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The Gazette of the Democratic Socialist Republic of Sri Lanka

EXTRAORDINARY

අංක 1501/5 - 2007 ජූනි 11 වැනි සඳුදා - 2007.06.11

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## PART IV (A) — PROVINCIAL COUNCILS

### Provincial Councils Notifications

#### NORTH CENTRAL PROVINCIAL COUNCIL

Co-operative Societies Law, No. 05 of 1972 read with Co-operative Societies (Amendment) Act, No. 32 of 1983 and Act, No. 11 of 1992 (Amendment)

#### CONFERMENT OF POWERS

IN pursuance of the power vested in me by Section 2 (2) of the Co-operative Societies Law, No. 05 of 1972 read with Co-operative Societies (Amendment) Act, No. 32 of 1983, Act, No. 11 of 1992 and Section 2 of the Provincial Council Act, No. 12 of 1989, H. B. Semasingha, Minister of Electricity, Provincial Highways and Co-operative, North Central Province, do by this order confer on the persons appointed to assist the Commissioner of Co-operative Development of North Central Province and specified in Column I of the Schedule hereto, from the date specified in Column II such powers of the Registrar under the Co-operative Societies Law, No. 05 of 1972 read with Co-operative Societies (Amendment) Act, No. 32 of 1983, Act, No. 11 of 1992 and under the rules there under as are specified in Column III of the said Schedule.

H. B. SEMASINGHA,

Minister of Electricity, Provincial Highways  
and Co-operative, North Central Province.

30th May, 2007.

Anuradhapura.

*Column I*

*Column II*

*Column III*

- |  |            |   |
|--|------------|---|
| 01. Ramya Malani Wigesingha            | 10.04.2007 | All the powers of the Registrar under Section 3, 4, 5, 6, 7, 8, 33, 44 except (44 (6)) and 45, 52, 53, 54, 55, 56, 57, 58 except 58(3)) and (58 (5)) and 59, except (59 (1) (a) and 60 (1), 60 (2), 68, of Co-operative Societies number 5 of 1972; and |
| 02. Ranasingha Arachchilage Jayarathna | 10.04.2007 | All the powers of the Registrar under rules appearing in the Section 61 of the above Act as follows. 4, 11, 16 (II), 18, 19, 20, 27, 32, 33, 35, 37, 39, 40, 41, 42, 43, 48, 49, except (49x 11) 51, 52 and 53.   |

**NORTH CENTRAL PROVINCIAL COUNCIL**

**Notice under Section 32 (2) of the Co-operative Employees Commission Act, No. 09 of 1994**

I, Herath Banda Semasingha, Minister of Power, Provincial Roads and Co-operatives of the North Central Provincial Council by virtue of the powers vested in me by Section 32 (2) of the North Central Provincial Co-operative Employees Commission Act, No. 9 of 1994 do hereby, notify that I have approved the Co-operative Employees Commission Regulations made by the North Central Provincial Co-operative Employees Commission by virtue of the powers vested under Section 32 (1) of the said Act.

I do hereby cancel the Regulations published in the *Extraordinary Gazette* No. 1273/18 dated 27th January, 2003.

H. B. SEMASINGHA,  
Minister of Power, Provincial Roads and  
Co-operatives of the North Central Provincial Council.

Anuradhapura,  
24th May, 2007.

**Regulations made under North Central Provincial Co-operative Employees Commission Act, No. 09 of 1994**

CHAPTER I

GENERAL

01. These Regulations are cited as the Co-operative Employees Commission (General) Regulations.

02. All the Co-operative Societies except the Co-operative Societies, which are expressly, exempted by Section 2 of the North Central Provincial Co-operative Employees Commission Act, shall be governed by these regulations and Rules enforced by the Commission.

03. Any employee whose salary and other emoluments are being paid by the funds of a Co-operative Society is treated as the Co-operative Employee under these Regulations and such Co-operative Society shall be considered as the employer of the said employee.

04. The decision of the Co-operative Employees Commission shall be final on any matter arising out of these regulations.

CHAPTER II

Appointments, Transfers, Termination of Services, Salaries, Terms and Conditions of Services

Recruitment :

05. All the permanent appointments in a Co-operative Society should be made according to the cadre in a grade or class and only to such cadre or grade decided upon by the Commissioner by virtue of the powers vested in him under Section 29 (1) of the North Central Provincial Co-operative Employees Commission Act. It is an offence to grant any appointment to any person by any Society permanently or temporarily in violation of the decision taken by Commissioner under Section 29 (1) other than the provisions provided for under Section 34 of the said Act. If appointments are made without the prior approval of the Commission, they will be considered as cancelled and null and void.

06. When any vacancy exists in a Co-operative Society and before taking steps to fill in such vacancy, the particular society shall examine whether it is essential to have that post continuously by taking into consideration the standard of income and the nature of its business activities.

07. Any person below the age of 18 years and above the age limit of 60 years should not be recruited to a permanent post in a Co-operative Society subject to the directions of the commission that could be determined by the Commission for each and different categories of service.

08. According to the Section 30 of the Act no person shall be appointed to a post other than a qualified person whose qualifications are in conformity with the decisions of the Commission. In the event of any person appointed in violation of this regulation the Commission can order a termination of his service forthwith. If any Co-operative Society fails to take action to terminate such person's service within two weeks from the date of issue of the said order that person's service is deemed to be rescinded. If any salaries or other allowances paid to any such person after that date, the sum of money paid as above could be recovered from the individual who are responsible for such payments.

09. When appointing any person to a post by a Co-operative Society or by the Commission such person should be issued with a Job apportionment form and a letter of appointment as set out in appendix I hereto.

