

## **Vision**

cooperative for sustainable development  
as a people entrepreneurship

## **Mission**

Intervention in abundance,  
being congruous, to construct the  
good governance in cooperative societies to  
develop cooperative business as a  
people's entrepreneurship.

## Preface

It is a great pleasure for me to hand over you the Performance Report 2014 of the Department of Co-operative Development that has been functioning with the vision of “Co-operation for sustainable development as a people entrepreneurship” and with the mission of Intervention in abundance, being congruous, to construct the good governance in cooperative societies to develop cooperative business as a people's entrepreneurship.

This report consists of concise descriptions on the structure and role of the department, its internal administration, human relationships, development and auditing activities, legal affairs and co-operative societies and federations supervised by the department in three chapters. Specially, referring this report would assist who engaged in the studies on direct intervention of the department as the major body that plays the vital role within co-operative business to easily comprehend information.

Since the provincial level co-operative organizations are governed by provincial departments, only the information of co-operative societies under the central government is included in this book.

I am in the view that Department of Co-operative Development could provide public contribution for the upliftment of economic, social and welfare of SriLanka through co-operative business.

Dhammika Rajapakshe  
Commissioner of Local Government / Registrar

# Contents

1. Role and the Structure of the Department of Co-operative Development
  - 1.1 .Functions of the Department of Co-operative Development
  - 1.2 Structure of the department
  - 1.3. General Administration of the Department
    - 1.3.1. Cadre and Vacancies
    - 1.3.2. New Appointments
    - 1.3.3. Transfers (inward)
    - 1.3.4. Retirements
    - 1.3.5. Transfers (outward)
  - 1.4 Staff Trainings and Development
    - 1.4.1 Local Trainings
    - 1.4.2. Foreign Trainings
    - 1.4.3. Training programmes conducted under the donations of People's Bank
  - 1.5. Auditing
  
2. Development Activities
  - 2.1. Co-operative societies registered in 2014
  - 2.2. Amendment of the by laws of Co-operative Societies
  - 2.3. Election of the office bearers of Co-operative societies
  - 2.4. Statutory Auditing of Co-operative Societies
  - 2.5. Legal Affairs
    - 2.5.1. Arbitration of disputes
    - 2.5.2. Empowerment of courts
    - 2.5.3. Cases completed within the year
    - 2.5.4 Inspections on Co-operative Societies
  - 2.6. Fund Management
    - 2.6.1. Co-operative fund
    - 2.6.2. Co-operative surplus fund
  - 2.7. 2014 Financial Provisions Reserved from the Government for the year and expenditure
  - 2.8. Regulation of Rural banks
  - 2.9. Implementation of projects
  - 2.10. Planning Activities
  - 2.11. Media Activities
  
3. **National Level Co-operative Organizations**
  - 3.1. Co-operative Federations functioned during the year
  - 3.2. Co-operative Societies implemented during the year
    - 3.2.1. Islandwide Financial Services Co-operative Societies
    - 3.2.2. Islandwide Manufacturing Services Co-operative Societies

# CHAPTER 01

## Department of Cooperative Development

Department of Co-operative Development was founded on 1<sup>st</sup> October 1930 as Co-operative Department and implemented its activities under the purview of the Ministry of Co-operatives and Internal Trade until the latter part of 2014 at no.330, Union Place, Colombo 02. Department of Co-operative Development succeeded in a broader context in the task for good governance of co-operative societies while guiding them for sustainable development subsequent to its establishment as Department of Co-operative Development in 1945.

### 01.1

#### Functions of the Department of Co-operative Development

- ❖ Registration of inter provincial and all island level co-operative societies.
- ❖ Operation of statutory activities of co-operative societies and take measures in respect of development.
- ❖ Co-ordinate with the provincial department of Co-operative Development and operate the activities of co-operative business within a national policy.
- ❖ Provide assistance for the national co-operative development procedures.
- ❖ Effective contribution in the implementation of government policies

#### Statutory Activities

- ❖ Registration of Societies
- ❖ Combine and separate societies
- ❖ Membership affairs
- ❖ Giving approval for by laws and amendments
- ❖ Activities related to election of office bearers
- ❖ Calling general meetings/ meetings of office bearers
- ❖ Deciding validity dissolution of registered co-operative societies
- ❖ Empowerment of courts for arbitrary affairs
- ❖ Annual auditing of co-operative societies/federations

## **Management Activities**

- ❖ Appoint administrative boards/ members of director boards
- ❖ Supervision of accounts activities
- ❖ Auditing
- ❖ Hold ordinary/ special examinations and tests in terms of the provisions of the act
- ❖ Management studies and advising

