

## **CHAPTER V**

### **RELEASE, REVERSION AND TERMINATION OF APPOINTMENT**

1. Release for appointment to another post in the Commission/Higher Educational Institution/ Institute
2. Release for service outside the Commission or Higher Educational Institution/ Institute
3. Reversion of persons permanently released
4. Resignation
5. Retirement
6. Termination of Appointment
7. Vacation of Post
8. Dismissal
9. Cessation of Employment by Death
10. Terminal Benefits

## CHAPTER V

## RELEASE, REVERSION AND TERMINATION OF APPOINTMENT

1. **Release for appointment to another post in the Commission/Higher Educational Institution/ Institute**
  - 1.1 If a person who is holding an appointment in the Commission/ Higher Educational Institution/ Institute applies for appointment to some other post in the Commission/Higher Educational Institution/ Institute, his application will be considered only if he can be released from the appointment he holds.
 

Consent to release, a prerequisite for consideration of application
  - 1.2 The release of a person for employment in another capacity in the Commission/Higher Educational Institution/Institute will normally not be refused unless;
    - 1.2.1 the person has been specially trained by the Commission/Higher Educational Institution/ Institute to perform the duties of the post or was selected to the post on the basis of any special qualifications laid down in the Scheme of Recruitment in respect of the post and the new post will not directly benefit by such special training or qualification : and /or
    - 1.2.2 the release would so adversely affect the work that it will out-weigh the benefit which the Commission/Higher Educational Institution/ Institute will derive by his appointment to the new post.

Refusal to release
  - 1.3 If the Chairman of the Commission or the Principal Executive Officer of the Higher Educational Institution/ Institute in which such person is employed, is unable to release him for any of the reasons stated in sub-paragraph 1.2 above, he should state accordingly when the application of the person for the post is forwarded, and give his reasons therefore.
 

Reasons for refusal be given

- 1.4 When a person holding an appointment in the Commission/ Higher Educational Institution / Institute is appointed to another post in the Commission/ Higher Educational Institution/ Institute by a duly authorised appointing authority, he shall be released permanently to assume duties of his new post subject to transfer of bonds (if any) to the new institution and after he has properly handed over his work and any property of the Commission/ Higher Educational Institution/ Institute in his possession to his successor or to a person nominated by the Secretary of the Commission or the Principal Executive Officer/ Registrar of the Higher Educational Institution/ Institute as the case may be. A person released permanently shall be considered as having been released permanently without the right to revert to his immediately preceding substantive post.
- Release to assume duties of new post permanently
- 1.5 Permanent release of a Teacher to accept a post in a Higher Educational Institution/ Institute should be done with the mutual agreement of the Governing Authorities of the two institutions. Transfer of bonds along with outstanding liabilities to his previous employer should also be determined on the same basis. The released member shall be bonded by the new employer and such member of staff shall not be expected to make any payment to the institution where he was employed earlier.
- Permanent release of Academic Staff
2. **Release for service outside the Commission or Higher Educational Institution/ Institute**
- 2.1 A person employed in the Commission may with the approval of the Commission be released permanently or temporarily for employment outside the Commission in the state sector, in a Public Corporation or Statutory Body.
- Release subject to Commission approval

- 2.2 The Governing Authority of a Higher Educational Institution/ Institute may release any of its employees other than teachers for permanent or temporary employment outside the institution in the state sector or in a Public Corporation or Statutory Body. Release subject to Governing Authority approval
- 2.2.1 A teacher/officer employed in the Commission/ Higher Educational Institution/ Institute may subject to the conditions set out in sub-paragraph 2.2 above, be released for a period not exceeding two years, except where the national interest demands an extension of such release for further specified period. Teachers/ Officer: only for two years
- 2.3 Where the release is temporary, the terms of release would be as follows ; Temporary release
- 2.3.1 The period of release should not exceed two years. At the end of this period he should revert to the post in the Commission/ Higher Educational Institution/ Institute unless the State or the Corporation or Statutory Body desires to retain his services permanently and the Commission/ Higher Educational Institution/ Institute has no objection.
- 2.3.2 If the temporary release is at the instance of the Government on grounds of national interest he shall be regarded as being on leave without pay in the Commission/Higher Educational Institution/ Institute for the period of release, subject to provisions in paragraph 18 of Chapter VI. At the instance of Government

- 2.3.3 If the release is at the own request of the person concerned, he shall be granted leave without pay and he shall not be considered for promotion to vacancies which may arise during the period of release. At the instance of the person concerned
- 2.3.4 When an employee is released without pay he shall be informed to settle loans/advances he has already taken or to submit a settlement plan as to how he intends to settle his outstanding loans/advances to the Commission/Higher Educational Institution/Institute. Such settlement plan shall include a standing order agreed upon by a recognized bank/financial Institution for monthly settlement of loans/advances. Settlement plan of loans/advances

In addition, he is required to handover all documents, keys, equipment etc. under his charge to the Commission/Higher Educational Institution/Institute before obtaining such release.