10. A copy of the said appointment letter should be retained in the society and another copy should be forwarded to the Commission immediately. When appointments are given by the Commission a copy of the appointment letter should be forwarded to the Commissioner and to the Co-operative Society.

11. Every appointment to a permanent post in a Co-operative Society shall be made generally subject to a probationary period not exceeding two years. However, if further verification is essential about an employee's skills and proficiency as an special occasion the period of probation could be extended in addition by another maximum period of one year. An extension exceeding the said period of necessary could be done with the approval of the Commission.

12. The Commission can specify the criteria and ethics that are to be followed by a Society to enable it to carry out the work-study in respect of a person under probation.

13. In the event of an employee's appointment is confirmed after probationary period such confirmation shall be effective from the date of appointment.

14. For the reason of an employee who has been confirmed after appointment to a Co-operative Society transferred to another society or promoted to a higher grade shall not be subjected to a further period of probation. Nevertheless, this condition shall not be a bar to an employee being kept on a testing period before considering for appointment to a permanent higher grade.

15. Any person selected for an appointment to a post in the permanent cadre in a Co-operative Society should present himself for a medical test conducted by a Government Hospital or Co-operative Hospital and forward the medical report obtained in the stipulated form within three months. If any employee fails to furnish a medical report as aforesaid without a reason cause shown, his services could be terminated. The expenses for the said medical test has to be borne by the person selected for the appointment.

16. In the event of any selected person's health condition is reported to have been unsuitable for such an appointment such person's services could be terminated after informing him, of that fact by registered post or by delivering it to his private address. However he is entitled to salary for the period he worked.

17. Before appointing a person to a permanent post applications should be called for by a public notice stating the salary scale applicable and the qualifications required.

18. Except the post of General Manager and Accountant the society must grant permanent appointments only after having considered the recommendations of the selection committee appointed for the purpose. Before appointing a person to a post as aforesaid such person's qualifications and other information should be forwarded to the commission and obtain prior approval. In recruiting the General Manager and Accountant the Commission must follow the approved recruitment procedure of the commission. The society obtaining the services of General Manager and Accounting must bear the cost of salaries and allowances for those posts.

19. Notwithstanding anything contrary to the terms of the aforesid regulations the Commission when deemed expedient can recommend appointments to any post fallen vacant for over six months in a grade or grades of a Society or group of societies by calling for applications and holding tests.

20. The Commission can hold examinations or Interviews of behalf of Co-operative Societies upon request by any Co-operative Society or of its own discretion for the appointment of employees to any class or grade in a Co-operative Society.

21. The Commission can enact status about the criteria to be followed when promoting any employee to a higher grade in a post or when appointing to an acting post.

*Transfers :*

22. In the even of any employee in a Co-operative Society seeks a tranfser with another employee of another society holding a similar post in a similar position upon mutual consent and if the consent of the employers is already obtained the Commission has the power to effect the said transfer.

23. Except the posts of General Manager and the Accountant of a Co-operative Society, the Co-operative Society has the power to transfer any employee from one work place to another work place within the society and employees in the post of General Manager and Accountant in a Co-operative Society has to be transferred from one Co-operative Society to another Co-operative Society by the Commissioner. Employees who are dissatisfied with transfer orders can appeal to the Commission. Such transfer should not be detrimental to the rights of the employees salaries, except such transfer is not made on disciplinary grounds.

24. When any employee of a Co-operative Society becomes an employee of another Co-operative Society as a result of a transfer such transfer shall not be a bar to his continuous service. For the reason of change of the employer as aforesaid, shall not be detrimental to the employee's prior service or salary. The Gratuity he is entitled shall be sent to the respective Society.

25. In the event of a transfer of an employee from one Co-operative Society to another Co-operative Society the former society shall forward the service particulars, salary particulars etc. to the other society.

26. In the event of a transfer of an employee from one Co-operative Society to another the former society shall release the security deposit by the employee, to the society to which the employee is transferred if any sum of money not due to the former society from the employee.

27. If an employee is transferred from one station to another station within the same Co-operative Society as a result of being promoted or posted to another post and if such transfer envisages change of residence. The Society shall reimburse the employee's travelling expenses in a manner approved by the society. In the event of any transfer effected upon request of the employee, he shall not be entitled to any travelling expenses.

*Termination of service :*

28. An employee can resign from his post either by giving one month's notice through his immediate supervisor or in the alternative by paying one month's salary. Employees belonging to General Manager and Accountant shall give notice to the Commissioner and other employees shall apply to the Committee. Regarding the post of General Manager and Accountant, the Commissioner shall inform the particulars to the Commission.

29. In the event the Commissioner or the Committee refusing to accept such resignation and if such employee fails to report for duty he shall be treated as a person who vacated post from the date he did not report for duty as aforesaid.

30. Acceptance of resignation should be informed to the officer concerned in writing. But when disciplinary action is to be taken, such resignation should not be accepted.

31. An employee who resigns shall be entitled to the benefits if available from his former service. However if at a later stage such employee is appointed to any post again he shall not be entitled to the benefits of his former service in which he was serving prior to resignation.

32. (i) Any employee who reaches the age of 60 years shall be sent on retirement. The date of such retirement should be informed to the employee at least three months prior to the date of retirement. However failure to inform as aforesaid will not be a reason for the employee to remain in service after 60 years. Any employee who reaches the age of 57 years shall apply for extension of service annually. Failure to get the approval and on the completion of 57 years the employee shall be sent on retirement. Nevertheless an employee who wishes to retire at the age of 55 years he is entitled to do so provided he informs the employer at least three months in advance of his intention to do so.

(ii) No employee is entitled to remain in service after reaching the age of 60 years.

