

*about us.....*

**Vision**

Co-operative as a public enterprise for sustainable development

**Mission**

Wider intervention to build good governance in co-operative societies by encouraging developing the co-operative movement in Sri Lanka as a public enterprise

## PREFACE

The Co-operative Development Department (Line) functions developing the co-operative movement with the motive of contributing to sustainable development. It is a pleasure to hand over the performance report prepared for 2015 by this department which is dedicated to the upliftment of co-operative movement.

Those who refer this report can understand easily the direct intervention of the Co-operative Development Department as an institutional structure which performs a pilot task within the co-operative movement and the top level co-operative societies and organizations established under the Department.

I would like to point out that attention of all the co-operative leaders should be paid to fulfill the social requirements strengthening the co-operative movement that has faced challenges and protecting the co-operative values.

I pay my gratitude towards all who extended corporation to make all these tasks successful in 2015 and I am thankful to entire staff including the executive officers who contributed to fulfill this mission throughout the year amidst various challenges and hardships.

D. Jeewanathan  
Co-operative Development Commissioner and  
Registrar of Co-operative Societies

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# CHAPTER | 01

## Co-operative Development Department

The Co-operative Development Department has been started on 01<sup>st</sup> October 1930 under the name Co-operative Department and established in 1945 as Co-operative Development Department. The Co-operative Development Department which is situated at No. 330, Union Place, Colombo 02 under the Ministry of Industries and Commerce from the end of 2015 is capable of performing a wider role for good governance leading towards sustainable development.

01. | 1

### Duties of the Department

- ❖ Registration of inter provincial and all island co-operative societies, federations.
- ❖ Steering constitutional activities of registered co-operative societies and associations and performing activities related to development.
- ❖ Steering the activities of co-operative movement within a national policy co-ordinating with provincial Co-operative Development Departments.
- ❖ Giving assistance to national co-operative development processes.
- ❖ Supplying development contribution for implementation of state policies.

### Constitutional activities

- ❖ Registration of societies
- ❖ Combing and separating societies
- ❖ Activities related to membership
- ❖ Giving approval for interim constitutions and amendments
- ❖ Election related activities
- ❖ Calling general meetings/committee meetings and deciding the validity
- ❖ Dissolution of registered co-operative societies
- ❖ Decision making activities and empowerment of courts
- ❖ Conducting 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-ordination with the Ministry of Industry and Commerce and other state institutions
- ❖ Assisting the Ministry of Co-operative and Industry and Commerce to co-ordinate with provincial co-operative ministers, secretaries of ministries, provincial co-operative development commissioner and co-operative society registrars
- ❖ Co-ordination with international co-operative alliance and foreign co-operative institutions
- ❖ Co-ordination with the Central Bank of Sri Lanka regarding co-operative rural banks and co-operative financial institutions
- ❖ Co-ordination with the Central Bank and Department of Census and Statistics regarding statistics related to co-operative societies
- ❖ Co-ordination with co-operative societies, the Ministry of Agriculture at the activities such as purchase of paddy, distribution of fertilizer at concessioner rates
- ❖ Co-ordination with co-operative societies /federations

## **Development activities**

- ❖ Performance of national level and provincial level development activities according to the annual budgetary provisions.
- ❖ Performing activities related to assurance of good governance of co-operative societies.
- ❖ Providing development consultation services for development of co-operative societies and federations.
- ❖ Supervision of financial and operational activities of co-operative societies and federations
- ❖ Implementation of development projects
- ❖ Giving development aid and powers
- ❖ Supply of development guidelines and co-ordination
- ❖ Human resource development in the co-operative field and the Department
- ❖ Welfare for the staff

## **Administration of Funds**

- ❖ Management and administration of Co-operative Fund and Surplus Fund under the Department
- ❖ Recovery of contributions allocated after the annual audit in incorporated societies
- ❖ Provision of loans and aids for development projects and training activities of Co-operative Societies
- ❖ Recovery of loans
- ❖ Investment of funds productively

## **Internal Administrative and Management Activities**

- ❖ General Administration
- ❖ Human Resource Management
- ❖ Performance Building
- ❖ Assets Management

### **01. | 2 01. 2 Departmental Structure**

The task of the Department has organized and functioned as 09 sections during the year 2015 such as,

1. Administrative Section
2. Finance Section
3. Development Section
4. Audit Section
5. Legal Section
6. Funds Section
7. Bank Regulatory Section
8. Project Section
9. Planning Section



Several significant incidents took place in the administrative structure of our Department in this year.

After the acting period of Mr. Dhammika Rajapaksa – Grade I SLAS in the post Co-operative Development Commissioner/ Registrar is over, Mr. D. Jeewanathan, Grade I SLAS was appointed for the post of Co-operative Development Commissioner/ Registrar from 19.10.2015.

Mr. H.A.J.S.M. Abenayake served in the post of Departmental Assistant Commissioner (Bank/ Funds), Miss. P.A. Pathiratna served in the post of acting Administrative Officer, Mrs. N. Bandara served in the pose of Public Management Assistant and three Office Aides retired from the service in this year. Retirement of knowledgeable and experienced public servants is a loss to the Department.

Interviews to promote officers for the vacancy in the post of Co-operative Development Assistant Commissioner (Departmental) were held in this year.

Mr. K.M. Muditha Chaminda assumed duties of the post of Assistant Commissioner (Administration) from 24.11.2015 as a new appointment in SLAS Grade III and two lady officers were attached to the Department as Public Management Assistants in this year.

The following vehicles were available with the Department in 2015.