## **Co-ordinating Activities**

- ❖ Co-ordinate with the Ministry of Co-operatives and Internal Trade and other government bodies.
- ❖ Giving assistance to the Ministry of Co-operatives and Internal Trade to co-ordinate with Provincial Co-operative Ministers, Ministerial Secretaries, Provincial Commissioner of Co-operative Development and Registrars of Co-operative Development.
- ❖ Co-ordination of International Co-operative Alliance and Foreign Co-operative establishments.
- ❖ Co-ordination with Central Bank of Sri Lanka regarding Co-operative Rural Banks and Co-operative Financial bodies
- ❖ Co-ordination with Central Bank of Sri Lanka and Department of Census and Statistics regarding the statistics of co-operative societies.
- ❖ Co-ordinate Co-operative societies with the Ministry in charge of the subject of Agriculture in the tasks such as purchase of paddy and distribution of fertilizers at low price.
- ❖ Co-ordination among co-operative societies/ federations

## **Development activities**

- ❖ Implement development activities at national and provincial level as per the financial provisions reserved by annual budget.
- ❖ Take necessary measures to ensure good governance of co-operative societies.
- ❖ Providing development counseling services for the development of co-operative societies and federations.
- ❖ Supervision of financial and operating activities of co-operative societies.
- ❖ Implementation of development projects
- ❖ Provision of development aid and infrastructure facilities
- ❖ Provide guidelines for development and co-ordination
- ❖ Human Resource Development in co-operative sector and the department
- ❖ Welfare of employees and officers

## **Control of Funds**

- ❖ Management of co-operative fund and surplus fund established in department
- ❖ Recovery of contribution allocated fees of the members allocated after the annual auditing statutory societies
- ❖ Grant of loans and aid for development projects and trainings of co-operative societies and recovery of loans
- ❖ Effective investment of funds

## **Internal administrative and management activities**

- ❖ General management
- ❖ Human Resource Management
- ❖ Improvement in performance
- ❖ Asset Management

### **01. 2**

## **Structure of the Department**

The department has consisted of 9 divisions in 2014 to execute its duties. They are;

1. Administrative division
2. Finance Division
3. Development Division
4. Audit Division
5. Legal Division
6. Fund Division
7. Bank Regulatory Division
8. Project Division
9. Planning Division



## General Administration of the Department

There were several significant events in the administrative structure of our department during the year reviewed.

Introducing a new logo Department of Co-operative Development that inherits a history of 83 years and launch of the department's website in new outlook were outstanding events took place this year.

Further it is very noteworthy to state that Mr.W.H.Karunaratne of SriLanka Administrative Service (Special Class) who served as the Commissioner of Co-operative Development / Registrar was appointed as the Additional Secretary of the ministry of Co-operatives and Internal Trade (Co-operative) and that post was replaced with Mr.D.D.Upul Shanthe De Alwis of SriLanka Administrative Service(Class I) with effect from 02.07.2014.

Further Mrs.B.K.M.J.Rodrigo of the Accountant of the Ministry who served as Acting Accountant of this department in the vacant post of Accountant was permanently attached to the department with effect from 05.03.2014.

Besides, Mr. J.H.Senarath Bandara Assistant Commissioner of the Department (Development) and Mrs. H.G.V.R.Somawardane Administrative Officer retired in the year reviewed.

Among the activities of the department during this year, interviews were conducted to promote officers for the vacant post of Assistant Commissioner (departmental).

Being vacant the all five posts of District Officers of Co-operative Development even by the end of the year was an obstacle to supervise registered co-operative societies.

05 new Management Assistants and 02 new Office Employees were appointed this year to fill relevant vacancies.

The department owned the following vehicles in 2014.

<b>Vehicle type</b>	<b>Vehicle no.</b>
TOYOTA "HIACE" VAN	NB - 3531
TOYOTA DOUBLE CAB	PE - 0201
ISUZU DOUBLE CAB	GB - 4130
ISUZU DOUBLE CAB	253 - 5664
NISHAN CAR	GB - 4739

**01. 3.1**
**Cadre and Vacancies**

The following number of officers was in and vacancies were available in the department as at 31.12.2014.

Serial No	Designation	Presently Approved Cadre	Cadre as at 31.12.2014	Vacancies	
Senior Level	Commissioner of Co-operative Development & Registrar (SLAS I)	01	01	-	
	Deputy Commissioner / Assistant Commissioner (SLAS II, III)	04	02	02	
	Accountant ( SLAcS II, III)	01	01	00	
	Deputy Commissioner / Assistant Commissioner (Departmental)	03	02	01	
	<b>Sub Total</b>	<b>09</b>	<b>06</b>	<b>03</b>	
Tertiary Level	Administrative Officer	01	00	01	
	District Co-operative Development Officer (Co-operative Development Officer Supra Grade)	05	00	05	
	Translator	01	-	01	
	<b>Sub Total</b>	<b>07</b>	<b>00</b>	<b>07</b>	
Secondary Level	Co-operative Development Officer (Class I & II)	} 62	07	} 54	08
	Co-operative Promotion and Investigation Assistant		25		
	Co-operative Development Officer		22		
	Development Officer	15	10	05	
	Public Management Assistant	28	21	07	
	<b>Sub Total</b>	<b>105</b>	<b>85</b>	<b>20</b>	
Primary Level	Driver	05	05	-	
	Office Employee	15	12	03	
	<b>Sub Total</b>	<b>20</b>	<b>17</b>	<b>03</b>	
	<b>Total</b>	<b>141</b>	<b>108</b>	<b>33</b>	