- 2.4 The terms on which a person who has been temporarily released will revert to his former post in the Commission/Higher Educational Institution/ Institute as provided in subparagraphs 27.3.3 and 27.3.4 of Chapter III in regard to seniority, and paragraph 7 of Chapter VI in regard to salary. Terms of reversion

### 3. Reversion of persons permanently released

- 3.1 A person, who is permanently released from the service of the Commission or Higher Educational Institution/ Institute to accept another post whether in the Commission or in a Higher Educational Institution/ Institute or outside it, shall have no right of reversion to his former post. No right to revert

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| 3.2                   | Anyway such reversion, if permitted based on an appeal made by the person concerned through proper channels shall be regarded for all purposes as a new appointment made outside the Scheme of Recruitment and shall in all such cases require the approval of the Commission.   | When and by whom permitted    |
| 3.3                   | Where a reversion is so permitted by the Commission, the person's seniority on reversion shall be determined by sub-paragraph 27.3 of Chapter III and his salary by paragraph 7 of Chapter VI.   | Terms of reversion            |
| 3.4                   | A person who wishes to revert to a post previously held by him in the Commission/ Higher Educational Institution/ Institute on his own request, shall make an appeal to the appropriate appointing authority through proper channels within a period of 03 months from the date of his assumption of duties in the new post. Provisions in sub-paragraphs 3.2 and 3.3 above shall also apply in all such cases.  | Reversion on own request      |
| <b>4. Resignation</b> |  |                               |
| 4.1                   | A teacher employed in a Higher Educational Institution/ Institute may resign from his post upon giving three months' notice in writing to the Principal Executive Officer of the institution. Such notice should be sent through the Head of the Department of Study and the Dean of the Faculty concerned. Teachers employed in Institutes should give notice through the Principal Executive Officer of the Institute to be forwarded to the Vice-Chancellor of the University to which it is affiliated for consideration by the Governing Authority. | Teachers three months' notice |

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| 4.1.1 | Where it is not possible to give the required three months' notice the teacher shall pay the institution three months' basic salary in lieu of such notice. If notice so given falls short of three months, the teacher should pay the full amount covering the period of three months' notice.   | Where notice is not possible                    |
| 4.1.2 | Once notice of resignation is given he is not entitled for any type of leave.   | Not entitled for any leave                      |
| 4.2   | A person holding an appointment in a Higher Educational Institution/ Institute such as a Temporary Assistant Lecturer, Temporary Demonstrator, Temporary Instructor or Temporary Research Assistant etc. may resign from his post upon giving one month's notice in writing or one month's basic salary in lieu thereof. However, this requirement may be waived off by the Principal Executive Officer if he is satisfied, on the recommendation of the Head of Department of Study and the Dean of the Faculty with the reasons given for his inability to give one month's notice. | Temporary Assistant Lecturers/ Instructors etc. |
| 4.3   | A person other than a teacher employed in the Commission/ Higher Educational Institution/ Institute may resign from his post upon giving one month's notice in writing to the Principal Executive Officer /Registrar of the Higher Educational Institution or the Secretary of the Commission as the case may be. Employees other than teachers serving in Institutes should give notice through the Principal Executive Officer of the Institute to the Vice Chancellor/ Registrar of the University to which it is affiliated.  | Resignation: other than teachers                |
| 4.3.1 | Where it is not possible to give the required one month's notice, or if taken any type of leave during the period of notice, the employee shall pay the institution one month's basic salary in lieu of such notice.  | Where notice is not possible                    |

