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Performance Report

**Department of Development Finance
Ministry of Finance, Economic Stabilization &
National Policies**

Expenditure Head No: 243

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CHAPTER 01 – INSTITUTIONAL PROFILE/EXECUTIVE SUMMARY

1.1 Introduction:

Considering the significant contribution to the Gross Domestic Production (GDP) from the Small and Medium-sized Enterprise (SME) sector, the Department of Development Finance was established as a Treasury Department in 2005, to facilitate and strengthen the SMEs by enhancing the accessibility for Financing, Market and Technology. The main function of the department was formulation of appropriate policies and strategies for the development of SME Sector. Later, in line with the National Policy, the scope of the department has been broadened by adding micro enterprises which is the driving force of poverty alleviation by generating employment opportunities. Accordingly, department functions are categorized under two pillars i.e. Financial Solutions and Market Access & Development.

1.1.1 Financial Solutions

Similar to other emerging economies, the largest economic sector in Sri Lanka is the Small and Medium Enterprise (SME) sector and it contributes to 52 percent of the country's gross domestic production, 45 percent of employment and 20 percent of exports. Therefore, expanding the SME sector helps the country to recover from the current economic crisis, promote export diversification, lessen regional disparities, and improve the living standards of disadvantaged communities. However, SME sector became the most vulnerable sector as the businesses had to deal with triple blows i.e. Easter Sunday Attack, COVID-19 pandemic and the economic downturn during the past few years and they are still struggling to survive in the market and sustain their businesses. In addition to that, the microfinance is one of the widely accepted finance tool and it plays a vital role in providing the financial services to the low income persons and getting their active participation to the economic development while increasing their ability for access to finance and reducing poverty level. As there are considerable numbers of unregulated micro finance institutions, it is an urgent need to enact legislations to regulate the unregulated micro finance institutions in Sri Lanka to secure the vulnerable low income persons from the debt trap.

Since the facilitating SME sector for accessing to finance and implementation of mechanism for regulating the micro finance sector comes under the mandate of the Department of Development Finance, this Department plays a pivotal role in formulating policies and strategies as well as implementing the financial and non-financial related programmes to facilitate the Micro, Small and Medium Enterprises (MSMEs) and regulating the micro finance sector enforcing necessary regulatory mechanisms to protect the low income communities from financial exploitation while building their confidence on financial system in the country.

1.1.2 Market Access and Development

It is important to make avenues for managing excess crop harvests and balancing the supply and demand side disparities giving concern to the Small and Medium Scale farmers and other market factors in order to stabilize market prices while ensuring reasonable price for producers. Further, it is necessary to make arrangements to ensure food security in the country. Therefore, Government incentives are provided such as paddy purchasing at guaranteed price, supporting low income people, concessionary loans, Treasury guarantees, storage facilities and technical support with the intervention of this Department. Such incentives encourage farmers and SME entrepreneurs and recognize new entrepreneurs who have a potential to make a contribution to the economic development process while assisting low income people to maintain their living standards.

1.2 Vision, Mission and Objective for the Institution

1.2.1 Vision

“To become the key Government Agency as facilitator for development financing.”

1.2.2 Mission

“Facilitate to formulate appropriate policies and strategies and mobilize financial resources for the development of SMEs, financing primary sectors through necessary intervention with the relevant stakeholders ”

1.2.3 Objective:

“Development of small and medium scale entrepreneurship and revitalizing microfinance sector.”

1.3. Key Functions

- 1.3.1 Facilitate to formulate appropriate policies, strategies and programmes for the development of Micro, Small and Medium-sized Enterprises (MSMEs) of the economy.
- 1.3.2 Review the market data to identify key issues and provide solutions to the smooth growth of the MSMEs finance sectors.
- 1.3.3 Review Government Subsidy Schemes to ensure economic development and facilitate to formulate appropriate policies.
- 1.3.4 Facilitate in enacting legislations for banking, insurance, MSMEs and financial sector if the market review illustrates the need.

- 1.3.5 Facilitate to annual budget preparation process of the Government in respect of MSME sector, banking sector, financial market and other sectors coming under the purview of this department.
- 1.3.6 Implement budget proposals and donor funded projects related to MSME sector, primary sector and other sectors.
- 1.3.7 Compile all data on MSME's of Industrial, Agriculture and Service sector and analyze to identify the impediments and policy interventions.
- 1.3.8 Oversee implementation of Government sponsored financial assistance schemes.
- 1.3.9 Arranging local bank financing for development projects in MSME finance sectors in line with the Government policy.

1.4 Main Divisions of the Department

- 1.4.1 Financial Solution
- 1.4.2 Market Access and Development
- 1.4.3 Administrative and Financial Management

1.5 Funds coming under the Department

Not Applicable

1.6 Details of the Foreign Funded Projects (if any)

Name of the Project	Donor Agency	Estimated Cost of the Project (Rs. Mn)	Project Duration
Small and Medium Sized Enterprises Line of Credit Project (SMELoC)	Asian Development Bank	69,623	2016-2024

CHAPTER 02 - PROGRESS AND THE FUTURE OUTLOOK

2.1 Overview

Since the SME sector is the engine of growth in the country, the Government plays a crucial role in promoting the development and sustainability of SMEs by providing viable financial solutions and support mechanisms. Through the initiatives such as providing concessionary loans and grants by utilizing the development partners' and local-funds, it is aimed at providing the financial assistances to SMEs and helps them for increasing their ability for access to finance. Moreover, government-backed credit guarantee scheme, which is to be provided through the National Credit Guarantee Institution, provide the security for access to credit for SMEs, which face with the challenges in collateral issues. Furthermore, consultative services, technical assistances, training programs, and networking opportunities are provided for SMEs through dedicated agencies and institutions to empower the SMEs with the technical and financial literacy. Moreover, necessary regulatory mechanisms are being implemented on micro finance sector with the view to secure the informal businesses and low income communities from financial exploitation created by implementing informal financial products.

2.2 Progress of SMELoC Project

In 2023, under the Asian Development Bank (ADB) funded small and Medium-sized Enterprises Line of Credit (SMELoC) project, totally Rs. 8,895 million was distributed among 917 SMEs as investment loans through thirteen (13) participating financial institutions under the component of SME Credit Line. Particularly, 420 women entrepreneurs were assisted by We-Fi grant utilizing Rs. 429 million by blending with the investment loans. Further, nearly Rs. 2,406 million were disbursed to around 1,520 Tea smallholders for new planting, replanting, infilling, irrigation, nursery development and mechanization while 1,058 Tea smallholders were assisted with Rs. 156 million worth of Japan Funds for Poverty Reduction (JFPR) grant for new tea planting and replanting purposes only. Moreover, as of end of 2023 nearly Rs. 4,899 million worth of working capital loans were provided to around 895 MSMEs, which the business activities have been affected due to the economic downturn, to re-energize their businesses.

