

PARLIAMENT OF CEYLON

4th Session 1955



Coconut Products (Amendment) Act, No. 29 of 1956

Date of Assent: February 17, 1956

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Coconut Products (Amendment) Act, 3
No. 29 of 1956.

L. D.—O. 23/55.

AN ACT TO AMEND THE COCONUT PRODUCTS ORDINANCE AND TO VALIDATE THE PAYMENT OF GRATUITIES HERETOFORE MADE BY THE CEYLON COCONUT BOARD TO OR IN RESPECT OF EMPLOYEES OF THAT BOARD AND THE RULES AND ACTS HERETOFORE MADE AND DONE IN CONNECTION WITH THE PROVIDENT FUND FOR THE BENEFIT OF SUCH EMPLOYEES.

Chapter 129,
(Vol. III,
Page 567).

[Date of Assent: February 17, 1956.]

BE it enacted by the Queen's Most Excellent Majesty, by and with the advice and consent of the Senate and the House of Representatives of Ceylon in this present Parliament assembled, and by the authority of the same, as follows:—

1. This Act may be cited as the Coconut Products (Amendment) Act, No. 29 of 1956.

Short title.

2. The following new section is hereby inserted immediately after section 26 of the Coconut Products Ordinance (hereinafter referred to as the "principal enactment") and shall have effect as section 26A of that enactment:—

Insertion of
new section
26A in
Chapter 129.

Gratuities
and
provident
fund.

26A. (1) The Board may, out of the moneys of the Board, pay to any employee of the Board who leaves the service of the Board by reason of the abolition of the office or post held by him, or to the heirs of any deceased employee of the Board, a gratuity of such amount as the Board may in its discretion determine.

(2) The Board may establish and maintain a provident fund for the benefit of all or any of its employees and their dependants or nominees, and may make contributions to such fund out of the moneys of the Board."

3. Section 29 of the principal enactment is hereby amended in sub-section (2) of that section by the insertion, immediately after paragraph (o) of that sub-section, of the following new paragraph:—

Amendment of
section 29 of
the principal
enactment.

"(oo) the provident fund;"

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Retrospective effect of this Act, validation, and the date of operation of the regulations in the Schedule to this Act.

4. (1) The amendments made in the principal enactment by the preceding provisions of this Act shall be deemed to have come into force on the date of commencement of the principal enactment, and accordingly—

(a) the payment, before the commencement of this Act, of any gratuity out of the moneys of the Ceylon Coconut Board to or in respect of any employee of the Board shall be deemed to have been duly made under the powers conferred by the principal enactment;

(b) the provident fund heretofore established for the benefit of the employees of the Ceylon Coconut Board shall be deemed to have been duly established, and all contributions made to and payments made from that fund and all acts done in the course of the maintenance and management thereof before the commencement of this Act shall be deemed to have been duly made and done under the powers conferred by the principal enactment;

(c) the rules for the establishment and management of the aforesaid provident fund in force on the day immediately preceding the date of commencement of this Act shall be deemed to have been duly made under the principal enactment and to have been valid and effectual for the purposes for which they were made.

(2) The rules referred to in paragraph (c) of subsection (1) shall cease to be in force on the date of commencement of this Act, and the regulations set out in the Schedule to this Act shall come into force on that date. Such regulations shall be deemed to be regulations made under the principal enactment and may be amended or rescinded by regulations made under that enactment.

SCHEDULE

The Coconut Products (Provident Fund) Regulations.

1. These regulations may be cited as the Coconut Products (Provident Fund) Regulations.

2. *The Provident Fund.*—The Provident Fund established for the employees of the Ceylon Coconut Board (hereinafter referred to as "the Board") under the rules relating to such

Fund and in force on the day immediately preceding the date on which these regulations come into force shall continue to be the Provident Fund (hereinafter referred to as "the Fund") for the purpose of these regulations.

3. *Contributors.*—Every monthly paid employee of the Board, other than a person holding a pensionable office under the Government who has been seconded for service under the Board, shall be a contributor to the Fund.

4. *Contributions of contributors.*—(1) Every contributor shall contribute monthly to the Fund a sum equivalent to fifteen per centum of his salary. For the purposes of these regulations, "salary" includes any personal allowance equivalent to salary but does not include any other emolument whatsoever.

(2) The contributions under paragraph (1) shall be levied by way of abatement on pay sheets, and any abatement so made shall be deemed, for the purpose of computing the interest due upon contributions, to have been credited to the Fund on the last day of the month in respect of which the salary was due.

(3) Where no abatement is made under paragraph (2), the contributor shall pay to the Manager of the Board (hereinafter referred to as "the Manager") the sum due from him as his contribution within fifteen days after the receipt by him of his salary, and for the purpose of computing the interest due upon such contribution, such sum shall be deemed to be paid on the last day of the month in respect of which it is paid.