**01. 3.2 New Appointments**

No	Name	Designation	Date of Appointment
1	Mrs.G.M.S.Gurusinghe	PMAS III	06.01.2014
2	Ms.N.A.M.Peiris	PMAS III	06.01.2014
3	Ms.A.N.Kimbiyehetti	PMAS III	06.01.2014
4	Ms.U.A.L.Dhananjali	PMAS III	06.01.2014
5	Ms.D.N.K.Kalansuriya	PMAS III	06.01.2014
6	Mr. M.R.P.Thilakarathne	Driver II “b”	04.04.2014
7	Mr.P.M.Jayantha Bandara	Office Employee Service III	04.04.2014
8	Mr.R.D.T.A.Wimaladasa	Office Employee Service III	04.04.2014

**01. 3.3 Transfers (Inward)**

No	Name	Designation	Date of Assigning Duties
1	Mrs. K.T.M.M.Tennakoon	PMAS I	01.01.2014
2	Mrs.C.D.Panagoda	PMAS II	04.01.2014

**01. 3.4 Retirements**

No	Name	Designation	Date of Retirement
1	Mr.J.H.Senarath Bandara	Assistant Commissioner of Co-operative Development	01.01.2014
2	Mrs.H.G.V.R.Somarathne	Administrative Officer	04.01.2014

**01. 3.5 Transfers (Outward)**

No	Name	Designation	Date of Transfer
1	Mrs.B.P.Vineetha	PMAS I	08.01.2014
2	Mrs. S.M.Madurawala	PMAS III	10.01.2014
3	Mrs. W.S.N.P.Nanayakkara	PMAS II	13.01.2014
4	Mr.B.Premarathna	PMAS III	13.01.2014
5	Mrs.I.S.Thewarapperuma	PMAS II	17.01.2014
6	Mrs.H.N.L. Jayasinghe	Development Officer	02.03.2014
7	Mrs.H.M.S.S.Bandara	Development Officer	20.11.2014

## 01. 4 Staff Training and Development

### 01. 4.1 Local Trainings

Officers of the department followed the below mentioned local trainings in 2014.

	Training	Institute	Duration	Participated Officers
1	Pension Activities	SLIDA	25,26,02.2014	Mrs. L.H.C.I De Silva (PMAS) Mrs. M.H.Perera (PMAS)
2	Provisions and procedural rules of Establishments Code	SLIDA	10.03.2014- 12.03.2014	Ms. K.M. Minoli (PMAS) Ms.W.R.M.Perera (Development Officer)
3	New Zigas software	Department of Public Accounts	13.03.2014	Mr. K.A.N. Rathnayaka (PMAS)
4	Civil pension calculations and payments	SDFL	20,21,03.2014	Mr. R.M.P.S. Rathnayaka (PMAS)
5	Effective Management Skills for AO's	SDFL	20,21,03.2014	Ms. P.A. Pathirathna (PMAS)
6	Salary Conversions	SLIDA	31.03.2014 - 01.04.2014	Mrs. W.R.M. Perera (Development Officer)
7	Public finance Management	SLIDA	08.05.2014- 09.05.2014	Mr. L.G.U. Nishantha (PMAS)
8	Salary Conversions	SLIDA	26,27.05.2014	Mr. R.M.P.S. Rathnayaka (PMAS)
9	Duties and Responsibilities of Shroff/ cashier	SDFL	28.05.2014	Mrs. L.H.C.I De Silva (PMAS)
10	Public Finance Management	SLIDA	26,27.06.2014	Mrs. A.A.M.M. Thilakarathna (Development Officer)
11	Cash Management and Cash Flow Control	SDFL	30.06.2014	Mr. Roshan Jayathilaka (clerk of the fund)
12	Archival Law	National Archives Department	21-25.07.2014	Ms. K.M. Minoli (PMAS)
13	Public Finance Management	SLIDA	18,19.08.2014	Mrs. L.H..C.I De Silva (PMAS)
14	Public Finance Management	SLIDA	18,19.08.2014	Mrs. A.A. C.S. Amarasinghe (PMAS) Ms. K.M. Minoli (PMAS)