33. In the event of a statutory medical board decides that an employee is unfit to service further due to his bad health condition, the committee or the Commissioner shall direct such employee to retire forthwith. But his date of retirement should be calculated from the date after completion of the period of leave if any to which he is entitled prior to retirement.

*Vacation of post :*

34. (i) If an employee without obtaining leave or without showing any reasonable cause does not report for duty for three consecutive days or more he shall be informed in writing under registered cover or personally handed over such letter that he would be treated as a person who has vacated. Without framing charges for not reporting for duty he shall be allowed three months time to forward his explanations and after holding an Inquiry, the decision shall be informed to the employee immediately. With regard to the General Manager and Accountant the Society shall inform the Commission immediately.

(ii) If any employee who has been treated as an officer vacated post under the provisions of the aforesaid condition 34 (1) being aggrieved by the decision of the society or the Commissioner he can appeal to the Commission within 21 days of the date of such decision. In such an event the decision of the Commission shall be final.

*Decreasing of the cadre :*

35. A Society can rescind the services of one or more employees of the society for the reason of lack of financial resources or insufficient income of the society. In such an event before rescinding the employees the society must inform the Commission. Dismissal of any employee should be done in a formal method.

36. It should specifically mentioned that a cancellation of any post of reorganization of any grade amounting to a retirement of an employee was not done because of the failure on the part of any such employee to carry out the duties entrusted to him.

37. The Commission shall after due consideration decide upon the gratuities etc. payable to any employee whose services were terminated under the aforesaid condition No. 35.

38. Irrespective of the provisions aforesaid and notwithstanding anything contrary the Co-operative Commissioner can direct by virtue of powers vested on him under the Co-operative Society Law to hold formal inquiries legally and on the orders of the Commissioner the Co-operative Society shall terminate the services of any employee.

*Payment of salaries and salary advances :*

39. Salaries to every monthly paid employee of a Co-operative should be paid his salary within the fourth week of every month. But the salaries for daily paid employees should be paid on or before the tenth day of the following month.

40. Not exceeding one third of the monthly salary can be paid to any employee as a salary advance in a particular month on any day between the 10th and 15th (inclusive of both the days) of the particular month.

41. When deducting the salary advance paid to an employee on a particular month, the amount of money deducted monthly by a society should even with consent of the employee, exceed fifty percent of the monthly salary payable to an employee except the percentage stipulated by any statute in force or by any authority granted by the Commission.

*Bonus payable to the employees :*

42. A Co-operative Society can pay its employees as annual bonus in a sum of money equivalent to 20% of the net profit after paying to Co-operative Reserve Fund and to Co-operative Fund or one month's gross salary or whatever the less.

43. On the occasion of paying 20% of the net profit as annual bonus the amount of bonus payable to an employee should be proportionate to the monthly gross salary of that year of the employee.

*Incentive allowances :*

44. An incentive scheme can be inaugurated by a society after giving sufficient notice to all the employees for the purpose of improving the proficiency and service standard and the service level of the employees.

45. Every such scheme should be implemented only after obtaining the prior approval of the Commissioner.

46. When submitting a scheme of that nature to the Commissioner for approval, must clearly state for what functions the incentive allowance be paid, the proposed changes, the applicability of such changes to the work performance of the employees, feasibility of the scheme and computation of such allowance or any other particulars required by the commissioner in details.

*Employees provident fund :*

47. Every employee shall be a contributor of the Employees' Provident Fund. Every Co-operative Society and every Co-operative employee shall contribute to the provident fund in accordance with the provisions as set out in the Employees' Provident Fund Act.

*Security deposit of the employees :*

48. A Co-operative Society can direct any employee who is in charge of the properties of the Co-operative or making payments on behalf of the Society, to furnish security. The money paid as security should not be utilized for the business purposes of the society. The money collected as security should be deposited in a fixed deposit account in a Bank approved by the Commissioner and allow it to accrue the interest. Or else the annual interest be paid to the employee concerned.

49. The amount of security ordered to be paid by an employee in cash should not exceed the five fold of his monthly salary.

50. The commission can be enact laws directing the terms and conditions applicable when deductions are being made from the employee's salary as the instalment of security payable.

51. In the even of any Co-operative Society insists that an employee should furnish security in addition to cash he may do so by mortgaging a property or furnishing an Insurance Bond obtained from Sri Lanka Insurance Corporation or National Insurance Corporation or Co-operative Insurance Company or from any other Insurance Company approved by the Commission.

52. If any premiums are payable on such Insurance Bonds the employee shall be responsible in paying such premiums.

*Salary Increments :*

53. An employee whose services are based on salary scale with annual salary increments has no right to claim increments. Payment of salary increase shall depend on the certificate issued by an authorized officer recommending that the employee has earned the increment by carrying out his duties efficiently, diligently and honestly. In regard to the posts of General Manager and Accountant on the recommendation of the Committee, the Commissioner shall approve it.



54. When the increments are not allowed it could be exercised in the following manner to viz. Suspension of salary increment, stoppage of salary increment, reduction of salary increment or by deferment of the salary increment.

55. The term "Suspension of salary increment" means and include that the payment of increment is not being paid for a specific period and at the end of that period salary increment would be paid from the date of increment payable to such an employee. The suspension may be of the last increment paid or the next increment to be paid to an employee.

56. The term "Stoppage of salary increment" means and include stoppage of payment of salary increment for a particular period and if approval for payment of salary increment is granted at the end of that period the increment unpaid during the period of stoppage will be deducted from the next salary increment.

57. The "Deferment of salary increment" means and include permanent stoppage of salary increment or else postponement of the payment of salary increment. Thus the loss suffered by an employee shall prevail until he reaches the maximum of his service or grade.