<b>VEHICLE TYPE</b>	<b>VEHICLE NO.</b>
TOYOTA “HIACE” VAN	NB - 3531
TOYOTA DOUBLE CAB	PE - 0201
MISUBISHI CAB	PF - 9789
MSUBISHI CAB	PF - 9791
NISHAN CAR	CAD - 1867

## 01. 1.1 Approved Cadre and Vacancies

The details of the approved cadre and vacancies of the Department as at 31.12.2015 are as follows .

Serial No	Post	Present Approved Cadre	No. of Employees in Service on 31.12.2015	No. of Vacancies	
Senior Level	Co-operative Development Commissioner and Co-operative Society Registrar (SLASI)	01	01 (Acting)	-	
	Deputy Commissioner / Assistant Commissioner (SLAS II, III)	04	02	02	
	Accountant (Sri Lanka Accountant Service II, III)	01	01	00	
	Deputy Commissioner / Assistant Commissioner (Departmental)	03	01	02	
	<b>Total</b>	<b>09</b>	<b>05</b>	<b>04</b>	
Tertiary Level	Administrative Officer	01	00	01	
	Co-operative Development Officer Supra Grade	05	02	03	
	Translator	01	-	01	
	<b>Total</b>	<b>07</b>	<b>02</b>	<b>05</b>	
Secondary Level	Co-operative Development Officer (Grade I & II)	} 62	05	} 50	12
	Co-operative Promotion and Investigation Assistant		24		
	Co-operative Development Officer		21		
	Development Officer	15	09	06	
	Public Management Assistant	28	20	08	
	<b>Total</b>	<b>105</b>	<b>79</b>	<b>26</b>	
Primary Level	Driver	05	05	-	
	Office Aide	15	09	06	
	<b>Sub Total</b>	<b>20</b>	<b>14</b>	<b>06</b>	
	<b>Total</b>	<b>141</b>	<b>100</b>	<b>41</b>	

**01. 3.2 Newly Appointed Officers**

No	Name	Designation	Date of Appointment
1	Miss R.M.D.K. Rathnayaka	PMAS III	15.09.2015
2	Miss D.M. S.N. Madhushani	PMAS III	15.09.2015
3	Mr. K.M. Muditha Chaminda	Assistant Commissioner III	24.11.2015

**01. 3.3 Officers who Returned getting Transfers**

No	Name	Designation	Date of Transfer
1	Mrs. S. D.N. Fernando	Development Officer	26.02.2015
2	Mr. R.P.D.S. Rajapaksa	Driver	08.06.2015
3	Mr. K.D.S.S. Abeyratna	Office Employee Service III	13.07.2015
4	Mr. H.S. Sampath	Co-operative Promotion and Investigation Assistant	02.11.2015

**01. 3.4 Staff sent on Retirement**

No	Name	Designation	Date of Retirement
1	Mrs. N. Bandaranayake	PMAS I	17.03.2015
2	Mr. H.G. Weeraratna	Office Employee Service	01.07.2015
3	Mr. H.R.J.S.M. Abeynayake	Assistant Commissioner	26.07.2015
4	Miss. P.A. Pathirathna	Administrative Officer(Acting)	08.10.2015
5	Mr. T.H.N. Sapideen	Office Employee Service	17.10.2015
6	Mr. W.L. Basil	Office Employee Service	24.10.2015

**01. 3.5 Officers Transfers**

No	Name	Designation	Date of Transfer
1	Mr. B.K.B.S. Rudrigo	Co-operative Promotion and Investigation Assistant	15.03.2015
2	Mr. H.R.J.S. Sooriyabandara	Office Employee Service	01.06.2015
3	Mr. W.M.A.J.D. Bandara	Driver II (b)	23.06.2015
4	Mrs. A.A.C.S. Amarasinghe	PMAS III	02.07.2015
5	Mrs. A.A.M.M. Tilakeratna	Development Officer	09.07.2015
6	Mr. R.B.T.A. Wimaladasa	Office Employee Service	13.07.2015
7	Miss. J.M.H.N.G. Jayasekera	Assistant Commissioner III	17.09.2015
8	Mrs. H.M.S. Bandara	Development Officer	30.09.2015

## 01. 4 Staff Training and Development

### 01. 4.1 Local Trainings

Members of the staff have participated in the local awareness and training courses in 2015 as mentioned below.

	Training Programme	Institute	Duration	Officers Participated
1	Management Development Training Programme	National Institute of Co-operative Development, Polgolla	28.02.2014	Mrs. L.H.C.I De Silva (Public Management Assistant)
2	Disciplinary process	National Institute of Labour Education	15.06.2015 - 17.06.2015	Mrs. H.S. Fonseka (Deputy Commissioner)
3	Effective Management Skills for directors	Skills Development Fund	29.06.2015 - 30.06.2016	Mr. C. Fonseka (Co-operative Development Officer Supra Grade - Acting) Mr. P.A. Sarath Ananda (Assistant Commissioner - Acting) Mr. B.M.M. Bandula (Assistant Commissioner - Acting)
4	Tamil Language Training Course	National Languages Education and Training Institute	07.07.2015 - 18.07.2015	Miss. K.K.C. Herath (Co-operative Development Officer) Mrs.H.M. P.M. Ruparatna (Development Officer)
5	Training Course on Provisions of Establishment Code and Rules of Procedures	SLIDA	13.07.2015 - 14.07.2015	Miss. J.M.P.P. Jayasundara (Co-operative Development Officer) Miss. W.M.M.S. Fernando (Co-operative Development Officer) Miss. Sumudu Nandasena (Co-operative Promotion and Investigation Assistant) Mrs. A.S.G. Sajeewani (Co-operative Development Officer) Mr. A.A.A.N. Athauda (Co-operative Promotion and Investigation Assistant)
			15.07.2015 - 16.07.2015	Mrs. U.S.A. Wijekoon (Co-operative Development Officer) Miss. P.D.T.M. De Silva (Co-operative Development Officer) Mr. A.I.A. Adikari (Co-operative Development Officer) Mr. G.R.R. Pathirage (Co-operative Development Officer) Miss. S.H.T. Thamalika (Co-operative Development Officer)