In addition to the above, ADB has agreed to provide USD 100 million under the 'Enhancing Small and Medium-sized Enterprises Finance Project' and out of that, USD 50 million will be allocated to support further to the MSMEs affected due to the series of sudden shocks incurred to economy during past few years. The loan negotiations of this project were conducted during the year 2023 and the loan agreement between the Government of Sri Lanka and ADB is to be signed in March, 2024.

2.3 Providing Fertilizer Subsidy by Cash Grant

Even in the prevailing difficult fiscal environment, the Government has taken steps to ensure agriculture sector viability by providing the fertilizer Subsidy continuously. Considering the administrative and handling inefficiencies of the previous Fertilizer distribution process, the government has decided to provide the Financial Subsidy (Cash Grant) to the farmers, at the rate of Rs.20, 000/= for the Yala season of 2023 and Rs.15,000/= for the Maha Season of 2023/2024 per hectare for a maximum of two hectares per farmer who are cultivating paddy lands through the payment coupons and farmer's bank accounts respectively. Therefore, either Chemical Fertilizer or Eco friendly fertilizer or both can be purchased with the choice of the farmers. With the financial assistance of the Asian Development Bank, the Muriate of Potash (MOP) were imported in 2022 and prices were reduced in par with the market price, to ensure the utilization of MOP which is necessary ingredient for the gain filling process.

Other Field Crops (OFC) were not taken into consideration for the supply of subsidized fertilizer in 2023 also.

2.4 Establishing a Comprehensive Regulatory Framework for the Micro Finance Industry

Due to the lack of provisions to establish a comprehensive regulatory framework for the Microfinance Industry, from the Microfinance act No.06 of 2016, a new Comprehensive legislation framework was proposed to regulate the Microfinance Industry. Accordingly, the draft new Microfinance and Credit Regulatory Authority Bill was approved by the Cabinet of Ministers on 09.10.2023 and published in the Gazette on 30.10.2023. Then the Microfinance and Credit Regulatory Authority Bill was submitted to Parliament for approval on January 09, 2024 and it was challenged by the several interesting parties at the court by submitting special determination petitions. Considering the Supreme Court determination, a committee was appointed to revisit the bill incorporating the stakeholders concerns along with the real issue which the bill was drafted to address.

2.5 Ensuring Food security

Nearly 80 percent of the cost of production of the poultry products, i.e. chicken and eggs are spent on animal feed and 50 percent of that animal feed requirement is fulfilled by maize. Price of the chicken and eggs were increased by a considerable amount especially in the festival season, in year 2023 too, due to the unavailability of the maize in the local market and the import restrictions.

To ensure the affordable prices of the chicken, eggs and related products of the market, the government has granted the permission to import 200,000 MT of maize with the recommendation of the Department of Animal Production and Health, and imposed a Special Commodity Levy (SCL) of Rs.25/= per 1 kg of Maize. Accordingly, 187,000 MT of Maize has been imported up to 31.12.2023.

2.6 Distribution of rice to low-income families under the Government Paddy Purchasing Programme in 2022/2023 Maha Seasons

It was reported that Paddy production in 2022/2023 Maha Season increased considerably compared to the previous Maha Season. Accordingly, considering the average consumption of rice per month for the nation around 210,000 MT, it was estimated that the expected paddy production from 2022/2023 Maha Season had some excess production. Accordingly, in order to ensure reasonable price for paddy farmers, the government intervention was required to purchase a certain stock of paddy.

Further, in addition to the main objectives of the Government Paddy Purchasing Programme implemented previously, attention was paid to protect the low-income groups of the society from the adverse implications of the extremely difficult economic situation prevailed in the country by providing assistance for maintaining their nutritional level. Although the government provided an additional cash grant for low-income groups of four categories such as Samurdhi Beneficiaries, Disabled Persons, Elders and Chronic Kidney Diseases (CKD) people, in support of their day to day needs until April 2023, there was a requirement to look after these groups further for a certain period.

Accordingly, with a view to support the identified low-income families for 2 months period, the programme of the Government paddy purchasing and distribution of rice for low income families was implemented island-wide by District Secretaries with the participation of Small and Medium Scale paddy millers. Under this programme, 100,895 MT of paddy was purchased during January – April of 2023 in 20 districts through 442 SME paddy millers. A total quantity of 54,974 MT of rice was distributed among 2,757,851 low-income families in 25 districts by providing 20 Kg for a family. The total amount of funds utilized for this programme was around Rs.11,750 million. After completion of the rice distribution to the low-income people, the arrangements were made to supply the remaining rice stocks to the market to increase the availability of rice in the market.

2.7 Implementation of pledge loan scheme for Small and Medium-Scale (SME) paddy millers to purchase paddy

As experienced in recent years, SME paddy millers performed an invaluable role in ensuring food security in the country while providing reasonable price for paddy harvest of the farmers. However, the low level of access to finance under the applicable market rate of interest was identified as one of the main challenges faced by these SME paddy millers continuously. Therefore, the government decided to provide a pledge loan facility at a concessionary interest rate through State Banks to the SME paddy millers enabling to purchase paddy in Yala Season 2023. Through this initiative the Government expected to strengthen the SME paddy millers and maintain reasonable price to farmers with the required financing for paddy purchasing in this Season.

The value of the pledge loans provided by People's Bank and Bank of Ceylon was Rs.151.5 million and Rs.433.5 million respectively. Accordingly, Rs.585 million worth pledge loans in total were granted to SME paddy millers in Yala Season 2023.

Moreover, under the pledge loan scheme, out of the effective interest rate of 16 percent per annum, 4 percent rate of interest per annum was paid by the General Treasury as an interest subsidy to the respective banks. Accordingly, only 12 percent rate of interest per annum was paid by SME paddy millers. The total interest subsidy paid to the People's bank and Bank of Ceylon during the year was Rs.115, 546.56 and Rs.1, 009,326.04 respectively.

2.8 Indian Credit Line (ICL) of USD 1,000 Million

The Credit Facility Agreement between the GoSL and the State Bank of India (SBI) was signed on March 17, 2022 to obtain a loan of USD 1000 million for the importation of essential items from India till March 16, 2023 under the approval of the Cabinet of Ministers which was granted at its meeting held on March 05, 2022. The objective of this agreement was to facilitate Sri Lankan importers who faced difficulties in opening Letters of Credit to import foods and other essential items due to the shortage of foreign currency in the banking system and the market. Concerning the heading economic crisis at that time, analyzing the factors that help to boost the economy of the country, the credit facility has been allotted among three sectors namely, Industrial Raw Materials, Essential Commodities and Pharmaceuticals and later considering the shortage of fuel supply in the country, in mid of the 2022 USD 200 million was allocated to import Fuel.

