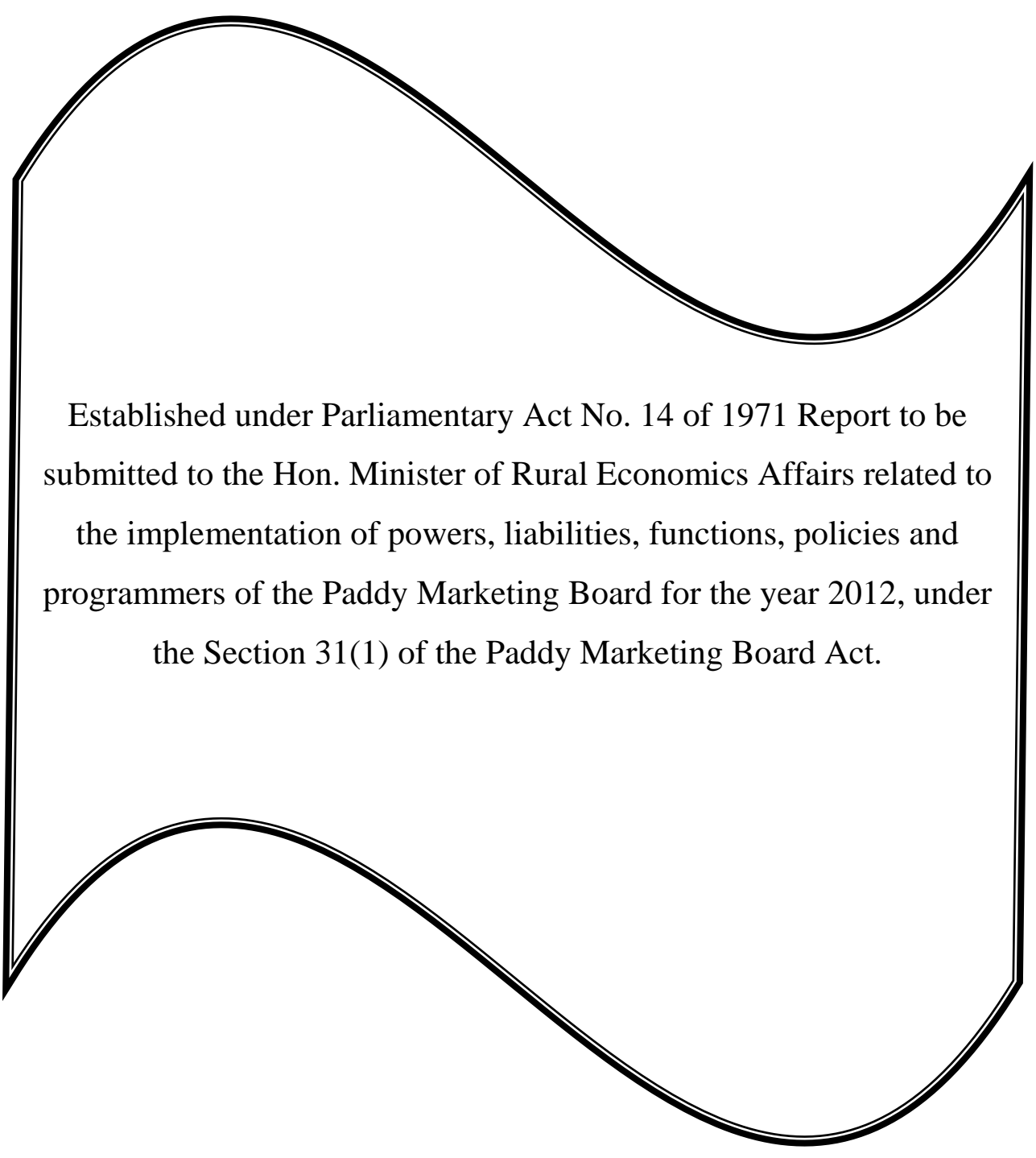




PADDY MARKETING BOARD

ANNUAL REPORT

2012



Established under Parliamentary Act No. 14 of 1971 Report to be submitted to the Hon. Minister of Rural Economics Affairs related to the implementation of powers, liabilities, functions, policies and programmers of the Paddy Marketing Board for the year 2012, under the Section 31(1) of the Paddy Marketing Board Act.

VISION

To be the leading national institution in
Purchasing and handling
Agro-based products

MISSION

Implementation of a trading mechanism
towards the satisfaction of
agro-producer and consumer.

Aims and objectives of the Paddy Marketing Board

1. Purchase, sales and supply of grain products and maintaining distribution activities.
2. Motivation to keep up the quality of grain products.
3. Preparing and distribution of grain products for consumption.
4. Maintaining a buffer stock for food security.
5. Making arrangements to provide quality grain products to consumers at reasonable prices.
6. Enhancement of livelihood of farmers by providing assured prices for grain products.

PADDY MARKETING BOARD

ANNUAL REPORT - 2012

	Page
❖ Report of the Director Board of the Paddy Marketing Board	01
❖ P.M.B. Organization Structure	02
❖ Paddy Purchasing Programme	03
❖ The Methodology Adopted in Purchase of Paddy	04
❖ Re Opening of Paddy Marketing Board	06
❖ Progress of Paddy Purchasing 2011/12 Maha	07
❖ Progress of Paddy Purchasing 2012 Yala	08
❖ Region wise Paddy Purchasing - 2011/12 Maha	09
❖ Region wise Paddy Purchasing - 2012 Yala	18
❖ Store Belongs to Paddy Marketing Board	21
❖ Guaranteed Price for Paddy (2000 -2012)	29
❖ Re- Construction / Renovation of Stores in 2012	30
❖ Report of the Auditor General	32
❖ Annual Accounts	42

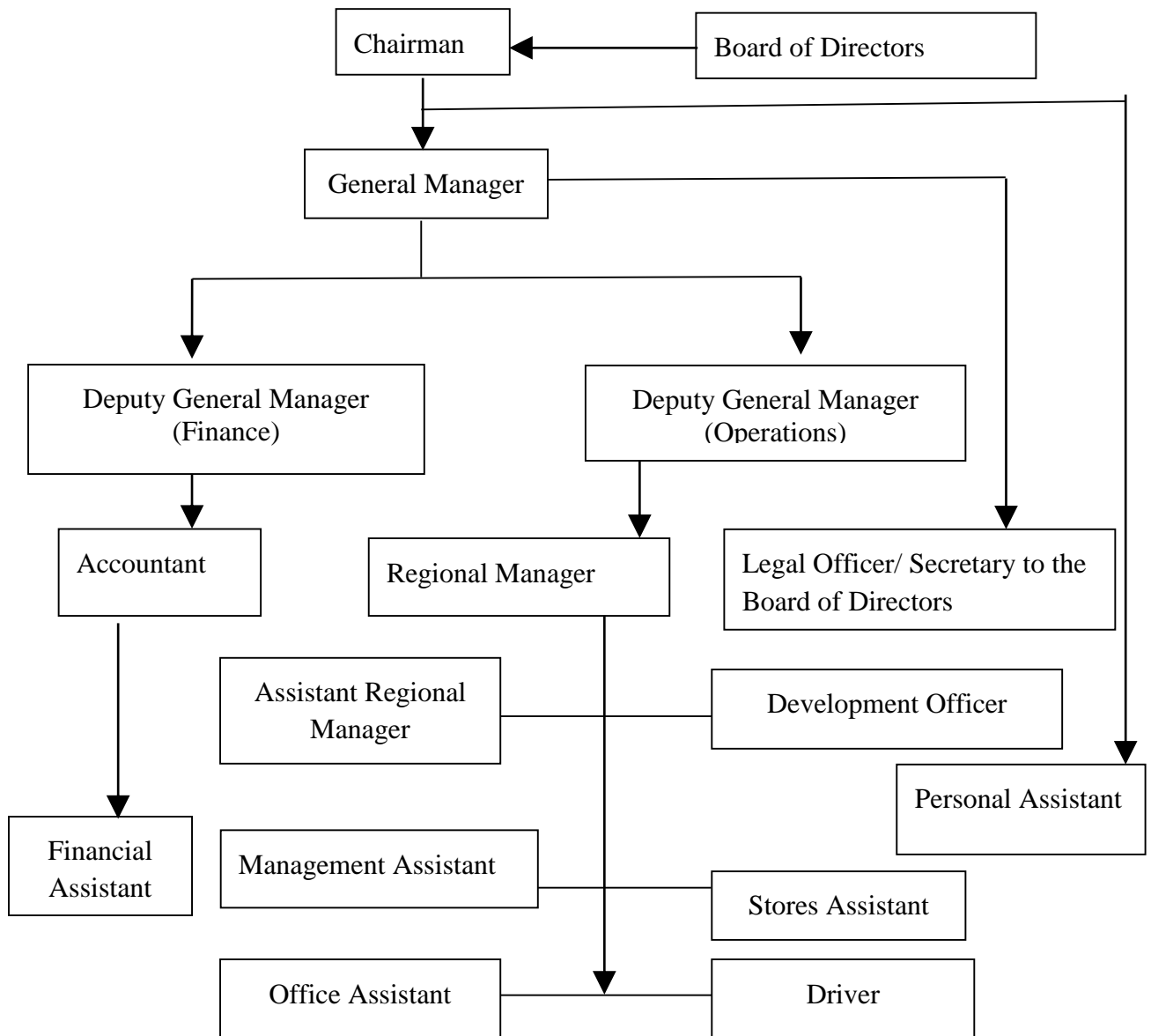
1.0 Board of Directors of the Paddy Marketing Board in Year 2012

The Board of Directors the Paddy Marketing Board was comprised of the following officers in the year 2012

- | | |
|-------------------------------|--|
| 1. K.B. Jayasinghe | Chairman, Paddy Marketing Board |
| 2. Mrs. M.T.I.V. Amarasekara | Deputy Director State Enterprises Department
Ministry of Finance |
| 3. Mr. Ravindra Hewavitharana | Commissioner General
Agrarian Development Commissioner's
Department (From January to June 2012)
Mr. M.A.S. Weerasinghe
From 18.06.2012 onwards |
| 4. Mr. W.H. Karunarathne | Commissioner for Co – operative Development
Department of C-operatives |
| 6. Mrs. Nimalka Dias | Food Commissioner
Food Commissioner's Department |
| 7. Mr. D. Jeevanathan | Additional Secretary (Business & Marketing)
Ministry of Co –operatives and Internal Trade |
| 8. Mr. A.R.M. Haris | Member of Board of Director (Appointed) |

In the year 2012, eights (08) Board Meetings were conducted by the Board. The Paddy Marketing Board experienced a change in the Board of Directors as Mr. Ravindra Hewavitharana, the Commissioner General, Agrarian Development Commissioner's department was appointed as District Secretary for the district of Galle effective from June 2012 and Mr. M.A.S. Weerasinghe, Commissioner General of Agrarian Development, was officially nominated in the place of Mr. Ravindra with effect from 18.06.2016. Mrs. Ruwanthika Gunawardhane, the legal officer, served as the Secretary to the Board with effect from the monthof June in year 2011.

2.0 Organizational Structure



3.0 Paddy Purchasing

The guaranteed price for a kilograms of Samba and Nadu were Rs. 30/= and Rs. 28/=, respectively in year 2012. PMB purchased the paddy from farmers at a guaranteed price according to the following quality criteria.

- 1 Moisture (Maximum) : 14%
- 2 Impurities : less than 01%
- 3 Mixture of other varieties (Type admixture) : less than 06%
- 4 Immature Seeds (chaff) : less than 09%
- 5 Free from discolored seeds
- 6 Free from gravel, sand and dirt
- 7 Free from seeds infected by insects, insect eggs & other damages
- 8 Free from seeds infected by fungus

As per the sources of Department of Agriculture, the Paddy production during the 2011/12 *Maha* Season was reported 2,716, 961 MT and *Yala* Season 1,128,984 MT. Accordingly, the total paddy production in Sri Lanka accounted 3,845,945 MT in the year 2012. Out of the National production, PMB purchased 115,786 MT in *Maha* season and 10,476 MT in *Yala* season.

Objective of the Paddy Marketing Board has been succeeded through the paddy purchasing program that endeavored to directly purchase paddy from the farmers at guaranteed prices. Accordingly, Rs. 3,553 M has been paid to the farmers for the purchase of 126,262 MT of paddy in year 2012.

PMB facilitated farmers to directly sell their production to the stores without any ones interference. This methodology as in figure 01, restricted the intervene by the third parties and ensures farmers autonomy to directly deal with the stores of the Paddy Marketing Board.

Methodology adopted in the purchasing of Paddy

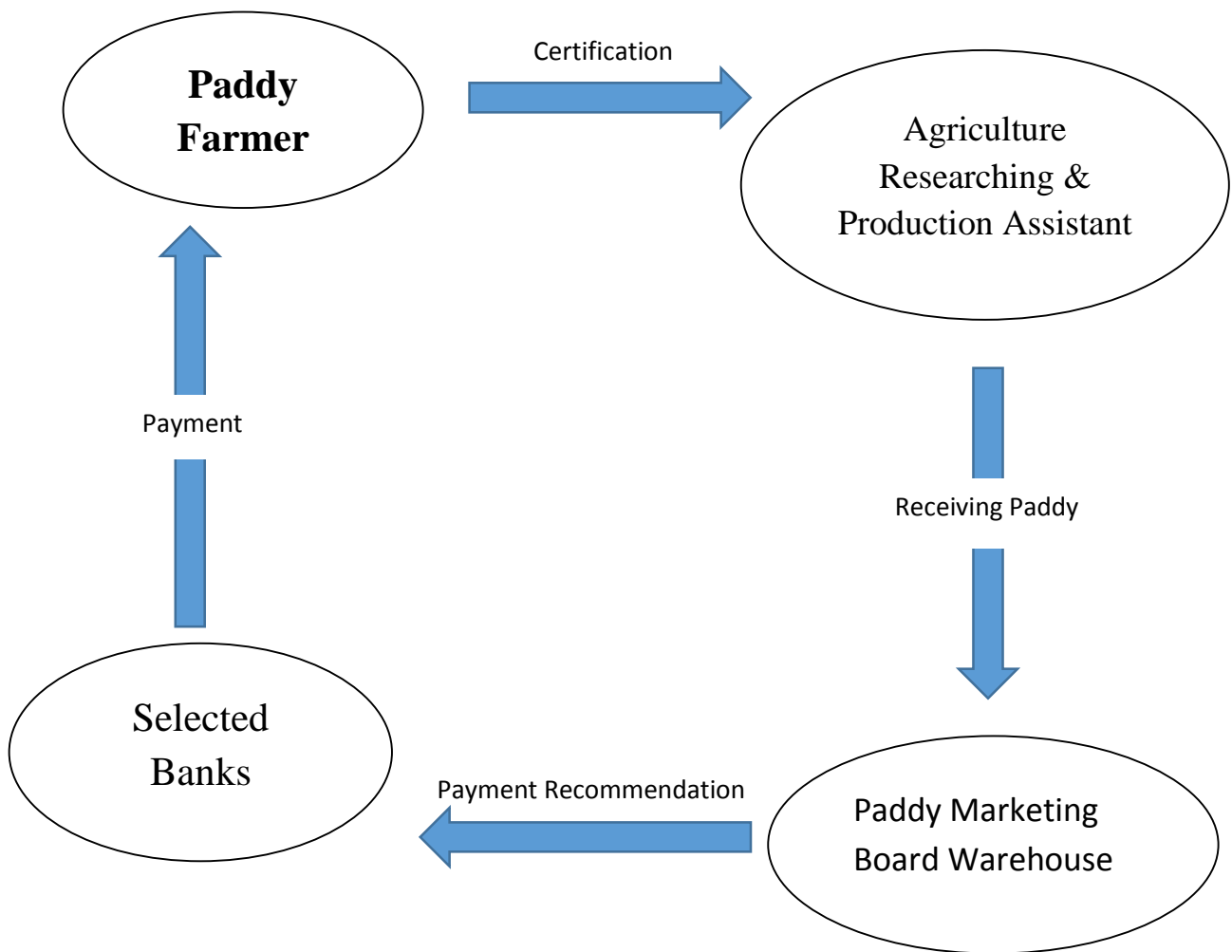


Figure 2: Paddy purchasing methodology

Table 01: Paddy purchasing progress during last four years

Seasons	Quality of Paddy Purchased (MT)			
	2009	2010	2011	2012
<i>Yala</i>	38,000	70,771	3,470	10,476
<i>Maha</i>	13,374	111,756	75,172	115,786