15	Legal provisions related to public officers.	SLIDA	26.08.2014	Mrs. H.M.A. Sandamali Herath (Development Officer) Ms. G.P.T.P. Ganegoda (Development Officer) Mr.Supun Thalangama (PMAS)
16	Induction training programme for new entrants to PMAS	District Secretariat	25.08.2014 - 05.09.2014	Ms. Achini Nisansala (PMAS) Ms. Achini Hasanthika (PMAS) Ms. Nipuni Dhananjali (PMAS) Ms. Maheshika Madhurangi (PMAS)
17	Matters related to public pensions	District Secretariat Colombo	15.09.2014	Mr. R.M.P.S. Rathnayaka (PMAS) Ms. W.R.M. Perera (Development Officer)
18	Human Resource Management	SLIDA	17-19.09.2014	Ms. G.P.T.P. Ganegoda (Development Officer) Ms. Pabasari Madara (Development Officer)
19	Import and Export Procedure	SDFL	22,23.09.2014	Mrs. Priyantha Pieris (District Officer) Ms. Sumudu Nandasena (Co-operative Promotion and Monitoring Assistant )
20	Formalizing the procedure of pension payments	Department of Pensions	17.11.2014	Ms.W.R.M.Perera (Development Officer) Mr.R.M.P.S Rathnayaka (PMAS)
21	Maintenance of Public Documents and Archival Law	National Archives Department	18.11.2014	Mrs. H.S.Fonseka (Deputy Commissioner)
22	Awareness programme for officers of co-operations and statutory bodies on official language policy	Ministry of Official Languages and Social Integrity	28.11.2014	Mr. B.M. Bandula (District Officer) Ms. P.A. Pathirathn (PMAS) Mr. K.G.H.K. Kumara (PMAS) Mrs. M.N.L. Pieris (PMAS) Mrs. K.R.T. Somarathna (Development Officer) Mrs. U.L. Nilupuli Dananjali (PMAS)

## 01. 4.2 Foreign Training

The following officers of the department Participated foreign educational programmes trainings, scholarship programmes and seminars

S. N	Program	Duration	Participants
01	7 <sup>th</sup> Regulators/ Administrators Conference on the Blueprint for Strengthened (Enabling) Regulatory Framework Credit Co-operatives in Asia(Thailand )	06.03.2014 10.03.2014	Mr. W.H. Karunaratne (Commissioner of Co-operative Development)
02	Seminar on NEDAC ( Bangladesh )	03.04.2014 11.04.2014	Ms. J.M.H.N.G. Jayasekara (Assistant Commissioner)
03	Tour on Co-operative Education and new trends of Co-operative business (China)	26.08.2014 31.08.2014	Mrs. H.S. Fonseka Act. Dep. Commissioner (Admin)
04	Training of NEDAC Co-operative Personal (India)	17.11.2014 22.11.2014	Ms.J.M.H.N.G. Jayasekara (Assistant Commissioner)

## 01. 4.3 Training programmes conducted under the donations of People's Bank

S. N	Training Programme	Date	Participants
01	Workshop on statistics for the officers of Provincial Departments.	18.03.2014	Officers of Provincial Departments
02	Awareness programme on the role of co-operative development officers	07.04.2014	Co-operative Development officers and Co-operative Promotion and Monitoring Assistant
03	Workshop on Efficiency Bar Examination of Public Management Assistant Service	03.06.2014	Department officers
04	Training Programme on Financial Regulations	21.06.2014	Department officers

## 01. 5 Government Audit

Activities and final accounts of the department are audited by a team of auditors of Auditor General's Department.

Internal auditing of the department is quarterly carried out by internal audit division of the Ministry of Co-operatives and Internal Trade.

Government audit division has sent 24 audit queries with regarding the activities of the department and the department has replied them.

# CHAPTER 02

## Development Activities

### 02.1

#### Co-operative societies registered in 2014

Name of the Co-operative Society	Reg.No	Reg. Date
• Prajashakthi Tharuna Abhiwurdhi Co-operative Society Ltd.	Co.43	06.08.2014
• Public Management Assistants; Savings and Development Services Co-operative Society Ltd.	Co.44	12.08.2014
• Dairy Farmers' National Co-operative Society Ltd.	Co.45	02.10.2014

### 02.2

#### Amendment of the by laws of Co-operative Societies

Giving approval for the amendment of the bylaw of Co-operative and Wholesale (Sathosa) Establishment Employees' Thrift and Credit Co-operative Society Ltd.