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| 4.4 | Notice of resignation should not be accepted unless he has settled all outstanding dues to the Commission/ Higher Educational Institution/ Institute.   | Outstanding dues should be settled       |
| 4.5 | Notices of resignation given under sub-paragraphs 4.1, 4.2 and 4.3 above are not effective until they are accepted by the appropriate appointing authority upon complying with the requirements of sub-paragraphs 4.6 and 4.7 below.  | Resignation not effective until approval |
| 4.6 | <p>On receipt of a letter of resignation, the person concerned should be informed in writing of the consequences of his resignation: viz ;</p> <p>(a) he will have no right to revert to his post thereafter ;</p> <p>(b) he will forfeit all claims for any benefits arising from his service in the Commission/Higher Educational Institution/ Institute, should he afterwards succeed in obtaining employment in the Commission/ Higher Educational Institution/ Institute ;</p> <p>(c) if his resignation is accepted, any application to withdraw it later will not be considered.</p> | Consequences of resignation              |
| 4.7 | An acknowledgement to the effect that he has been informed of these consequences of resignation be obtained from him and filed in his personal file along with his notice of resignation.   | Acknowledgement                          |
| 4.8 | When the Secretary of the Commission or the Registrar of the Higher Educational Institution/Institute as the case may be, forwards the notice of resignation to the appointing authority, the fact that the requirements of sub-paragraphs 4.6 and 4.7 have been complied with, should be intimated.  | Requirements to be complied with         |



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| 4.9    | The acceptance of resignation by the appropriate appointing authority should be notified in writing to the person concerned.   | Acceptance in writing             |
| 4.10   | A person who resigns from his post forfeits all claims to any benefits arising from his service prior to his resignation.  | Loss of benefits                  |
| 4.11   | If an appointing authority refuses to accept a resignation for reasons which it may adduce, but the person ceases to report for duty, he shall be treated as having vacated his post as from the date of such cessation and action shall be taken in terms of paragraph 7 of this Chapter. | Where resignation is not accepted |
| 4.12   | A teacher/officer who tenders his resignation while on study leave should be considered as having violated his bond and agreement with the Higher Educational Institution/ Institute.  | Teachers/officers on study leave  |
| 4.13   | A teacher/ officer who requests that, he be permitted to settle his bond, may be allowed to do so.   | Repayment of Bonds                |
| 4.13.1 | The maximum period which may be allowed for such repayment should be 48 months, but individual cases should be decided by the Commission or Governing Authority of the Higher Educational Institution/ Institute after considering the merits of each case.                                | Maximum period for repayment      |
| 4.14   | If a full settlement is made the letter of resignation which may have been received shall be submitted to the Commission or the Governing Authority of the Higher Educational Institution/Institute as the case may be for acceptance of his resignation.                                  | When full settlement is made      |

## 5. Retirement

5.1 The holder of a post of teacher who has been confirmed in his post, shall continue in that post until he has completed his sixty fifth year of age or if he completes his sixty fifth year of age in the course of an academic year, until the last day of that academic year, i.e. 30<sup>th</sup> September which falls immediately after his 65<sup>th</sup> birthday and shall thereafter be deemed to have retired from the service. However, if the academic year which is in operation at the time of his 65<sup>th</sup> birthday goes beyond the immediately following 30<sup>th</sup> September, the teacher may continue to serve till the end of that academic year. In all circumstances the teacher must be retired prior to his 66<sup>th</sup> birthday. Provided however, that the holder of any such post may, at any time, be suspended, pending an inquiry by the Governing Authority of the Higher Educational Institution/ Institute to which such teacher is attached, for misconduct, inefficiency or dereliction of duty or be dismissed or compulsorily retired, if found guilty after such inquiry, on a resolution adopted by such Governing Authority [Section 73 of the Act].

Retirement of  
Teachers

5.1.1 A teacher should give notice of his retirement to the Principal Executive Officer of the Higher Educational Institution/ Institute in writing at least six months before he completes his sixty fifth year through the Head of the Department of Study and Dean of the Faculty concerned.

Notice of  
retirement by  
teachers

5.1.2 In this paragraph a 'teacher' shall be deemed to include Librarian, Deputy Librarian, Senior Assistant Librarian and Assistant Librarian.

- 5.2 The retirement age of a public officer, as may be determined by the Government from time to time, shall apply with effect from the same date as applicable to a public officer, in respect of the retirement age of the holder of any post other than that of a teacher.
- Retirement of persons other than teachers
- 5.2.1 Accordingly, the optional age of retirement of the holder of any post other than that of a teacher shall be 55 years at present. However, if any person intends to serve beyond this limit, he may continue to serve up to compulsory age of retirement i.e. 65 years of age, without applying for an extension of service until he completes his sixty fifth year and shall thereafter be deemed to have retired from the service.
- Optional and compulsory age of retirement
- 5.3 If a person holding an appointment other than that of a teacher wishes to retire on completing the age of fifty five years, he should give notice of his retirement in writing at least three months before the date of completing his fifty fifth year to the Chairman of the Commission/the Principal Executive Officer of the Higher Educational Institution/ Institute through the Secretary/ Registrar as the case may be.
- Notice of retirement of persons other than teachers
- 5.3.1 Provided, that during the age of 55 – 65 years, the person at his discretion may retire from the service after giving 03 months prior notice to the Commission/the Governing Authority as the case may be.
- 5.3.2 The holder of any such post however may, at any time, be suspended pending an inquiry by the Commission/the Governing Authority of the Higher Educational Institution/ Institute to