6	Training Course in Karyala Sevaka Service	Ministry of Food Security	17.07.2015	Mr. R.D.T.A. Wimaladasa (Office Employee Service) Mr. M.M.M. Sooriyabandara (Office Employee Service) Mr. N.A. NimalJayatilake (Office Employee Service) Mr. G.M.R.D. Tennakoon (Office Employee Service ) Mr. N.W. RanilRatnasiri (Office Employee Service) Mr. H.T. Premasuriya (Office Employee Service)
7	Transport Management	Skills Development Fund	22.07.2015	Mr. R.M.P.S. Ratnayake (Public Management Assistant)
8	Couser on Stores Keeping	CETRAC (construction Equipment training center)	30.07.2015-27.08.2015	Mrs. K.T.M..M. Tennakoon (Public Management Assistant)
9	Training Course on KaryalaSevaka Service	Ministry of Food Security	21.08.2015	Mr. K.D.S.S. Abeyratna (Office Employee Service)
10	Training Course on Human Resource Development	SLIDA	01.09.2015 - 03.09.2015	Mrs. A.S.G. Sajeewani (Co-operative Development Officer) Mrs. M.B.S.A. De Silva (Co-operative Promotion and Investigation Assistant)
11	Training Course for Drivers	Skills Development Fund	18.09.2015 - 20.09.2015	Mr. M.R.P. Tilakaratna (Driver)
12	Course on Consumer Relations and Human Resources	SLIDA	21.09.2015 - 22.09.2015	Mrs. K.T.M.M. Tennakoon (Public Management Assistant)
13	Attitudinal change through Motivation & productivity Enhancement	Skills Development Fund	28.09.2015	Mr. S. A. Thalangama (Public Management Assistant)
14	Workshop on Public Records Management and Conservation	Department of National Archives	02.10.2015	Mr. P.H.S. Ananda (Assistant Commissioner - Acting)
15	Salary Revision	SLIDA	01.10.2015 - 02.10.2015	Miss. K.M. Minoli (Public Management Assistant) Mrs. W.R.M. Perera (Development Officer) Mrs. G.M.M. Garusinghe (Public Management Assistant)
16	Office Management and Attitude Building	SLIDA	05.10.2015 - 09.10.2015	Miss. U.L.N.Dhananjalee (Public Management Assistant) Miss. L.A.S. Liyanaarachchi (Development Officer)
17	Gov.pay.	SLIDA	09.10.2015	Miss. N.A.H. Peris (Public Management Assistant) Mrs. L.H.MB. Lansakara (Development Officer)

18	Laws and Rules regarding Establishment Code	SLIDA	12.10.2015 - 14.10.2015	Miss. K.H.A. Nisansala (Public Management Assistant) Mrs. H.M.M.C. Herath (Co-operative Development Officer)
19	Course on Public Accounts	SLIDA	16.10.2015	Mr. G.R.R. Pathirage (Co-operative Development Officer) Mrs. G.M.M. Garusinghe (Public Management Assistant)
20	Course on Financial Management of the Government	SLIDA	19.10.2015 - 20.10.2015	Miss G.H.A. Wijesinghe (Co-operative Development Officer) Mrs. G.K.C. Nilangika (Funding Clerk) Mrs. K.D.R. Nilanthi (Public Management Assistant) Mrs. A.S. Ganga Sajeewani (Co-operative Development Officer)
21	Training Programmed for Co-operative Development Assistant Commissioners	National Institute of Co-operative Development Polgolla	19.10.2015 - 20.10.2015	Mr. P.A.S. Ananda (Assistant Commissioner - acting)
22	E - Government	SLIDA	21.10.2015 - 22.10.2015	Miss. L.A.S. Liyanaarachchi (Development Officer)
23	Programme on Government Auditing	SLIDA	22.10.2015 - 23.10.2015	Mr. T.A.J.R. Jayatilake (Funding Clerk)
24	Awareness Programme for Corporations and Statutory Boards on State Language Policies	National Languages and Social Integrity	28.11.2014	Mr. B.M.M. Bandula (Assistant Commissioner - Acting) Miss. P.A. Pathiratna (Public Management Assistant) Mr. K.H.G.K, Kumara (Public Management Assistant) Mrs. M.N.L. Peris (Co-operative Promotion and Investigation Assistant) Mrs. K.R.T. Somaratna (Development Officer) Mrs. U.L. Nipuni Dhananjali (Public Management Assistant)
25	Spiritual Knowledge to Balance the Profession and Life Programme	SLIDA	26.11.2016  07.12.2016 - 09.12.2016	Mr.K.A.D.P.A. Kanhandawala (Co-operative Development Officer) Mrs. S.D.N. Fernando (Development Officer) Mr. D.M.S.C.B. Dahanayaka (Co-operative Development Officer) Mrs. T.N.K. Senaratna (Co-operative Promotion and Investigation Assistant)  Mrs. M.B.S.A De Silva (Co-operative Promotion and Investigation Assistant) Mrs. M.N.L. Peris (Co-operative Promotion and Investigation Assistant) Mrs. K.H.M.D. Lakshanthi (Co-operative Promotion and Investigation Assistant) Mrs. K.I. Perera (Co-operative Promotion and Investigation Assistant)

## 01. | 4.2 Overseas Training

The members of the staff of the Department have participated in the following local educational and training courses in 2015.