### 02.3

#### Election of the office bearers of Co-operative societies

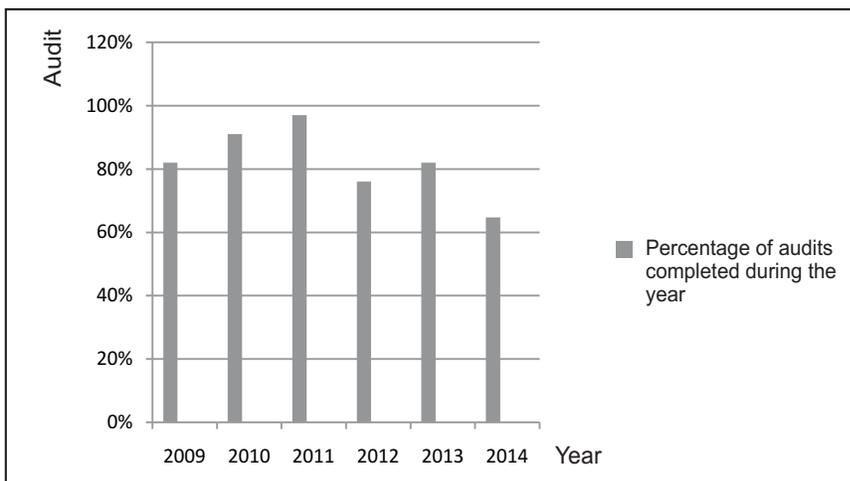
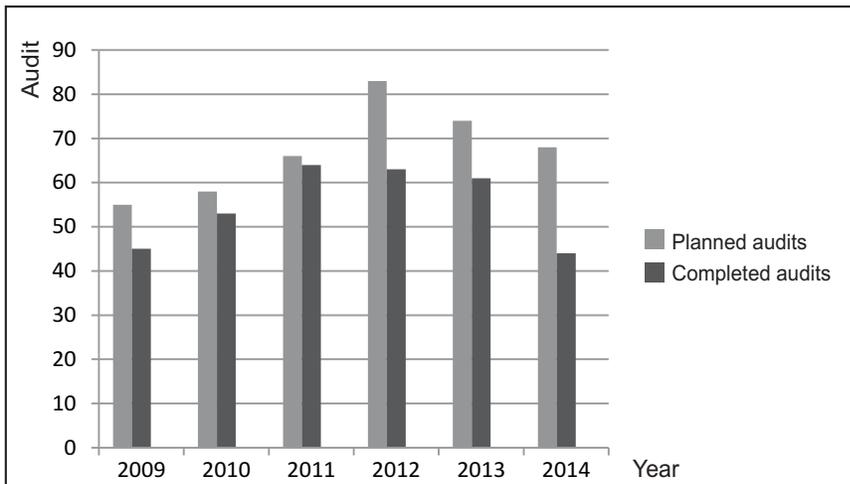
Name of the Co-operative Society	Date of the Election Date
• Registrar Department Employees' Thrift and Credit Co-operative Society Ltd.	07.03.2014
• All Island Exercise book Manufacturers' Co-operative Society Ltd.	04.04.2014
• Station Masters' and Clerks' Thrift, Savings and Credit Co-operative Society Ltd.	22.05.2014
• SriLanka Consumers' Co-operative Society Ltd	31.05.2014
• National Water Supply and Drainage Board Employees' Thrift and Credit Co-operative Society Ltd.	17.07.2014
• SriLanka Health Staff Development Services Co-operative Ltd.	05.08.2014
• Co-operative and Wholesale Establishment Employees' Thrift and Credit Co-operative Society Ltd.	03.10.2014

**02. 4**

**Statutory Auditing of Co-operative Societies**

Audit plans and their progress of the co-operative societies audited under the statutory auditing of the department from 2009 to 2014 are given below.

Year	No.of planned Audits	Completed Audit	Percentage of Audits Completed During the Year
2009	55	45	82%
2010	58	53	91%
2011	66	64	97%
2012	83	63	76%
2013	74	61	82%
2014	68	44	64.7%



**02. 5****Legal Affairs****02. 5.1****Arbitration of disputes**

Summary of the files referred to the department from co-operative societies for arbitration in terms of the Section 58 to be read with the Amendment Acts No.11 of 1992 and No.32 of 1983 during 2014 is given below.

Description	Total
Number of files to be forwarded to the arbitrator by 01.01.2014	545
Number of files received for arbitration in 2014	24
Number of files forwarded for arbitration in 2014	326
Number of files with legal division as at 31.12.2014	243
Number of files given grants in 2014	403

**02. 5.2****Empowerment of courts**

After giving award for the disputes referred by Section 58 of the Co-operative Societies Act no. 05 of 1972 for arbitration and if the relevant money is not recovered Commissioner of Co-operative Development empower through relevant Magistrate courts to recover it as fine and such money is remitted to relevant co-operative society.

Number of requests to be referred to the court at the beginning of 2014	=	1250
Number of requests received to be referred to the court	=	245
Number of arbitrary judgements referred to court in the	=	423
Number of request letters received to empower courts by the End of the year	=	1072

**02. 5.3****Cases completed within the year**

No. of the Case	Stakeholder society
Rv 5 Kandy High Court	Human Resource Development Co-operative Society Ltd.
Rv 55 Galle High Court	Human Resource Development Co-operative Society Ltd.
SC/FR/233/2013 Colombo Supreme Court	Water Supply and Drainage Board Employees' Thrift and Credit Co-operative Society.

**02. 5.4****Inspections on Co-operative Societies**

An immediate inspection was conducted in 2014 with regard to Consumer Co-operative Society Ltd and a special audit was carried out on import of cement by National Co-operative federation Ltd.

**02. 6****Fund Management**

The following funds established under section 43(1) and section 57 (3) of Co-operative Societies Act No.05 of 1972 were under the authority of the Commissioner of Co-operative Development and this fund is managed –as per the decisions of a fund committee chaired by the Secretary to the Ministry under the supervision and orders of the Hon. Minister.

- ❖ Co-operative Fund
- ❖ Co-operative Surplus Fund

**02. 6.1****Co-operative Fund**

All island co-operative societies registered under this department contributes for Co-operative fund that has been established under the set of orders published in the government gazette No.10086 dated 24.03.1950 enacted under section 46 of Co-operative Societies Ordinance (Chapter 107).