which he is attached as the case may be, for misconduct, inefficiency or dereliction of duty or be dismissed or compulsorily retired, if found guilty after such inquiry, on a resolution adopted by such Commission/ Governing Authority [Section 75 of the Act].

5.3.3 A person who is permitted to continue in service beyond the age of fifty five should give at least three months' notice before he ultimately retires or before he is granted leave preparatory to retirement.

Three months' notice of retirement

5.4 No person other than a teacher should be continued in service after he completes the age of sixty five years, unless otherwise a decision is taken by the government extending the compulsory age of retirement of public officers as specified in sub paragraph 5.2 above.

## 6. Termination of Appointment

6.1 The services of a person on probation or a person holding a temporary/ casual/ daily paid appointment may be terminated by the appointing authority without reasons being assigned.

Probationary/  
Temporary/  
Casual/ Daily  
Paid  
appointments

## 7. Vacation of Post

7.1 A person employed in the Commission/ Higher Educational Institution/ Institute who absents himself from duty without prior approval will be deemed to have vacated his post from the date of such absence and he should be immediately informed in writing by registered post or by any appropriate means by the disciplinary authority.

Immediate Notice

7.2 (a) A person employed in the Commission/Higher Educational Institution/ Institute who does not

While on study leave

resume duties of his office at the expiry of his study leave either locally or abroad or when he leaves the services of the Commission/Higher Educational Institution/ Institute in the circumstances where his resignation cannot be accepted, he should be deemed to have vacated his post and he should be immediately informed accordingly by registered post or by any appropriate means.

- (b) The above provision will apply *mutatis mutandis* to any other type of leave availed by a person locally or abroad and have failed to resume duties after approved leave. While on any other leave
- 7.3 A person who is deemed to have vacated his post in terms of sub paragraphs 7.1 or 7.2 above should not be permitted thereafter to resume duties of his post or to mark his attendance. Not permitted to resume duties
- 7.4 Charges should not be framed against a person who is deemed to have vacated his post, nor should he be called upon to submit an explanation for his absence without leave or failure to return to the island. Charges not be framed
- 7.5 Where he volunteers an explanation within one month if such person is within the island, or within three months if the person is out of the island, it should be submitted to the appropriate disciplinary authority for a decision in terms of sub paragraphs 20.12 and 20.13 of Chapter III. Where an explanation is volunteered
- 7.6 If the person is under a bond he should be requested in writing within a period of three months to settle in full all dues to the Commission/ Higher Educational Institution/ Institute under the terms of the bond from the date of such request with copies to his sureties. This would include the total of all salaries and Persons under bond, called to settle in full

allowances paid plus the cost of passage; registration, tuition and examination fees; subsistence, outfit allowance and living allowances; and any other payments or a scholarship/ grant/award etc., made by the Commission/ Higher Educational Institution/ Institute/ Awarding Agency to him or on his behalf.

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| 7.6.1 | If no reply is received within the time stipulated in sub-paragraph 7.6 above from the principal debtor, letters should be sent to the sureties of the bond for settlement within a period of one month.   | Sureties to be informed       |
| 7.6.2 | Where no settlement is made by the principal debtor/sureties within the stipulated time period, necessary legal action should be taken to recover the amount as early as possible.   | Legal action                  |
| 7.7   | If a full settlement is made in accordance with the conditions of the bond, the letter of resignation which may have been received shall be submitted to the Commission/ Governing Authority of the Institution/ Institute as the case may be, for acceptance of his request for resignation.  | Where bond is settled in full |
| 7.8   | Where no settlement is made, relevant authorities including the scholarship/ grant awarding agency if any, should be informed, that the person has been served with notice of vacation of post and that he has not resumed duties in the Commission/ Higher Educational Institution/Institute. It is also necessary to inform the Sri Lankan diplomatic missions in the country where the person who has vacated post was/is known to live; and the Controller of Immigration and Emigration for imposing restrictions on extending validity of his visa and passport. | Where no settlement is made   |

7.9 Payment of terminal benefits should not be sanctioned until a letter of acceptance of resignation/ retirement is issued by the Commission/ Higher Educational Institution/ Institute or unless otherwise directed.