58. The "Reduction of salary increment" means and includes stoppage of increment already paid and not the future payment of salary increment.

*Efficiency Bars :*

59. Before promotion of any employee to a higher position through an Efficiency Bar a certificate should be issued by the General Manager of the society or by the Manager or during their absence by any other officer authorized to issue such certificate as to confirm that the employee concerned is eligible in every aspect to be promoted to a higher position. That certificate should be attached to the salary sheet of the first payment made after such salary increase.

60. When the criteria of passing the efficiency bar is through an approval test or special aptitudes a certificate should be issued to the effect that such employee concerned has passed that test or gained sufficient special aptitudes.

61. When a decision is taken to the effect that an employee is unsuitable for promotion beyond efficiency bar, reason for such decisions should be notified to the employee concerned in writing. He may be allowed to reconsider that matter after a laps of twelve month. Unless an approval granted to the contrary by the Commissioner or the Committee, it will be considered as increment deferred.

62. An employee is at liberty to make and appeal to the commission against the decision taken by the Co-operative or the Commissioner that he is unsuitable for promotion from efficiency bar. In such an event an officer is not entitled to make and appeal if the test for promotion was an approved test by the commission or failure to fulfil the requirements approved by the commission.

*Registers and Reports maintained by a Society in Respect of Employees :*

63. A Co-operative Society and the Commissioner shall maintain a service record of each employee in the form "A" shown in Appendix II hereto.

64. A Society can maintain a service record in different form with the approval of the commission.

65. A Society shall maintain an Attendance Register of the employees in form "A" shown in Appendix II hereto.

66. A Society shall maintain a Register in form "C" shown in Appendix II hereto in respect of the miscellaneous deductions and recoveries made about the employees.

*Regulations in Respect of the Office Time, Leave and other Benefits :*

67. Office time, weekly leave, annual leave, Government Holidays and maternity leave are governed by Shop and Employees Act, Salaries Board Ordinance, Maternity Act and other decisions of the salary anomalies boards. Service conditions of the employees who do not fall into the above category shall be decided by the commission.

### Chapter III

#### General Conduct of the Employees

##### *General :*

68. Every employee shall : -

- (a) Carry out the duties entrusted to him correctly, diligently and efficiently ;
- (b) Follow the orders and advice given by the superior officers (superior officer means for the General Manager and Accountant, the Commissioner and Director Board and with regard to other officers it means the Director Board) ;
- (c) Not conduct himself in a manner to disrepute the society ;
- (d) Do whatever possible to safeguard the properties and rights of the society ;
- (e) Do whatever possible to successfully perform the duties taken over by the society.

69. Employees of Co-operative Society shall be polite to the members of the public and help every person who comes to a society or to a branch society and seek your service.

##### *Declaration of Assets :*

70. Each employee whose category determined by the commission shall furnish a declaration of assets on the date of appointment in a form specified by the Commission about himself, his or her spouse or his dependants for the purpose of entering into the personal file to the Co-operative Society or the Commissioner. Thereafter such reports should be furnished once in every three years.

71. The employee's children, spouse, parents and the brothers and sisters who are actually dependants shall be included into the category of dependants.

72. An employee of a Co-operative Society shall furnish particulars of changes of assets or about the correctness of the declaration and assets and liabilities from time to time if directed by the commission. In the event of failure to furnish sufficient information by any employee, is a reason to take disciplinary action against him.

##### *Acquisition of property and investment :*

73. An employee of a Co-operative shall not directly or indirectly involve in business activities or make investments that are in conflict with the duties and personal affairs.

74. Any investment made by an employee or his spouse or by his dependants should be notified to the Society or the Commissioner within three months of such investment.

75. The Commission may enact regulations whenever expedient to maintain confidence and trust among the employees of Co-operatives and to control discipline among them, Incidence of imprisonment for indebtedness and declaration of bankruptcy also included into this.

##### *Utilizing Funds of the Co-operative Society for Personal Use :*

76. It is an offence to fraudulently acquire money belonging to a society by any employee who is in charge of money, for personal use. In such an event legal action can be instituted against such employee and he could be dismissed from service.



## CHAPTER IV

### *Disciplinary Procedure :*

#### *General Matters :*

77. The committee of a society shall have the power to dismiss from service any employee and in respect of the disciplinary control of the employees. Regarding the posts of General Manager and the Accountant those powers are vested with the Commissioner. The following regulations should be read along with the other orders made generally or specifically by the commission from time to time if any.

78. Disciplinary action in respect of any misconduct or error caused by Co-operative employees punishable shall be taken within 6 months under these regulations. Matters which are not covered under these regulations shall be notified to the commission and the commission shall thereafter issue necessary orders in respect of such matters.

79. (i) The Authority to which the appeals against disciplinary orders made by any Co-operative Society by the Commissioner shall be made is the Co-operative Employees Commission or the Labour Tribunal established under Industrial Disputes Act. Therefore appeals should be made to any one of the said Institutions.

(ii) Application to Labour Tribunal should be made under Section 31(b) of the Industrial Disputes Act.

#### *Procedure adopted by the Committee in taking Action :*

80. Except for the posts of General Manager and Accountant taking disciplinary action against an employee the committee must take steps to hold preliminary investigation immediately. No action should be taken to interdict an employee without holding a preliminary investigation. Nevertheless if there reasons to hold a preliminary investigation regarding the General Manager or the Accountant the Co-operative Society shall inform the commissioner immediately and the Commissioner shall take steps regarding that matter.

81. If there are *prima facie* reasons revealed to take action against an employee a charge sheet be issued by the committee to such an employee within a reasonable period not less than six weeks calling for his explanations. Regarding the posts of General Manager and the Accountant the Commissioner shall issue such charge sheet. If an employee fails to furnish his explanations within that stipulated period he shall be treated as a person who does not have any explanations.