Seeing the unutilized amount and further requirement in importation of pharmaceutical items, the SBI consented to extend the deadline for utilizing the remaining funds until March 16, 2024 by signing the extension agreement on June 07, 2023. In view of the usage, cancellations & rejections and further sectorial requirements, the final allocation was revised as; Essential Commodities (USD 100 million), Pharmaceuticals (USD 360 million), Industrial Raw Materials (USD 70 million), Fuel USD 200 million and leave an unallocated amount enabling to utilize it based on the future requirements.

Accordingly, as of December 31, 2023, USD 450 million worth of goods have been imported into the country utilizing the ICL facility and out of that USD 434 million Payment Authorizations have been issued to HCI to process exporters' payments. Facility has been mainly used to import the Fuel, Pharmaceutical items and Pharmaceutical Raw materials. The summary of the progress of each sector as of December 31, 2023 is as follows.

Utilization of ICL Funds as of December 31, 2023

(USD Million)

Category	Total Allocation	Sent for Approval to HCI	Rejected /Cancelled	Final Approved Value	Goods Received	Payment Authorizations (PA) Issued	% of PA Issued from goods received
Raw Materials	70	136	62	49	44	43	99.0
Pharmaceuticals	360	228	34	180	128	113	88.0
Essential Commodities	100	298	150	91	78	78	99.9
Fuel	200	200		200	200	200	100.0
LP Gas		17		-			
Unallocated	270						
Total	1,000	879	246	520	450	434	96.8

Source: Indian Credit Facility Coordinating Unit

2.9 National Credit Guarantee Institution Limited (NCGIL)

The National Credit Guarantee Institution Limited has been incorporated as a public limited company under the registration number P B 00271461 with the objective of supporting the small and medium enterprise (SME) sector in the country by assisting SMEs in overcoming obstacles such as an inability to adapt to rapidly changing market demands, changing technology, and limitations in capacity due to a low level of financial inclusion, limited access to finance and especially a lack of acceptable collateral. 13 Participatory Financial Institutions (PFIs) - (10 Licensed Banks and 3 Licensed Non-Bank Financial Corporations) have been selected as initial shareholders. The full Board of Directors (BoD) has been nominated and the Shareholder Agreement between the Government of Sri Lanka (GoSL) and the Prospective Financial Institutions (PFIs) has been signed. ADB will provide a loan of USD 50 million to the GoSL for infusion of initial capital to NCGI. And this PPP model will ensure the sustainability of the institution. Subject to compliance of performance criteria of the Institution, ADB to consider an additional loan amount of USD 50 million as the final capital infusion by the Government of Sri Lanka in 2026 after utilizing of the initial loan. It is expected that guarantee issuance will commence in the third quarter of 2024.

Malarmathy Gangatharan
Director General

3.2 Statement of Financial Position

ACA-P

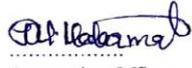
Statement of Financial Position As at 31st December 2023

	Note	Actual	
		2023 Rs	2022 Rs
Non Financial Assets			
Property, Plant & Equipment	ACA-6	1,765,928,144	1,715,350,080
Financial Assets			
Advance Accounts	ACA-5/5(a)	6,544,343	6,888,379
Cash & Cash Equivalents	ACA-3	-	-
Total Assets		1,772,472,487	1,722,238,459
Net Assets / Equity			
Net Worth to Treasury		(5,231,384,516)	(16,252,142,938)
Property, Plant & Equipment Reserve		1,765,928,144	1,715,350,080
Rent and Work Advance Reserve	ACA-5(b)		
Current Liabilities			
Deposits Accounts	ACA-4	5,237,928,859	16,259,031,317
Unsettled Imprest Balance	ACA-3	-	-
Total Liabilities		1,772,472,487	1,722,238,459

Detail Accounting Statements in ACA format Nos. 1 to 7 presented in pages from 06 to 28 and Annexures to accounts presented in pages from 29 to 31 form an integral part of these Financial Statements. The Financial Statements have been prepared in complying with the Generally Accepted Accounting Principles whereas most appropriate Accounting Policies are used as disclosed in the Notes to the Financial Statements and hereby certify that figures in these Financial Statements, Notes to accounts and other relevant accounts were reconciled with the Treasury Books of Accounts and found in agreement.

We hereby certify that an effective internal control system for the financial control exists in the Reporting Entity and carried out periodic reviews to monitor the effectiveness of internal control system for the financial control and accordingly make alterations as required for such systems to be effectively carried out.


Chief Accounting Officer
Name :K.M.M.Siriwardana
Designation :Secretary,Ministry of Finance,Economic Stabilization and National Policies.
Date : 22/02/2024


Accounting Officer
Name :Malarmathy Gangatharan
Designation :Director General


Chief Financial Officer/ Chief Accountant/
Director (Finance)/ Commissioner (Finance)
Name :W.P.B.S.Abeywardana

K.M.M. Siriwardana
Secretary to the Treasury and
Secretary to the Ministry of Finance,
Department of Development Finance,
Economic Stabilization and National Policies
The Secretariat
Colombo 01.

Malarmathy Gangatharan
Director General
Department of Development Finance
The General Treasury
Colombo 01.

W.P.B.S. Abeywardana
Deputy Director (Finance)
Department of Development Finance
Ministry of Finance
Colombo 01.