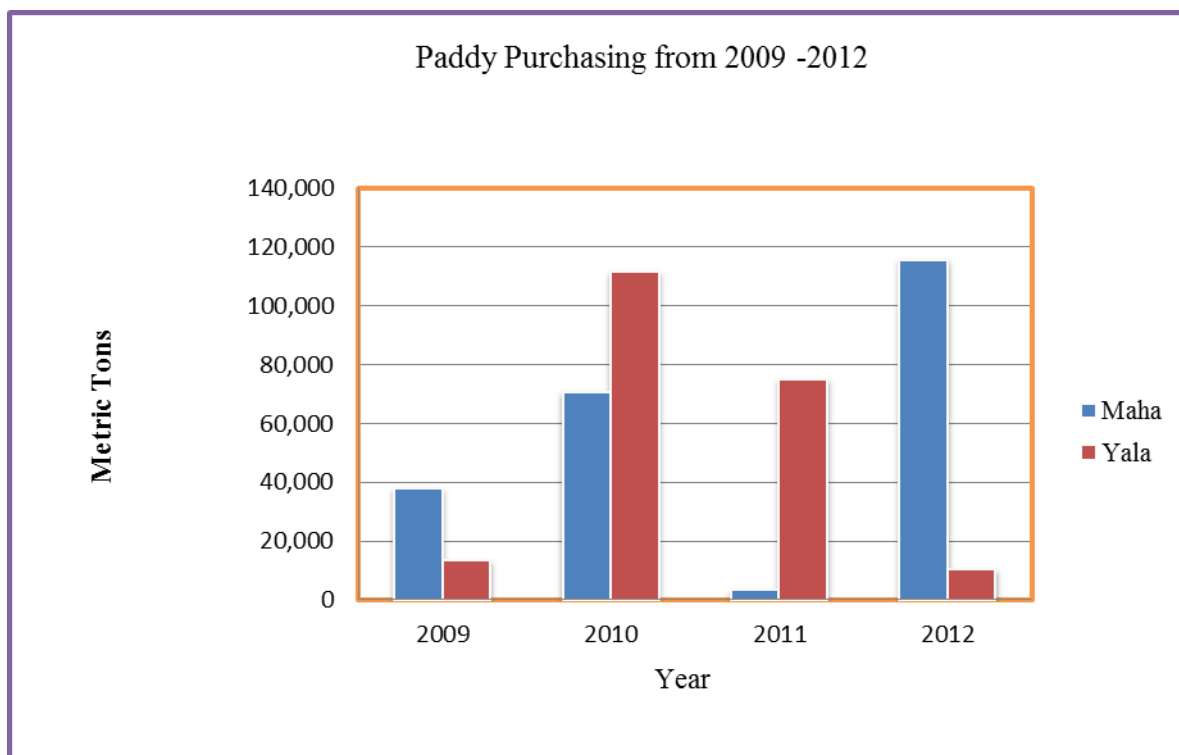


Figure 02: Paddy purchasing progress during last four years

As per the table 01 and the figure 02 above, the amount purchased during *Maha* season shows the highest quantity during last four years. However the *Yala* season shows a lower quantity.

4.0 Re-establishment of Paddy Marketing Board

Although a resolution was submitted on 5th April 2000 to the Parliament to dissolve the Paddy Marketing Board which was established under the Paddy Marketing Board Act No 14 of 1971, the resolution was not passed by the Parliament. Thereafter, the Paddy Marketing Board Act was made active again. However, the functions of the Paddy Marketing Board remained standstill defunct until 2007.

On a cabinet paper submitted by Hon. Maithreepala Sirisena, Minister of Agriculture Development and Agrarian Services, on 10.07.2007, action was taken to re-establish the Paddy Marketing Board, as per the decision taken at the Cabinet Meeting held on 25.07.2007.

The Paddy Marketing Board has been carrying out the service of purchasing paddy marketing rice successfully during the past four years since re-establishment.

Advantages gained by the Farmers

The Paddy Marketing Board purchased paddy at the guaranteed price of Rs. 30.00 per kilogramme. This resulted, the stability of the market price.

Strengthening the private millers

The paddy Marketing Board has been able to strengthen and rebuild the medium and small scale milling industry issuing paddy to millers and encouraging the banks to provide loans for them.

Conclusion as a whole

During the year 2012, the Paddy Marketing Board was able to render an immense service to the consumers as well as to the farmers through a variety of steps in the midst of difficulties.

Management of paddy stocks purchased

The expected objectives of the paddy purchasing programme were to protect the paddy farmers by maintaining guaranteed prices for paddy, ensuring food security and establishment of reasonable price of rice for the consumers. The Paddy Marketing Board has being able extend the contribution in achieving the same.

The Paddy Marketing Board is attempting to function as a commercial establishment, so as to maximize the profitability while giving priorities to the aforementioned objectives. However, emphasis has been made to implement a methodology of disposing the paddy stocks as per the proposed business plan reducing the financial burden to the Government.

M.B.Dissanayake
Chairman
Paddy Marketing Board

Table 02: Regional wise Paddy Purchasing –2011/2012 Maha Season

Region	Nadu	Samba	Total	
	Quantity (MT)	Quantity (MT)	Quantity (MT)	Amunt (Rs. M)
Polonnaruwa Region				
Polonnaruwa District	20,277.8	2,174.5	22,452.3	633.0
Matale District	2,534.5	243.8	2,778.3	78.3
	22,812.3	2,418.3	25,230.6	711.3
North-Western Region				
Kurunegala District	5,596.2	277.9	5,874.1	165.0
Puttalam District	1,720.5	154.1	1,874.6	52.8
	7,316.7	432.0	7,748.7	217.8
Ampara Region				
Ampara District	17,906.6	1,051.8	18,958.4	532.9
Kandy District	801.7	51.1	852.8	24.0
Matale District	1,368.5	218.2	1,586.7	44.9
	20,076.8	1,321.1	21,397.9	601.8
Anuradhapura Region				
Anuradhapura District	22,465.4	1,302.3	23,767.7	668.1
Vavuniya District	588.6	186.8	775.4	22.1
Mannar District	1,160.1	1,286.5	2,446.6	71.1
	24,214.1	2,775.6	26,989.7	761.3
Southern Region				
Hambantota District	15,261.7	62.6	15,324.3	429.2
Monaragala District	3,515.0	460.4	3,975.4	112.2
Rathnapura District	3,192.7	63.8	3,256.4	91.3
	21,969.4	586.8	22,556.1	632.7
Northern Region				
Kilinochchi District	1,249.7	146.1	1,395.8	39.4
Mullaitivu District	1,778.9	197.1	1,976.0	55.7
	3,028.6	343.2	3,371.8	95.1
Eastern Region				
Trincomalee District	5,359.1	541.0	5,900.1	166.3
Bataloa District	2,542.3	49.1	2,591.4	72.7
	7,901.4	590.1	8,491.5	239.0
Total	107,319.3	8,467.0	115,786.3	3259.0

Table 03: Regional wise Paddy Purchasing Programme –2012 Yala Season

Region	Nadu	Samba	Total	
	Quantity (MT)	Quantity (MT)	Quantity (MT)	Amount (Rs. M)
Polonnaruwa Region				
Polonnaruwa District	17.1	0	17.1	0.48
Matale District	47.4	0.85	48.2	1.35
	64.5	0.85	65.3	1.83
North-Western Region				
Kurunegala District	0	0	0	0
Puttalam District	0	0	0	0
	0	0	0	0
Ampara Region	6,814.1	357.3	7,171.3	201.5
Kandy District	0	0	0	0
Badulla District	0	0	0	0
	6,814.1	357.3	7,171.3	201.5
Anuradhapura Region				
Anuradhapura District	0	0	0	0
Vavuniya District	0	0	0	0
Mannar District	17.8	17.6	35.4	1.03
	17.8	17.6	35.4	1.03
Southern region				
Hambantota District	0	0	0	0
Monaragala District	293.0	10.2	303.1	8.51
Rathnapura District	0	0	0	0
	293.0	10.2	303.1	8.51
Northern Region				
Kilinochchi District	580.8	0	580.8	16.26
Mullaitivu District	260.1	0	260.1	7.28
	840.9	0	840.9	23.54
Eastern Region				
Trincomalee District	747.9	9.5	757.4	21.23
BAticoloa District	1,158.3	144.3	1,302.6	36.76
	1,906.2	153.8	2,060.0	57.99
Total	9,936.4	539.7	10,476.1	294.41

**Store wise Paddy Purchasing Programme –2011/12 Maha Season
Polonnaruwa Region**

Store	Nadu		Samba		Total	
	Quantity (kg)	Value (Rs.)	Quantity (Kg)	Value (Rs.)	Quantity (Kg)	Value (Rs.)
Polonnaruwa District						
Weerapura	560,200	15,685,600.00	47,350	1,420,500.00	607,550	17,106,100.00
Medirigiriya	1,273,400	35,655,200.00	87,700	2,631,000.00	1,361,100	38,286,200.00
Veheragala	126,900	3,553,200.00	17,050	511,500.00	143,950	4,064,700.00
Senapura - 2	124,600	3,488,800.00	13,500	405,000.00	138,100	3,893,800.00
Ambagaswewa	1,350,135	37,803,780.00	73,625	2,208,750.00	1,423,760	40,012,530.00
Welikanda 5	164,635	4,609,780.00	55,065	1,651,950.00	219,700	6,261,730.00
Welikanda 3	606,220	16,974,160.00	55,905	1,677,150.00	662,125	18,651,310.00
Diyaviddahama	197,050	5,517,400.00	8,750	262,500.00	205,800	5,779,900.00
Welikanda	551,140	15,431,920.00	213,150	6,394,500.00	764,290	21,826,420.00
Sathosa 1	2,067,550	57,891,400.00	175,450	5,263,500.00	2,243,000	63,154,900.00
Kaduruwela Food -2	1,468,050	41,105,400.00	104,100	3,123,000.00	1,572,150	44,228,400.00
9 th Post	350,450	9,812,600.00	81,050	2,431,500.00	431,500	12,244,100.00
Jayanthipura	500,200	14,005,600.00	18,000	540,000.00	518,200	14,545,600.00
Abhayapura	643,800	18,026,400.00	93,250	2,797,500.00	737,050	20,823,900.00
Kusumpokuna	907,350	25,405,800.00	26,950	808,500.00	934,300	26,214,300.00
Kalpotha 2	1,202,850	33,679,800.00	95,750	2,872,500.00	1,298,600	36,552,300.00
Vijayapura	919,340	25,741,520.00	36,670	1,100,100.00	956,010	26,841,620.00
Manampitiya	1,047,350	29,325,800.00	119,150	3,574,500.00	1,166,500	32,900,300.00
Welikanda 1	261,000	7,308,000.00	69,120	2,073,600.00	330,120	9,381,600.00
Vijayabapura	535,870	15,004,360.00	135,800	4,074,000.00	671,670	19,078,360.00
Giripokuna	280,350	7,849,800.00	62,650	1,879,500.00	343,000	9,729,300.00
Mudunkadawala	252,821	7,078,988.00	59,080	1,772,400.00	311,901	8,851,388.00
Welikanda 2	245,550	6,875,400.00	47,800	1,434,000.00	293,350	8,309,400.00
Elleweva	276,150	7,732,200.00	37,450	1,123,500.00	313,600	8,855,700.00
Bihirisorowwa	472,050	13,217,400.00	31,800	954,000.00	503,850	14,171,400.00

Thuvaragala	106,600	2,984,800.00	19,400	582,000.00	126,000	3,566,800.00
Sandunpura	1,230,900	34,465,200.00	72,800	2,184,000.00	1,303,700	36,649,200.00
Bakamuna	80,100	2,242,800.00	5,400	162,000.00	85,500	2,404,800.00
Senapura 01	290,800	8,142,400.00	46,200	1,386,000.00	337,000	9,528,400.00
Kalingawila	268,200	7,509,600.00	27,150	814,500.00	295,350	8,324,100.00
Paragaswewa	86,450	2,420,600.00	26,950	808,500.00	113,400	3,229,100.00
Siripura	302,400	8,467,200.00	36,600	1,098,000.00	339,000	9,565,200.00
Kadirapura	250,600	7,016,800.00	89,950	2,698,500.00	340,550	9,715,300.00
Pusselavinna	247,350	6,925,800.00	9,550	286,500.00	256,900	7,212,300.00
Nawagaha-Ela	199,700	5,591,600.00	4,750	142,500.00	204,450	5,734,100.00
Weeralanda	207,700	5,815,600.00	30,450	913,500.00	238,150	6,729,100.00
Nuwaragala	573,450	16,056,600.00	26,750	802,500.00	600,200	16,859,100.00
Divulapelessa	1,650	46,200.00	6,600	198,000.00	8,250	244,200.00
Girandurukotte	46,850	1,311,800.00	5,800	174,000.00	52,650	1,485,800.00
Matale District						
Handungamuwa	1,434,650	40,170,200.00	126,800	3,804,000.00	1,561,450	43,974,200.00
Hettipola	1,099,900	30,797,200.00	116,950	3,508,500.00	1,216,850	34,305,700.00
Total	22,812,311	638,744,708.00	2,418,265	72,547,950.00	25,230,576	711,292,658.00

Paddy Purchasing Programme – 2011/12 Maha Season
North Western Region

Store	Nadu		Samba		Total	
	Quantity (Kg)	Value (Rs.)	Quantity (Kg.)	Value (Rs.)	Quantity (Kg.)	Value (Rs.)
Kurunegala District						
Nikaweratiya	969,550	27,147,400.00	22,350	670,500.00	991,900	27,817,900.00
Mahawa	492,500	13,790,000.00	17,800	534,000.00	510,300	14,324,000.00
Rajanganaya	1,217,950	34,102,600.00	107,450	3,223,500.00	1,325,400	37,326,100.00
Gattuwana	660,150	18,484,200.00	51,050	1,531,500.00	711,200	20,015,700.00
Meegalewa	1,092,950	30,602,600.00	0	0.00	1,092,950	30,602,600.00
Ma-Eliya	585,600	16,396,800.00	37,400	1,122,000.00	623,000	17,518,800.00
Galgamuwa	263,250	7,371,000.00	19,700	591,000.00	282,950	7,962,000.00
Dewahuwa	308,250	8,631,000.00	22,100	663,000.00	330,350	9,294,000.00
Galewela	6,000	168,000.00	0	0.00	6,000	168,000.00
Puttalam District						
Thabbowa	842,600	23,592,800.00	117,100	3,513,000.00	959,700	27,105,800.00
Anamaduwa	606,250	16,975,000.00	33,550	1,006,500.00	639,800	17,981,500.00
Puttalam	142,350	3,985,800.00	0	0.00	142,350	3,985,800.00
Rajakadaluwa	81,250	2,275,000.00	0	0.00	81,250	2,275,000.00
Eluwankulama	48,050	1,345,400.00	3,450	103,500.00	51,500	1,448,900.00
Total	7,316,700	204,867,600.00	431,950	12,958,500.00	7,748,650	217,826,100.00