S. N	Program	Period	Officers Present
01	Human Resource Management and in Co-operative field and Restructuring and Strengthening Rural Financial Institution	14.09.2015 - 18.09.2015	Mrs. M.B.S.De Silva Mrs. K.H.M.D. Lakshanthi (Co-operative Promotion and Investigation Assistant)
02	Rural Level Low Income Earning Women Empowerment Programme	29.11.2015 - 12.12.2015	Miss. M.R.S.K.N. Nandasena (Co-operative Promotion and Investigation Assistant)

## 01. | 4.3 Training programmes conducted with the People's Bank Funds

S.N	Training Programme	Date	Participants
01	Workshop on Statistics	20.03.2015	Provincial officers of the Department
02	Updating the auditing the accounts of co-operative societies/federations and discussing issues	21.07.2015	Chairmen and General Managers of co-operative societies/federations
03	Training workshop on office procedures	25.07.2015	Officers of the Department
04	Arbitration of disputes for co-operative department officers	08.08.2015	Co-operative Development Officers and Co-operative Promotion and Investigation Assistants
05	Awareness for audit and field officers	24.08.2015	Co-operative Development Officers and Co-operative Promotion and Investigation Assistants
06	Workshop on improvement of knowledge and attitudes and Basic Fundamentals of Co-operative Law	18 and 19 09.2015	Co-operative Development Officers and Co-operative Promotion and Investigation Assistants
07	Training Workshop on Import and Export Procedure	20 and 21 09.2015	Co-operative Development Officers and Co-operative Promotion and Investigation Assistants
08	Decision Making Workshop for Female Officers of Development Services Co-operative Societies Ltd. of Sri Lanka	06.10.2015	Officers of Development Services Co-operative Societies of Sri Lanka

## 01. | 5 Government Audit

Duties and Final Accounts of the Department are audited by officers of the Auditor General's Department and the internal auditing is carried out quarterly by the Internal Audit Unit of the Ministry.

22 audit queries regarding the duties of the Department have been sent by the Government Audit Section during 2015 and replies have been sent for 20.

# CHAPTER 02

## Development Activities

### 02.1 Registration of Co-operative Societies in 2015

Several societies have applied for registration in 2015 and as they are being studied by now a new society was not registered in 2015.

#### Amendment of Interim Constitutions of Co-operative Societies

Name of the Society/Federation	Date on which the amendment of interim constitutions were approved
Employees Co-operative Banking Society Ltd. of Sri Lanka Ports Authority	29.01.2015
Thrift and Credit Co-operative General Federation Ltd. of Sri Lanka	20.05.2015
Thrift and Credit Co-operative General Federation Ltd. of entire workforce of Water Supply and Drainage Board	28.07.2015
Sri Lanka Co-operative Textile Industries Federation.	10.08.2015
Sri Lanka Public Health Inspectors Thrift and Credit Welfare Co-operative society Ltd.	09.11.2015
Brown Group Industrial and Common Services Thrift, Credit and welfare Co-operative Society Ltd.	27.11.2015

### 02.2 Co-operative Society/Federation elections

Name of the Society/Federation	Date on which the election was held
Sri Lanka Public Health Inspectors Thrift and Credit Welfare Co-operative society Ltd.	20.02.2015
Samurdhi Development and Agriculture Research Assistants' Thrift and Credit Welfare Co-operative society Ltd.	20.03.2015
Lanka State Engineering Corporation Thrift and Credit Welfare Co-operative society Ltd.	20.03.2015
Sri Lanka Ports Authority Employees' Welfare Co-operative Society Ltd.	26.03.2015
Sri Lanka Co-operative Sales Association Ltd.	28.03.2015
Ports and Shipping Services Co-operative Society Ltd.	24.04.2015
Better Living Thrift and Loan Co-operative Society Ltd.	10.06.2015
Health Services Money Saving and Credit Co-operative Ltd.	14.11.2015
Public Services Co-operative Loan Providing and Saving Society Ltd.	05.12.2015
Postal and Telecom Employees' Co-operative Banking Society Ltd.	27.12.2015

## 02. | 4 Liquidation of Defunct Societies

16 defunct societies have been identified in 2015 and liquidation activities of Sri Lanka Human Resources Development Co-operative Banking Society Ltd. are being carried out at present. A liquidator has been appointed by now.

### Schedules of Liquidated Societies

\* Societies of which Registration was cancelled

1. Writers 'Co-operative Society Ltd.
2. Sri Lanka Management Services Co-operative Society Ltd.
3. Sri Lanka Artists' Society Ltd.
4. Sri Lanka Audit Services Co-operative Society Ltd.
5. All island Building Materials Products Saving Co-operative Society Ltd.
6. All island Technical Co-operative Society Ltd.
7. Sri Lanka Security Service Welfare Co-operative Society Ltd.
8. Sri Lanka Professional Journalists' Welfare Co-operative Society Ltd.
9. Sri Lanka Co-operative Engineering Institute Ltd.