3.3 Statement of Cash Flows

ACA-C

**Statement of Cash Flows
for the Period ended 31st December 2023**

	Actual	
	2023 Rs.	2022 Rs.
Cash Flows from Operating Activities		
Total Tax Receipts	-	-
Fees, Fines, Penalties and Licenses	-	-
Profit	-	-
Non Revenue Receipts	-	6,440,483
Revenue Collected on behalf of Other Revenue Heads	2,958,041	20,277,341,570
Imprest Received	19,532,080,946	2,400,749
Recoveries from Advance	2,648,302	52,476,765,810
Deposit Received	35,935,400,141	72,762,948,612
Total Cash generated from Operations (A)	55,473,087,430	72,762,948,612
Less - Cash disbursed for:		
Personal Emoluments & Operating Payments	63,531,684	60,815,750
Subsidies & Transfer Payments	19,161,323,008	20,215,046,597
Expenditure incurred on behalf of Other Heads	-	-
Imprest Settlement to Treasury	35,935,236,311	52,476,626,035
Advance Payments	1,707,136	2,028,668
Deposit Payments	251,525,618	348,807
Total Cash disbursed for Operations (B)	55,413,323,757	72,754,865,857
NET CASH FLOW FROM OPERATING ACTIVITIES(C)=(A)-(B)	59,763,673	8,082,755
Cash Flows from Investing Activities		
Interest	-	-
Dividends	-	-
Divestiture Proceeds & Sale of Physical Assets	-	-
Recoveries from On Lending	-	-
Total Cash generated from Investing Activities (D)	-	-
Less - Cash disbursed for:		
Capital Expenditure	59,763,673	8,082,755
Total Cash disbursed for Investing Activities (E)	59,763,673	8,082,755
NET CASH FLOW FROM INVESTING ACTIVITIES(F)=(D)-(E)	(59,763,673)	(8,082,755)
NET CASH FLOWS FROM OPERATING & INVESTMENT ACTIVITIES (G)=(C) + (F)	-	-
Cash Flows from Financing Activities		
Local Borrowings	-	-
Foreign Borrowings	-	-
Grants Received	-	-
Total Cash generated from Financing Activities (H)	-	-
Less - Cash disbursed for:		
Repayment of Local Borrowings	-	-
Repayment of Foreign Borrowings	-	-
Total Cash disbursed for Financing Activities (I)	-	-
NET CASH FLOW FROM FINANCING ACTIVITIES (J)=(H)-(I)	-	-
Net Movement in Cash (K) = (G) + (J)	-	-
Opening Cash Balance as at 01st January	-	-
Closing Cash Balance as at 31st December	-	-



3.4 Notes to the Financial Statements

3.4.1 Basis of Reporting

I. Reporting Period

The reporting period for these Financial Statements is from 01st January to 31st December 2023.

II. Basis of Measurement

The Financial Statements have been prepared on historical cost modified by the revaluation of certain assets and accounted on a modified cash basis, unless otherwise specified.

The figures of the Financial Statements are presented in Sri Lankan rupees rounded to the nearest rupee.

III. Recognition of Revenue

Exchange and non-exchange revenues are recognized on the cash receipts during the accounting period irrespective of relevant revenue period.

IV. Recognition and Measurement of Property, Plant and Equipment (PP&E)

An item of Property, Plant and Equipment is recognized when it is probable that future economic benefit associated with the assets will flow to the entity and the cost of the assets can be reliably measured.

PP&E are measured at a cost and revaluation model is applied when cost model is not applicable.

V. Property, Plant and Equipment Reserve

This revaluation reserve account is the corresponding account of PP&E.

VI. Cash and Cash Equivalents

Cash & cash equivalents include local currency notes and coins on hand as at 31st December 2023.

3.5 Performance of the Revenue Collection

Rs.000

Revenue Code	Description of the Revenue Code	Revenue Estimate		Collection Revenue	
		Original	Final	Amount (Rs.)	as a %of Final Revenue Estimate
Not Applicable					

3.6 Performance of the Utilization of Allocation

Rs.

Type of Allocation	Allocation		Actual Expenditure	Allocation Utilization as a % of Final Allocation
	Original	Final		
Recurrent	21,441,290,000	21,441,290,000	20,289,473,890	95
Capital	66,042,200,000	66,042,200,000	12,890,150,791	20

3.7 In term of F. R. 208 grant of allocations for expenditure of this Department/District Secretariat/ Provincial Council as an agent of the other Ministries/Department.

Rs.000

Serial No.	Allocation Received from Which Ministry/ Department	Purpose of the Allocation	Allocation		Actual Expenditure	Allocation Utilization as a % of Final Allocation
			Original	Final		
	Not Applicable					

3.8 Performance of the Reporting of Non-Financial Assets.

Rs.

Assets Code	Code Description	Balance as per Board of Survey Report as at 31.12.2023	Balance as per Financial Position Report as at 31.12.2023	Yet to be Accounted	Reporting Progress as a %
9151	Building and Structures	5,059,600	5,059,600	---	---
9152	Machinery and Equipment	91,389,331	91,389,331	---	---
9153	Land	---	---	---	---
9154	Intangible Assets	---	---	---	---
9155	Biological Assets	---	---	---	---
9160	Work in Progress	1,669,479,213	1,669,479,213	---	---
9180	Lease Assets	---	---	---	---

3.9 Auditor General's Report

The Auditor General's report is attached in Sinhala version.

CHAPTER 04 - PERFORMANCE INDICATORS**4.1 Performance indicators of the Institution (Based on the Action Plan)**

Specific Indicators	Actual output as a percentage (%) of the expected output		
	100% - 90%	75% - 89%	50% - 74%
Loan Issued for SMELoC		84%	---
Loans issued for women Entrepreneurs (We-Fi)	---	84%	---
Tea Smallholder Credit Line	---	78%	---
JFPR Grant Component	---	84%	---
Emergency Response Facility	100%	---	---
Paddy purchased through SME paddy millers	100%	---	---
Rice distributed for low-income families	100%	---	---

CHAPTER 05 - PERFORMANCE OF THE ACHIEVING SUSTAINABLE DEVELOPMENT GOALS (SDGs)

5.1. Overview

The fundamental goal of sustainable development is to preserve a nation's natural resources for future generations by managing them effectively now. In light of this, the United Nations Development Program unveiled 17 Sustainable Development Goals (SDG) in 2015, which are to be accomplished by 193 member nations by 2030 and span 17 sectors. Therefore, by tying together the fundamental pillars of human, social, economic, and environmental elements, the goal is to guide economies toward sustainable development through environmental sustainability, social sustainability, and economic development. Together with the public sector, non-governmental organizations, and international organizations, Sri Lanka is taking initiatives to meet the goals and targets of sustainable development by the year 2030.

Accelerating investments for productivity enhancement, providing the necessary infrastructure for priority sectors, and directing development strategies with a greater focus on gender equality are all necessary to achieve the primary and foremost goal of these SDGs, which is to "end poverty in all its forms in everywhere." The Department of Development Finance has launched multiple micro, small, and medium enterprise sector programs in order to provide the government's contribution towards it, realizing the significance of MSMEs as a crucial strategic sector in the process of economic development. Among those, key programmes are the Small and Medium sized Enterprise Line of Credit Scheme (SMELoC) implemented for the SMEs affected by economic downturn.