Paddy Purchasing Programme –2011/12 Maha Season

Ampara Region

Store	Nadu		Samba		Total	
	Quantity (Kg.)	Value (Rs.)	Quantity (Kg.)	Value (Rs.)	Quantity (Kg.)	Value (Rs.)
Ampara District						
Komariya	1,154,550	32,327,400.00	128,250	3,847,500.00	1,282,800	36,174,900.00
Damana	1,656,959	46,394,852.00	107,900	3,237,000.00	1,764,859	49,631,852.00
Ampara 2	522,750	14,637,000.00	34,600	1,038,000.00	557,350	15,675,000.00
Food Store	1,021,600	28,604,800.00	43,700	1,311,000.00	1,065,300	29,915,800.00
Bridge camp 1	528,500	14,798,000.00	7,450	223,500.00	535,950	15,021,500.00
Bridge camp 2	415,470	11,633,160.00	19,020	570,600.00	434,490	12,203,760.00
Akkaraipattuwa	2,422,350	67,825,800.00	41,500	1,245,000.00	2,463,850	69,070,800.00
Potuvil	919,400	25,743,200.00	214,550	6,436,500.00	1,133,950	32,179,700.00
Mahaoya 02	416,950	11,674,600.00	112,220	3,366,600.00	529,170	15,041,200.00
Mahaoya 01	520,850	14,583,800.00	71,100	2,133,000.00	591,950	16,716,800.00
Morayaya	1,232,600	34,512,800.00	74,250	2,227,500.00	1,306,850	36,740,300.00
Samanturai	1,305,900	36,565,200.00	0	0.00	1,305,900	36,565,200.00
Srawastipura Mb	240,150	6,724,200.00	0	0.00	240,150	6,724,200.00
Siyambalawewa	343,920	9,629,760.00	22,350	670,500.00	366,270	10,300,260.00
Oyamaduwa -Mb	1,310,300	36,688,400.00	26,850	805,500.00	1,337,150	37,493,900.00
Weyangoda - Mb	1,983,050	55,525,400.00	66,800	2,004,000.00	2,049,850	57,529,400.00
Galewela - Mb	1,039,470	29,105,160.00	62,750	1,882,500.00	1,102,220	30,987,660.00
Walpita - Mb	414,704	11,611,712.00	13,890	416,700.00	428,594	12,028,412.00
Nikaweratiya Mb	457,150	12,800,200.00	4,650	139,500.00	461,800	12,939,700.00
Badulla District						
Mahiyangana	164,450	4,604,600.00	16,550	496,500.00	181,000	5,101,100.00
Medayaya	447,100	12,518,800.00	59,830	1,794,900.00	506,930	14,313,700.00
Karametiya	756,950	21,194,600.00	141,850	4,255,500.00	898,800	25,450,100.00
Kandy District						
Kolongoda	231,300	6,476,400.00	23,850	715,500.00	255,150	7,191,900.00
Hasalaka	570,350	15,969,800.00	27,250	817,500.00	597,600	16,787,300.00
Total	20,076,773	562,149,644.00	1,321,160	39,634,800.00	21,397,933	601,784,444.00

Paddy Purchasing Programme –2011/12 Maha Season
Anuradhapura Region

Store	Nadu		Samba		Total	
	Quantity (Kg.)	Value (Rs.)	Quantity(Kg.)	Value (Rs.)	Quantity(Kg.)	Value (Rs.)
Anuradhapura District						
Wahalkada	1,152,898	32,281,144.00	3,500	105,000.00	1,156,398	32,386,144.00
Thambuththegama	1,416,467	39,661,076.00	6,950	208,500.00	1,423,417	39,869,576.00
Rajanganaya Yaya 7	370,935	10,386,180.00	9,150	274,500.00	380,085	10,660,680.00
Rajanganaya Yaya 3	89,648	2,510,144.00	5,450	163,500.00	95,098	2,673,644.00
Rajanganaya Yaya 16	96,450	2,700,600.00	3,800	114,000.00	100,250	2,814,600.00
Rajanganaya Yaya 15	80,200	2,245,600.00	7,700	231,000.00	87,900	2,476,600.00
Rajanganaya Yaya 13	65,500	1,834,000.00	0	0.00	65,500	1,834,000.00
Bulnewa	1,415,323	39,629,044.00	17,473	524,190.00	1,432,796	40,153,234.00
Padawi Parackramapura 1	910,309	25,488,652.00	121,747	3,652,410.00	1,032,056	29,141,062.00
Padawi Parackramapura 2	1,100,200	30,805,600.00	85,650	2,569,500.00	1,185,850	33,375,100.00
Srawasthipura	680,566	19,055,848.00	60,164	1,804,920.00	740,730	20,860,768.00
Nochchiyagama	1,095,350	30,669,800.00	17,150	514,500.00	1,112,500	31,184,300.00
Vilachchiya	625,850	17,523,800.00	171,100	5,133,000.00	796,950	22,656,800.00
Hurigaswewa	595,700	16,679,600.00	0	0.00	595,700	16,679,600.00
Horowpothana	1,376,539	38,543,092.00	19,240	577,200.00	1,395,779	39,120,292.00
Horowpothana (A.S.)	90,336	2,529,408.00	3,355	100,650.00	93,691	2,630,058.00
Horowpothana (Army)	779,140	21,815,920.00	13,300	399,000.00	792,440	22,214,920.00
Senanayake	286,457	8,020,796.00	27,222	816,660.00	313,679	8,837,456.00
Thalawa	518,110	14,507,080.00	15,100	453,000.00	533,210	14,960,080.00
Kekirawa	97,719	2,736,132.00	14,780	443,400.00	112,499	3,179,532.00
Senapura	832,329	23,305,212.00	4,450	133,500.00	836,779	23,438,712.00
Rambewa	1,011,994	28,335,832.00	25,750	772,500.00	1,037,744	29,108,332.00
Katiyawa	424,945	11,898,460.00	1,150	34,500.00	426,095	11,932,960.00
Pahala Halmillewa	666,659	18,666,452.00	12,960	388,800.00	679,619	19,055,252.00
Yakalla	1,477,530	41,370,840.00	114,284	3,428,520.00	1,591,814	44,799,360.00

Kalawewa	95,761	2,681,308.00	6,050	181,500.00	101,811	2,862,808.00
Kebithigollewa	199,261	5,579,308.00	16,085	482,550.00	215,346	6,061,858.00
Kebithigollewa Mb	380,477	10,653,342.00	0	0.00	380,477	10,653,342.00
Kahatagasdigiliya 1	62,500	1,750,000.00	0	0.00	62,500	1,750,000.00
Kahatagasdigiliya 2	1,102,844	30,879,632.00	77,766	2,332,965.00	1,180,610	33,212,597.00
Edagala	303,922	8,509,816.00	1,000	30,000.00	304,922	8,539,816.00
Mediyawa	136,713	3,827,964.00	0	0.00	136,713	3,827,964.00
Medawachchiya	715,959	20,046,852.00	64,150	1,924,500.00	780,109	21,971,352.00
Galkiriyagama	392,150	10,980,200.00	12,600	378,000.00	404,750	11,358,200.00
Ethakada	194,500	5,446,000.00	40,300	1,209,000.00	234,800	6,655,000.00
Kalundegama	34,050	953,400.00	15,000	450,000.00	49,050	1,403,400.00
Massalewa (Pvt.)	631,143	17,672,004.00	65,196	1,955,880.00	696,339	19,627,884.00
Matale District						
Pelvehera	260,643	7,298,004.00	164,210	4,926,300.00	424,853	12,224,304.00
Galenbindunuwewa	698,298	19,552,344.00	78,572	2,357,160.00	776,870	21,909,504.00
Vavuniya District						
Vavuniya	588,635	16,481,780.00	186,767	5,603,010.00	775,402	22,084,790.00
Mannar Alkedively	1,011,574	28,324,072.00	1,221,684	36,650,520.00	2,233,258	64,974,592.00
Nanattan	148,531	4,158,868.00	64,821	1,944,630.00	213,352	6,103,498.00
Total	24,214,115	677,995,206.00	2,775,626	83,268,765.00	26,989,740	761,263,971.00

**Paddy Purchasing Programme –2011/12Maha Season
Eastern Region**

Store	Nadu		Samba		Total	
	Quantity(Kg.)	Value (Rs.)	Quantity(Kg)	Value(Rs.)	Quantity(Mt)	Value (Rs.)
Trincomalee District						
Kantale	842,150	23,580,200.00	11,950	358,500.00	854,100	23,938,700.00
Gomarankadawala	532,250	14,903,000.00	19,900	597,000.00	552,150	15,500,000.00
Kinniya - Mb	911,850	25,531,800.00	14,750	442,500.00	926,600	25,974,300.00
ThambalagamuwaMB	667,550	18,691,400.00	41,100	1,233,000.00	708,650	19,924,400.00
Moraweve - Mb	625,300	17,508,400.00	102,450	3,073,500.00	727,750	20,581,900.00
Mahadivulweve	171,150	4,792,200.00	9,850	295,500.00	181,000	5,087,700.00
Pamburugasweve	21,400	599,200.00	1,600	48,000.00	23,000	647,200.00
Thambalagamuwa 1	89,050	2,493,400.00	0	0.00	89,050	2,493,400.00
Thambalagamuwa 2	58,950	1,650,600.00	0	0.00	58,950	1,650,600.00
Thambalagamuwa 3	49,950	1,398,600.00	2,400	72,000.00	52,350	1,470,600.00
Thambalagamuwa 4	47,600	1,332,800.00	0	0.00	47,600	1,332,800.00
Thambalagamuwa 5	27,550	771,400.00	0	0.00	27,550	771,400.00
Thambalagamuwa 6	42,200	1,181,600.00	0	0.00	42,200	1,181,600.00
Thambalagamuwa 7	33,000	924,000.00	0	0.00	33,000	924,000.00
Thambalagamuwa 8	75,850	2,123,800.00	0	0.00	75,850	2,123,800.00
Thambalagamuwa 9	34,000	952,000.00	0	0.00	34,000	952,000.00
Serunuwara – Mb	805,550	22,555,400.00	282,200	8,466,000.00	1,087,750	31,021,400.00
GomarankadawalaMb	323,750	9,065,000.00	54,750	1,642,500.00	378,500	10,707,500.00
Bataloa District						
Vavunathivu	699,095	19,574,660.00	2,450	73,500.00	701,545	19,648,160.00
Valachchenai	1,184,910	33,177,480.00	46,630	1,398,900.00	1,231,540	34,576,380.00
Vandaramulla	100,600	2,816,800.00	0	0.00	100,600	2,816,800.00
Wellavi	557,670	15,614,760.00	0	0.00	557,670	15,614,760.00
Total	7,901,375	221,238,500.00	590,030	17,700,900.00	8,491,405	238,939,400.00

**Paddy Purchasing Programme –2011/12 Maha Season
Southern Region**

Store	Nadu		Samba		Total	
	Quantity (Kg)	Value (Rs.)	Quantity (Kg)	Value (Rs.)	Quantity (Kg.)	Value (Rs.)
Hambantota District						
Weerawila	984,156	27,556,368.00	0	0.00	984,156	27,556,368.00
Dehigalalanda	3,035,690	84,999,320.00	0	0.00	3,035,690	84,999,320.00
Weerawila 2	1,093,421	30,615,788.00	7,040	211,200.00	1,100,461	30,826,988.00
Hambantota	1,529,894	42,837,032.00	16,842	505,260.00	1,546,736	43,342,292.00
Kachchigal-Ara	2,291,108	64,151,024.00	3,910	117,300.00	2,295,018	64,268,324.00
Pannegamuwa	1,314,851	36,815,828.00	7,054	211,620.00	1,321,905	37,027,448.00
Sooriyaweva	1,382,010	38,696,280.00	23,737	712,110.00	1,405,747	39,408,390.00
Kahandawa	498,532	13,958,896.00	0	0.00	498,532	13,958,896.00
Kahandawa 02	557,944	15,622,432.00	0	0.00	557,944	15,622,432.00
Pallemalala	1,354,120	37,915,360.00	3,973	119,190.00	1,358,093	38,034,550.00
Weeraketiya	992,946	27,802,488.00	0	0.00	992,946	27,802,488.00
Yodhakandiya	227,050	6,357,400.00	0	0.00	227,050	6,357,400.00
Monaragala District						
Medagama	2,580	72,240.00	31,039	931,170.00	33,619	1,003,410.00
Ethimale	357,690	10,015,320.00	50,680	1,520,400.00	408,370	11,535,720.00
Hulandawa	2,686,345	75,217,660.00	37,867	1,136,010.00	2,724,212	76,353,670.00
Muthukandiya	468,348	13,113,744.00	340,859	10,225,770.00	809,207	23,339,514.00
Ratnapura District						
Kuttigala 03	1,026,125	28,731,500.00	18,808	564,240.00	1,044,933	29,295,740.00
Kuttigala 01	644,853	18,055,884.00	6,775	203,250.00	651,628	18,259,134.00
Kalthota	929,724	26,032,272.00	28,776	863,280.00	958,500	26,895,552.00
Embilitiya	591,998	16,575,944.00	9,400	282,000.00	601,398	16,857,944.00
Total	21,969,385	615,142,780.00	586,760	17,602,800.00	22,556,145	632,745,580.00

**Paddy Purchasing Programme –2011/12 Maha Season
Northern Region**

Store	Nadu		Samba		Total	
	Quantity(Kg.)	Value (Rs.)	Quantity(Kg.)	Value (Rs.)	Quantity(Kg.)	Value (Rs.)
Kilinochchi District						
Kilinochchi	220,478	6,173,384.00	17,739	532,170.00	238,217	6,705,554.00
Ramanathapuram	709,651	19,870,228.00	85,597	2,567,910.00	795,248	22,438,138.00
Mulangavil	319,558	8,947,624.00	42,774	1,283,220.00	362,332	10,230,844.00
Mullaitivu District						
Mullaitivu	548,166	15,348,648.00	134,393	4,031,790.00	682,559	19,380,438.00
Maankulam	256,234	7,174,552.00	21,330	639,900.00	277,564	7,814,452.00
Olumadu	91,066	2,549,848.00	18,227	546,810.00	109,293	3,096,658.00
Mulliyavalai	805,320	22,548,960.00	21,924	657,720.00	827,244	23,206,680.00
Udaiyarkattu	78,093	2,186,604.00	1,179	35,370.00	79,272	2,221,974.00
Total	3,028,566	84,799,848.00	343,163	10,294,890.00	3,371,729	95,094,738.00

**Paddy Purchasing Programme – 2012 Yala Season
Pollonnaruwa Region**

Store	Nadu		Samba		Total	
	Quantity(Kg.)	Value (Rs.)	Quantity (Kg.)	Value (Rs.)	Quantity (Kg.)	Value (Rs.)
Polonnaruwa District						
Ambagasweva	10,350	289,800.00	0	0.00	10,350	289,800.00
Diyawiddagama	1,800	50,400.00	0	0.00	1,800	50,400.00
Girandurukotte	4,950	138,600.00	0	0.00	4,950	138,600.00
Matale District						
Hettipola	47,400	1,327,200.00	850	25,500.00	48,250	1,352,700.00
Total	64,500	1,806,000.00	850	25,500.00	65,350	1,831,500.00

**Paddy Purchasing Programme - 2012 Yala Season
Ampara Region**

Store	Nadu		Samba		Total	
	Quantity(Kg.)	Value (Rs.)	Quantity(kg.)	Value (Rs.)	Quantity(Kg.)	Value (Rs.)
Ampara District						
Addalachenai	660,380	18,490,640.00	0	0.00	660,380	18,490,640.00
Kohombana 01	641,750	17,969,000.00	53,350	1,600,500.00	695,100	19,569,500.00
Pottuvil	140,850	3,943,800.00	13,000	390,000.00	153,850	4,333,800.00
Nellikele	789,600	22,108,800.00	3,300	99,000.00	792,900	22,207,800.00
Ampara 01	740,150	20,724,200.00	156,500	4,695,000.00	896,650	25,419,200.00
Damana	607,000	16,996,000.00	6,000	180,000.00	613,000	17,176,000.00
Komariya	531,650	14,886,200.00	0	0.00	531,650	14,886,200.00
SATHOSA	609,800	17,074,400.00	0	0.00	609,800	17,074,400.00
Mahanagapura	148,400	4,155,200.00	0	0.00	148,400	4,155,200.00
Weeragoda 01	760,655	21,298,340.00	3,300	99,000.00	763,955	21,397,340.00
Kohombana 02	609,650	17,070,200.00	12,900	387,000.00	622,550	17,457,200.00
Valagampura	176,850	4,951,800.00	0	0.00	176,850	4,951,800.00
Ninda-vur 02	204,800	5,734,400.00	108,050	3,241,500.00	312,850	8,975,900.00
Weeragoda 02	150,800	4,222,400.00	0	0.00	150,800	4,222,400.00
Maha-oya 02	41,750	1,169,000.00	850	25,500.00	42,600	1,194,500.00
Total	6,814,085	190,794,380.00	357,250	10,717,500.00	7,171,335	201,511,880.00