**Programmes and projects implemented utilizing Co-operative Fund in 2014**

	Funding agency	Donations granted during the year (Rs.M)	Purpose
01	St. Annes College - Kurunegala	14.25	Construction of the pavilion of the swimming pool of St.Annes College
02	National Cooperative Development Institute - Polgolla	4.05	Renovation of the Holiday Resort
	<b>Total</b>	<b>18.30</b>	

Co-operative fund is financed by investing the remaining surplus according to the note from no 44 (I) to 44 (III) of the Extra ordinary gazette no. 93/5 dated 10<sup>th</sup> January 1974 registered societies which have been liquidated and not have received claims from any debtor of the said society under the scheme of sharing assets and during this year financial provisions have been made for the improvement of provincial co-operative societies under concessionary interest rate.

### Co-operative Surplus Fund – Grant of Loans - 2014

	Institute	Loan granted during this year (Rs. M)	Purpose
1	Nikaveratiya Co-operative Development Society Ltd.	4.00	Construction of Hathalawa Maternity Clinic
2	Engineering Co-operation's Co-operative thrift and credit Society Ltd.	5.00	Grant of new year festival loan for the members
3	Kobeigane multi purpose Co-operative Society	7.00	Repair the Filling Station
4	National Institute of Co-operative Development - Polgolla	25.00	Construction of the Auditorium
	<b>Total</b>	<b>41.00</b>	

### Co-operative Surplus Fund - Donations - 2014

	Institute	Donations granted during this year (Rs.M)	Purpose
1	Nikaweratiya Mahasen Vidyalaya	0.50	Getting electricity for swimming pool
2	National Institute of Co-operative Development - Polgolla	11.52	Repair of the Holiday Resort
	<b>Total</b>	<b>12.02</b>	

## 2014 Financial Provisions Reserved from the Government for the year and Expenditure Recurrent Expenditure

Vote No.	Description of category/ vote/ item	Net provisions Rs.	Total expenditure as at 31.12.2014 Rs.
1001	Salaries and wages	23,000,000.00	22,708,739.15
1002	Overtime and holiday allowances	775,000.00	785,160.96
1003	Other allowances	13,000,000.00	15,999,958.82
1101	Travelling expenses – Local	2,000,000.00	2,452,360.61
1102	Travelling expenses – Foreign	800,000.00	232,407.69
1201	Stationary and office needs	1,000,000.00	999,033.92
1202	Fuel	2,500,000.00	2,926,759.65
1203	Food & uniforms	100,000.00	70,435.00
1301	Vehicles	1,400,000.00	2,168,590.66
1302	Machinery and equipment	650,000.00	850,837.09
1402	Postal and communication	900,000.00	1,216,590.66
1403	Electricity and water	2,500,000.00	2,493,809.69
1405	other	2,000,000.00	1,793,299.66
1505	Contributions and subscriptions	350,000.00	331,159.53
1506	Interest of Property loans of public officers	600,000.00	510,239.55
		<b>51,575,000.00</b>	<b>55,539,180.39</b>

### Capital Expenses

Vote No.	Description of category/ vote/ item	Net provisions Rs.	Total expenditure as at 31.12.2014 Rs.
2002	Machinery and equipment	100,000.00	84,000.00
2003	vehicles	500,000.00	494,262.14
2102	furniture and office equipment	300,000.00	296,565.00
2103	Machinery and equipment	400,000.00	379,934.80
2401	Trainings and skill development	100,000.00	43,500.00
2502-1	Publications and Propagation	400,000.00	325,439.68
2502-2	Regulation of financial services	7,100,000.00	5,402,535.72
2502-3	Samupadeepani	7,500,000.00	5,712,000.00
		<b>16,400,000.00</b>	<b>12,738,237.34</b>

### Expenditure Summary

	Description	Net provisions Rs.	Total expenditure as at 31.12.2014 Rs.
01	Total of Recurrent Expenditure	51,575,000.00	55,539,180.39
02	Total of Capital expenditure	16,400,000.00	12,738,237.34
	<b>Total</b>	<b>67,975,000.00</b>	<b>68,277,417.73</b>

The bank regulatory commission established in the department in order to form a financial discipline in the societies and federations that have involved in financial activities of co-operative sector, strengthen them and expand co-operative financial sphere through good governance has engaged in the following development activities in 2014.

- Hold five national bank regulatory committee meetings and discuss activities and issues related to bank regulation at provincial level.
- Conduct 22 one day programmes at district level during the year to make aware all the officers of provincial departments and societies/ federations.
- Issue instruction sheets for all the Provincial Commissioners and they issued them as circulars.
- Section of a group of trainers at provincial level and conduct 09 training programmes to develop their skill and enhance their knowledge.
- Conduct 06 programmes to prepare new uniform account formats for federation of thrift and credit co-operative societies and multipurpose co-operative societies and send specimens to provinces.
- Conduct 05 programmes to present F 28 report in a new look and make the final draft.
- Renovated 32 Regional Banks spending Rs.9 Million in North Western Province with the view of developing physical resources of regional banks.
- Conducted two planning review meetings on provincial bank regulation and reviewed the plans of bank regulations of all the districts.
- Obtaining on financial analysis reports as at 31.12.2013 of all the societies under the line department and conducted 5 site and in situ tests.
- Drafting the preliminary set of proposals to make the legal ground for bank regulation.
- Data collection of all the rural banks and financial services co-operative societies while coordinating all the provinces and quarterly refer to Central bank of Sri Lanka.