5.2. The achievements and challenges of the Sustainable Development Goals

5.2.1. Indicate the Identified respective Sustainable Development Goals

Goal/Objective	Targets	Indicators of the Achievement	Progress of the achievement to date		
			0% - 49%	50% - 74%	75% - 100%
Goal 2. End hunger, achieve food security and improved nutrition and promote	2.4 By 2030, ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that help maintain ecosystems, that	2.4.1 Proportion of agricultural area under productive and sustainable agriculture	NCRCS Loan Scheme Number of Loans: 51,558 Interest subsidy amount paid by government in year 2023 : Rs. 545 Mn "Ran Aswenna" Loan Scheme Number of Loans: 7,970 Loan Amount: Rs.11,469.3 Mn		

<p>sustainable agriculture</p>	<p>strengthen capacity for adaptation to climate change, extreme weather, drought, flooding and other disasters and that progressively improve land and soil quality</p>		<p>The interest subsidy paid under this loan scheme in the year 2023 was Rs. 307.8 Mn</p> <p>“Govi Navoda” Loan Scheme Number of Loans: 1,451 Loan Amount: Rs.682.4 Mn The interest subsidy paid under this loan scheme in the year 2023 was Rs. 38.3 Mn.</p> <p>Writing off the non-performing loans obtained by paddy farmers with less than two hectares Number of Loans written off: 27,840 Total written off loan Amount: Rs.631.51 Mn The written off loan amount in the year 2023 was Rs. 281.51 Mn.</p> <p>Warehouse Construction In order to obtain a high price during the off-season, five warehouses with a combined storage capacity of approximately 17,200 MT were built in Anuradhapura, Buttala, Mannar, Kilinochchi, and Polonnaruwa to store paddy, maize, soya bean, sesame, black gram, pepper, peanuts, and other items during the harvesting season. Total quantity of grains kept in storage in 2023: 3,874 MT. The government revenue earned from the provision of storage facilities, including revenue from the</p>
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			<p>production of solar power: Rs. 25 million.</p> <p>Total number of farmers received concessionary loans under the warehouse receipt financing program and total loan amount is 374 and Rs. 151 million respectively.</p> <p>Government Paddy Purchasing Programme Paddy quantity purchased – around 100,895 MT BY District Secretaries in 25 districts with the participation of SME paddy millers. (Achievement-100 percent)</p> <p>Rice quantity distributed - 54,974 MT for around 2.74 million low - income families (Achievement-100 percent) Balance quantity supplied to the market- 10,618.76 MT. (achievement-68 percent) Funds provided - Rs.11,750 million through General Treasury. (Achievement-100 percent)</p> <p>Pledge Loan Scheme Total number of loans provided -30 Total Value of the loans- Rs.585 million. Total Interest subsidy paid - Rs1.12 million.</p>
<p>Goal 4. Ensure inclusive and equitable education and promote lifelong learning</p>	<p>4.2 By 2030, ensure that all girls and boys have access to quality early childhood development, care and pre-primary education so that they are ready for primary education</p>	<p>4.2.1 Proportion of children under 5 years of age who are developmentally on track in health, learning and</p>	<p>“Singithi Pasala” Loan Scheme Number of Loans: 62 Loan Amount: Rs. 63.4 Mn The interest subsidy paid under this loan scheme in the year 2023 was Rs. 0.97 Mn</p> <p>‘Rekawarana” Loan Scheme Number of Loans: 9</p>

opportunities for all		psychosocial well-being, by sex	Loan Amount: Rs. 44.4 Mn The interest subsidy paid under this loan scheme in the year 2023 was Rs. 1.0 Mn
	4.7 By 2030, ensure that all learners acquire the knowledge and skills needed to promote sustainable development, including, among others, through education for sustainable development and sustainable lifestyles, human rights, gender equality, promotion of a culture of peace and non-violence, global citizenship and appreciation of cultural diversity and of culture's contribution to sustainable development	4.7.1 Extent to which (i) global citizenship education and (ii) education for sustainable development, including gender equality and human rights, are mainstreamed at all levels in: (a) national education policies, (b) curricula, (c) teacher education and (d) student assessment	<p>“My Future” Loan Scheme Number of Loans: 729 Loan Amount: Rs. 650.5Mn The interest subsidy paid under this loan scheme in the year 2023 was Rs. 59.84 Mn.</p> <p>“Erambama” Loan Scheme Number of Loans: 175 Loan Amount: Rs. 230.99 Mn The interest subsidy paid under this loan scheme in the year 2023 was Rs. 9.33 Mn.</p>
Goal 5 Achieve gender equality and empower all women and girls	5.1 End all forms of discrimination against all women and girls everywhere	5.1.1 Whether or not legal frameworks are in place to promote, enforce and monitor equality and non-discrimination on the basis of sex.	We-Fi Grant Number of Loans: 610 Loan Amount: Rs. 597 Mn
Goal 7. Ensure access to affordable, reliable, sustainable and modern energy for all	7.b By 2030, expand infrastructure and upgrade technology for supplying modern and sustainable energy services for all in developing countries, in particular least developed countries, small island developing States, and land-	7.b.1 Investments in energy efficiency as a percentage of GDP and the amount of foreign direct investment	“Rivi Bala Savi” Loan Scheme Number of Loans: 453 Loan Amount: Rs. 157.6 Mn The interest subsidy paid under this loan scheme in the year 2023 was Rs. 3.72 Mn.

	locked developing countries, in accordance with their respective programmes of support	in financial transfer for infrastructure and technology to sustainable development services	
Goal 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.	8.3 Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services.	8.3.1 Proportion of informal employment in non-agriculture employment, by sex	<p>SMELoC SME Credit Line Number of Loans: 1,330 Loan Amount: Rs. 12,478 Mn</p> <p>Tea Smallholders Credit Line Number of Loans: 1,520 Loan Amount: Rs. 2,385 Mn</p> <p>“Jaya Isura” Loan Scheme Number of Loans: 1,000 Loan Amount: Rs. 21,357.4 Mn. The interest subsidy paid under this loan scheme in the year 2023 was Rs. 465.98 Mn.</p> <p>“Green Loan” Scheme Number of Loans: 242 Loan Amount: Rs. 791.5 Mn The interest subsidy paid under this loan scheme in the year 2023 was Rs. 32.03 Mn.</p> <p>“Diri Saviya” Loan Scheme Number of Loans: 572 Loan Amount: Rs. 413.3 Mn The interest subsidy paid under this loan scheme in the year 2023 was Rs.9.3 Mn.</p> <p>“Riya Shakthi” Loan Scheme Number of Loans: 178 Loan Amount: Rs. 613.8 Mn</p>