\* Societies of which registration is due to be cancelled

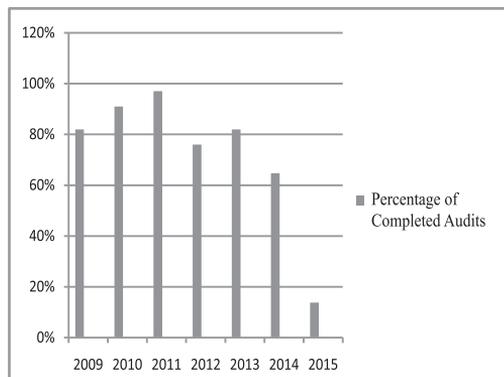
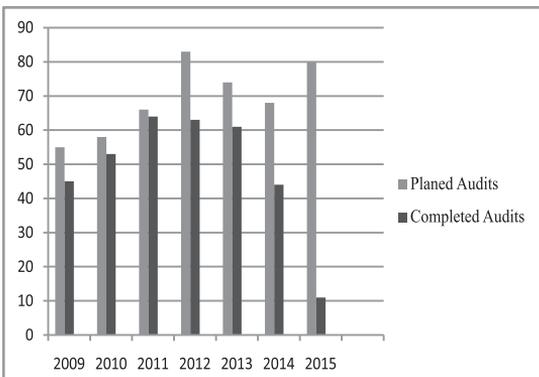
1. Sri Lanka Co-operative Federation Ltd. on Institutional Thrift and Loan
2. Sri Lanka Handicraft Producers 's Co-operative Society Ltd.
3. Sri Lanka Ports Services Supplies Co-operative Society Ltd.

\* Societies referred to get reports

1. All Island Co-operative Women Union Ltd.
2. Sri Lanka National Co-operative Women General Federation Ltd.

## 02. | 5 Constitutional Audit activities of Co-operative Societies

Year	No of Planed Audits	No. of Completed Audit	Percentage of Completed Audits
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%
2015	80	11	13.75%



## 02. | 6 Legal Activities

### 02. | 6.1 Arbitration of Disputes

The summary of files referred to the Department in 2015 for arbitration from co-operative societies in terms of Section 58 of the Co-operative Society Act No. 5 of 1972 read with the amendment Acts No. 11 of 1992 and No. 32 of 1983 .

Description	Total
No. of files to be referred to the arbitration on 01.01.2015	504
No. of files received for arbitration in 2015	08
Referred for dispute arbitration in 2015	47
No. to be referred to arbitration on 31.12. 2015	465
Files for which decisions have been given in 2015	56

### 02. | 6.2 Empowering the Courts

After the decisions were given for disputes referred to arbitration by Co-operative societies under the section 58 of the Co-operative Society Act No/ 5 of 1972, and if the relevant money is not recovered the Co-operative Development Commissioner is empowered by the Magistrate Court to recover the amount as a fine and the money recovered by the Courts is transferred to the relevant Co-operative Society.

Description	Total
No. of requests due to be submitted to the court on 01.01.2015	1072
No. of requests received to refer to the court in 2015	99
No. of decisions referred to the court for arbitration in 2015	290
No. of applications for empowerment by courts on 31.12.2015	881

### 02. | 6.3 Case finalized in the year

Case No.	Party member society
DSP 00074	Education Employees Co-operative Thrift and Credit Society

## **02. | 7 Management of Funds**

The following funds, established under the Section 43 (1) (b) and the Section 57 (3) of the Co-operative Society Act No. 05 of 1972, were under the Co-operative Development Commissioner during this year also and these funds are managed according to decisions of a fund committee chaired by the Secretary to the Ministry subject to the supervision and order of the Hon. Minister.

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

### **02. | 7.1 Co-operative Fund**

This fund which was established under the series of orders published in the government gazette No. 10086 and dated 24.03.1950 imposed under the Section 46 of the Co-operative Society Ordinance (107<sup>th</sup> Authority) is contributed by registered co-operative federations and islandwide Co-operative Societies.

#### **Programmes and Projects implemented by the Co-operative Fund during the year 2015**

	<b>Programme</b>	<b>Aid granted in this year (Rs.)</b>
01	Nenashakthi Programme	319,450.00
02	Banking Regulatory Programme	774,969.00
	<b>Total</b>	<b>1,094,419.00</b>

### **02. | 7.2 Co-operative Surplus**

This fund which was established under the series of orders published in the government gazette No. 10086 and dated 24.03.1950 imposed under the Section 46 of the Co-operative Society Ordinance (107<sup>th</sup> Authority) is contributed by registered co-operative federations and islandwide Co-operative Societies.

#### **Programmes and Projects implemented by the Co-operative Fund during the year 2015**

### Co-operative Surplus Fund - Granting Aid - 2015

No	Name of the Society	Date given	Value	Matter
01	National Institute of Co-operative Development, Polgolla	29.05.2015	Rs. 887,500.00	Payment to Ransara in and out (PVT) Ltd. for supply of food for invitees of National Institute of Co-operative Development, Polgolla
02	National Institute of Co-operative Development, Polgolla	29.05.2015	Rs.425,544.00	Payment to cleantein (PVT) LTD for supply of sanitary services to invitees of opening ceremony the auditorium of National Institute of Co-operative Development, Polgolla
03	National Institute of Co-operative Development, Polgolla	29.05.2015	Rs.291,312.00	Payment for seating arrangements and floor cleaning in the opening ceremony the auditorium of National Institute of Co-operative Development, Polgolla. Abans environmental services (PVT) LTD
<b>Total</b>			<b>Rs.1,604,356.00</b>	

### Co-operative Surplus Fund - Provision of Loans - 2015

No	Name of the Society	Date given	Value	Matter
01	Public Service Graduate and Loan Co-operative Society Ltd.	13.07.2015	Rs.1,000,000.00	Granting funds to supply loan facilities for members of the Public Service Graduate and Credit Co-operative Society Ltd.