Pre-condition for payment of terminal benefits

7.10 The salary normally due in lieu of notice of resignation/ retirement should be made a charge on any monies which are due from the Commission/ Higher Educational Institution/ Institute to the person concerned in the case of vacation of post as well.

Salary in lieu of notice of resignation / retirement

## 8. Dismissal

The dismissal of a person may be on the ground of incapacity of conduct which renders him unfit to be an employee of the Commission/ Higher Educational Institution/ Institute.

Reasons for dismissal

8.1 Subject to the provisions of the Act, the power of dismissal of any of its employees shall be in the Commission [under Section 8(3)(a) of the Act]; the Council of a University [under Section 45(2) (xii) of the Act]; or the Board of Management of a University College [under Section 63(3) of the Act] as the case may be.

Power to dismiss

8.1.1 The Board of Management of an Institute may recommend to the University to which it is affiliated, the dismissal of a person in the employment of the Institute.

Recommendation to dismiss

8.2 Governing Authority of a Higher Educational Institution may delegate its power to dismiss employees other than officers and teachers to the Principal Executive Officer of such Higher Educational Institution.

Delegation of Authority to dismiss: Higher Educational Institutions/ Institutes

8.2.1 The Vice-Chancellor of a University may be delegated by the Council accordingly the power to dismiss employees other than teachers and officers of any Higher

Educational Institution/ Institute affiliated to such University upon the recommendation of the Board of Management of such Institute.

8.2.2 The Commission may under Section 7(3) of the Act delegate to the Chairman its powers to dismiss such categories of its employees as the Commission may resolve. Commission

8.3 The procedure laid down in Chapter XIX should be followed in regard to framing charges and conducting inquiries etc. which would lead to an order to dismiss. Procedure for ordering dismissal

8.4 The date of dismissal of an employee shall be the date on which the Commission/ Governing Authority of a Higher Educational Institution resolved accordingly or the date on which the Chairman of the Commission/ Principal Executive Officer of a Higher Educational Institution made his administrative order of dismissal. Effective date of dismissal

8.5 A person who has been dismissed from the service of the Commission or a Higher Educational Institution/ Institute may make an appeal to the University Services Appeals Board under Section 86(b) of the Act. Appeals

## 9. Cessation of Employment by Death

9.1 When a person ceased to be an employee of the Commission/ Higher Educational Institution/ Institute by reason of his death, the payment of the salary which is due to him in respect of the month in which he died will be governed by paragraph 11 of Chapter VI. Salary of deceased employee



## 10. Terminal Benefits

### 10.1 Payment of Gratuity

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| 10.1.1 | Eligible employees of the Commission and/or the Higher Educational Institution/ Institute/ should be paid a gratuity in accordance with the provisions of the "Payment of Gratuity Act No.12 of 1983".  | Eligibility to a gratuity         |
| 10.1.2 | Every employee will on termination of his services (whether by the employer or employee or on retirement or by the death of the employee, or by operation of law, or otherwise) be eligible to receive a gratuity provided that he has rendered a period of service of not less than five (5) completed years to the Commission and/or any Higher Educational Institution/ Institute. | When payable                      |
| 10.1.3 | A gratuity shall be paid to an eligible employee by the Commission/-Higher Educational Institution/ Institute as the case may be, to which such employee was attached at the time when the cessation of his services occurred.  | By whom payable                   |
| 10.1.4 | Any payment of a gratuity due to an employee in the event of the death of that employee before receiving that payment shall be paid to his legal heirs.   | In the event of death of employee |
| 10.1.5 | A gratuity shall be paid to an eligible employee or in the event of his death before receiving that payment, to his legal heirs, within a period of thirty (30) days from the cessation of his services.  | Payment within 30 days            |

<p>10.1.6 An employee shall be entitled to receive as gratuity a sum equivalent to ;</p> <p>(a) Half a month's wage or salary for each year of completed service computed at the rate of wage or salary last drawn by the employee, in the case of a monthly waged employee; and</p> <p>(b) In the case of any other employee fourteen days wage or salary for each year of completed service computed at the rate of wage or salary last drawn by that employee ; provided however, that in the case of a piece-rated employee the daily wage or salary shall be computed by dividing the total wage or salary received by him for a period of three months immediately preceding the termination of his employment by the number of days worked by him in that period.</p>	Basis of payment
<p>10.1.7 Any employee to whom a gratuity is payable and whose services had been terminated for reasons of fraud, misappropriation of funds of the employer, wilful damage to property of the employer or causing the loss of goods, articles of property of the employer, shall forfeit such gratuity to the extent of the damage or loss caused by such employee. The amount to be forfeited should be determined after conducting a formal inquiry.</p>	Gratuity payable in case of termination of service due to fraud, misappropriation etc.
<p>10.1.8 No employee shall be entitled to a gratuity or other terminal benefit in terms of any collective agreement,</p>	Not entitled for Gratuity or other terminal benefits

award of an Industrial Court or arbitrator or other agreement in addition to the gratuity payable under this paragraph.