			<p>The interest subsidy paid under this loan scheme in the year 2023 was Rs. 39.44 Mn.</p> <p>“Madya Aruna” Loan Scheme Number of Loans: 258 Loan Amount: Rs. 76.9 Mn The interest subsidy paid under this loan scheme in the year 2023 was Rs.0.07 Mn.</p> <p>“Sancharaka Poddoo” Loan Scheme Number of Loans: 1,198 Loan Amount: Rs. 538.46 Mn The interest subsidy paid under this loan scheme in the year 2023 was Rs. 2.63 Mn.</p> <p>“City Ride” Loan Scheme Number of Loans: 8 Loan Amount: Rs. 52.1 Mn The interest subsidy paid under this loan scheme in the year 2023 was Rs. 1.2 Mn.</p>
<p>Goal 11. Make cities and human settlements inclusive, safe resilient and sustainable</p>	<p>11.1 By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrades slums</p>	<p>11.1.1 Proportion of Urban population living in slums, informal settlements of inadequate housing</p>	<p>“Sonduru Piyasa” Loan Scheme Number of Loans: 14,834 Loan Amount: Rs. 2,958.3 Mn. The interest subsidy paid under this loan scheme in the year 2023 was Rs. 79.72 Mn.</p> <p>“Home Sweet Home” Loan Scheme Number of Loans: 1,282 Loan Amount: Rs. 4,585.2 Mn The interest subsidy paid under this loan scheme in the year 2023 was Rs. 322.84 Mn.</p> <p>“Sihina Maliga” Loan Scheme Number of Loans: 247 Loan Amount: Rs. 1,332.5 Mn The interest subsidy paid under this loan scheme in the year 2023 was Rs. 84.12 Mn.</p>

5.2.2 SME Sector Development

In 2016, a loan scheme worth of USD 175 million was launched for SMEs with the assistance of the Asian Development Bank (ADB), to provide investment loans for SMEs and ADB further provided USD 165 million in December 2020 especially to support for MSMEs which had been affected due to Covid-19 pandemic. In addition to that, considering the adverse effects made on the business activities of MSMEs due to the economic downturn which prevailed since the year 2022, the Government with the agreement of the ADB repurposed USD 13.5 million, which was allocated under the SME Credit Line, to provide working capital loans for MSMEs as an additional finance for ‘Emergency Response Facility’. With the economic downturn, the immediate financial needs of SMEs are risen to minimize the risk of the business collapse, securing workers’ jobs, and re-energizing the SMEs adversely affected and provided USD 13.5 million as working capital loans for them in October, 2022.

Even though, it was unable to obtain new financial assistance facilities for the development partners to the Government during the year 2023 the negotiations were continuously done by the General Treasury with them to get further financial assistance for fulfilling the financial requirement of the SME sector. Accordingly, ADB agreed to support to implement the ‘Enhancing Small and Medium-sized Enterprises Finance Project’ by providing USD 100 million for enhancing the access to finance of SMEs in Sri Lanka. Out of that, USD 50 million to provide working capital loans for MSMEs for re-energizing the affected businesses and the balance USD 50 million is as the government’s equity contribution in the National Credit Guarantee Institution, which was established as a Public Limited Company to provide credit guarantee facilities for MSMEs, who unable to provide suitable collaterals requested by the banks. The loan agreement of the new project to be signed in March, 2024.

5.2.3. Food Security, Nutrition and Sustainable Agriculture

Although there were hardships in the Economy of the country, the Government has taken policy decisions to provide the fertilizer subsidy for paddy farmers continuously, to reduce the cost of production of the paddy. Considering the financial constraints, the government took a decision to subsidize only 1/4th of total fertilizer cost and provided as the Financial Subsidy (Cash Grant) to the farmers. The remaining stocks of the Muriate of Potash (MOP) which were imported in 2022 with the financial assistance of the Asian Development Bank, were sold in par with the market price, to ensure the utilization of MOP which is necessary ingredient for the grain filling process. Those decisions were lead to ensure the affordability for the staple food of the country.

The total allocation amount for the fertilizer subsidy programme was Rs. 56,000 million in 2023 out of that Rs. 54,556 million was spent within the year and around 6.1% increase is observed comparing to the year 2022.

Actual Expenditure under Fertilizer Subsidy Programme-2023

SN	Description	Total (Rs.)
1	Term Loan Repayment	17,823,005,412
2	Subsidy Payment for Paddy Cultivation (Chemical Fertilizer)	2,598,394,301
3	Subsidy Payment for Paddy Cultivation (Organic Fertilizer)	17,590,952,071
4	Subsidy Payment for Other Field Crops (Chemical Fertilizer)	4,256,009,296
5	Handling Charges	6,398,114,832.9
6	Financial Subsidy to the Farmers (Cash Grant)	5,889,727,311
	Total	54,556,203,224

Ensuring food security as well as improved nutrition level of people in the country was a challenge with the adverse economic crisis situation prevailed in the country. To maintain the availability and easy accessibility to the food especially for low income groups in the society, arrangements were made to protect them by providing rice as an additional support for them under the Government Paddy Purchasing Programme in 2022/2023 Maha season. Under this programme, a quantity of 100,895 MT of paddy in 20 districts was purchased through 454 SME paddy millers at the price of Rs 100 per kg of Nadu paddy and distributed 54,974 MT of rice as 20 kilogram per family for 2,739,505 low-income families in 25 districts in March and April 2023. Implementation of this programme brought benefits to farmers, low income families as well as SME paddy millers.

Further, with the objectives of the strengthening SME paddy millers and ensuring reasonable price to farmers for their paddy harvest, a pledge loan scheme was implemented at a concessionary interest rate to purchase paddy from farmers through the State banks in Yala season 2023. Under this pledge loan, Rs. 585 mn worth pledge loans were granted to SME paddy millers by the both people's bank and Bank of Ceylon. In order to encourage the SME paddy millers to purchase paddy from farmers at a reasonable price, out of the effective interest rate of the loan scheme, 4 percent rate of interest per annum was paid by the General Treasury as an interest subsidy to the respective banks. Accordingly, the total interest subsidy paid to the People's bank and Bank of Ceylon during the year was Rs. 1,124,872.60.

The government continued the management of five warehouses facilitating the farmers to obtain a high price during the off-season. These five warehouses with a combined storage capacity of approximately 17,200 MT were built in Anuradhapura, Buttala, Mannar, Kilinochchi, and Polonnaruwa to store paddy, maize, soya bean, sesame, black gram, pepper, peanuts, and other grains during the harvesting season. In addition to the storage facility, it offers a wide range of auxiliary services like drying, cleaning, and grain quality testing. Farmers can use their harvest stock as collateral to ensure that they receive a loan at a favorable rate under the warehouse reception financing.

3874 MT of grain were kept in storage in 2023. The government earned Rs. 25 million from the provision of storage facilities, including revenue from the generating of solar power, while spending Rs.38 million on operations and maintenance. 374 farmers have received concessionary loans totaling Rs.151 million through the warehouse receipt financing program.

Although there is a coastal belt around the country, considerable amount of the protein requirement is supplied by poultry products. Nearly 80% of the cost of production of the poultry products, i.e. chicken and eggs are spent on animal feed and 50% of that animal feed requirement is fulfilled by maize. Due to the unavailability of the maize in the local market and the import restrictions. To ensure the affordable prices of the chicken, eggs and related products of the market, the government has granted the permission to import 200,000 MT of maize with the recommendation of the Department of Animal Production and Health, and imposed a Special Commodity Levy (SCL) of Rs.25/= per 1 kg of Maize. Accordingly, 187,000 MT of Maize has been imported up to 31.12.2023.