Paddy Purchasing Programme – 2012 Yala Season
Anuradhapura Region

Store	Nadu		Samba		Total	
	Quantity(Kg.)	Value (Rs.)	Quantity(Kg.)	Value (Rs.)	Quantity(Kg.)	Value (Rs.)
Anuradhapura District						
Wahalkada	0	0.00	0	0.00	0	0.00
Vavuniya District						
Vavuniya	0	0.00	0	0.00	0	0.00
Mannar District						
Alkadiveli	17,773	497,644.00	17,593	527,790.00	35,366	1,025,434.00
Total	17,773	497,644.00	17,593	527,790.00	35,366	1,025,434.00

Paddy Purchasing Programme –2012 Yala Season
Southern Region

Store	Nadu		Samba		Total	
	Quantity (Kg.)	Value (Rs.)	Quantity(Kg.)	Value (Rs.)	Quantity(Kg.)	Value (Rs.)
Monaragala District						
Dodamwaththa 02	283,477	7,937,356.00	8,530	255,900.00	292,007	8,193,256.00
Aluthweva	9,481	265,468.00	1,633	48,990.00	11,114	314,458.00
Total	292,958	,202,824.00	10,163	304,890.00	303,121	8,507,714.00

Paddy Purchasing Programme – 2012 Yala Season
Northern Region

Store	Nadu		Samba		Total	
	Quantity(Kg.)	Value (Rs.)	Quantity(Kg.)	Value (Rs.)	Quantity(Kg.)	Value (Rs.)
Kilinochchi District						
Ramanathapuram	393,905	11,029,340.00	0	0.00	393,905	11,029,340.00
Kandavalai	186,843	5,231,604.00	0	0.00	186,843	5,231,604.00
Mullaitivu District						
Mullaitivu	66,235	1,854,580.00	0	0.00	66,235	1,854,580.00
Muththiyankattu	193,903	5,429,284.00	0	0.00	193,903	5,429,284.00
Total	840,886	23,544,808.00	0	0.00	840,886	23,544,808.00

**Paddy Purchasing Programme – 2012 Yala Season
Eastern Region**

Store	Nadu		Samba		Total	
	Quantity(kg.)	Value (Rs.)	Quantity(Kg.)	Value (Rs.)	Quantity(Kg.)	Value (Rs.)
Trincomalee District						
Kantale	3,000	84,000.00	0	0.00	3,000	84,000.00
Kinniya Mb	183,000	5,124,000.00	8,500	255,000.00	191,500	5,379,000.00
Kal-laru 01	450,900	12,625,200.00	0	0.00	450,900	12,625,200.00
Thoppoor Mobile	71,750	2,009,000.00	1,000	30,000.00	72,750	2,039,000.00
Thambalagamuwa	39,300	1,100,400.00	0	0.00	39,300	1,100,400.00
Baticaloa District						
Valachchenai	377,470	10,569,160.00	45,760	1,372,800.00	423,230	11,941,960.00
Arasada-thivu	77,850	2,179,800.00	600	18,000.00	78,450	2,197,800.00
Vellavali- Mb	178,494	4,997,832.00	1,990	59,700.00	180,484	5,057,532.00
F.D. 01	388,659	10,882,452.00	79,760	2,392,800.00	468,419	13,275,252.00
Kiran	135,810	3,802,680.00	16,210	486,300.00	152,020	4,288,980.00
Total	1,906,233	53,374,524.00	153,820	4,614,600.00	2,060,053	57,989,124.00

Stores possessed by the Paddy Marketing board

Serial No	Store	Capacity (MT)	Other particulars
Ampara District			
1	Mahaoya 1	1040	Paddy Marketing Board
2	Gonagolla	1040	Paddy Marketing Board
3	Kohombana 1	1040	Paddy Marketing Board
4	Kohombana 2	1040	Paddy Marketing Board
5	PalamKandavura 1	1040	Paddy Marketing Board
6	PalamKandavura 2	1040	Paddy Marketing Board
7	Komariya 1	1040	Paddy Marketing Board
8	Komariya 2	1040	Paddy Marketing Board
9	Kumarigama	1040	Paddy Marketing Board
10	Weeragoda 1	1040	Paddy Marketing Board
11	Weeragoda 2	1040	Paddy Marketing Board
12	Ampara 1	1040	Paddy Marketing Board
13	Ampara 2	1040	Paddy Marketing Board
14	Damana 1	1040	Paddy Marketing Board
15	Damana 2	1040	Paddy Marketing Board
16	Samanthurai 1	1040	Paddy Marketing Board
17	Samanthurai 2	1040	Paddy Marketing Board
18	Pottuvila 1	1040	Paddy Marketing Board
19	Pottuvil 2	1040	Paddy Marketing Board
20	Addalachenai	1045	Paddy Marketing Board
21	Akkarai pattu	1600	Paddy Marketing Board
22	Nindavur	1045	Paddy Marketing Board
23	Nellikele	1500	Paddy Marketing Board
24	Sandunpura	1500	Paddy Marketing Board

Kandy District			
Serial No	Store	Capacity (MT)	Other particulars
1	Pallewatta 2	1040	Paddy Marketing Board
2	Pallewatta 3	1040	Paddy Marketing Board
3	Pallewatta 4	1040	Paddy Marketing Board
4	Pallewatta 5	1040	Paddy Marketing Board
5	Pallewatta 6	800	Paddy Marketing Board
6	Kolongoda 2	1040	Paddy Marketing Board
7	Hasalaka Mill	600	Paddy Marketing Board
8	Morayaya 1	1040	Paddy Marketing Board - repaired
9	Morayaya 2	1040	Paddy Marketing Board -repaired
Badulla District			
Serial No	Store	Capacity (MT)	Other particulars
1	Mahiyangana 1	1040	Paddy Marketing Board
2	Mahiyangana 2	1040	Paddy Marketing Board
3	Medayaya	1040	Paddy Marketing Board
4	Karamatiya 1	1040	Paddy Marketing Board
5	Karametiya 2	1040	Paddy Marketing Board
6	Girandurukotte 1	1040	Mahaweli Authority
7	Girandurukotte 2	1040	Mahaweli Authority

North Western Region			
Puttalam District			
Serial No	Store	Capacity (MT)	Other particulars
1	Rajakadaluwa	1000	Paddy Marketing Board
2	Anamaduwa 1	1000	Paddy Marketing Board
3	Anamaduwa 2	1000	Paddy Marketing Board
4	Thabbowa 1	1000	Paddy Marketing Board
5	Thabbowa 2	1000	Paddy Marketing Board
Kurunegala District			
1	Nikaweratiya 1	1000	Paddy Marketing Board
2	Nikaweratiya 2	1000	Paddy Marketing Board
3	Nikaweratiya 3	1300	Paddy Marketing Board – New building
4	Nikaweratiya 4	800	Paddy Marketing Board -repaired
5	Nikaweratiya 5	200	Paddy Marketing Board -repaired
6	Nikaweratiya 6	2000	Paddy Marketing Board -repaired
7	Mahawa 1	2000	Paddy Marketing Board -repaired
8	Mahawa 2	1000	Paddy Marketing Board -repaired
9	Mahawa 3	1000	Paddy Marketing Board
10	Galgamuwa	1045	Paddy Marketing Board
11	Ma-Eliya 1	1000	Paddy Marketing Board
12	Ma-Eliya 2	1000	Paddy Marketing Board
13	Ma-Eliya 3	1000	Paddy Marketing Board
14	Waraweva	1000	Paddy Marketing Board
Matale District			
1	Galewela 1	1000	Paddy Marketing Board
2	Galewela 2	1000	Paddy Marketing Board

Southern Region			
	Hambantota District		
Serial No	Store	Capacity (MT)	Other particulars
1	Weerawila 1	1000	Paddy Marketing Board
2	Weerawila 2	1000	Paddy Marketing Board
3	Pallemala	1000	Paddy Marketing Board
4	Sooriyaweva	1000	Paddy Marketing Board
5	Dehigahalanda 1	1000	Paddy Marketing Board
6	Dehigahalanda 2	1000	Paddy Marketing Board
7	Dehigahalanda 3	1000	Paddy Marketing Board
8	Ambalantota 1	500	Paddy Marketing Board
9	Kachchigal-Ara 1	1000	Paddy Marketing Board
10	Kachchigal-Ara 2	1000	Paddy Marketing Board
	Monaragala District		
1	Medagama	1000	Paddy Marketing Board
2	Muthukandiya 1	1000	Paddy Marketing Board
3	Muthukandiya 2	500	Paddy Marketing Board - Thapolin
4	Ethimale	1000	Paddy Marketing Board
5	Dodamwatte 1	1000	Paddy Marketing Board
6	Dodamwatte 2	1000	Paddy Marketing Board
7	Wellawaya	1500	Paddy Marketing Board
8	Hulandawa	3000	Department of Food -repaired
9	Weeraketiya	1000	Paddy Marketing Board – New
10	Habbegamuwa	1500	Paddy Marketing Board – New

	Ratnapura District		
1	Kuttigala 1	1000	Paddy Marketing Board
2	Kuttigala 2	1000	Paddy Marketing Board -has been repaired
3	Kuttigala 3	1000	Paddy Marketing Board
4	Embilipitiya	1000	Paddy Marketing Board
5	Kalthota	1000	Paddy Marketing Board
6	Moraketiya	1000	Paddy Marketing Board
7	Moraketiya Rice Mill	750	Paddy Marketing Board
Polonnaruwa region			
	Polonnaruwa District		
1	Medirigiriya	1358	Paddy Marketing Board
2	Manampitiya 1	1045	Paddy Marketing Board -repaired
3	Manampitiya 2	1045	Paddy Marketing Board - repaired
4	Hingurakgoda 1	1045	Paddy Marketing Board
5	Hingurakgoda 2	1045	Paddy Marketing Board
6	Hingurakgoda 3	730	Paddy Marketing Board
7	Hingurakgoda 4	1045	Paddy Marketing Board
8	Hingurakgoda 5	1000	Paddy Marketing Board
9	Hingurakgoda 6	1000	Paddy Marketing Board
10	Hingurakgoda 7	1000	Paddy Marketing Board
11	Bakamoona	1045	Paddy Marketing Board
12	Kusumpokuna	1568	Paddy Marketing Board
13	Aralaganwila 9 th Post	1000	Paddy Marketing Board -repaired
14	Wijayapura	1045	Paddy Marketing Board
15	Weerapura 1	1568	Paddy Marketing Board
16	Thalpotha 1	1358	Paddy Marketing Board
17	Thalpotha 2	1045	Paddy Marketing Board
18	Jayanthipura 1	1045	Paddy Marketing Board
19	Jayanthipura 2	1045	Paddy Marketing Board
20	Abhayapura	1000	Paddy Marketing Board
21	Diyabeduma	1045	Paddy Marketing Board
22	Kaduruwela 1	1045	Paddy Marketing Board
23	Kaduruwela 2	1045	Paddy Marketing Board
24	Kaduruwela 3	730	Paddy Marketing Board

25	Kaduruwela 4	3000	Paddy Marketing Board
26	Madu Damana	1045	Paddy Marketing Board – New
27	ZD 1	1000	Mahaweli Authority - repaired
28	ZD 2	750	Mahaweli Authority - repaired
29	ZD 3	1000	Mahaweli Authority - repaired
30	ZD 4	2000	Paddy Marketing Board – New
31	Wijayapura	1000	Mahaweli Authority
32	Welikanda 1	1045	Mahaweli Authority
33	Welikanda 2	1045	Mahaweli Authority
34	Welikanda 3	1045	Mahaweli Authority
35	Welikanda 4	1045	Mahaweli Authority
36	Ambagasweva	750	Mahaweli Authority
Matale District			
1	Handungamuwa	1045	Paddy Marketing Board
2	Hettipola 1	1000	Paddy Marketing Board
3	Hettipola 2	1000	Paddy Marketing Board
4	Hettipola 3	1000	Paddy Marketing Board
5	Pelvehera 1	1568	Paddy Marketing Board
6	Pelvehera 2	1000	Paddy Marketing Board
7	Kandalama 1	1045	Paddy Marketing Board
8	Kandalama 2	730	Paddy Marketing Board
Anuradhapura Region			
Anuradhapura District			
1	Thalawa 1	1000	Paddy Marketing Board
2	Thalawa 2	1000	Paddy Marketing Board
3	Thalawa 3	1000	Paddy Marketing Board
4	Senanayake 3A	1045	Paddy Marketing Board
5	Senanayake 3B	1045	Paddy Marketing Board
6	Senanayake 3C	1045	Paddy Marketing Board
7	Senanayake Rice Mill	1045	Paddy Marketing Board
8	Senanayake - peranimi	2000	Paddy Marketing Board -repaired
9	Thambuththegama	1500	Paddy Marketing Board
10	Rajanganaya	1000	Paddy Marketing Board
11	Bulnewa 1	1000	Paddy Marketing Board

12	Bulnewa 2	1000	Paddy Marketing Board
13	Bulnewa Rice Mill	2000	Paddy Marketing Board
14	Ne-gama 1	1500	Paddy Marketing Board
15	Batiyawa	1000	Paddy Marketing Board
16	Kekirawa 1	1500	Paddy Marketing Board
17	Kekirawa 2	1500	Paddy Marketing Board
18	Srawasthipura 1	1000	Paddy Marketing Board
19	Nochchiyagama 1	1000	Paddy Marketing Board – repaired
20	Nochchiyagama 2	1000	Paddy Marketing Board – repaired
21	Yakalla	1500	Paddy Marketing Board
22	KAhatagasdigiliya	1000	Paddy Marketing Board
23	RAmbewa	1000	Paddy Marketing Board
24	Kebithigollewa	1000	Paddy Marketing Board
25	Medawachchi Rice Mill	2000	Paddy Marketing Board
26	Pe-maduwa	1000	Paddy Marketing Board
27	Wahalkada	400	Paddy Marketing Board – repaired
28	Anuradhapura Central	1000	Paddy Marketing Board
29	Horowpothana	1500	Paddy Marketing Board
30	Kalaweva (Wijithapura)	2000	Paddy Marketing Board – repaired
31	Padavi Parackramapura 1	1000	Paddy Marketing Board
32	Padavi Parackramapura 2	1000	Paddy Marketing Board
33	Padavi Parackramapura 3	1000	Paddy Marketing Board
34	Senapura 1	1000	Paddy Marketing Board
35	Senapura 2	1000	Paddy Marketing Board
36	Wilachchiya	1000	Paddy Marketing Board
37	Padaviya	1000	Paddy Marketing Board
38	Galenbindunuweva 1	1000	Paddy Marketing Board
Northern Region			
Vavuniya District			
1	Vavuniya	2100	Paddy Marketing Board
2	Oyamaduwa	745	Paddy Marketing Board
3	Weppakulam 1	840	Paddy Marketing Board
4	Weppakulam 02	840	Paddy Marketing Board

5	Weppakulam 03	1045	Paddy Marketing Board
6	Weppakulam 04	525	Paddy Marketing Board
7	Nedunkerni	745	Paddy Marketing Board
Mannar District			
1	Alkadively 1	1045	Paddy Marketing Board
2	Alkadively 2	1045	Paddy Marketing Board
3	Alkadively 3	1045	Paddy Marketing Board
Kilinochchi District			
1	Ramanathapuram 1	1000	Paddy Marketing Board
2	Vattakatchi 1	250	Paddy Marketing Board
3	Vattakatchi 2	250	Paddy Marketing Board
4	Kilinochchi 1	250	Paddy Marketing Board Temporary
5	Kilinochchi 2	250	Paddy Marketing Board
6	Kilinochchi 3	250	Paddy Marketing Board
Eastern region			
BAticaloa District			
1	Valachchenai 1	1000	Paddy Marketing Board
2	Valachchenai 2	1000	Paddy Marketing Board
Trincomalee District			
1	Kal-Aru 2	1000	Paddy Marketing Board
2	Kanthale 1	1000	Paddy Marketing Board
3	Kanthale 2	1000	Paddy Marketing Board
4	Kanthale 3	500	Paddy Marketing Board
5	Kanthale 4	1000	Paddy Marketing Board
6	Padavi Sripura	1000	Paddy Marketing Board
7	Gomarankadawala	1000	Paddy Marketing Board
8	Love Lane 1	1500	Paddy Marketing Board
9	Love Lane 2	1500	Paddy Marketing Board
10	Love Lane 3	1500	Paddy Marketing Board
11	Love Lane 4	735	Paddy Marketing Board
12	Love Lane 5	735	Paddy Marketing Board repaired
13	Love Lane 6	735	Paddy Marketing Board
14	Love Lane 7	1045	Paddy Marketing Board
Colombo District			
1	Meethotamulla Store	5000	Paddy Marketing Board