- 10.1.9 No gratuity shall be payable to an employee who is already entitled to a pension under any non-contributory pension scheme either in the state sector or in other organizations.

Pensionable  
officers

**Note :** For the purpose of sub-paragraph 10.1;

Interpretation

- (a) 'Completed years of service' means uninterrupted service and includes service which is interrupted by approved leave on any grounds whatsoever, a strike or lockout or cessation of work not due to any fault of the employee concerned.
- (b) 'Wages or salary' means –
- (I) the basic or consolidated wage or salary ;
  - (II) cost of living allowance, and other allowances approved by the Commission
  - (III) piece-rates;
- (c) 'Year' means a complete period of twelve months.

## 10.2 Universities Provident Fund

- 10.2.1 Every member of the staff of the Commission or a Higher Educational Institution/Institute shall, from the date of assumption of duties in his appointment on such post, contribute to the 'Provident Fund' by means of equal monthly deductions from his salary, an amount equal to ten per centum (10%) of his earnings. The Commission or the Higher Educational Institution/Institute shall, in addition, out of its 'Fund' at the

Contributions to  
the Universities  
Provident Fund

same time contribute to the Provident Fund in respect of every 'contributor' a sum equal to fifteen per centum (15%) of the 'earnings' of that contributor or such other sum as the Minister in charge of the subject of university education may in consultation with the Minister in charge of the subject of finance determine. For those who are appointed to a permanent post in the university system after 1<sup>st</sup> September 1999, seven (7%) per centum out of the above mentioned fifteen (15%) per centum shall be credited to the Universities Provident Fund and eight (8%) per centum shall be credited to the Universities Pension Fund, subject to the provisions in sub-paragraph 10.3.1 of this Chapter.

Note: (a) 'Provident Fund' means the Provident Fund established by the Commission in terms of Section 90 of the Universities Act and the Universities Provident Fund Ordinance No. 1 of 2015 as amended, in which the regulation, administration and management of the Fund is provided

(b) 'Fund' in relation to the Commission means the Fund of the Commission established under Section 10 of the Act and 'Fund' in relation to a Higher Educational Institution /Institute means the University Fund established under Section 99 of the Act

or the Fund established in accordance with the provisions of the Ordinance under which such Institute is established

(c) 'Contributor' means any member of the staff of the Commission or of a Higher Educational Institution/Institute who is a contributor to the Provident Fund

(d) 'Earnings' means earnings as defined in the Employees Provident Fund Act No. 15 of 1958

10.2.2 The Secretary of the Commission or the Officer authorized by him shall open and keep a general account for the Provident Fund and a separate account in respect of each contributor to the Provident Fund. All contributions made by a contributor to the Provident Fund and all contributions made by the Commission or the Higher Educational Institution/Institute to the Provident Fund in respect of that contributor shall be placed to the credit of the said account of that contributor in the Provident Fund.

General Account  
for the Provident  
Fund

10.2.3 Each Higher Educational Institution/Institute or the Commission, as the case may be, is required to transfer at regular monthly intervals the individual's contribution deducted from his salary and the institution's contribution in respect of each employee to the General Provident Fund Account.

- 10.2.4 The amount lying to the credit of the account of a contributor shall accumulate at compound interest at a rate to be fixed by the Minister until the day on which that contributor ceases to be in the employment and the account of that contributor shall be closed on that date.
- 10.2.5 When the account of any contributor is closed the full amount lying to the credit of his account in the Provident Fund together with the accumulated interest thereon shall be paid to him by the Secretary of the Commission or the authorized officer within a period of three months from the date on which his account was closed subject to following deductions, if any, which shall be a first charge upon the amount lying to the credit of his account;
- To be paid within  
a period of three  
months
- (a) The quantum of any loss or damage sustained by the Commission or a Higher Educational Institution/ Institute by reason of the dishonesty or negligence of a contributor at any time during the period of his employment
- Deductions
- (b) Payments due on any loan taken by the contributor from the Commission or a Higher Educational Institution/Institute or the Government, as the case may be
- (c) The dues under any bond, agreement or other instrument executed by the contributor under the provisions of which he agrees that dues shall be a charge

on the amount lying to his credit  
in the Provident Fund

10.2.6 If the Provident Fund is not paid to him within three months for no fault of the contributor, the amount lying to his credit shall continue to accumulate compound interest at the same rate until the last date of the month preceding that in which the full amount is paid to him.