82. When the employee furnished his explanations before the expiry of the stipulated period or failed to furnish explanations or if the Committee or the Commissioner is of the opinion that the employee is not discharged from the charges and if the offence falls within the offences described in Appendix III or equivalent the Committee or the Commissioner shall appoint an Inquiry Officer within 30 days of the receipt of the explanations or of the expiry of the stipulated period to hold an inquiry and to impose a suitable punishment.

#### *Preliminary Investigations :*

83. The investigation mentioned in Regulation 80 is merely a facts finding process. By these investigations facts relating to the offence and the evidence against the employee are being explored. Initially recording evidence of the witnesses and inspection of the documents is necessary. When recordings evidence the suspect employee's presence or the presence of any other person on behalf of him is not necessary. Allowing him to be present or to divulge any information is not advisable. This does not mean that his presence is unnecessary when checking the stocks of the society and chattels which are in his custody belonging to the Society.

84. It is the responsibility of the Committee or the Commissioner to conduct the preliminary investigations as quickly as possible. At the investigation if any suspicion arise about a commitment of Criminal Act of Acceptance of Bribe Regulation 126 shall apply.

### CHARGES AND REPLY TO THE CHARGES

85. In addition to the charges the following descriptions should be included in the charge sheet:

Whether the offence falls under Appendix III or IV. It should include a list of documents containing evidence revealed at the investigation and the manner and place how the suspect employee or his agent could inspect the documents. The evidence given by the witnesses at the preliminary investigations also could be included when necessary in the list of documents.

86. The suspect employee or his agent is entitled to get copies of the aforesaid documents and declarations under supervision of a duly authorized officer.

87. Any employee who has been directed to submit a reply shall forward a complete reply. Merely by making a statement "Not guilty" cannot claim rights to hold further investigations to prove his innocence.

#### *Documents :*

88. Under these regulations an original an official document for an investigation is not essential. If the inquiring officer does want to peruse the originals of the documents a certified copies would be sufficient.

89. If the documents are not official documents, originals should be produced at the inquiry.

90. Unless the Inquiring Officer considers it necessary to record evidence of a witness on the matters contained in a documents for the purpose of discharging just course a witness need not formally produce a document. In such an event the Inquiring Officer shall show the document to the suspect and make entry in the report to that effect.

91. An employee should be allowed to inspect the documents purported to use against him. And he should be allowed time to inspect such documents. If such documents are forwarded during the Inquiry period, and if intends to use it against him further time shall be given to inspect it. When the charge is issued the documentary evidence also should be attached there to.

#### *Appointment of Inquiring Officer :*

92. The inquiring officer appointed by the Committee/Commissioner under Regulation 82 should be Government Servants whether retired or not, Corporation Officers or Senior Officers in the Co-operative sector or the officers appointed by the Commission from the above category of officers. When there are more than one Inquiring Officer appointed by the Committee or by the Commissioner one of them should be appointed as a Chairman. Commission should maintain a list of qualified Inquiring Officers annually.

93. The Committee/Commissioner shall decide the Inquiring Officers from the list maintained by the commission to act as Inquiring Officers.

94. Any person involved in conducting the preliminary investigation should not be appointed as an Inquiring Officers.

95. The Inquiring Officer appointed shall issue two copies of the certificate stating the date and time the inquiry was held and the secessions and period of each secession held and such particulars should be furnished in the voucher submitted to the Committee/Commissioner. The payment should be made by the relevant society.

#### *Appointment of Agents at the Inquiry :*

96. The Committee/Commissioner can appoint a person who is not a vital witness to prosecute the plaintiff. If such officer is an employee of the Society he should be a senior officer than the suspect employee.

97. An Officer in service or retired from Government Service, Corporation Service, Co-operative employee should be allowed to represent the society or the suspect. Thus an authorized agent from Trade Union could be allowed to represent the suspect. (A Government servant or a corporation officer dismissed on disciplinary punishment is not qualified to represent such an employee).

*Holding Inquiries :*

98. (a) The period taken to hold an inquiry should not exceed 3 months. The inquiring officer shall take action to hold the inquiry and submit the report within that stipulated period. Under special circumstances if the inquiry cannot be completed within the stipulated time the committee or the commissioner can only extend the period with the approval of the commission.

(b) After the commencement of the due inquiry, if the prosecution officer conducting the Inquiry reasonably infers that an amendment to the charge sheet shall be made, he shall apply in writing to the disciplinary authority and a maximum of two occasions can be given for such amendments.

99. If any suspect employee does not appear before the inquiry without showing any cause the inquiry can be postponed in that event he should be warned that the inquiry would be held ex-parte if he doesn't appear on the next date. If he doesn't appear on the next date of inquiry the inquiry should be held ex-parte.

100. Only on right occasions the inquiring officer can take a decision on the evidence adduced by the documents. This method should be adopted only if the inquiry is one that could be concluded upon only on documents. When oral evidence led in order to check the truthfulness of the evidence an opportunity should be given for cross-examination.

101. In the event of any question arises with regard to the manner in which the inquiry is being conducted or any objection raised the decision of the inquiry officer shall be final, in this aspect the principal guide to the inquiring officer should be arriving at the truth immediately and other rules and criteria should not be a bar to the conducting of the inquiry.

102. Whether acceptable to Law Courts or not the inquiring officer shall act on the best evidence led before him.

103. The objections raised and the decisions taken by the Inquiring officer on those objections should be included in the report within brackets.

104. The suspect employee can give evidence and in such an event he could be cross-examined. He shall answer the questions put forward by the Inquiring officer in order to clarify any matter arising during the course of Inquiry.