Guaranteed Price for Paddy (2000 -2012)

Season	Price of 1 kg (Rs.)	
	Samba	Nadu
2000/01 Maha	13.50	12.50
2001 Yala	13.50	12.50
2001/02 Maha	14.50	13.50
2002 Yala	14.50	13.50
2002/03 Maha	14.50	13.50
2003 Yala	14.50	13.50
2003/04 Maha	15.50	14.50
2004 Yala	15.50	14.50
2004/05 Maha	16.50	15.50
2005 Yala	16.50	15.50
2005/06 Maha	16.50	15.50
2006 Yala	17.50	16.50
2006/07 Maha	17.50	16.50
2007 Yala	17.50	16.50
2007/08 Maha	22.00	20.00
2008 Yala	30.00	28.00
2008/09 Maha	30.00	28.00
2009 Yala	30.00	28.00
2009/10 Maha	30.00	28.00
2010 Yala	30.00	28.00
2010/11 Maha	30.00	28.00
2011 Yala	30.00	28.00
2011/12 Maha	30.00	28.00
2012 Yala	30.00	28.00

New Stores erected by Paddy Marketing Board in the year 2012

Region	Store
Polonnaruwa	Madudamana
	Aralaganwila (Wijayabapura)
South	Hambegamuwa /Wellawaya

Stores rehabilitated and refurbished by Paddy Marketing Board in the year 2012

Region	Store
Polonnaruwa	Aralaganwila 9 th post
	Manampitiya
South	Kuttigala
North-Western	Mahawa
	Nikaweratiya
Ampara	Gonagolla
	Palam Kanda-Vura
Anuradhapura	Senanayake
Colombo	Meethotamulla Stores

Newly Constructed Stores

- Hambegamuwa (Wallaway & Store)



- Aralaganwila Store





විගණකාධිපති දෙපාර්තමේන්තුව
கணக்காய்வாளர் தலைமை அபிபதி திணைக்களம்
AUDITOR GENERAL'S DEPARTMENT



මගේ අංකය
எனது இல.
My No.

TC/E/PMB/2012/01

ඔබේ අංකය
உமது இல.
Your No.

දිනය
திகதி
Date

21 December 2015

Chairman,

Paddy Marketing Board.

Report of the Auditor General on the Financial Statements of the Paddy Marketing Board for the year ended 31 December 2012 in terms of Section 14(2)(C) of the Finance Act No:38 of 1971.

The audit of financial statements of the Paddy Marketing Board for the year ended 31 December 2012 comprising the statement of financial position as at 31 December 2012 and the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information, was carried out under my direction in pursuance of provisions in Article 154 (1) of the Constitution of the Democratic Socialist Republic of Sri Lanka read in conjunction with Section 13(1) of the Finance Act No:38 of 1971 and Section 30 of the Paddy Marketing Board Act No:14 of 1971. My comments and observations which I consider should be published with the Annual Report of the Board in terms of Section 14(2)(C) of the Finance Act appear in this report. Detailed report in terms of Section 13(7)(a) of the Finance Act was issued to the Chairman of the Board on 03 July 2014.

1.2 Management's Responsibility for Financial Statements

The management is responsible for the preparation and for presentation of these financial statements in accordance with Sri Lanka Accounting Standards and for such control as the management determines is necessary to enable the preparation of financial statements that are free from material misstatements whether due to fraud or error.

1.3 Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit conducted in accordance with Sri Lanka Auditing Standards consistent with International Standards of Supreme Audit Institutions.(ISSAI 1000-1810)



1.4 Basis for Disclaimer of Opinion

As a result these matters described in paragraph 2.2 of this report I am unable to determine whether any adjustments might have been found necessary in respect of recorded or unrecorded items and the elements making up the statement of financial position, statement of comprehensive income, statement of changes in equity and cash flow statement.

2. Financial Statements

2.1 Disclaimer of Opinion

Because of the significance of the matters described in paragraph 2.2 of this report, I have not been able to obtain sufficient and appropriate audit evidence to provide a basis for an audit opinion. Accordingly I do not express an opinion on these financial statements.

2.2 Comments on Financial Statements

2.2.1 Going Concern of the Institution

The Board had sold the stocks of Paddy purchased regularly at lower prices less than the market price and the cost and as such had continued the methodology of obtaining loans from the Treasury and the State Banks to finance the purchase of Paddy from the ensuing season as well as for the settlement of losses arising from sales. Due to this situation the Board's reserve had been at a negative of Rs. 2 Billion and as such it could not be ruled out that an effect will not arise to the risk for the going concern of the Board without a financial support from the Government or any other financial support.

2.2.2 Sri Lanka Accounting Standards

Sri Lanka Accounting Standards – 9

Even though the cash flow statement should be prepared as to reflect cash out flows and cash inflows of the institution during the accounting period, the following weaknesses were observed in the cash flow statement presented along with the financial statements thus its balancing was questionable in audit.

- (i) Even though the depreciation for the year under review amounted to Rs.5,255,270, that was shown in the cash flow statement as Rs.5,379,590.
- (ii) Recurrent grant in the statement of comprehensive income amounting to Rs.35,350,000 had been brought to account under other income and again it had been included in the cash flow statement as cash inflows under financial activities.
- (iii) Even though the purchases of Property, Plant and Equipment in the year under review amounted to Rs. 260,687,228 it was shown as cash inflows amounting to Rs.1,795,356 under Investment Activities in the cash flow statement.

2.2.3 Accounting Deficiencies

Provisions for audit fees amounting to Rs.1,647,368 had not been made from the year 1998 up to the year under review.

2.2.4 Lack of Evidence for Audit

The following observations are made.

- (a) Fixed Assets aggregating Rs.272,646,416 and Paddy value at Rs.3,862,937,224, Soya Beans, Rice and stock in transit and receivables from millers amounting to Rs.36,896,844 could not be satisfactorily vouched or verified in audit due to non-availability of Fixed Assets Register, Title Deeds and Boards of Survey Reports, stock registers, stock verification reports and confirmations and schedules for stock in transit and balances of debtors for audit.



- (b) No evidence whatsoever had been furnished to audit in respect of adjustments made amounting to Rs.1,811,390,434 in the statement of changes in equity for the year under review.
- (c) The relevant approval and the details to write off the credit balance of suspense account amounting to Rs.180,422,896 had not been furnished to audit even by 31 July 2015.

2.3 Non-compliance with Laws, Rules, Regulations and Management Decisions.

The following non-compliances were observed.

Reference to Laws, Rules and Regulations etc	Non-compliance
-----	-----
(a) Section 13(5)(d) of the Finance Act No 38 of 1971.	Even though an internal audit programme should be prepared and implemented in concurrence with the Auditor General, action had not been taken accordingly.
(b) Financial Regulations of the Democratic Socialist Republic of Sri Lanka	
(i) Financial Regulation 135 to 139	The Board had not carried out assignment of duties and the delegation of financial authorities.
(ii) Financial Regulation 188(2)	Action in terms of Financial Regulations had not been taken on 05 cheques amounting to Rs.12,839,744 brought forward from preceding years which deposited in the banks but not realized even by the end of the year 2012.



- (iii) Financial Regulation 387 Even though the paying officer should ensure that the bank balance is adequate in the official bank account before cheques are issued, the cheques had been drawn from 05 bank accounts without adequate balance and as such an overdraft totalling Rs.61,834,763 was arisen as at 31 December 2012. The Treasury approval had also not been obtained thereon.
- (iv) Financial Regulation 756 Fixed Assets amounting to Rs.272,646,416 and stocks amounting to Rs.3,862,937,224 shown in the financial statements for the year under review had not been surveyed over a period exceeding 07 years.
- (c) Decision of the Cabinet of Ministers No 07/199/315/31 dated 25 July 2007 According to the Decision of the Cabinet of Ministers, the Sri Lanka Agricultural Products Marketing Authority should be liquidated and all the assets and liabilities belonging to the authority should have been taken over by the Board. Nevertheless, the Board had taken over only the assets such as Fixed Deposits, Savings Deposits, Cash in Hand and Staff Advances amounting to Rs.184,658,970. Action had not been taken even up to 31 December of the year under review for the take over of the other assets and liabilities.
- (d) Decision of the Cabinet of Ministers No අමප/10/2762/447/013 dated 16 December 2010 Even though action should be taken for the settlement of advances amounting to Rs.2,000 million granted by the Treasury, from the money collected from the sale of rice according to the decision of the Cabinet of Ministers, action had not been taken for the settlement of those advances from the sum of Rs.708,232,048 received from the sale of rice during the year.



3. Financial Review

3.1 Financial Results

According to the financial statements presented, the operation of the Board for the year under review had resulted in an operating loss of Rs.1,996,230,034 as against the operating profit of Rs.263,796,088 thus indicating a drastic deterioration of Rs.2,260,026,122 in the financial results. The increase of cost of sale of paddy and the increase of financial expenditure including loans and overdraft interest by Rs.1,605,414,063 and Rs.238,009,870 respectively as compared with the preceding year had mainly attributed to this deterioration.

4. Operating Review

4.1 Performance

In terms of Sections 3 and 10 of Paddy Marketing Board Act No: 14 of 1971, the Board shall run a business for the milling of paddy and rice, polishing and processing and the registration of private rice mills. Nevertheless, disregarding this, the paddy valued at Rs.1,510,193,268 had been issued during the year to certain millers selected improperly on the basis of turning paddy into rice and return.

4.2 Management Inefficiencies

The following observations are made.

- (a) As mentioned in the Cabinet Memorandum No අම/13/0198/540/004, the loss sustained by the Board from overall sales process of the paddy and rice up to 31 December 2012 amounted to Rs.4,121.47 million. The Minister of the line Ministry had forwarded a Cabinet Memorandum on 12 February 2013 requesting either a grant from the Treasury or to increase the limit of the pledge loan equal to that amount for settlement of the loss. According to the comments of the Central Bank it was informed the Board to furnish a plan that should be implemented to ensure at least a financial loss may not occur in the future. However such a plan had not been prepared by the Board even by 31 July 2015.



- (b) The stores had been constructed by incurring a sum of Rs.7,392,035 in the lands not legally owned by the Board and action had not been taken to transfer the ownership of the lands properly up to date.

4.3 Deficiencies in Contract Administration

The following observations are made.

- (a) Contracts had been awarded to repair 03 paddy stores, 03 official quarters, a rice processing centre and an office building in the year under review without obtaining a Performance Bond in terms of Procurement Guidelines 2006 and advances amounting to Rs.17,553,456 had been paid without obtaining an Advance Bond.
- (b) Even though the provisions for contingencies shown in the contract estimate should not exceed 10 per cent of the estimated contract amount, in terms of the Section 8.13.3 of the Procurement Guidelines, a sum of Rs.8,898,550 had been paid on the above contracts exceeding such limit.
- (c) A retired engineer more than 60 years of age had been appointed as a consultant to supervise the contracts without a proper approval. Despite there was no certification made available that the estimates had been examined by him or they had been accurate, a sum of Rs.280,500 had been paid as consultancy fees from the year 2011 up to 02 August 2013, the date of audit. However at the physical examination carried out during the period from 26 to 30 August 2013, several defects were observed on constructions.

4.4 Apparent Irregularities

The following observations are made.

- (a) The project for the Establishment of Paddy/ Rice Centre in the Nikawaratiya area valued at Rs.500 million had been referred to the Department of External Resources on 17 August 2012 to obtain foreign funds with the approval of the Department of National Planning. Advance amounting to Rs.5 million out of the estimated expenditure of Rs.78.5 million (with VAT) for civil works of this project had been paid to a State Corporation on 2 February 2012 without a Performance Bond, deviating from Procurement Procedure. These constructions had not been carried out even by 31 July 2015.



- (b) According to the payment details of bank, the value of paddy purchased in the year 2010 amounted to Rs.5,411.2 million, whereas according to the Goods Received Notes, stocks valued at Rs.5,316.6 million only had been received by the stores. Accordingly, a shortage of paddy stock amounting to Rs.49.6 million was revealed subsequently, the Chairman of the Board had directed 05 zonal Managers to investigate such payments and the balances of stocks and to take action to correct the balance of stocks by the letter No PMB/F1/01/2013 dated 28 January 2013. Further, it was informed that action will be taken to recover the loss of the stock shortage from the relevant persons, as all purchasing and making payments were done by the zonal staff and if it is not so, it has to be recovered from the relevant Zonal Managers. Nevertheless, action had not been taken either to settle such balances or to recover from the Zonal Managers even by 31 July 2015.

4.5 Uneconomic Transactions

The return had not been received by the Board for the investments of shares amounting to Rs.127,000 in a News Paper Company from the year 2011.

4.6 Under-utilization of Funds

The Savings Account opened in the year 2008 for depositing the money collected from the sale of paddy by the Sri Lanka Agricultural Products Marketing Authority had been transferred to the Board on 26 April 2010 and the balance as at the end of the year under review amounted to Rs.3,853,550. The attention had not been paid to invest that money in an fruitful investment by the Board.

4.7 Identified Losses

The following observations are made.

- (a) The Board had paid sums of Rs.25,091,760 and Rs.520,181,969 as interest on Bank overdraft and interest on Bank loans respectively during the year under review due to the non-settlement of Bank overdrafts and the Bank loan balances.



- (b) At the verification of stocks of paddy carried out in 05 selected zones as at 31 October 2013 according to the Decision No. අමප/12/0815/304/041/I dated 12 July 2012 of the Cabinet of Ministers, a shortage of 16,853,527 kilograms of paddy was observed and the total value of it amounted to Rs.506.09 million.
- (c) Due to non-issuing of paddy stocks at proper time in 05 zones subjected to physical verification, the obsolete stocks were observed and paddy amounting to 586,107 kilograms valued at Rs.17.44 million was perished due to non-storing the paddy in the ground shelves properly (not made available sufficient shelves) and due to spring water flowing inside the stores and seeping the rain water from the roof to the stores and the most of the stores inundated due to rain water.
- (d) According to a decision given by the Secretary of the Ministry of Finance and Planning to export 100,000 metric tonne of rice at the rate of 247 US Dollars per metric tonne of rice, 22,950 metric tonne of rice had been exported to United Arab Emirates during the year under review, and as such a net loss of Rs.711.50 million sustained by the Board. Despite a state institution made a request to purchase broken rice which made as a by-product when processing rice for exports at the rate of Rs.35 per kilogram but without considering that, the rice had been exported at Rs.17.86 per kilogram without proper approval. As such a loss of Rs.23.29 million was sustained by the Board.

However according to the observations of the Minister of Finance and Planning on the Cabinet Memorandum dated 2 May 2013 named as “presentation of Profit and Loss Account of the Paddy Marketing Board as at 31 December 2012 to the Cabinet of Ministers and the proposals for the Cost Management,” it was proposed to carry out future actions according to the provisions of the Financial Regulations and the Establishments Code after being revealed the reasons for the loss by proper investigations. But no action whatsoever had been taken even by 31 July 2014.

- (e) Even though the cost incurred up to the saleable condition of paddy per kilogram of Samba and Nadu had been Rs.35.90 and Rs.33.90 respectively, without proper approval, the Board had sold such paddy to a state institution from the year 2011 at Rs.31.50 and Rs.25.50 per Kg respectively. As such the Board had incurred a loss of Rs.334.04 million.