## 01. Construction of super markets

Mega Co-op City super markets were started in Kegalle, Wennappuwa, Danbadeniya and Rideegama with the objective of promoting the concept of super markets within co-operative business. Rs.2.5 Million was granted to each super market under ministerial **provisions** and they are being maintained as successful business bodies co-ordinating with provincial departments of co-operative development under the supervision of our Ministry.

## 02. Programme on purchasing consolidated essential goods

Quotations are weekly called at provincial level to provide consumers; 08 essential goods at reasonable prices and they have been provided with goods of high quality this year as well.

## 03. Launch of the newly designed web site to the public

The department launched a new web site with current news and new outlook on the sidelines of co-operative Day celebration on 01<sup>st</sup> July 2014 and it is being regularly updated providing opportunity to get information for those who are interested in co-operative business.

## 04. Launch of Official Logo

An official logo has been introduced this year for the department of co-operative development that inherits a history of 83 years it was introduced for the Department of Co-operative Development on the sidelines of co-operative day celebrations under the concept of **“One for all and all for one”**.

## 05. Deyata Kirula National Development and Educational Exhibition

A loan of Rs.4 Million was granted to Nikaweraliya Multipurpose Co-operative Society in order to obtain the contract of the construction of Hathalawa maternity clinic the construction has been finished by now and a clinic is being held for mothers.

## 06. Construction of a new auditorium

An auditorium was constructed as a development project to financially stabilize the National Institute of co-operative development that is under the purview of the Ministry of Co-operatives and Internal Trade and co-operative fund granted financial provisions of Rs.25 Million until the general treasury grant capital provisions for that.

## 07. Renovation of Co-operative filling Stations

An amount of Rs.7 million was granted in addition to Rs.10 Million granted previous year to renovate a filling station in Kobeigane belongs to Kobeigane Multipurpose Co-operative Society Ltd.

**01. Statistics Report**

Statistics Report 2013 consists of accurate data was released in a new format with the objective of making aware Sri Lankans on the co-operative business and make them understand about it.

**02. Performance Report**

Performance report consists of current news on the Department of Co-operative Development was printed in 2013.

**03. Action Plan**

An action plan was prepared at the beginning of the year combining the duties of all the divisions of the department in order to fulfill the objective of planning and expediting the functioning of the department in 2014 .

Further, necessary information of co-operative business was provided to government bodies such as Central Bank and the department of Census and Statistics and non governmental bodies as well.

“*Samupadeepani*” newspaper supplement that has been issued for eight years came to the reader in a new face from January 2014. Though only the cover page and a few pages were coloured earlier, measures were taken to print all the pages in colorful papers from January 2014.. Certain differences were made even to the content in an attractive manner for the improvement of co-operative business and this supplement is issued last Friday of every month with *Dinamina* and *Thinakaran* newspapers.

# CHAPTER 03

## National Level Co-operative Organizations

Twelve national level Co-operative federations were active during the year the department directly supervised their functioning while guiding their management and business and empowering them.

### 03. 1 Co-operative Federations functioned during the year

	Name of the Society	Reg. No.	Date of Reg.
01	Sri Lanka Coconut Producers' Co-operative Societies Union Ltd.	C 1086	1942.04.01
02	Sri Lanka National Federation of Fisheries Co-operative Ltd.	C 1227	1952.02.02
03	Sri Lanka National Co-operative council Ltd.	C 2490	1972.07.26
04	Sri Lanka Co-operative Marketing Federation Ltd.	C 2504	1973.03.01
05	Sri Lanka Federation of Co-opertive Industries Ltd.	C 2527	1974.03.19
06	Sri Lanka Federation of Thrift and Credit Co-operative Societies Ltd.	C 2651	1980.11.10
07	Sri Lanka Federation of Co-operative Textile Industries.	C 2559	1981.09.02
08	Sri Lanka National Youth Services Co-operative Federation Ltd.	C 2689	1986.01.01
09	Sri Lanka Consumer Co-operative Federation Ltd.	CO 01	1989.09.15
10	Sri Lanka Co-operative Rural Bank Federation Ltd.	CO 17	1997.12.15
11	Sri Lanka Co-operative Alliance of Resource Management of Thrift and Credit Co-operative Societies Ltd.	CO 30	2005.11.21
12	Sri Lanka Federation of Hospital Services Co-operative Societies Ltd.	CO 33	2007.02.23

**03. 2****Co-operative Societies implemented during the year.**

39 Primary Co-operative societies were functioning in 2014 under the supervision and guidance of the department.

- Islandwide Financial Services Co-operative Societies.
- Islandwide manufacturing and services Co-operative Societies.

**01. 3.1****Isaldwide Financial Services Co-operative Societies**

There are thrift and co-operative societies that a majority of public and private sector employees bear memberships.