105. All the evidence adduced at the inquiry should be recorded by the inquiring officer and place his signature inserting the date.

106. The inquiring officer can call for essential evidence that are relevant to prove the charges and reject the unimportant evidence and refuse to record the evidence of a witness called to give evidence. When a suspect employee moves to tender documents that are relevant to prove his innocence the inquiring officer shall not refuse such application.

107. When recording evidence of a witness any other witness should not be allowed to remain at the place of inquiry.

108. After recording all the evidence the suspect employee can state his willingness to make a statement. In such an event he shall not be cross examined on that statement but his statement will be taken into account when evaluation of the evidence.

109. If there are written submissions to be made they could be forwarded within two weeks from the date of conclusion of inquiry. Those submissions are also should be part of the report.

110. The Inquiring officer shall make entries in the report with regard to any objections raised against the manner in which the inquiry was conducted and the decision taken by the inquiring officer in that aspect and place his signature thereto.

111. The inquiring officer shall not give a hint in any manner as to what his decision would be. He shall forward his decisions to the committee or the commissioner along with his report.

112. The inquiring officer immediately after the conclusion of the inquiry shall prepare two files containing notes, all documents and productions including his report and with regard to the General Manager and Accountant one file to the commissioner and regarding other employees to the committee as quickly as possible.

113. The decision taken on each charge and the reasons and arguments based on to arrive at such decisions.

114. The observations and mitigating circumstances of the inquiring officer if any to be considered when imposing punishment on the suspect by the committee or the commissioner.

*Penalty :*

115. Except the posts of General Manager and Accountant the committee can accept or reject any decision or decisions of the inquiring officer. With regard to the General Manager and Accountant the commissioner can take action. But if there is prima facie reasons clearly, that the inquiring officer has taken a partial decision towards the suspect the committee or the commissioner can only by giving written reasons forward it to the commission and get it reviewed.

116. If the committee or the commissioner wants further clarification on a certain matter the report can be sent back to the inquiring officer for a further report on that particular matter.

117. If the offence relates to any offence shown under Appendix III according to the charge sheet simple punishment can be imposed. But if a minor offence is categorised under Appendix IV as a grave offence in the charge sheet and if charges are proved simple punishment can be imposed.

118. The committee shall specifically state whether the suspect is guilty or not on each count when imposing punishment and in respect of the General Manager and the Accountant the commissioner shall do so.

119. In the event of any employee who has been interdicted is found guilty of the charges and when such employee is reinstated with lower wages instead of dismissing the punishment order should include whether he is reinstated with back wages or without back wages or payment wages in instalments.

When deciding payment of back wages as aforesaid the period of interdiction and the duration of the period taken to conclude the inquiry may be taken into account if the extraordinary lapses committed by the suspect employee who was interdicted cannot be directly alleged.

*Punishments :*

120. Punishments are divided into two categories to viz. Simple punishment and rigorous punishments. Simple punishments can be imposed for the offences mentioned in Appendix III and similar offences. Rigorous punishments are suitable for offences mentioned in Appendix IV and similar offences.

121. The following punishments are considered as simple punishments among others : admonition, rigorous admonition and reprimanding ("warning - warning is not a punishment") stoppage of salary increments for a period not more than one year or reduction or suspension, transferring of the employee to another station without paying travelling allowances, imposing a surcharge after the disciplinary inquiry or a fine not more than a month's salary.

122. The following punishments are considered as rigorous punishments among others.

- ♣ Dismissal from service.
- ♣ Termination of service, after the disciplinary inquiry.
- ♣ Sending on compulsory leave.

- ♣ Lowering seniority (in the Grade in which the office was in)
- ♣ Lowering by several steps.
- ♣ Demotion of the rank (place in the lower salary step)
- ♣ Stoppage of one or more salary increment, reduction or suspension of salary increment for one year or more.
- ♣ Suspension of promotion for a specific period.
- ♣ Disqualify to sit for a promotional test for a specific period.

*Termination of service for Normal Inefficiency :*

123. Except the services of General Manager and Accountant, if the committee decides to terminate the services of an employee for normal inefficiency on an occasion when the committee cannot frame specific charges against an employee as per aforesaid regulations, the committee shall inform such employee to furnish explanations for not taking action against him by termination of his service for normal inefficiency irrespective of the aforesaid regulations. If the committee decides to terminate the services of General Manager and Accountant for normal inefficiency a descriptive report shall be forwarded to the commissioner and ask to take necessary steps. If the commissioner terminates the services of such employee for normal inefficiency, he can ask why action should not be taken against him in any other way and to show cause.

124. No charges can be framed against any employee unless he has been warned in writing at least three times during twelve months prior to the date of framing charges against him for normal inefficiency.

125. Except the posts of General Manager and Accountant, after an employee furnished explanations as per Regulation No. 121 aforesaid, the committee can terminate his services or impose a lesser punishment. In the event of termination of service prior approval of the commission should be obtained. With regard to the General Manager and the Accountant as per Regulation 121 above, an officer after forwarding explanation, the Commissioner can terminate his services or impose a lesser punishment, after obtaining approval of the commission.

*Criminal Offences and Bribery Charges :*

126. (a) With regard to the posts of General Manager and Accountant in the event of any criminal offence or offence of bribery is committed or while disciplinary inquiry is being conducted or after the disciplinary inquiry the commissioner after having recorded the decision taken under disciplinary procedure and after having imposed the punishment refer such matters to the police or to the Bribery commissioner to take appropriate action.

(b) In respect of other employees in the event of any criminal offence or offence of bribery is committed while preliminary investigation or inquiry being conducted or while disciplinary inquiry is being conducted or after the disciplinary inquiry the committee after having recorded the decisions taken by the committee under disciplinary procedure and after having imposed the punishment, by virtue of powers vested with the Co-operative Society refer such matter to the Police or to the Bribery Commissioner to take appropriate action.