5. **Accountability and Good Governance**

5.1 **Presentation of Financial Statements**

In terms of the paragraph 6.5.1 of the Department of Public Enterprises Circular No. PED/12 dated 02 June 2003, the financial statements for a financial year should be furnished to audit within 60 days after the end of the financial year, the financial statements for the year 2012 had been presented on 25 October 2013 with a delay of 239 days. But those financial statements had been returned to the Board on 18 August 2014 as they were inaccurate, and the revised financial statements had been presented to audit on 07 August 2015.

5.2 **Internal Audit**

According the directives made by the Committee on Public Enterprises at the meeting held on 05 December 2012, the audit of the Board should be carried out by the Internal Audit Division of the line Ministry until an internal auditor is appointed. But action had not been taken accordingly and none of the internal audit reports had been furnished to audit.

5.3 **Budgetary Control**

A budget, showing the estimated cash flow statement had not been prepared in terms of Section 5.2.1 of the Public Enterprises Circular No. PED/12 dated 02 June 2003.

6. **Systems and Controls**

Deficiencies in systems and controls observed during the course of audit were brought to the notice of the Chairman from time to time. Special attention is needed in respect of the following areas of control.

- (a) Accounting
- (b) Fixed Assets Control
- (c) Internal Audit
- (d) Budgetary Control
- (e) Stock Control
- (f) Revenue Control

H.M.Gamini Wijesinge
Auditor General

PADDY MARKETING BOARD
ANNUAL ACCOUNTS - 2012


Paddy Marketing Board

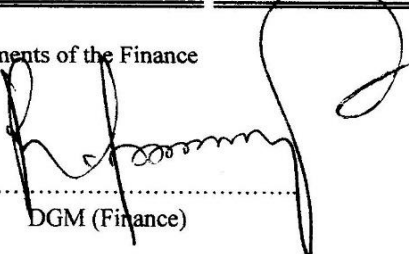
STATEMENT OF FINANCIAL POSITION

As at 31 December 2012

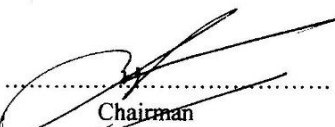
	Note	2012 Rs.	2011 Rs.	2010 Rs.
ASSETS				
Non Current Assets				
Property Plant & Equipment	3	272,646,416	17,214,458	11,869,460
Capital Work-in-Progress	4	80,907,135	130,208,691	3,237,727
Investments	5	313,236,335	283,044,402	272,037,214
		<u>666,789,886</u>	<u>430,467,551</u>	<u>287,144,401</u>
Current Assets				
Inventories	6	3,862,937,224	4,555,191,889	5,497,387,501
Trade and Other Receivables	7	2,444,543,125	1,287,264,584	161,433,192
Cash and Cash Equivalents	8	7,337,628	56,997,132	13,008,919
		<u>6,314,817,977</u>	<u>5,899,453,605</u>	<u>5,671,829,612</u>
Total Assets		<u><u>6,981,607,864</u></u>	<u><u>6,329,921,155</u></u>	<u><u>5,958,974,012</u></u>
EQUITY AND LIABILITIES				
Contributed Capital	9	631,484,518.00	631,484,518.00	631,484,518.00
Reserve Surplus/ (Deficit)		<u>(2,361,679,828)</u>	<u>(257,827,947)</u>	<u>(650,566,893)</u>
Total Equity		<u>(1,730,195,310)</u>	<u>373,656,571</u>	<u>(19,082,375)</u>
Non Current Liabilities				
Interest Bearing Loans & Borrowings	10	5,621,685,789	3,587,454,031	4,395,236,588
Provision for Defined Benefit Plans	11	986,174	636,607	344,234
Deferred Income	12	112,000,000	-	-
		<u>5,734,671,964</u>	<u>3,588,090,638</u>	<u>4,395,580,822</u>
Current Liabilities				
Trade & Other Payables	13	2,915,296,446	2,121,042,496	1,488,277,899
Interest Bearing Loans & Borrowings	10	61,834,764	247,131,449	94,197,666
Income Tax Liabilities		-	-	-
		<u>2,977,131,209</u>	<u>2,368,173,945</u>	<u>1,582,475,565</u>
Total Equity and Liabilities		<u><u>6,981,607,864</u></u>	<u><u>6,329,921,155</u></u>	<u><u>5,958,974,012</u></u>


These Financial Statements are in compliance with the requirements of the Finance Act No. 38 of 1971.


Accountant


DGM (Finance)

The Board of Directors is responsible for the preparation and presentation of these Financial Statements. Signed for and on behalf of the Board by:


Chairman


Director

The accounting policies and notes on pages 6 through 30 form an integral part of the Financial Statements.

STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2012

	Note	2012 Rs.	2011 Rs.	2010 Rs.
Revenue	14	3,617,880,136	3,500,200,907	138,947,952
Cost of Sales		(5,058,814,474)	(3,453,400,411)	(362,543,988)
Gross Profit		<u>(1,440,934,337)</u>	<u>46,800,496</u>	<u>(223,596,036)</u>
Other Income	15	75,341,287	585,177,610	88,533,936
Administrative Expenses		(73,933,968)	(53,500,711)	(46,967,220)
Selling & Distribution Expenses		(11,436,493)	(4,308,344)	(3,424,313)
Other Expenses		-	(3,113,217)	(1,539,439)
Finance Expenses	16	(545,273,730)	(307,263,860)	(160,014,254)
Profit/(Loss) Before Tax		<u>(1,996,237,240)</u>	<u>263,791,974</u>	<u>(347,007,326)</u>
Income Tax (Expense) / Reversal		-	-	-
Profit / (Loss) for the Period		<u>(1,996,237,240)</u>	<u>263,791,974</u>	<u>(347,007,326)</u>
Other Comprehensive Income				
Actuarial Gain (Loss)		7,206	4,114	551,803
Total Comprehensive Income		<u><u>(1,996,230,034)</u></u>	<u><u>263,796,088</u></u>	<u><u>(346,455,523)</u></u>

The accounting policies and notes on pages 6 through 30 form an integral part of the Financial Statements.

Paddy Marketing Board

STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2012

	Contributed Capital Rs.	Retained Earnings Rs.	Total Rs.
Balance as at 01 January 2010	404,877,451	(1,802,099,629)	(1,397,222,178)
Prior Year Adjustments	-	(12,713,079)	(12,713,079)
SLFRS Adjustments	226,607,067	1,510,701,338	1,510,701,338
Profit/(Loss) for the period	-	(346,455,523)	(346,455,523)
Balance as at 31 December 2010	<u>631,484,518</u>	<u>(650,566,893)</u>	<u>(245,689,442)</u>
Balance as at 01 January 2011	631,484,518	(650,566,893)	(19,082,375)
SLFRS Adjustments	-	128,942,858	128,942,858
Profit/(Loss) for the period	-	263,796,088	263,796,088
Balance as at 31 December 2011	<u>631,484,518</u>	<u>(257,827,947)</u>	<u>373,656,571</u>
Balance as at 01 January 2012	631,484,518	(257,827,947)	373,656,571
Prior Year Adjustments	-	25,705,656	25,705,656
SLFRS Adjustments	-	(133,327,503)	(133,327,503)
Profit/(Loss) for the period	-	(1,996,230,034)	(1,996,230,034)
Balance as at 31 December 2012	<u>631,484,518</u>	<u>(2,361,679,828)</u>	<u>(1,730,195,310)</u>

The accounting policies and notes on pages 6 through 30 form an integral part of the Financial Statements.

Paddy Marketing Board

CASH FLOW STATEMENT

Year ended 31 December 2012

	Note	2012 Rs.	2011 Rs.
Cash Flows From / (Used in) Operating Activities			
Profit/(Loss) Before Tax		(1,996,237,240)	263,791,974
Adjustments for			
Finance Cost		545,273,730	307,263,860
Depreciation		5,379,590	2,523,064
Investment Written off		-	55,838,265
Interest Provided on Gratuity Balance		73,210	39,587
Provision for Gratuity		283,563	256,901
Operating Profit before Working Capital Changes		(1,445,227,147)	629,713,651
(Increase)/Decrease in Inventories		692,254,665	942,195,612
(Increase)/Decrease in Trade and Other Receivables		(1,207,022,071)	(1,125,831,392)
Increase/(Decrease) in Trade and Other Payables		795,213,047	448,296,550
Cash Generated from Operations		(1,164,781,507)	894,374,421
Finance Cost Paid		(545,273,730)	(307,263,860)
Income Tax Paid		-	-
Gratuity Paid		-	(62,388)
Net Cash From/(Used in) Operating Activities		(1,710,055,237)	587,048,173
Cash Flows From / (Used in) Investing Activities			
Acquisition of Property, Plant & Equipment		1,795,356	5,896,169
Investment in Fixed Deposits		(30,191,933)	(11,007,188)
Net Cash Flows From/(Used in) Investing Activities		(28,396,577)	(5,111,019)
Cash Flows From/(Used in) Financing Activities			
Issue of Shares		-	-
Proceeds from Interest Bearing Loans & Borrowings		5,819,059,435	(807,782,557)
Repayments of Interest Bearing Loans & Borrowings		(3,980,320,440)	(518,378,914)
Receipt of Government Grant		35,350,000	554,090,000
Net Cash Flows From/(Used in) Financing Activities		1,874,088,995	(772,071,471)
Net Increase/(Decrease) in Cash and Cash Equivalents		135,637,181	(190,134,317)
Cash and Cash Equivalents at the Beginning of the year		(190,134,317)	-
Cash and Cash Equivalents at the End of the year		(54,497,136)	(190,134,317)

The accounting policies and notes on pages 6 through 30 form an integral part of the Financial Statements.

1. CORPORATE INFORMATION

Paddy Marketing Board (**PMB**) is a statutory board established under the provisions of the Paddy Marketing Board Act No. 14 of 1971, and domiciled in Sri Lanka. The registered office and the principal place of Business are located at No.330, Union Place, Colombo 02.

Paddy Marketing Board was under liquidation during the period 2000 to 2007, and was reactivated by the then Minister of Agriculture Development and Agrarian Services, Hon. Maithripala Sirisena with effect from 1st December 2007.

1.1 Date of Authorization for Issue

The Financial Statements for the year ended 31 December 2012 were authorized for issue in accordance with a resolution by the board of directors on 22.04.2015

1.2 Principal Activities & Nature of Operations

The primary business of **PMB** is purchase of paddy during harvesting season and selling of paddy.

1.3 Basis of Preparation

(a) Statement of Compliance

The financial statements comprise the statement of financial position, statement of comprehensive income, statement of changes in equity, cash flow statement and notes to the financial statements. These statements have been prepared in accordance with the Sri Lanka Accounting Standards (SLFRSs and LKASs) issued by the Institute of chartered Accountants of Sri Lanka.

These financial statements for the year ended 31 December 2012 are the first set of the financial statements that the **PMB** has prepared in accordance with the Sri Lanka Accounting Standards (SLFRSs and LKASs) immediately effective from January 01, 2012. The effect of transition to SLFRS/LKAS on previously reported financial position, performance and cash flow is given in the notes to the Financial Statements.

(b) Basis of measurement

The financial statements have been prepared on historical cost basis except where appropriate disclosures are made with regard to fair value under relevant notes.

(c) Comparative Information

Comparative information including quantitative, narrative and descriptive information is disclosed in respect of the previous period for all amounts reported in the financial statements in order to enhance the understanding of the financial statements of the current period and to improve the inter-period comparability.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements and in reporting the opening SLFRS statement of Financial Position as at January 01, 2011 for the purpose of transition to SLFRSs, unless otherwise indicated.

When the presentation or classification of items in the financial statements have been amended, comparative amounts have also been reclassified to conform with the current in order to provide a better presentation.

(d) Financial and presentation currency

These financial statements prepared in Sri Lanka Rupees which is the functional and presentation currency of the **PMB**. All financial information presented in Sri Lankan Rupees has been rounded to the nearest rupee, unless stated otherwise.

(e) Use of Estimates and Judgments

These preparation and presentation of financial statements in conformity with SLFRS/LKAS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and estimates. Actual results may differ from these estimates and judgments used.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimate is revised if the revision affects only that period or in the period of the revision and future periods, if the revision affects both current and future periods.

Information about significant areas of estimates, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements as included in the notes to the financial statements.

2. ASSETS AND BASIS OF THEIR VALUATION

2.1. Property, Plant and Equipment

a) Cost

Property, Plant & Equipment is stated at cost, excluding the cost of day servicing, less accumulated depreciation and accumulated impairment in value. Such cost includes the cost of replacing part of the plant and equipment when that cost is incurred, if the recognition criteria are met.

b) Restoration Costs

Expenditure incurred on repairs or maintenance of property, plant and equipment in order to restore or maintain the future economic benefits expected from originally assessed standard of performance, is recognized as an expense when incurred.

c) Depreciation

The provision for depreciation is calculated by using a straight line method on the cost or valuation of all property, plant and equipment, in order to write off such amounts over the following estimated useful lives by equal installments as follows.

Category of Assets	Rate per annum
Land & Building	2.5%
Motor Vehicles	20%
Office Equipment	20%
Furniture & Fixtures	20%
Moisture Meters	20%
Computer Accessories	20%

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

2.2. Inventories

Inventories are valued at the lower of cost and net realisable value, after making due allowances for obsolete and slow moving items. Net realisable value is the price at which inventories can be sold in the ordinary course of business less the estimated cost of completion and the estimated cost necessary to make the sale.

2.3. Financial assets

(a) Initial Recognition

Financial assets within the scope of LKAS 39 are classified as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments or as available-for-sale financial assets

All financial assets are recognised initially at fair value plus, in the case of assets not at fair value through profit or loss, directly attributable transaction costs.

(b) Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at fair value through profit or loss

PMB does not designate any financial asset as **fair value through profit or loss**.

Loans & Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate method (EIR), less impairment. Amortised cost is calculated taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the income statement. The losses arising from impairment are recognised in the income statement in finance costs.

PMB has classified trade and other receivables, fixed deposits, cash & cash equivalents as loans & receivables.

Held-to-maturity investments

Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held-to-maturity when the **PMB** has the positive intention and ability to hold them to maturity. After initial measurement, held-to-maturity investments are measured at amortised cost using the effective interest method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the income statement. The losses arising from impairment are recognised in the income statement in finance costs.

PMB did not have any held-to-maturity investments during the period ended 31 December 2012.

Available-for-sale financial investments

PMB has not designated any financial asset as **Held for Sale**.

(c) Impairment of financial assets

The **PMB** assesses at each reporting date whether there is any objective evidence that a financial asset or **PMB** of financial assets is impaired. A financial asset or a

PMB of financial assets is deemed to be impaired if and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred ‘loss event’) and that loss event has an impact on the estimated future cash flows of the financial asset or the **PMB** of financial assets that can be reliably estimated. Evidence of impairment may include indications that the debtors or a **PMB** of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Financial assets carried at amortised cost

For financial assets carried at amortised cost, the **PMB** first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the **PMB** determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a **PMB** of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the assets carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset’s original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate.

The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in the income statement. Interest income continues to be accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. The interest income is recorded as part of finance income in the income statement. Loans together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the **PMB**. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a future write-off is later recovered, the recovery is credited to finance costs in the income statement.

(c) Cash and Cash Equivalents

Cash and cash equivalents are cash in hand, demand deposits and short term highly liquid investments, readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

For the purpose of the cash flow statement, cash and cash equivalents consist of cash in hand and deposits in banks net of outstanding bank overdrafts. Investments with short maturities i.e. three months or less from the date of acquisition are also treated as cash equivalents.

2.4. Financial liabilities

(a) Initial recognition and measurement

Financial liabilities within the scope of LKAS 39 are classified as financial liabilities at fair value through profit or loss or as loans and borrowings, as appropriate. The **PMB** determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, carried at amortised cost. This includes directly attributable transaction costs.

PMB's financial liabilities include trade and other payables and loans and borrowings.

(b) Subsequent measurement

The measurement of financial liabilities depends on their classification as follows:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term. This category includes derivative financial instruments entered into by the **PMB** that are not designated as hedging instruments in hedge relationships as defined by LKAS 39. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the income statement.

PMB has not designated any financial liabilities upon initial recognition as at fair value through profit or loss.