## Financial Provisions allocated by the government budget 2015 and bearing expenses

Head No.	Category/Head/Description of the item	Net Provision Rs.	Total Expenditure as at 31.12.2015 Rs.
1001	Salaries and wages	23,690,000.00	21,063,737.31
1002	Over time and holiday payment	775,000.00	577,724.19
1003	Other allowances	13,650,000.00	25,852,323.01
1101	Transport expenses – local	2,000,000.00	2,313,466.86
1102	Transport expenses – overseas	800,000.00	104,350.27
1201	Stationaries and office requisites	1,050,000.00	1,046,350.85
1202	Fuel	2,500,000.00	2,280,680.00
1203	Foods and uniforms	100,000.00	94,789.80
1301	Vehicles	1,470,000.00	2,054,028.13
1302	Machinery and equipment	685,000.00	460,067.13
1402	Post and communication	900,000.00	899,461.61
1403	Electricity and water	1,680,000.00	2,471,922.57
1404	Rent and local taxes	750,000.00	297,804.77
1405	Other	2,100,000.00	1,824,582.39
1505	Collections and contributions	350,000.00	350,000.00
1506	Interest for property loan for public servants	500,000.00	508,433.64
	<b>Total</b>	<b>53,000,000.00</b>	<b>62,199,722.53</b>

### Capital Expenditure

Head No.	Category/Head/Description of the item	Net Provision Rs.	Total Expenditure as at 31.12.2015 Rs.
2002	Machinery and equipment	100,000.00	77,700.00
2003	Vehicles	400,000.00	657,340.00
2102	Furniture and office equipment	300,000.00	299,976.10
2103	Machinery and equipment	300,000.00	237,631.00
2401	Training and capacity building	105,000.00	71,000.00
2502-1	Publishing and promotion	406,000.00	248,812.78
2502-2	Financial services regulation	8,250,000.00	5,219,809.02
2502-3	Samudeepani	5,844,000.00	5,152,842.00
2502-4	Local programmes for agriculture co-operative	7,240,000.00	5,451,747.98
	<b>Total</b>	<b>23,205,000.00</b>	<b>17,416,858.88</b>

### Expenditure

Head No.	Description	Net Provision Rs.	Total Expenditure as at 31.12.2015 Rs.
1	Total recurrent expenditure	53,000,000.00	62,199,722.53
2	Total capital expenditure	23,205,000.00	17,416,858.88
	<b>Total</b>	<b>76,205,000.00</b>	<b>79,616,581.41</b>

## Rural Bank Regulation

A special procedure was carried out during this year to recover the outdated loans given to co-operative societies by Co-operative Fund and Surplus Fund. The following procedures were followed for that.

- Obtaining the function of societies with loan balance identified in the previous year from the provincial departments.
- Calling 14 co-operative societies and getting the concession of activating loans.
- Recovering the loans according to the agreement
  - ◆ Multi-Purpose Co-operative Society Ltd., Chillow
  - ◆ Multi-Purpose Co-operative Society Ltd., Sandalankawa
  - ◆ Multi-Purpose Co-operative Society Ltd., Madampe
  - ◆ Multi-Purpose Co-operative Society Ltd., Anamaduwa
  - ◆ Multi-Purpose Co-operative Society Ltd., Ratnapura
  - ◆ Multi-Purpose Co-operative Society Ltd., Bulathkohupitiya
  - ◆ Multi-Purpose Co-operative Society Ltd., Atakalanna
  - ◆ Multi-Purpose Co-operative Society Ltd., Kadugannawa
  - ◆ Multi-Purpose Co-operative Society Ltd., Horowpathana
  - ◆ Multi-Purpose Co-operative Society Ltd., Kebithigollewa
  - ◆ Multi-Purpose Co-operative Society Ltd., RajanganaGiribawa
  - ◆ Multi-Purpose Co-operative Society Ltd., Akuressa
  - ◆ Multi-Purpose Co-operative Society Ltd., Udapalatha
  - ◆ Monaragala District Co-operative Department and Credit Co-operative Society Ltd.

The following development activities were carried out during 2015 by the Banking Regulatory Unit, established in the Department with the aim of creating a financial discipline in societies and federations that engage in financial activities in the co-operative field, strengthening those sections and promotion of the co-operative financial section .

Activities	Measurement Unit	Physical Progress		Financial Progress	
		Target	Achievement	Allocation Rs. m	Actual Expenditure Rs. m
Gathering information and data		Immediate supply of information	Gathering information and data is carried out continuously	8.25	5.1
Conduct of National Progress Review Meetings	No. of meetings	03 meetings	Site inspections of 10 co-operative societies		
Conduct of continuous and other inspections	No. of inspections	15 inspections	Giving awareness regarding identified deficiencies by calling the 10 societies where site inspections were held and giving instructions to rectify them.		
Taking remedial action	No. of societies called	15 calling of societies	Finalizing the preparation of the F 28 Report and new audit report and distributing to all the provinces for implementation		
Investigations regarding the financial section	Investigations carried out during the year and no. of reports submitted	Issue of the final report received from the investigators to provinces	Grading of Co-operative Rural Banks		
Identification of deficiencies	No. of issues and deficiencies submitted	Giving solutions for issues and deficiencies directly and through Provincial Commissioners	Finalizing the preparation of the draft of Rural Bank Operations hand book		
Giving contribution for infrastructure development	No. of societies for which facilities were given	18 societies 2 per each province	Getting provincial recommendations regarding issues submitted		
Human Resource Development	No. of training work shops held	38 workshops	Giving necessary instructions by checking whether the modernization activities have been done duly with funds given by the Ministry under the Southern Provincial Rural Bank Modernization Programme  Conduct of 12 training programmes on introducing new audit structures and usage of accounting standards  Conduct of one programme of training of trainers  Awareness programme for District Officers of Polonnaruwa district on regulatory procedure		