CHAPTER 06 – HUMAN RESOURCE PROFILE

6.1 Cadre Management

	Approved Cadre	Existing Cadre	Vacancies/(Excess)**
Senior	23	18	05
Tertiary	01	01	00
Secondary	23	21	02
Primary	12	09	03

6.2 The shortage in human resources has been affected to the performance of the institution.

Duties of the vacant posts covered by the officials who are working in the department.

6.3 Human Resource Development

6.3.1 Local Training

Name of the Programme	No. of Staff	Duration of the Programme	Total Investment (Rs.)		Nature of the Programme (Abroad/Local)	Output/Knowledge Gained
			Local	Foreign		
Awareness programme on E-Procurement (Online)	01	01 Day	7,750	----	Local	Gained to knowledge about e-procurement including shopping procurement procedure through e-GP web portal procedure.
Training Programme on Economics of Development ,Administration and Impactful Growth Strategies	01	04 Days	----	----	Local	Acquired knowledge for advance Economics development and strategies development
Awareness Session on Electronic Government Procurement (e-GP) System	04	01 Day	----	----	Local	Enhanced knowledge on using electronic public procurement (e-GP) system
Ethics & Disciplinary for Drivers and Minor Staff	02	02 Days	19,000	----	Local	Gained knowledge related to ethics and Discipline for office work

Duties and responsibilities of Leave Subject Officer	01	01 Day	5,000	----	Local	Awareness of the responsibilities and rights of officials in respect to taking leave.
Advanced Certificate in Transport Management	02	20 Days	120,000	----	Local	Enhanced to knowledge transport management, rules, regulations and machinery handling
Government Salary Processing System Government Officers	01	01 Day	5,000	----	Local	Gained knowledge to prepare salary scales and annual increments for government employees
Effective Maintenance of personal files	01	01 Day	5,000	----	Local	Aware of the rules and regulations related to opening a personal file and maintaining a personal file.
New CIGAS Programme	03	02 Days	----	----	Local	Gained knowledge of using the New CIGAS applications for Departmental accounting process.
Economics of Development, Administration & Impactful Growth Strategies	02	04 Days	----	----	Local	Gained knowledge for advance Economics development and strategies development
Cyber security Capacity development for ICTO	01	01 Day	----	----	Local	Gained knowledge on Cyber security Capacity development
Training Programme on Disciplinary procedure	01	02 Days	9,500	--	Local	Understand knowledge of disciplinary procedure in the public sector and duties responsibilities of officers.
Official letters Writing & Official minutes	01	01 Day	5,000	--	Local	Acquired knowledge of letter writing skills and prepare minutes papers
Annual inventory Survey Report	02	02 Days	20,000	--	Local	Gained knowledge of identifying and setting up the annual inventory survey process.
Awareness programme of Government Procurement System	03	02 Days	----	--	Local	Improved and updated knowledge in Government Procurement System
Logical Framework Analysis	03	06 Days	----	--	Local	knowledge Gained on result based planning and use of Logical Framework Analysis
Vocational Development Training for quality environment	09	02 Day	----	--	Local	Provided practical training to create a quality work environment and Discipline procedure in the office.
Preparation and submission of Cabinet Papers	01	01 Day	6,000	--	Local	Gained knowledge of Preparation and submission of Cabinet Papers
Advanced Microsoft excel training for data analysis	02	03 Days	36,000	--	Local	Improved the knowledge to use Microsoft excel in day to day work in the office.
Salary Processing of Government officers	01	01 Day	5,000	--	Local	Gained knowledge to prepare salary for Government Employees

6.3.2 Foreign Training

Name of the Programme	No. of Staff Trained	Duration of the Programme	Total Investment (Rs)		Nature of the Programme (Abroad/Local)	Output/Knowledge Gained
			Local	Foreign		
Seminar on Implementing 2030 Agenda for Sustainable Development for Developing countries poverty Alleviation	01	02 Weeks			Abroad	Improved knowledge on Strategies, Policies and programmes to reduce the regional disparities in growth & income inequalities.
Seminar on Digital Economy and Industry Integration	01	02 Weeks			Abroad	Learned to Harmonization the basic concept of Digital Economy for Local Industries especially in SME Sector.
Seminar on Small and Medium Sized Enterprise Capacity Building for Developing Countries	01	Participated only 07 days.			Abroad	The officer had to return to Sri Lanka due to a personal matter.
Banking and Finance for Development Countries	01	02 Weeks			Abroad	Gained to identify problems of banks efficiency/inefficiency through the bank sector and identify systematic strategies to address those challenges between developed and developing countries.
Seminar on Construction and Management of Industrial Park of the Sri Lanka	01	02 Weeks			Abroad	Gained knowledge about planning, Construction and management of free trade zones and as well as the technological and economic development of those.

CHAPTER 07 – COMPLIANCE REPORT

No.	Applicable Requirement	Compliance Status (Complied/Not Complied)	Brief Explanation for Non Compliance	Corrective Actions Proposed to Avoid Non-Compliance in Future
1.	The following Financial Statements/Accounts have been submitted on due date.			
1.1	Annual Financial Statements.	Complied		
1.2	Advance to public offers account	Complied		
1.3	Trading and Manufacturing Advance Accounts (Commercial Advance Account)	Not Applicable		
1.4	Stores Advance Accounts	Not Applicable		
1.5	Special Advance Accounts	Not Applicable		
1.6	Others	Complied		
2.	Maintenance of Books and Registers (FR445)			
2.1	Fixed assets register has been maintained and update in terms of Public Administration Circular No. 267/2018.	Complied		
2.2	Personal emoluments register/personal emoluments cards has been maintained and update.	Complied		
2.3	Register of Audit queries has been maintained and update.	Complied		

2.4	Register of Internal audit reports has been maintained and update.	Complied		
2.5	All the monthly account summaries (CIGAS) are prepared and submitted to the Treasury on due date.	Complied		
2.6	Register for cheques and money order has been maintained and update.	Complied		
2.7	Inventory register has been maintained and update.	Complied		
2.8	Stocks Register has been maintained and update.	Complied		
2.9	Register of Loses has been maintained and update.	Complied		
2.10	Commitment Register has been maintained and update.	Complied		
2.11	Register of Counterfoil Books (GA-N20) has been maintained and update.	Complied		
3.	Delegation of functions for financial control (FR 135)			
3.1	The financial authority has been delegated within the institute.	Complied		
3.2	The delegation of financial authority has been communicated within the institute.	Complied		
3.3	The authority has been delegated in such manner so as to pass each transaction through two or more officers.	Complied		
3.4	The control has been adhered to by the Accountants in terms of State Account Circular No. 171/2004 dated 11.05.2014 in using the	Complied		