- ❖ Collection of membership savings
- ❖ Provide loan facility to members
- ❖ Welfare of members (aid for funerals, scholarships, medical aid, consumer services )
- ❖ Business affairs (rest houses, holiday resorts, pawning services , printing services, insurance agent services)

## Island wide Financial Services Co-operative Societies – 2014

	Name of the society	Reg. No.	Date of Registration
01	Prison Department's Mutual & Provident Fund Co-operative Society Ltd.	C 473	1928.03.15
02	Postal & Telecom Employees' Co-operative Banking Societies Ltd.	C 503	1928.12.07
03	Educational Service Employees' Thrift and credit co-operative Society Ltd.	C 736	1930.11.01
04	Sri Lanka Health Employees' Development Services Thrift and Credit Co-operative Society.	C 744	1930.11.10
05	Sri Lanka Health Department's thrift and credit Co-operative Society Ltd.	C 290	1938.03.30
06	Sri Lanka Public Health Inspectors' Thrift , credit and welfare Co-operative Society Ltd.	C 303	1938.04.28
07	Registrar General Department Employees' thrift and credit Co-operative Ltd.	C 255	1939.10.20
08	Sri Lanka Port Authority Employees' Welfare Co-operative Society Ltd.	1046	1943.11.23
09	Sri Lanka Station Masters' and Clerks' thrift, savings and credit society Ltd.	C 1649	1949.03.29
10	Sri Lanka Railway and Work Department's thrift and Saving Co-operative Ltd.	C 1707	1950.08.30
11	Sri Lanka Health Services savings and credit co-operative Ltd.	C 2233	1959.11.19
12	Sri Lanka Transport Board Employees' thrift and welfare co-operative Societies Ltd.	KE 299	1960.05.26
13	People's Bank Employees' Co-operative society Ltd.	C 2266	1962.02.10
14	Public Services credit and savings Co-operative society Ltd.	C 326	1962.02.10
15	CWE Employees' thrift, welfare and credit co-operative society Ltd.	C 2294	1963.01.26
16	Co-operative Department Staff Officer's thrift and credit co-operative Society Ltd.	C 2357	1962.10.26
17	Brown Company's Technical and General services thrift and credit Co-operative society Ltd.	C 2383	1967.10.01
18	Sri Lanka State Engineering Co-operation 's thrift and credit co-operative Society Ltd.	C 2402	1968.08.29
19	Inland Revenue Department's Savings Co-operative Society Ltd.	C 931	1973.07.25
20	Sri Lanka Port Authority Employees' Co-operative bank Ltd.	CO 02	1989.12.20
21	Surveyor Department Surveyor Assistants' Thrift and Credit Welfare Co-operative society Ltd.	CO 10	1994.02.09
22	Sri Lanka Women Development Services Co-operative Society Ltd.	CO 18	1998.04.06
23	SANASA bank employees' thrift and credit co-operative society Ltd.	CO 22	2000.06.26
24	Samurdhi Development and Agricultural Research Assistant Officers' thrift and credit co-operative society Ltd.	CO 25	2001.05.05

25	Water Supply Board All Employees' thrift and credit co-operative society Ltd.	CO 31	2006.01.03
26	Public Service Graduates' thrift and credit co-operative Society Lid.	CO 32	2006.11.29
27	Srilanka Public Management Assistant Service Employees' savings and development services co-operative society Ltd.	CO 44	2014.08.12
28	Prajashakthi Tharuna Abhiwurdi Co-operative Socirty Ltd.	CO 43	2014.10.02

### **03. 2.2** Island wide Manufacturing and Services Co-operative Societies

Co-operative Societies registered under this department that manufacture products and provide services to meet the needs of islandwide members are categorized as co-operative societies providing numerous services and islandwide products and services co-operative societies.

Primary duties of these societies

- ❖ Purchase of Members' Products
- ❖ Provision of necessary raw materials necessary for the supply of products and services
- ❖ Introduction of market to the products of members and Widen market opportunities  
Introduction of technological equipment and new technology to the members.

	<b>Name of the Society</b>	<b>Reg. No</b>	<b>Reg. Date.</b>
01	Printers' Co-operative Society Ltd.	C 2280	10.08.1962
02	All Island Ornamental Plants and Orchid Co-operative Society Ltd.	C 2409	28.11.1969
03	Sri Lanka Exercise book Manufacturers Co-operative Society Ltd.	CO 03	07.03.1990
04	Sri Lanka draw net Owners' Co-operative Society Ltd.	CO 07	29.01.1992
05	Sri Lanka Plantation Service officers' Co-operative society Ltd.	CO 28	11.07.2003
06	All Island small and medium scale grain suppliers' entrepreneurship development co-operative society Ltd.	CO 34	07.03.2007
07	All Island Agricultural co-operative Society Ltd.	CO 41	05.01.2010
08	Sri Lanka Port Shipping Services Co-operative Society Ltd.	CO 36	07.07.2011
09	Housing and Property Development Co-operative Society Ltd.	CO 39	07.07.2011
10	Rajarata University Co-operative Society Ltd.	CO 40	28.08.2011
11	National Dairy Farmers' Co-operative Society Ltd.	CO 45	02.10.2014