**Programmes held in 2015 connected with all the province****01. *Provincial Co-operative Ministers' Conference 07.02.2015***

A Provincial Co-operative Ministers' Conference was held in the Sathosa building, Vauxall Street, Colombo 02 on 09.02.2015 to discuss regarding utilization of Co-operative outlets to provide reliefs given for people for essential items by the government by the interim budget and the necessity of direct intervention of co-operative societies to purchase farmers' products. Secretaries of Provincial Ministries, Provincial Co-operative Development Commissioners and officers of the Co-operative Development Department participated at this Conference.

**02. *Provincial Co-operative Get-together***

A Co-operative Get-together was held on 24.02.2015 at the National Institute of Co-operative Development at Polgolla jointly with Central, North Central, North Western and Sabaragamuwa provinces with the aim of regulating the distribution of essential commodities.

**03. *Provincial Co-operative Development Commissioners Meeting***

A discussion to find out about functioning of the co-operative field was held on 26.11.2015 in the Ministry of Commerce and Industries with the participation of Provincial Co-operative Development Commissioners .

**04. *NEDAC educational tour***

Annual General Meeting 2014 of the Regional Network for the Development of Agricultural Co-operatives (NEDAC) was held in Bogura in Bangladesh and according to a request made at the meeting an educational tour was arranged for representatives of society organizations. The main purpose of this educational tour which was organized to commemorate the silver jubilee of the NEDAC organization was to provide opportunity to exchange experiences and ideas for development of co-operative movement in member countries. Accordingly this was organized with the participation of representatives of member countries of 37 including India, Bangladesh and Nepal with the expenditure of Rs. 536 m from 10<sup>th</sup> to 17<sup>th</sup> May, 2015.

**05. *Establishment of Super Markets***

A sum of Rs. 2.5 m was granted under the Capital of the Ministry to start a Mega Co-op City for Elpitiya MPCS Ltd. with the co-ordination of Southern provincial Co-operative Development Departments under the supervision of our Department with the aim of promoting the super market concept in the co-operative movement as one another development project in 2015.

**06. *Amalgamated Programme of Purchase of Essential Items***

Quotations are called weekly to provide 08 essential items for consumers at a reasonable price at provincial level and commodities are provided at concessionary prices.

## 02. | 11 Planning

### \* *Statistical Report*

The Statistical Report 2014 was released with details of basic information of the co-operative federations, performance, financial state and the way of functioning in the country economy with competence and the contribution given for national development.

### \* *Guidelines*

A set of guidelines was published to follow when issues arisen when information relevant to co-operative sphere from state and private institutions are gathered and when the information are confused .

### \* *Action Plan*

Action plan was prepared with the aim of planning expediting the functions of the Co-operative Development Department in 2015 and connecting the duties of all the sections.

In the same way, information was provided regarding the co-operative movement to government institutions such as the Central Bank, Department of Census and Statistics and NGOs during the year.

## 02. | 12 Media activities

The main task performed by the media unit of Co-operative Development Department is to disseminate information on the co-operative movement to people. It is performed by the issue of Samupadeepani newspaper supplementary from 2006.

Samupadeepani Sinhala supplementary is published with 08 pages with Dinamina newspaper on the last Friday of every month and the Tamil supplementary is published with a one page with Thinakaran newspaper jointly with the ANCL.

Samupadeepani is issued from 2015 by changing the quality of the paper June 2015 getting closure to the reader through its content.

Forwarding information regarding successful societies, publishing reports from inception of the movement of Sri Lanka and publishing information regarding world co-operative movement were carried by Samupadeepani newspaper.

# CHAPTER 03

## National Level Co-operative Federations

13 National level co-operative Federations functioned during the year and the direct supervision was supplied by the Department providing guidelines and powers for Management and business activities of them.

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

	Name of the Federations	Reg. No.	Reg. Date
01	Sri Lanka Coconut Producers' Co-operative Federations Ltd.	C 1086	01.04.1942
02	Sri Lanka National Fisheries Co-operative Federation Ltd.	C 1227	02.02.1952
03	Sri Lanka National Co-operative Board Ltd.	C 2490	26.07.1972
04	Sri Lanka Co-operative Sales Federation Ltd.	C 2504	01.03.1973
05	Sri Lanka Co-operative Industries General Federation Ltd.	C 2527	19.03.1974
06	Sri Lanka Thrift and Loan Co-operative General Federation Ltd.	C 2651	10.11.1980
07	Sri Lanka Co-operative Textile Industries General Federation	C 2559	02.09.1981
08	Sri Lanka Youth Services Co-operative Federation	C 2689	01.01.1986
09	Sri Lanka Consumers Co-operative Society Ltd.	CO 01	15.09.1989
10	Sri Lanka Co-operative Rural Bank Federation	CO 17	15.12.1997
11	Sri Lanka Tea Producers Co-operative Society Ltd.	CO 29	07.10.2003
12	Sri Lanka Thrift and Loan Societies Resources Management Co-operative Alliance Ltd.	CO 30	21.11.2005
13	Sri Lanka Hospital Services Co-operative General Federation Ltd.	CO 33	23.02.2007

### 03. 2 Co-operative Societies functioned during the year

39 all island primary Co-operative societies functioned in 2015 subject to the supervision and guidance of the Department. These co-operative societies can be categorized under 02 groups.