(4) The contribution shall be computed on the actual salary payable to the contributor, but no contribution shall be due in respect of any period of leave without pay.

(5) Any contributor who is temporarily transferred or lent to a Government Department may continue to contribute to the Fund at the same rate as he would have contributed if he had not been so transferred or lent.

5. *Contributions of the Board.*—(1) Subject to the provisions of paragraphs (2) and (3), a sum equal to the total of the contributions made to the Fund by each contributor during each year shall, with effect from the last day of that year, be credited to his account with the Fund as a contribution of the Board.

(2) Where a contributor ceases to contribute to the Fund on his death or retirement, a sum equal to the total of his contributions for the year in which the death or retirement occurs shall, with effect from the date of the death or retirement, be credited to his account with the Fund as a contribution of the Board.

(3) Where a contributor is temporarily transferred or lent to a Government Department, then, in respect of his contributions to the Fund for the period for which he is so transferred or lent, no sum under paragraph (1) shall be credited to his account with the Fund but a sum equal to that which would have been so credited under that paragraph in respect of those contributions if he had not been so transferred or lent shall be recovered from such Department immediately on his resuming his duties under the Board and be so credited.

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6. *Investment of Contributions.*—(1) The moneys of the Fund shall, subject to the provisions of paragraph (2), be deposited in a bank.

(2) The Board may invest any sum out of the moneys of the Fund in such securities as the Board may determine.

7. *Dividends, Profits or Interest.*—All dividends, profits or interest accruing from investments of the moneys of the Fund shall be proportionately added to the amounts which are to the credit of the contributors' accounts with the Fund.

8. *Contributors' Accounts.*—(1) A separate account with the Fund shall be maintained for each contributor and such account shall be divided into two parts, the first part showing the amount of the contributor's own contributions with any accruals out of dividends, profits or interest, and the second part showing the Board's contributions credited to such account with any similar accruals.

(2) The Manager shall cause to be furnished to each contributor, as soon as possible after the closing of the Board's financial year, a statement showing the moneys lying to the credit of his account with the Fund.

(3) When a contributor leaves the services of the Board, or dies, on any date, the dividends, profits or interest required by regulation 7 to be credited to his account with the Fund shall be computed up to the end of the month preceding that date and shall be credited to such account, and such account shall then be closed.

9. *Nominees.*—(1) Every contributor shall appoint one or more persons as his nominee or nominees to whom the amount of the balance standing to the credit of such contributor shall, subject to these regulations, be payable. In the case of a contributor who is married, his nominees shall ordinarily be his wife, and child or children, or any of them.

(2) If more than one nominee is appointed by a contributor, he shall specify the proportions in which such nominees shall be paid the amount payable to them under these regulations.

(3) Every appointment of a nominee or nominees shall be in writing.

(4) Any appointment of a nominee made by a contributor prior to the date of his marriage shall upon his marriage be deemed to have been revoked.

(5) Upon the death of a nominee, or, if more than one nominee is appointed, upon the death of all the nominees, his or their appointment shall be deemed to have been revoked.

(6) Where an appointment of a nominee is deemed to have been revoked under paragraph (4) or paragraph (5), the contributor concerned shall make a fresh appointment.

10. *Awards.*—(1) The amount standing to the credit of a contributor's account with the Fund after deduction therefrom of such sum as may be determined by the Board on account of any moneys due from him to the Fund or the Board shall—

(a) in the event of his services being terminated by death—

- (i) be paid to his nominee or nominees in accordance with the provisions of regulation 9, or
- (ii) if no nominee has been appointed by him, be paid to the executor of his will or the administrator of his estate in Ceylon, or
- (iii) if no nominee has been appointed by him and it is established to the satisfaction of the Board that administration of his estate in Ceylon is not required by law, be paid to or for the benefit of his widow, children or relatives, in such proportion as the Board may in its absolute discretion think fit;

(b) in the event of his services being terminated by the Board for causes other than misconduct or negligence in the performance of his duties, be paid to him; and

(c) in the event of his services being terminated by the Board on the ground of misconduct or negligence in the performance of his duties be paid to him after the further deduction therefrom of such sum not exceeding the total amount of the Board's contributions to the Fund in respect of him as the Board may determine.

(2) The amount of any deduction made under sub-paragraph (c) of paragraph (1) shall be paid out of the Fund to the Board and shall form part of the funds of the Board.

11. *Hypothecation, Alienation, Assignment and Attachment.*—Subject to the provisions of these regulations, the amount or any part of the amount to the credit of a contributor's account with the Fund shall not be hypothecated, assigned, transferred or otherwise dealt with, or be liable to be attached, sequestered or levied upon in execution of any decree or order of any court for or in respect of any debt or claim whatsoever.