10.2.7 A contributor may nominate person/persons to whom the moneys lying to the credit of the contributor's account in the Provident Fund shall be paid upon the death of such contributor.

Nomination by  
the contributor

(a) A nomination by a contributor shall be made in the Form specified in Section 12 of the Provident Fund Ordinance as amended

(b) A contributor who wishes to make a nomination shall, if he is married, nominate jointly or severally his spouse and children and if he is not married, nominate any person.

(c) A contributor who does not wish to make any nomination shall declare his intention by specifying in the list of nominees that he has no nominations.

(d) A nomination shall not be valid or have any effect in law unless the same has been made and handed over to the Secretary of the Commission or to the head of the relevant Higher Educational Institution/

Institute, as the case may be, before the death of the contributor making the nomination.

- (e) Where more than one person is nominated, the contributor making the nomination may specify in the nomination form the proportions in which the benefits payable shall be shared by the respective nominees. In the absence of such direction as to the proportions payable to the nominees, the benefits shall be paid to the persons so nominated in equal shares.
  - (f) A nomination made under 10.2.7 above shall have effect notwithstanding anything to the contrary in the last will of the nominator.
  - (g) A nomination made shall deem to be revoked;
    - (i) upon the death of the nominee in the life time of the contributor, if there is only one nominee
    - (ii) where there is more than one nominee, in the event of the death of any one of those nominees during the lifetime of the contributor
    - (iii) in the case of any nominations made by a contributor prior to the change of his civil status, i.e., upon his marriage
    - (iv) by written notice of revocation signed by the contributor in the
- When to revoke a nomination



presence of a witness who shall attest his signature or by any subsequent nomination made by the contributor.

- (h) A nominee shall be entitled to receive payments from the Fund only upon the death of the contributor and if he has been duly nominated by the contributor.
- (i) If there is no valid nomination in force or if the nominee or nominees are dead at the time of the death of the contributor, payment shall be made to the legal heirs of the deceased contributor.
- (j) No moneys lying to the credit of the account of a contributor shall be paid to any nominee of such contributor unless the nominee satisfies the Secretary of the Commission as to his identity.

10.2.8 The handing over of any moneys lying to the credit of the account of a contributor to the nominee of such contributor shall be a complete discharge of the obligations of the Commission in respect of such moneys.

10.2.9 Any contributor who is aggrieved by a decision made by the Secretary of the Commission or the authorized officer or an act or omission of a head of a Higher Educational Institution/Institute or of the Commission in terms of the Universities Provident Fund

Appeals by an aggrieved party

Ordinance No. 1 of 2015 as amended, may appeal to the Commissioner of Labour.

### 10.3 Universities Pension Fund

10.3.1 Employees of the staff of the Commission or of a Higher Educational Institution/ Institute, appointed to a permanent post after 1<sup>st</sup> September 1999, are members of the 'Universities Pension Fund'. (Refer sub-paragraph 10.2.1 above) Those who were holding a permanent post and in service as at 1<sup>st</sup> September 1999 also could opt to contribute to and become members of the Pension Fund.

Members of the  
Universities  
Pension Fund

Provided however, the holder of a permanent post who does not have at least twenty (20) years of service ahead to his age of retirement at the time of appointment to the said post shall not be entitled to become a member of the Pension Fund.

Note: 'Universities Pension Fund' means the Fund established by the Commission under Section 97 of the Universities Act for which regulation, administration and management are provided by the Universities Pension Fund Ordinance No. 04 of 2020.

10.3.2 The Secretary of the Commission shall be in charge of the regulation, administration and management of the Pension Fund.

10.3.3 The Secretary shall open and keep a general account for the Pension Fund and a separate account in respect of each member of the Pension Fund. All contributions to the Pension Fund

in respect of that member shall be credited to the separate account of that member in the Pension Fund. The Secretary shall have the custody of monies of the Pension Fund.