127. In the event of any employee is punished by a court of Law such employee shall be treated as a person who has been interdicted from the day he was convicted. Although an appeal against such conviction is made to a higher court the employee shall not be entitled to any salary from the day he was convicted. From the date the employee was found guilty the committee or the commissioner shall take steps to stop his salary.

128. An employee who has been punished after disciplinary action is not entitled to claim reduction of the punishment or for reinstatement in the service for reason of his acquittal or for not being punished for any criminal offence.

129. An employee belonging to the post of General Manager and Accountant if convicted by a Court of Law the commissioner can peruse the case record with regard to the charge upon which he has been convicted and decide whether to dismiss the employee or to impose a lesser punishment. In that event disciplinary procedure set out in Chapter IV need not be adopted.

If any other employee is convicted by a Court of Law the committee can peruse the case record with regard to the charge upon which he has been convicted and decide whether to dismiss the employee or to impose a lesser punishment. In that event disciplinary procedure set out in Chapter IV need not be adopted.

130. (a) With regard to the posts of General Manager and Accountant in the event of final decision of the commissioner is to impose a lesser punishment instead of dismissal it must be stated therein an order as to whether any part of the arrears of salary for the period of interdiction is paid and in what ratio it is to be paid.

(b) Regarding other employees in the event of the final decision of the committee is to impose a lesser punishment instead of dismissal it must be stated therein an order as to whether any part of the arrears of salary for the period of interdiction is paid and in what ratio it is to be paid.

131. For the purpose of requirement of these regulations “conviction” means any conviction for charges of misconduct or for violation of any law in connection with the business in a Co-operative and the punishment is a fine not less than Rs. 50 or an imprisonment.

#### *Interdiction and compulsory leave :*

132. The committee or the commissioner shall not interdict any employee unless—

(a) about to initiate disciplinary action upon charges which are grave for the dismissal from service or any criminal action is about to be instituted against any employee;

(b) a report received from a competent authority or from court with regard to a grave matter amounting to dismissal or by a report of investigation which reveals a grave misconduct.

133. If any employee who should not serve in official capacity when he faces an investigation or an inquiry and if the interdiction is not conducive such employee should be either transferred or sent on compulsory leave.

134. If any employee is interdicted and disciplinary action is instituted against him the committee or the commissioner shall be responsible for initiating disciplinary action and concluding it within three months. When the time limit is insufficient approval of the commission should be obtained for extension.

135. If any interdicted employee was imposed a lesser punishment than dismissal or compulsory retirement for inefficiency, he should be reinstated forthwith.

#### *Appeals :*

136. If any employee who is not satisfied with the order made him after a disciplinary inquiry by a society or commissioner he may make an appeal by himself and through a Trade Union against such order to the commission in the form shown in Appendix V within six months. The commission has a right to accept or refuse any appeal made by some other person on behalf of the employee. Any appeal made by a Trade Union should be signed by the President or the Secretary of the Union. A copy of the appeal should be sent to the society by employee or by the Trade Union under Registered cover. If there are *prima facie* new matters that could have influenced the decision and if the commission is satisfied that there was sufficient cause for not being able to raise those matters earlier he can be allowed to file a second appeal within 60 days.



137. When an appeal is made as aforesaid the society shall forward a precise report pertaining to the appeal together with the relevant documents to the commission within 14 days and with regard to the General Manager and the Accountant by the Commissioner as stated above.

138. The commission can make a decision on an appeal based on the written submissions except the appeals are not made against an order or dismissal or termination or service.

139. The commission can itself take a decision on an appeal made against an order of dismissal or termination of service. Or else commission can appoint another person (hereinafter called and referred to as the Appeals Inquiring officer) and issue directions to him to hear the appeal and forward a report.

140. The Appeals Inquiring Officer can allow on his discretion to allow a Co-operative employee or any other person who functions in a Trade Union or in the Co-operative movement to appear on behalf of the employee and the Society. When he allows a person to represent the society he shall allow a person to represent the employee too.

141. No evidence shall be accepted if they are not adduced at the time of holding the disciplinary inquiry. However the Appeals Inquiring Officer can accept such evidence if sufficient reasons were shown for not being able to produce them at the inquiry stage.

142. If any person is aggrieved by the decision of any society he can appeal to the Co-operative employees commission. If any injustice is caused one can appeal against the findings the commission, to a court of Law.

143. The Commission can confirm, reject or revise the decision made by the committee. The commission according to the General regulations, can decide about the payment of gratuities etc. payable to an employee. If is a punishable offence under Co-operative employees commission act to violate any order made by the commission.

144. The regulations enacted and shown in *Government Gazette Extraordinary* No. 169/8 dated 01st December, 1981 and the Amendment published in *Government Gazette Extraordinary* No. 218/12 dated 11th November, 1982 and No. 849/7 dated 13th December, 1994 and No. 1273/8 dated 27th January, 2003 and the appendix are hereby repealed.

145. The cases pending before Disciplinary committee. Co-operative Employees Commission, Labour Tribunal on the date of these regulations are published in the *Government Gazette* shall be conducted as if the *Gazette* No. 218/12 dated 11th November, 1982, No. 849/7 of 13th December, 1994, 169/8 dated 01st December, 1981 and No. 1273/8 dated 27th January, 2003 are not repealed.

