dependents of the contributor as a lumpsum payment as stipulated in the regulation II.
Appeal for the revalidation of the certificate to be made within 30 days	14. any contributor who has been forfeited the benefits under Section 14.II of the statute, may submit an appeal to the director for the revalidation of his certificate within 30 days from the date of intimation of such forfeiture by the director.
In the case of a contributor who has been dismissed or has vacated post	15. I. Any contributor who is dismissed from service or is deemed as having vacated post, shall be deemed as having resigned from the scheme and may be entitled to receive only the net contribution as a lumpsum payments as may be determined by the director with the concurrence of the advisory committee on a written request made by such contributor.
In the case of a contributor who has been convicted at a legal inquiry	II. Provided however, that if such contributor has been convicted of causing damage to the society or to the union at a legal inquiry or such legal inquiry is pending against him, the aforesaid net contribution shall be paid to him if such damage has been completely reimbursed or if it is established that no such damage has been caused to the society at the conclusion of the inquiry.
In the case of a contributor who has been reinstated	16. Any contributor who has been reinstated upon been suspended of co-operative service, shall pay the contribution outstanding in full within a period of time as required by the director.  The date prior to which such payment to be made in full shall be intimated to the contributor and if such contributor fails to pay the contribution outstanding before the required date, his policy shall be deemed to have invalidated.
	17. I. In the event of forfeiture of benefits to any contributor under 13.1 of the statute, the director shall tender a notice to that effect to such contributor.  II. If any contributor who has been forfeited the benefits under 17.1 above, wishes to remain in the scheme, he may make a request to that effect to the director after settling all the damages caused to the society by him. The request shall be made to the director within 03 months from the receipt of notice under 17.1 above.  III. In the event of allowing remaining in the scheme on a request made under 17.II above, the contributor shall pay the contribution outstanding in full within a period of time as required by the director. The date prior to which such payment to be made in full shall intimated to the contributor and if such contributor fails to pay the contribution outstanding before the required date, his policy shall be deemed to have invalidated. However the period required by the director shall not exceed 06 months.
In the case of a contributor who retires before he attains 60 years of age.	18. I. When any contributor who is above the age of 55 years formally retires from service before he attains the age of 60 years, such contributor shall be entitled to receive a pension from the date on which he attains 60 years of age as given in column IV of the table 01 of the schedule A of these regulations based on the number of instalments of contribution made at the time of his retirement.

- II. In lieu thereof such contributor shall be entitled to receive as a lumpsum payment his net contribution and interest thereon as determined by the director with the concurrence of the advisory committee on a written request made to the director to that effect by the contributor.
- III. Any such contributor shall be entitled only to receive either of the pension under 18.1 or the lumpsum payment under 18.II above.
19. When any contributor who is entitled to a pension under section 7, 9 and 18 of these regulations dies before he attains the age of 60 years, the death gratuity computed in terms of schedule B hereof and the lumpsum payment referred to in regulation 13 shall be paid to the party which becomes entitled to under Section 11 of these regulations.
- In the case of a contributor who retires before he attains 60 yrs. of age and dies before he receives the pension
20. If it is established at a legal inquiry that any contributor who is entitled to receive a lumpsum payment under these regulations has caused damages to the society or to union, or such inquiry is pending against him, such lumpsum payment shall be paid to him if such damage has been completely reimbursed or if it is established that no such damage has been caused by him at the conclusion of the inquiry.
- Lumpsum payment not to be paid if has caused damages in the society
21. In the event of a death of a pensioner, if the total pension he has received up to his death is less than the total amount of contribution he made plus the relevant interest thereon, the balance amount may be paid as a lumpsum payment to the dependants of the deceased pensioner.
22. When contributor who is entitled to receive the accrued sum or the net contribution as a lumpsum payment under these regulations, owes to his employer society or union any sum of money on an agreement entered into with such society or union, such accrued sum or the net contribution in whole or any part thereof may be used with the concurrence of the advisory committee to settle such agreed sum in whole or any part thereof on consideration of a request to that effect made to the director by such society or union with the consent of the contributor.
- To settle agreed sums from the accrued sum or the net contribution
23. In the event of any problem with regard to the payment of pension/allowances/gratuity to any contributor in any manner other than what is specified in these regulations, action shall be taken as determined by the director with the concurrence of the advisory board.
24. The director shall in addition to the policy issued to the contributor under Section 14.1 of the statute, cause to prepare and use following specimen forms to include necessary particulars for the purpose of regularization of administration and management of affairs of the scheme:-
- Specimen forms
- I. Consent declaration form;
  - II. Application to join the scheme;
  - III. Authorization letter to deduct monthly contribution from the salary;
  - IV. Monthly contribution deduction register;
  - V. Notice on imposition of fines;
  - VI. Application for death gratuity;
  - VII. Application to withdraw the accrued sum or the net contribution;
  - VIII. Application to amalgamate the membership;
  - IX. Any other forms as may be necessary to implement the scheme;
25. If any contributor who submitted his application to join the scheme through his employer society or the union has subsequently joined any other society or union for permanent employment, such contributors shall intimate thereof to the director within 30 days from such joining and shall make an application on the specimen form prescribed by the director to amalgamate the membership in order to continue the policy valid.
- Amalgamation of membership