	Government Payroll Software Package.			
4.	Preparation of Annual Plans			
4.1	The Annual Action Plan has been prepared.	Complied		
4.2	The Annual Procurement Plan has been prepared.	Complied		
4.3	The Annual Internal Audit Plan has been prepared.	Complied		
4.4	The Annual Estimate has been prepared and submitted to the National Budget Department on due date.	Complied		
4.5	The annual cash flow has been submitted to the Treasury Operations Department (TOD) on time.	Complied		
5.	Audit Queries			
5.1	All the audit queries has been replied within the specified time by the Auditor General.	Complied		
6.	Internal Audit			
6.1	The Internal Audit Plan has been prepared at the beginning of the year after consulting the Auditor General in terms of Financial Regulation 134 (2) DMA/1-2019	Complied		
6.2	All the internal audit reports has been replied within one month.	Complied		
6.3	Copies of all the internal audit reports has been submitted to the Management Audit Department in terms of Sub-section 40(4) of the National Audit Act No. 19 of 2018.	Not Applicable		

6.4	All the copies of internal audit reports has been submitted to the Auditor General in terms of Financial Regulation 134 (3).	Not Applicable		
7.	Audit and Management Committee			
7.1	Minimum 04 meetings of the Audit and Management Committee have been held during the year as per the DMA Circular 1 – 2019	Not Applicable		
8.	Asset Management			
8.1	The information about purchases of assets and disposals was submitted to the Comptroller General's Office in terms of Paragraph 07 of the Asset Management Circular No. 01/2017.	Complied		
8.2	A suitable liaison officer was appointed to coordinate the implementation of the provisions of the circular and the details of the nominated officer was sent to the Comptroller General's Office in terms of Paragraph 13 of the aforesaid circular.	Complied		
8.3	The board of survey was conducted and the relevant reports submitted to the Auditor General on due date in terms of Public Finance circular No. 05/2016.	Complied		
8.4	The excesses and deficits that were disclosed through the board of survey and other relating recommendations, actions were carried out during the period specified in the circular.	Complied		
8.5	The disposal of condemn articles had been carried out in terms of FR 772.	Complied		

9.	Vehicle Management			
9.1	The daily running charts and monthly submitted to the Auditor General on due date.	Complied		
9.2	The condemned vehicles had been disposed of within a period of less than 6 months after condemning.	Not Applicable		
9.3	The vehicle logbooks had been maintained and updated.	Complied		
9.4	The action has been taken in terms of FR 103, 104, 109 and 110 with regard to every vehicle accident.	Complied		
9.5	The fuel consumption of vehicles has been re-tested in terms of the provisions of paragraph 3.1 of the Public Administration Circular No. 30/2016 of 29.12.2016	Complied		
9.6	The absolute ownership of the leased vehicle log books has been transferred after the lease term.	Not Applicable		
10.	Management of Bank Account			
10.1	The bank reconciliation statements had been prepared, got certified and made ready for audit by the due date.	Complied		
10.2	The dormant accounts that had existed in the year under review or since previous years settled.	Not Applicable		
10.3	The action had been taken in terms of Financial Regulations regarding balances that had been disclosed through bank reconciliation statements and for which adjustments had to be made and had those balances been settled within one month.	Complied		

11.	Utilization of Provisions			
11.1	The provisions allocated had been spent without exceeding the limit.	Complied		
11.2	The liabilities not exceeding the provisions that remained at the end of the year as per the FR 94(1).	Complied		
12.	Advances to Public Officers Account			
12.1	The limits had been complied with	Complied		
12.2.	A time analysis had been carried out on the loans in arrears.	Complied		
12.3	The loan balances in arrears for over one year had been settled.	Complied		
13.	General Deposit Account			
13.1	The action had been taken as per FR 571 in relation to disposal of lapsed deposits.	Complied		
13.2	The control register for general deposits had been updated and maintained.	Complied		
14.	Imprest Account			
14.1	The balance in the cash book at the end of the year under review remitted to TOD.	Complied		
14.2	The ad-hoc sub imprest issued as per FR 371 settled within one month from the completion of the task.	Complied		
14.3	The ad-hoc sub imprest had been issued exceeding the limit approved ass per FR 371.	Complied		
14.4	The balance of the imprest account had been reconciled with the Treasury books monthly.	Complied		

15.	Revenue Account			
15.1	The funds from the revenue had been made in terms of the regulations.	Complied		
15.2	The revenue collection had been directly credited to the revenue account without credited to the regulations.	Complied		
15.3	Returns of arrears of revenue forward to the Auditor General in terms of FR 176.	Complied		
16.	Human Resources Management			
16.1	The staff had been paid within the approval cadre.	Complied		
16.2	All members of the staff have been issued a duty list in writing.	Complied		
16.3	All reports have been submitted to the Management Service Department in terms of their circular No. 04/2017 dated 20.09.2017	Complied		
17.	Provision of Information to the Public			
17.1	An information officer has been appointed and a proper register of information is maintained and updated in terms of Right To Information Act. and Regulation.	Complied		
17.2	Information about the institution to the public have been provided by website or alternative measures and has it been facilitated to appreciate/allegation to public against the public authority by this website or alternative measures.	Complied		
17.3	Bi-Annual and Annual Reports have been submitted as per section 08 and 10 of the RTI Act.	Complied		

18.	Implementing Citizen Charter			
18.1	A citizens charter/ Citizen client's charter has been formulated and implemented by the institution in terms of the circular number 05/2008 and 05/2018 91) of Ministry of Public Administration and Management.	Complied		
18.2	A methodology has been devised by the Institution in order to monitor and assess the formulation and the implementation of Citizens charter/ Citizen client's charter as per paragraphs 2.3 of the circular.	Complied		
19.	Preparation of the Human Resource Plan			
19.1	A human resource plan has been prepared in terms of the format in Annexure 02 of Public Administration Circular No. 02/2018 dated 24.01.2018	Complied		
19.2	A minimum training opportunity of not less than 12 hours per year for each member of the staff has been ensured in the aforesaid Human Resource Plan.	Complied		
19.3	Annual performance agreements have been signed for the entire staff based on the format in Annexure 01 of the aforesaid Circular.	Complied		
19.4	A senior officer was appointed and assigned the responsibility of preparing the human resources development plan, organizing capacity building programmes and conducting skill development programmes as per paragraph No. 6.5 of the aforesaid Circular.	Complied		

20.	Responses Audit Paras			
20.1	The shortcomings pointed out in the audit paragraphs issued by the Auditor General for the previous years have been rectified.	Complied		