#### *Interpretation :*

In these Regulations unless the context otherwise requires “Commission” means Co-operative Employees Commission “Co-operative Society” means all multi purpose Co-operatives, District Rural Bank Societies, District Co-operative Boards, District Societies and District Milk Societies. “Employee” means the General Manager of a Society, the Accountant and all other employees of the society. “Act” means Co-operative Employees Commission Act “Commissioner” means Provincial Co-operative Development Commissioner and Registrar, “Committee” means an Administrative Body to which management functions of a Registered Co-operative Society is entrusted. The Director Board of the Registered Co-operative Society and the persons appointed by the registrar under Section 60 C of the Co-operative Act are also included thereto.

Form "A" Attendance and Salary Register

Name of the Society :

Address :

Month :

Year :

<i>Date</i>	<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>29</i>	<i>30</i>	<i>31</i>	<i>Full Salary Earned</i>	<i>Deductions made</i>	<i>Next Salary</i>	<i>Sig. of Employee</i>
<i>Week day</i>	<i>M</i>	<i>F</i>	<i>W</i>	<i>T</i>	<i>F</i>	<i>M</i>	<i>T</i>	<i>W</i>				
Name of the Employee												

Form "C" Money Deducted from Salary

<i>Amount of money deducted</i>					<i>Money Refunded</i>				<i>Money due from employee as arrears</i>	<i>Sig. of Employee</i>
<i>Name</i>	<i>E.P.F.</i>	<i>Loan</i>	<i>Com- pany</i>	<i>Items</i>	<i>Total</i>	<i>Loan</i>	<i>Other</i>	<i>Total</i>		

APPENDIX I

The matters included in the letter of appointment : -

- (1) Name of the employee, position and the nature of duties he has to do :
- (2) Date on which the appointment is effective :
- (3) The grade to which the employee is appointed to :
- (4) Basic salary and the salary scale :
- (5) Whether salary payable weekly, once in fortnight or monthly :
- (6) Other allowances paid :
- (7) Period of probation or time of testing :
- (8) (a) Conditions applicable to the service.  
(b) Occasions and conditions subjected to termination of service.

## APPENDIX II

The registers and reports to be kept by the employees of a Co-operative Society. Form : "A" - Service Report

### Part I

- (1) Full Name of the employee :
- (2) Age :
- (3) Sex :
- (4) Date in the letter of appointment :
- (5) Race (if Sri Lankan whether by descent or by registration) :
- (6) Civil Status : (whether married, unmarried, widow, state the changes in Column II) :
- (7) Date of commencement of Service :
- (8) State of designation, Class, Grade or category :
- (9) Testing period of period of probation :
- (10) Basic salary and other allowances, if any :

### Part II

<i>Date</i>	<i>Particulars of changes occurred in the service conditions - State dates and full particulars chronologically</i>	<i>Period of Service</i>

## APPENDIX III

### *Offences :*

- (i) Absence from service without showing reasonable cause.
- (ii) Delay in attendance without showing a reasonable cause.
- (iii) Laziness and carelessness while in service.
- (iv) Failure to follow purposely the orders issued legally.
- (v) Treating the members of public who come to the service station in undisciplined manner.
- (vi) Negligence in work in the pretext of illness.
- (vii) Without permission of the officer in charge of the service station affixing and exhibiting posters, and propaganda items.
- (viii) Violation of instructions issued to keep the premises clean.
- (ix) Smoking in the parts of the premises where smoking is prohibited.

APPENDIX IV

*Grave offences:*

- (i) Causing damages or harm purposely or negligently of the goods that are in the custody of the employee.
- (ii) Wilful disobedience and breach of discipline.
- (iii) Theft of goods belonging to the society within the premises and being dishonest in business dealings.
- (iv) Punishment for misconduct.
- (v) Accepting or giving bribe or any other unlawful allowances.
- (vi) Behaving in an undisciplined manner in the premises during working hours.
- (vii) Sleeping while on duty (In the case of watchers, sleeping during working hours and being away from the service station during working hours.)
- (viii) Behaving under influence of liquor.
- (ix) Interference with the security equipment fixed in the premises.
- (x). Failure to furnish true and correct statement of accounts about the business of the society.
- (xi) Showing accounts incorrectly.
- (xii) Suppression of fraud.
- (xiii) Criminal breach of trust.
- (xiv) Behaving in a manner of disrepute to the society. Violation of rules and regulations passed for the issue of rations under food control Act. Or aiding abetting to commit offence connected thereto.

APPENDIX V

Address :

Date :

Secretary,  
Co-operative Employees Commission,  
No. 352, Maithripala Senanayaka Mawatha,  
N.C.P.,  
Anuradhapura.

Appeal made under regulation No. 135 of the Co-operative Employees Commission Regulations

I, .....the undersigned hereby claim relief on the facts set out below in respect or the decision taken at the disciplinary inquiry against me.

- (i) Full Name :
- (ii) Residential address :
- (iii) Designation held at the time of handing over the charge sheet :
- (iv) Whether permanent or temporary :
- (v) First day of Appointment :
- (vi) Date of Appointment :
- (vii) Name of the society :
- (viii) Reasons for punishment :
- (ix) whether disciplinary inquiry was held in that regard :
- (x). If so, when :
- (xi) The name and the designation of the officer who held the disciplinary inquiry :
- (xii) The date on which the society informed you of its decisions :
- (xiii) Grounds on which the appeal is made :
  - (i)
  - (ii)
  - (iii)
  - (iv)
- (xiv) The relief sought by the applicant.

*Example :*

- (i) Whether reinstatement ?
- (ii) Whether claiming back wages ?
- (iii) Whether to waive the fine imposed ?
- (iv) Any other relief (sought)

I hereby declare that the above particulars are true and I know that this appeal could be dismissed if I have furnished false particulars.

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Name of Applicant.

Name of the Society:

*Copy to :* General Manager.

06-502/2