Accounts to be kept	26. The director shall cause the accounts of the scheme to be kept as per accepted accountancy principles, policies and standards.
Annual estimates of expenditure	27. I. The director shall prepare an annual estimate in relation to the expenditure involved in the implementation of functions of this scheme and shall submit it to the advisory committee for approval.  II. When the annual estimated provisions are not sufficient to meet the expenses, supplementary estimates shall be prepared and submitted to the advisory committee for approval.
Quarterly reports	28. Quarterly reports of receipts and expenditure shall be prepared at the end of every quarter and the report so prepared shall be submitted to the advisory committee within 30 days from elapse of the quarter to which such report is relevant.
Facilities and services	29. The provincial finance regulations and procurement committee guidelines shall be strictly adhered to when obtaining facilities and services required for the implementation of the scheme and in the case of exceeding the limits of the head of the department, the approval of the advisory committee shall be obtained.
The staff	30. The staff required for the operation of the scheme shall be deployed from those who are employed in the department of co-operative development of Sabaragamuwa province at the time concerned and the director shall obtain the consent of the commissioner and registrar of co-operatives and the recommendation of the advisory committee and there upon the approval of the provincial public service commission for the required staff so deployed.
Assignment of duties	31. The director shall assign duties to the staff of the scheme and delegate powers as appropriate.
Sinhala text to prevail in case of inconsistency	32. In the event of any inconsistency between the Sinhala, Tamil and English texts of this regulations, the Sinhala text shall prevail.

#### SCHEDULE A

Sabaragamuwa Province Co-operative Employee's pension scheme.

**Table - 01**

Instalments to be paid by the employees (between 18-55 years) who enroll to the pension scheme and the pension they are entitled to receive.

<i>Line I</i> Age as at next birthday after joining the scheme	<i>Line II</i> Percentage of the monthly consolidated salary to be paid as the monthly instalment	<i>Line III</i> Minimum number of instalments to be paid	<i>Line IV</i> Pension which is entitled to be received after completion of 60 years, as a percentage of the monthly salary at the time of retirement
19	5	504	80
20	5	492	79
21	5	480	78
22	5	468	77



<i>Line I</i> <i>Age as at next birthday after joining the scheme</i>	<i>Line II</i> <i>Percentage of the monthly consolidated salary to be paid as the monthly instalment</i>	<i>Line III</i> <i>Minimum number of instalments to be paid</i>	<i>Line IV</i> <i>Pension which is entitled to be received after completion of 60 years, as a percentage of the monthly salary at the time of retirement</i>
23	5	456	76
24	5	444	75
25	5	432	74
26	5	420	73
27	5	408	72
28	5	396	71
29	5	384	70
30	5	372	69
31	5	360	68
32	5	348	67
33	5	336	66
34	5	324	65
35	5	312	64
36	5	300	63
37	5	288	62
38	5	276	61
39	5	264	60
40	5	252	59
41	5	240	58
42	5	228	57
43	5	216	56
44	5	204	55
45	5	192	54
46	5	180	53
47	5	168	52
48	5	156	51
49	5	144	50
50	5	132	49
51	5	120	48
52	5	108	47
53	5	96	46
54	5	84	45
55	5	72	44

**Table - 02**

Instalments to be paid by the employees (between 50-60 years) who enroll to the pension scheme and the pension they are entitled to receive.

<i>Line I</i> <i>Age as at next birthday after joining the scheme</i>	<i>Line II</i> <i>Percentage of the monthly consolidated salary to be paid as the monthly instalment</i>	<i>Line III</i> <i>Minimum number of instalments to be paid</i>	<i>Line IV</i> <i>Pension which is entitled to be received after completion of 60 years, as a percentage of the monthly salary at the time of retirement</i>	<i>Line V</i> <i>The occasion entitled to the pension</i>
56 to 59	5	60	40	From the later date, between the date of completion of 60 years or the date of completion of paying minimum 60 instalments
60	5	60	40	From the date of completion of 01 year after paying 60 minimum instalments.

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