(c) Loans and borrowings

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in the income statement when the liabilities are derecognised as well as through the effective interest rate method (EIR) amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the income statement. The **PMB** has classified interest bearing loans and borrowings and other borrowings as loans and borrowings.

(d) Financial guarantee contracts

Financial guarantee contracts issued by the **PMB** are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the best estimate of the expenditure required to settle the present obligation at the reporting date and the amount recognised less cumulative amortisation.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the income statement.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the consolidated statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

2.5. Provisions

Provisions are recognized when the **PMB** has a present obligation (legal or constructive) as a result of a past event, where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the **PMB** expects some or all of a provision reimbursed, the reimbursement is recognized as a separate assets but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre tax rate that reflects current market assessment of the time value of money and, where appropriate, the risk specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as an interest expense

2.6. Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, which it is intended to compensate, are expensed. Where the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Group receives non-monetary grants, the asset and the grant are recorded gross at nominal amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset by equal annual installments.

When loans or similar assistance are provided by governments or related institutions with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant.

2.7. Defined Benefit Plan - Gratuity

The liability recognised in the statement of financial position is the present value of the defined benefit obligation at the reporting date using the projected unit credit method. Any actuarial gains or losses arising are recognised immediately in the Income Statement.

2.8. Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the **PMB** and the revenue and associated costs incurred or to be incurred can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable net of trade discounts and sales taxes.

2.9. Sale of Goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on dispatch of the goods.

2.10. Interest Income

Interest income is recorded as it accrues using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in other income in the income statement.

2.11. Rental income

Rental income is recognised on an accrual basis.

2.12. Other Income

Other income is recognised on accrual basis.

2.13. CONVERGENCE WITH SRI LANKA FINANCIAL REPORTING STANDARDS

Financial Statements of **PMB** are presented in conformity with SLFRS with effect from the financial year 2012.

Accordingly, date of transition to SLFRS is January 01, 2011.

PMB which had been under liquidation, reconstructed books of accounts after re-activation of activities in the year 2007. However, due to unavailability of proper accounting records for the period under liquidation, many of the asset and liability balances were accounted as suspense items. By the year 2013, suspense accounts had been cleared.

Those were adjusted as at 01st January 2010 for conversion to SLFRS. Any excesses and shortages arising from these adjustments were evenly distributed for the years 2010, 2011 and 2012.

Reconciliations required by SLFRS 1 – First time adoption of SLFRS are as follows :

2.14. STANDARDS ISSUED BUT NOT YET EFFECTIVE

Standards issued but not yet effective up to the date of issuance of the financial statements are set out below. **PMB** will adopt these standards when they become effective. Pending a detailed review, the financial impact is not reasonably estimable as at the date of publication of these financial statements.

(i) SLFRS 9 -Financial Instruments: Classification and Measurement

SLFRS 9, as issued reflects the first phase of work on replacement of LKAS 39 and applies to classification and measurement of financial assets and liabilities.

(ii) SLFRS 13 -Fair Value Measurement

SLFRS 13 establishes a single source of guidance under SLFRS for all fair value measurements. SLFRS 13 provides guidance on all fair value measurements under SLFRS.

SLFRS 9 will be effective for financial periods beginning on or after 01 January 2015 whilst SLFRS 13 will be effective for financial periods beginning on or after 01 January 2014.

Paddy Marketing Board

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2012

Reconciliation of Total Comprehensive			
Income	2012	2011	2010
	Rs.	Rs.	Rs.
NET Income for the year	(2,040,989,079)	264,125,787	(346,747,035)
Adjustment for WIP	-	(37,332)	-
Sales Adjustment-Millers	68,993,349		
Sales Adjustment-Army	91,929,495		
Additional Depreciation On Building	(2,724,783)		
Reversal Depreciation On Computer	248,640		
Milling Charges	(1,338,089)		
Treasury Grants	(112,000,000)		
Acturial (Loss) - Gain	7,206	4,114	551,804
Provision	(283,563)	(256,901)	(180,006)
Interest	(73,210)	(39,587)	(80,285)
SLFRS Comprehensive Income as per SLFRS	(1,996,230,034)	263,796,088	(346,455,522)
Reconciliation of Equity			
	2,012	2,011	2,010
	Rs.	Rs.	Rs.
Retained Earnings as at December 31	(1,960,310,505)	57,061,792	(2,161,559,743)
Adjustments for			
Property, Plant & Equipment		2,047,797	(109,347,921)
Capital Work In Progress		131,701,968	3,237,727
Capital Work In Progress	(37,332)	(37,332)	-
Investments			(55,838,265)
Suspense (Debit Balances)		(2,922,707,556)	(632,112,315)
Gratuity Account Adjustment	2,088,871	2,088,871	2,088,871
Acturial Loss	551,804	551,804	551,804
Provision	(180,006)	(180,006)	(180,006)
Interest	(80,285)	(80,285)	(80,285)
Trade & Other Payables			184,468,047
Suspense (Credit Balances)	(449,138,146)	2,472,017,375	2,118,205,195
Bank – Errors Suspense	959,100		
Acturial Gain (Loss)	4,114	4,114	
Provision	(256,901)	(256,901)	-
Interest	(39,587)	(39,587)	-
Acturial Gain (Loss)	7,206		-
Provision	(283,563)		-
Interest	(73,210)		
Sales Adjustment - Millers	68,993,349		
Sales Adjustment - Army	91,929,495		
Additional Depreciation On Building	(2,724,783)		
Reversal of Depreciation On Computer	248,640		
Milling Charges	(1,338,089)		
Treasury Grants	(112,000,000)		
SLFRS Retained Earnings	(2,361,679,828)	(257,827,947)	(650,566,893)

2012

3.1 Cost

	Balance as at 01.01.2012	Additions	Disposals	Balance as at 31.12.2012
	Rs.	Rs.	Rs.	Rs.
Land & Building	8,601,860	259,175,325	-	267,777,185
Computer & Accessories	1,873,150	119,900	-	1,993,050
	-			-
Office Equipment	613,897	688,951	-	1,302,848
Furniture & Fittings	2,460,825	703,052	-	3,163,877
Moisture Meters	3,712,350		-	3,712,350
Motor Vehicles	3,101,000	-	-	3,101,000
	<u>20,363,082</u>	<u>260,687,228</u>	<u>-</u>	<u>281,050,310</u>

3.2 Depreciation

	Balance as at 01.01.2012	Additions	Disposals	Balance as at 31.12.2012
	Rs.	Rs.	Rs.	Rs.
Land & Building	230,917	2,906,098	-	3,137,015
Computer & Accessories	250,310	251,555	-	501,865
	-			-
Office Equipment	107,663	199,911	-	307,574
Furniture & Fittings	198,929	579,263	-	778,192
Moisture Meters	1,298,778	742,470	-	2,041,248
Motor Vehicles	1,062,027	575,973	-	1,638,000
	<u>3,148,624</u>	<u>5,255,270</u>	<u>-</u>	<u>8,403,894</u>

3.3 Net Book Value

	Balance as at 31.12.2012	Balance as at 31.12.2011
	Rs.	Rs.
Land & Building	264,640,170	8,370,943
Computer & Accessories	1,491,185	1,622,840
	-	
Office Equipment	995,274	506,234
Furniture & Fittings	2,385,685	2,261,896
Moisture Meters	1,671,102	2,413,572
Motor Vehicles	1,463,000	2,038,973
	<u>272,646,416</u>	<u>17,214,458</u>

2011

3.1 Cost

	Balance as at 01.01.2011	Additions	Disposals	Balance as at 31.12.2011
	Rs.	Rs.	Rs.	Rs.
Land & Building	5,812,246	2,789,614	-	8,601,860
Computer & Accessories	41,550	1,831,600	-	1,873,150
	-			-
Office Equipment	66,764	547,133	-	613,897
Furniture & Fittings	239,726	2,221,099	-	2,460,825
Moisture Meters	3,712,350		-	3,712,350
Motor Vehicles	3,101,000	-	-	3,101,000
	<u>12,973,636</u>	<u>7,389,446</u>	<u>-</u>	<u>20,363,082</u>

3.2 Depreciation

	Balance as at 01.01.2011	Additions	Disposals	Balance as at 31.12.2011
	Rs.	Rs.	Rs.	Rs.
Land & Building	15,870	215,047	-	230,917
Computer & Accessories	-	250,310	-	250,310
	-			-
Office Equipment	-	107,663	-	107,663
Furniture & Fittings	45,944	152,985	-	198,929
Moisture Meters	556,308	742,470	-	1,298,778
Motor Vehicles	486,054	575,973	-	1,062,027
	<u>1,104,176</u>	<u>2,044,448</u>	<u>-</u>	<u>3,148,624</u>

3.3 Net Book Value

	Balance as at 31.12.2011	Balance as at 31.12.2010
	Rs.	Rs.
Land & Building	8,370,943	5,796,376
Computer & Accessories	1,622,840	41,550
	-	
Office Equipment	506,234	66,764
Furniture & Fittings	2,261,896	193,782
Moisture Meters	2,413,572	3,156,042
Motor Vehicles	2,038,973	2,614,946
	<u>17,214,458</u>	<u>11,869,460</u>

2010

3.1 Cost

	Balance as at 01.01.2010	Additions	Disposals	Balance as at 31.12.2010
	Rs.	Rs.	Rs.	Rs.
Land & Building	-	5,812,246	-	5,812,246
Computer & Accessories	-	41,550	-	41,550
Plant & Machinery	-			-
Office Equipment	-	66,764	-	66,764
Furniture & Fittings	-	239,726	-	239,726
Moisture Meters	-	3,712,350	-	3,712,350
Motor Vehicles	-	3,101,000	-	3,101,000
	<u>-</u>	<u>12,973,636</u>	<u>-</u>	<u>12,973,636</u>

3.2 Depreciation

	Balance as at 01.01.2010	Additions	Disposals	Balance as at 31.12.2010
	Rs.	Rs.	Rs.	Rs.
Land & Building	-	15,870	-	15,870
Computer & Accessories	-		-	-
Plant & Machinery	-			-
Office Equipment	-		-	-
Furniture & Fittings	-	45,944	-	45,944
Moisture Meters	-	556,308	-	556,308
Motor Vehicles	-	486,054	-	486,054
	<u>-</u>	<u>1,104,176</u>	<u>-</u>	<u>1,104,176</u>

3.3 Net Book Value

	Balance as at 31.12.2010	Balance as at 31.12.2009
	Rs.	Rs.
Land & Building	5,796,376	-
Computer & Accessories	41,550	-
Plant & Machinery	-	-
Office Equipment	66,764	-
Furniture & Fittings	193,782	-
Moisture Meters	3,156,042	-
Motor Vehicles	2,614,946	-
	<u>11,869,460</u>	<u>-</u>

Paddy Marketing Board

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2012

4. WORK IN PROCESS	2012	2011	2010
	Rs.	Rs.	Rs.
Opening Balance	130,208,691	3,237,727	
Transferec to Land & Building Account	(258,891,872)	(1,493,277)	
Advance Given for the Period	209,590,317	128,464,241	3,237,727
	<u>80,907,135</u>	<u>130,208,691</u>	<u>3,237,727</u>
5. INVESTMENTS	2012	2011	2010
	Rs.	Rs.	Rs.
Sri Lanka Agricultural Products Marketing Authority			-
The Associated Newspapers of Ceylon Ltd			-
Fixed Deposit Bank of Ceylon	313,236,335	283,044,402	272,037,214
	<u>313,236,335</u>	<u>283,044,402</u>	<u>272,037,214</u>
6. INVENTORIES	2012	2011	2010
	Rs.	Rs.	Rs.
Paddy Stock- Nadu	3,356,646,043	4,483,918,739	5,233,460,059
Paddy Stock- Samba	448,518,132		
Goods in Transit	54,385,225	67,706,816	132,566,434
Soya Been Stock	3,302,853	3,302,853	130,473,988
Rice Stock	84,972	152,842	
Office		110,639	887,020
	<u>3,862,937,224</u>	<u>4,555,191,889</u>	<u>5,497,387,501</u>
7. TRADE AND OTHER RECEIVABLES	2012	2011	2010
	Rs.	Rs.	Rs.
Trade Debtors (7.1)	2,414,218,439	49,743,530	49,743,530
Less - Provision for Impairment	-	-	-
	<u>2,414,218,439</u>	<u>49,743,530</u>	<u>49,743,530</u>
Sundry Debtors			
Loans and Advances (7.2)	26,391,267	150,676,283	24,146,853
Other Receivables (7.3)	3,913,419	1,086,844,771	87,542,809
Securities and Deposits (7.4)	20,000	-	-
	<u>2,444,543,125</u>	<u>1,287,264,584</u>	<u>161,433,192</u>

Paddy Marketing Board

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2012

7.1 Trade Debtors	2012	2011	2010
	Rs.	Rs.	Rs.
CWE	1,587,080,892	-	-
Ministry for Paddy Sales		-	-
Food Department	470,946,490	-	-
Lanka Sathosa	49,942,727	-	-
Ministry of Rice Export	42,918,273	-	-
S.L. Air Force	4,425,000	-	-
S.L. Army	91,929,495	-	-
S.L. Port Authority	750,000	-	-
S.L. Thripasha Limited	-	-	-
Receivables from Food Department	10,591,838	-	-
Receivables from Millers	36,896,844	-	-
Rice Millers (for paddy sales of Credit basis)	68,993,349	-	-
Purchase Control Account	49,743,530	49,743,530	49,743,530
	<u>2,414,218,439</u>	<u>49,743,530</u>	<u>49,743,530</u>

7.2 Loans and Advances

Advances	2012	2011	2010
	Rs.	Rs.	Rs.
A.J. Wijethunga	41,872	-	-
Co. Wholesale Establishment	3,000,000	3,000,000	3,000,000
Commissioner of Co-Operative	9,000,000	9,000,000	9,000,000
Lanka Sathosa Limited	1,000,000	1,000,000	1,000,000
Peries	20,000	-	-
R.P.M. System "B"	795,578	795,578	795,578
Randeni	89,000	-	-
Road Development Authority	2,421,271	2,421,271	-
Ruwanthika	71,628	-	-
Festival Advance A/C	217,500	-	-
GMT. Agent- Ampara	200,000	-	-
Advances- Walpita	-	-	-
Anuradhapura	-	-	300,000
Commi. Agraraian - Kurunegala	-	-	-
Commi. Agrarian - Ampara	-	-	-
G.L.T.D. Kulathunga	-	-	-
L.M.U.N. Kabral	-	-	-
N. Ekanayaka	-	-	-
North West	-	-	-
Polonnaruwa	-	-	6,700,000
Ampara	-	45,940	-
S. State Trading Corporation	-	-	-
Administrative Officer	-	-	-
Auditor General	-	-	-
Contract Allowance	-	-	17,548
Advances for Capital Expenses	-	131,701,968	3,237,727
Head Office	-	88,000	-
Loans			
Festival Advance	-	230,500	96,000
Bike Loan	6,584,218	-	-
Distress Loan	2,950,200	2,393,026	-
	<u>26,391,267</u>	<u>150,676,283</u>	<u>24,146,853</u>

7.3 Other Receivables	2012	2011	2010
	Rs.	Rs.	Rs.
Other Allowance Reimbursement A/C	17,333	-	-
Accrued Rent Income	1,213,400	-	342,000
Accrued F/D Interest			987,674
Receivable from - Lanka Sathosa (for rice sales)		90,409,713	72,566,049
CWE (for paddy sales)		341,388,591	
Receivable from SLAPMA			35,000
WHT Receivables	2,682,686	-	3,020,249
E.P.F. Surcharges	-	-	-
E.T.F. Surcharges	-	-	-
Receivable from Food Department (for Rice)		622,577,907	10,591,837
Receivable from SL Port Authority (for Rice)		750,000	
Receivable from SL Navy (for Rice)		26,795,000	
Receivable from SL Air Force (for Rice)		4,425,000	
Receivable from SL Thriposa Limited (forsoya sales)		498,560	
	<u>3,913,419</u>	<u>1,086,844,771</u>	<u>87,542,809</u>

7.4 Securities and Deposits	2012	2011	2010
	Rs.	Rs.	Rs.
Housing Security Deposit	20,000	20,000	20,000
	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>

8. CASH AND CASH EQUIVALENTS	2012	2011	2010
	Rs.	Rs.	Rs.
Favourable Cash & Short Term Deposits			
Cash and Bank Balances	7,337,628	56,997,132	13,008,919
	<u>7,337,628</u>	<u>56,997,132</u>	<u>13,008,919</u>

Paddy Marketing Board

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2012

9. CAPITAL AND RESERVE

9.1 Contributed Capital	2012 Rs.	2011 Rs.	2010 Rs.
Contributed Capital	631,484,518	631,484,518	631,484,518
	<u>631,484,518</u>	<u>631,484,518</u>	<u>631,484,518</u>

9.2 Funds	2012 Rs.	2011 Rs.	2010 Rs.
Foreign Aid	-	-	-
Value of Assets taken over from CAS, RVDB, MDB	-	-	-
Development Reserve	-	-	-
Common Agricultural Fund	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>

Note: The above balance has been transferred to the Contributed Capital with effect from 2010.