- ❖ All island financial services co-operative societies
- ❖ All island manufacturing and services co-operative societies

### 03. | 2. 1 All Island Financial Services Co-operative Societies

These are Thrift and Loan Co-operative Societies where employees of most of state and private institutions have become members.

Main duties of these Co-operative societies

- ❖ Hoarding of members savings
- ❖ Supply of loan facilities for membership
- ❖ Welfare activities for members (supply of Death donation, Scholarship aid, Medical aid and Consumer services)
- ❖ Business activities (Pilgrims Rests, Holiday Resorts, Mortgage services , Printing services and Insurance agency services)

#### All island Financial Services Co-operative Societies - 2015

	Name of the Society	Reg. No.	Reg. Date
01	Mutual EPF Co-operative Society Ltd. of Prison Department	C 473	15.03.1928
02	Post and Telecommunication Co-operative Banking Society Ltd.	C 503	07.12.1928
03	Educational Services Employees Co-operative Thrift and Credit Society Ltd.	C 736	01.11.1930
04	Health Staff Development Services Ltd. of Sri Lanka	C 744	10.11.1930
05	Sri Lanka Health Department Thrift and Credit Co-operative Society Ltd.	C 290	30.03.1938
06	Sri Lanka Public Health Inspectors Thrift and Credit Welfare Co-operative Society Ltd.	C 303	28.04.1938
07	Thrift and Credit Co-operative Society Ltd. of Employees of Registrar General Department.	C 255	20.10.1939
08	Sri Lanka Ports Authority Employees Welfare Co-operative Society Ltd.	1046	23.11.1943
09	Railway Station Masters and Clerks Co-operative Thrift Saving and Credit Society Ltd.	C 1649	29.03.1949
10	Railways and Works Department Thrift and Savings Co-operative Society Ltd.	C 1707	30.08.1950
11	Health Services Savings and Credit Co-operative Society Ltd.	C 2223	19.11.1959
12	SLTB Employees Thrift and Welfare Society Ltd.	K.E. 299	26.05.1960
13	Peoples' Bank Co-operative Society Ltd.	C 2266	10.02.1962
14	Public Services Co-operative Credit and Saving Society Ltd.	C 326	31.12.1962
15	Sathosa Employees Co-operative Welfare and Credit Society Ltd.	C 2294	26.01.1963

16	Co-operative Department Executive Officers Thrift and Credit Society Ltd.	C 2357	26.10. 1965
17	Brown Group Industrial and Common Services Thrift and Credit Society Ltd.	C 2383	01.10.1967
18	Sri Lanka State Engineering Corporation Thrift and Credit Society Ltd.	C 2402	29.08. 1968
19	Saving Co-operative Society of Inland Revenue Department	C 931	25.07.1973
20	Employees Co-operative Bank Ltd. of Sri Lanka Ports Authority	Co-op 02	20.12.1989
21	Thrift and Credit Society Ltd. of Survey Assistants of the Department of Survey	Co-op 10	09.02.1994
22	Sri Lanka Women Development Services Co-operative Society	Co-op 18	06.04.1998
23	Workers' Thrift and Credit Co-operative Ltd. of SANASA Development Bank	Co-op 22	26.06.2000
24	Samurdhi Development Officers and Agriculture Research Assistants Thrift and Credit Co-operative Ltd.	Co-op 25	05.05.2001
25	Entire Workers' Thrift and Credit Co-operative Society Ltd. of Water Supply and Drainage Board	Co-op 31	03.01.2006
26	Public Service Graduate Thrift and Credit Co-operative Society Ltd.	Co-op 32	29.11.2006
27	Prajashakthi Youth Welfare Co-operative Society	Co-op 43	02.10.2014

### 03. | 2. 2 All Island Manufacturing and Services Co-operative Societies

The Co-operative societies that are engaging in manufacturing items to cater to needs of members registered under this Department have been categorized as all island manufacturing and services .

Main duties of these societies

- ❖ Purchase of Members' Products
- ❖ Providing raw materials to members to supply products and services
- ❖ Introducing market for products of members and widening of market opportunities
- ❖ Introducing technical tools and modern technology for 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 Exotic Plants and Orchid Co-operative Society Ltd.	C 2409	28.11.1969
03	All island Exercise Books Manufacturers Co-operative Society Ltd.	Co-op 03	07.03.1990
04	Sri Lanka Drag net Owners Co-operative Society	Co-op 07	29.01.1992
05	Lanka Estate Service Officers Housing Co-operative Society Ltd.	Co-op 28	11.07.2003
06	All Island Lanka Small and Medium Scale Gran Processors Enterprise Development Co-operative Society Ltd.	Co-op 34	07.03.2007
07	All Island Agriculture Co-operative Society Ltd.	Co-op 41	05.01.2010
08	Sri Lanka Ports and Shipping Services Co-operative Society Ltd.	Co-op 36	07.07.2011
09	Housing and Properties Development Co-operative Society Ltd.	Co-op 39	07.07.2011
10	Co-operative Society Ltd. of the University of Rajarata	Co-op 40	28.08.2011
11	National Co-operative Society Ltd. of Dairy Producers	Co-op 45	02.10.2014