- 10.3.4 A monthly contribution as may be determined by the Commission shall be made by the employer to the Pension Fund concerning each employee.
- 10.3.5 Every member who has served 20 years or more and served till the age of retirement or served 20 years or more and retired due to ill health before the age of retirement shall be entitled for a monthly pension of a per centum specified in the said Ordinance No. 04 of 2020.
- 10.3.6 The holder of any post other than that of a teacher who could retire at the optional age of retirement but opt to continue to work till the compulsory age of retirement or retire in between shall be paid on pro-rata basis as decided by the Commission. In the event of cessation of employment of a teacher before his compulsory age of retirement he shall not be entitled for a monthly pension.
- 10.3.7 When contributions are not received for a period due to leave without pay or any other reason such period shall be reduced from the total service period for the calculation of the pension payable.
- 10.3.8 Dependents of a member who has served twenty (20) years or more at the time of death shall be paid a pension as follows;

(a) Fifty per centum (50%) of the pension shall be paid to the widow or widower

(b) Balance fifty per centum (50%) shall be equally divided and paid to the legitimate children until they reach 18 years of age

Provided however, where there is a dispute with regard to the beneficiaries, pension shall be paid in accordance with the ruling of a court of law.

- 10.3.9 The pension payable to a member shall begin upon the retirement of the member or upon the death of such member to the dependents and shall accrue daily and be paid monthly.
- 10.3.10 The Secretary shall ensure that the pensioner or the dependent/s, as the case may be, are alive and entitled to the pension claimed by such pensioner or the dependent/s.
- 10.3.11 A pension payable to a minor shall be credited to a minor's bank account in a government approved bank.
- 10.3.12 The amount and interest lying to the credit of a member, who retires, resigns or terminated prior to 20 years of service, shall be refunded at the point of cessation of his service.
- 10.3.13 In the event of a death of a member who has not completed twenty (20) years of service, the amount and accrued interest lying to the credit of such member shall be paid to the nominee/s, if any, subject to the conditions stipulated in Sections 7, 8, 9, 10, 11 and 12 of the Universities

Pension Fund Ordinance No. 04 of 2020.

10.3.14 Every member shall make the declarations and furnish all the particulars stipulated in Sections 14, 15, 16 and 17 of the said Ordinance with regard to his personal details, civil status, change of civil status, details about the spouse and the children etc. within the stipulated time periods with adequate proofs.

10.3.15 Every pensioner shall prior to 31st January of each year submit to the Secretary of the Commission, a declaration in the form as may be prescribed by the Commission stating the entitlement to receive a monthly pension from the Pension Fund as provided in the Universities Pension Fund Ordinance. If any pensioner fails to submit the declaration prior to the due date, the monthly pension shall be suspended until the submission of such declaration.

10.3.16 Notwithstanding anything in any written law other than the Ordinance, the money lying to the credit of a member in the Pension Fund shall not at any time be attached, sequestrated as surety against any loan, bond or agreement or any dues under the following circumstances;

- (a) the quantum of any loss or damage sustained by the Commission or a Higher Educational Institution/ Institute by reason of the dishonesty or negligence of a member at any time during the period of his employment

Not to be attached or sequestrated as a surety against any loan, bond or agreement

- (b) payments due on any loan taken by the member from the Commission, Higher Educational Institution/Institute or any other institution or person
- (c) the dues under any bond, agreement or other instrument executed by the member
- (d) execution of a decree or process of any court

Provided however, the above provisions shall not be applicable to a member who does not complete twenty (20) years of service or who ceases to be an employee due to retirement, resignation or termination prior to the age of retirement. In such an event written consent of such member shall be obtained prior to deducting of such amount in accordance with the instructions issued from time to time by the Commission.

#### 10.4 Employees' Trust Fund (ETF)

- 10.4.1 All employees (as defined in Section 44 of the Employees' Trust Fund Act No.46 of 1980, as amended) of the Commission and Higher Educational Institutions/Institutes are members of the Employees' Trust Fund in terms of Section 2 of the Employees' Trust Fund (Special Provisions) Act No.19 of 1993.
- 10.4.2 The Commission/ Higher Educational Institutions/ Institutes shall in respect of each month during which such employee is employed accordingly, be liable to pay in respect of such employee to the Trust Fund on or before the last day of the succeeding month, a contribution of an amount equal to three per centum (3%) of the total earnings of such employee from his employment (as defined in Section

44 of the said Act, as amended) during that month.

- 10.4.3 Any contribution made by the employer in respect of any employee shall be credited to the individual account of such employee in the Fund.
- 10.4.4 On cessation of the employment, each employee is entitled to claim the amount lying to his credit including the accrued interest in the Fund for refund subject to the conditions stipulated in the said Act.