10. INTEREST BEARING LOANS AND BORROWINGS

	2012 Total Rs.	2011 Total Rs.	2010 Total Rs.
Bank Loans (10.1)	5,621,685,789	3,587,454,031	4,395,236,588
Bank Overdraft	61,834,764	247,131,449	94,197,666
	<u>5,683,520,553</u>	<u>3,834,585,480</u>	<u>4,489,434,254</u>

10.1 Bank Loans

	As at 31.12.2012 Rs.	As at 31.12.2011 Rs.	As at 31.12.2010 Rs.
Bank of Ceylon	3,100,000,000	2,185,200,000	2,250,000,000
National Savings Bank	725,946,271	47,802,282	267,802,282
People's Bank	1,553,744,998	1,354,451,749	1,496,960,318
Regional Develop. Bank	241,994,521	-	380,473,988
	<u>5,621,685,789</u>	<u>3,587,454,031</u>	<u>4,395,236,588</u>

11. DEFINED BENEFIT LIABILITY

	2012 Rs.	2011 Rs.	2010 Rs.
Balance at the beginning of the year	636,607	344,234	2,787,005
Expenses on Defined Benefit Plan			(2,088,871)
Provision for the year	283,563	256,901	180,006
Interest for the year	73,210	39,587	80,285
Actuarial Loss	(7,206)	(4,114)	(551,804)
Payment Made during the year	-	-	(62,388)
Balance at the end of year	<u>986,174</u>	<u>636,607</u>	<u>344,234</u>

12. DEFERRED INCOME

	2012 Rs.	2011 Rs.	2010 Rs.
Balance at the beginning of the year	-	-	-
Government Grant for Capital Expenditure During the Year	112,000,000	112,000,000	112,000,000
Charge to Income Statement			
Balance at the end of year	<u>112,000,000</u>	<u>112,000,000</u>	<u>112,000,000</u>

This represents the government Grant offered in 2013 for the company for improvements, constructions of stores & computerisation.

Paddy Marketing Board

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2012

13. TRADE AND OTHER PAYABLES	2012	2011	2010
	Rs.	Rs.	Rs.
Trade Payables (13.1)	-	-	26,207,563
Sundry Creditors (13.2)	2,259,000,000	1,900,000,000	1,300,000,000
Other Payables (13.3)	323,651,032	209,475,205	150,641,348
Accrued Expenses	332,645,414	11,567,291	11,428,988
	<u>2,915,296,446</u>	<u>2,121,042,496</u>	<u>1,488,277,899</u>
13.1 Trade Payables	2012	2011	2010
	Rs.	Rs.	Rs.
Lanka Sathosa Loan Payable to SLPMA			190,923
Lanka Sathosa Ministry for Rice Export			
Rice millers for Export Payable to GA			26,016,640
	<u>-</u>	<u>-</u>	<u>26,207,563</u>
13.2 Sundry Creditors	2012	2011	2010
	Rs.	Rs.	Rs.
Co-operative Development Fund	190,000,000		
Gov. Agent Fund- Anuradhapura	69,000,000		
Payable to Treasury	2,000,000,000	1,900,000,000	1,300,000,000
	<u>2,259,000,000</u>	<u>1,900,000,000</u>	<u>1,300,000,000</u>
13.3 Other Payables	2012	2011	2010
	Rs.	Rs.	Rs.
Provisions (13.3.1)	322,017,534	207,862,709	147,643,718
Refundable Deposits (13.3.2)	1,216,475	982,657	2,441,649
Unclaim Salaries	38,031	38,031	31,973
E.P.F. Payable A/C	-	514,616	455,659
E.T.F. Payable A/C	-	77,192	68,349
Bank Errors	(959,097)		
Payable To Mr. S.G. Jemis	-	-	-
Payable To C.T.C. Rice Mill	1,338,089	-	-
	<u>323,651,032</u>	<u>209,475,205</u>	<u>150,641,348</u>
13.3.1 Provisions	2012	2011	2010
	Rs.	Rs.	Rs.
Provision for Driage	297,306,319		
Provision for Loan Interest Charges	5,356,046	5,356,046	71,138,721
Provision for Driage - 3%	-	183,151,394	48,633,832
Provision for Turnover Tax	19,355,269	19,355,269	19,355,269
Provision for Milling Charges			6,582,965
Provision for Transport Charges			1,927,704
Salary Abetments	(100)		5,227
	<u>322,017,534</u>	<u>207,862,709</u>	<u>147,643,718</u>
13.3.2 Refundable Deposits	2012	2011	2010
	Rs.	Rs.	Rs.
M.M. Refundable Deposits	372,925	372,925	541,125
Other Deposits- Refundable Rent Deposit	250,000	250,000	240,000
Refundable Tender Deposit	353,550	353,550	28,550
Security Deposit Account	240,000	6,182	1,631,974
	<u>1,216,475</u>	<u>982,657</u>	<u>2,441,649</u>

Paddy Marketing Board

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2012

14. REVENUE

	2012	2011	2010
	Rs.	Rs.	Rs.
Revenue	3,617,880,136	3,500,200,907	138,947,952
Total	3,617,880,136	3,500,200,907	138,947,952

15. OTHER INCOME

	2012	2011	2011
	Rs.	Rs.	Rs.
Distress Loan Interest	125,521	37,299	-
Fixed Deposit Interest Income	33,353,524	14,549,943	16,550,343
Savings Account Interest Income	151,658	144,316	134,518
Non Refundable Tender Income	2,500	-	-
Tender Deposit Income	-	32,500	636,000
Service Charges Income			275,280
Moisture Meters Sales			131,473
Polysack Bag Sales	-	-	2,281,755
Rent Income	2,913,900	-	-
Store Rent Income	3,134,400	6,015,400	5,231,300
Treasury Grants	35,350,000	-	35,000,000
- For Recurrent Expenditure		25,000,000	
- For Capital Expenditure		182,900,000	
- For Loan Interest Recovery		346,190,000	
Refund of Bank Guarantees			24,450,000
Broken Rice sale	-	-	-
Broken Paddy	-	-	-
Profit (Loss) on Rice Sales		(2,462,468)	3,157,266
Profit (Loss) on Soya Sales		12,294,218	
Other Income	309,785	476,402	686,001
	75,341,287	585,177,610	88,533,936

16. FINANCE EXPENSES

	2012	2011	2011
	Rs.	Rs.	Rs.
Debit Tax			3,280,917
OD Charges	25,091,760	-	61,826,718
Farmers T.F. Loan Interest	8,820,206	-	6,796,234
Loan Interest -BOC	234,136,899	186,467,341	46,116,869
Loan Interest -NSB	92,865,250	-	5,356,046
Loan Interest -PB	135,844,546	120,756,853	29,219,746
Loan Interest -RDB	48,515,068	39,666	7,417,724
	545,273,730	307,263,860	160,014,254

Paddy Marketing Board

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2012

17. CASH AND SHORT TERM DEPOSITS IN THE CASH FLOW STATEMENT

Components of Cash and Short Term Deposits	2012	2011	2010
	Rs.	Rs.	Rs.
17.1 Favourable Cash & Short Term Deposits			
Cash and Bank Balances	7,337,628	56,997,132	13,008,919
	<u>7,337,628</u>	<u>56,997,132</u>	<u>13,008,919</u>
17.2 Unfavourable Cash & Short Term Deposits			
Bank Overdraft	(61,834,764)	(247,131,449)	(94,197,666)
Total Cash and Short Term Deposits For the Purpose of Cash Flow Statement	<u>(54,497,136)</u>	<u>(190,134,317)</u>	<u>(81,188,747)</u>

18. COMMITMENTS AND CONTINGENCIES

There are no any Commitments and Contingencies

19. ASSETS PLEDGED

No assets have been pledged as security for liabilities.

20. EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

There have been no material events occurring after the Balance Sheet date that require adjustments to or disclosure in the financial statements.

Paddy Marketing Board

DETAILED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2012

		Year Ended 31.03.2012 Rs.	Year Ended 31.03.2011 Rs.
Revenue	I	3,617,880,136	3,500,200,908
Cost of Sales	II	(5,058,814,474)	(3,453,400,412)
Gross Profit		<u>(1,440,934,337)</u>	<u>46,800,496</u>
Add: Other Income	III	75,341,287	575,345,860
Less : Expenses			
Administrative Expenses	IV	(73,933,968)	(53,500,711)
Selling & Distribution Expenses	V	(11,436,493)	(4,011,856)
Finance & Other Expenses	VI	(545,273,730)	(307,263,560)
		<u><u>(1,996,237,240)</u></u>	<u><u>257,370,229</u></u>

Paddy Marketing Board

DETAILED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2012

STATEMENT I

	Rs.	Rs.
Revenue		
Paddy Sales	2,895,264,468	1,844,152,377
Rice Sales	67,870	1,656,048,531
Broken Rice Sales	-	-
Rice Exports	722,547,799	-
	<u>3,617,880,136</u>	<u>3,500,200,908</u>

STATEMENT II

	2012 Rs.	2011 Rs.
Cost of Sales		
Cost of Sales-Paddy	4,322,709,242	1,687,092,055
Direct Overhead on for Paddy Purchasing	736,105,231	202,839,519
Direct Overhead on for Paddy Exports	-	1,563,468,838
	<u>5,058,814,474</u>	<u>3,453,400,412</u>

Cost of Sales

Opening Stock	4,555,081,250	5,233,460,059
Paddy Purchases	3,636,891,845	2,278,199,615
(-) Paddy Issues for Milling Charges	(6,326,628)	(1,340,648,880)
(-) Closing Stock	<u>(3,862,937,224)</u>	<u>(4,483,918,739)</u>
	4,322,709,242	1,687,092,055

Direct Overhead

Direct Overhead on Paddy Purchasing

Labour Cost for Paddy Purchasing	8,115,937	17,222,894
Nattami Charges- Paddy Purchases	27,316,363	-
Direct Paddy Purchasing Expenses	-	-
Fuel Charges- Paddy Purchases	252,769	-
Other Expenses- Paddy Purchases	953,399	398,345
Paddy Transport Charges (for rice sale)	38,754,530	-
Transport Charges- Paddy Purchases	129,447,108	3,871,068
Paddy Issue Expenses	-	-
Milling Charges	269,808,354	-
Weighting Charges	-	-
M/M & Scale Repair Charges	162,346	384,271
Bank Charges for Paddy Operations	116,292	22,380,293
Bank Interest- LC	12,234,372	-
Paddy Insurance Charges	2,950,603	3,255,329
Advertising Expenses for Paddy Purchases	1,095,231	106,300
Agent Commissions	-	295,928
Consumption Items- Stores	501,390	1,166,424
Driage	114,154,925	134,517,562
Store Rent Expenses	2,264,300	1,156,000
Stores Maintanance Expences	-	1,293,121
Paddy Stock Maintenance Charges	3,011,804	1,277,515
Fumigating Charges	1,597,472.00	-
Repairs and Maintenance- Stores	1,572,122	-
Security Charges - Stores	4,365,020	3,504,100
Paddy Stock Verification Expenses	-	10,024,066
Polysacks Bag Expenses	117,430,896	463,998
Printing & Stationery - Paddy Purchasing	-	138,236.00
Commission & transport paddy purchase	-	1,384,069.00
	<u>736,105,231</u>	<u>202,839,519</u>

Paddy Marketing Board

DETAILED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2012

STATEMENT III	2012 Rs.	2011 Rs.
Other Income		
Distress Loan Interest	125,521	37,299
Fixed Deposit Interest Income	33,353,524	14,549,943
Savings Account Interest Income	151,658	144,316
Non Refundable Tender Income	2,500	32,500
Tender Deposit Income	-	-
Polysack Bag Sales	-	-
Rent Income	2,913,900	6,015,400
Store Rent Income	3,134,400	-
Treasury Grants	35,350,000	554,090,000
Broken Rice sale	-	-
Broken Paddy	-	-
Other Income	309,785	476,402
	<u>75,341,287</u>	<u>575,345,860</u>

STATEMENT IV	2012 Rs.	2011 Rs.
Administrative Expenses		
Audit Fee	-	50,000
Accountancy & Professional Fees	587,081	-
Consultancy Fees	177,000	28,500
Director Fees	259,868	
Chairman Allowance	720,000	807,000
Salaries	22,713,919	19,851,281
Other Allowances	5,158,756	2,151,910
EPF Expenses	4,285,359	3,462,062
ETF Expenses	1,005,703	847,799
Overtime	2,200,135	1,900,455
Cost of Living	8,366,768	7,903,900
Incentives & Casual Wages	-	
Compensation Expenses	408,825	333,250
Casual Labour Charges	79,320	142,918
Staff Training Expenses	941,193	299,099
Staff Welfare Expenses	255,377	132,824
Bank Charges	67,370	
Cheque Book Charges	-	
Books & Periodicals	-	
News Papers	61,365	
Stationary & Printing	1,297	
Consumable Items	593,649	342,863
Depreciation	5,130,951	2,523,064
Buildings & Quarters Rent Expenses	-	
Housing Rent	6,990	15,400
Hotel & Accomadation Fees	-	
Electricity Expenses	1,060,278	627,994
Fuel Charges	2,949,633	2,723,905
Office Maintenance Expenses	121,626	
Janitorial Expenses	1,050,549	368,209
Security Charges	672,816	924,593
Telephone Expenses	760,042	739,391
Water Expenses	636,236	262,767
Transport Charges	3,030,850	
Repair & Maintenance	343,875	1,870,423
Labour Charges	2,616,919	
Legal Expenses	189,650	619,404
Miscellaneous Expenses	795,948	
Medical Report Charges	-	
Service Charges Paid	2,250	
Postal Expenses	131,018	108,106
Printing & Stationary	2,493,296	2,167,421
Refreshment Charges	812,088	463,131
Survey Charges	-	
Gratuity Expenses	283,563	
Interest on Gratuity	73,210	
Pension Fund Expenses	99,888	
Subsistence Account	461,204	
Translate Fees	-	156,843
Vehicle and Other Ass. Revenue Licence	53,400	332,445
Vehicle Insurance	251,302	
Vehicle Maintenance	1,346,069	1,254,402
Donations	5,000	
Other Expenses	672,333	89,352
Municipal Tax & Debit Tax	-	-
	-	-
	<u>73,933,968</u>	<u>53,500,711</u>

Paddy Marketing Board

DETAILED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2012

STATEMENT V

	2012 Rs.	2011 Rs.
Selling & Distribution Expenses		
Sales Promotional Expenses	71,400	-
Advertisement & Publicity	7,660,169	824,839
Commission & Transport - Paddy Purchases	93,799	99,710
Travelling & Subsistence	40,145	821,974
Vehicle Hire Charges	3,570,980	2,265,333
Dayata Kirula Expenses	-	-
	<u>11,436,493</u>	<u>4,011,856</u>

STATEMENT VI

	2012 Rs.	2011 Rs.
Finance Expenses		
OD Charges	25,091,760	-
Farmers T.F. Loan Interest	8,820,206	
Loan Interest -BOC	234,136,899	186,467,341
Loan Interest -NSB	92,865,250	
Loan Interest -PB	135,844,546	120,756,853
Loan Interest -RDB	48,515,068	39,366
	<u>545,273,730</u>	<u>307,263,560</u>