

2023

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செயலாற்றுகை அறிக்கை
PERFORMANCE REPORT



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இலங்கை மதுவரித் திணைக்களம்
EXCISE DEPARTMENT OF SRI LANKA



இதில், ஈர்ப்பாக சீர்திருத்தம் மற்றும் தேசியக் கொள்கைகள் அமைச்சு
நிதி, பொருளாதார உறுதிப்பாடு மற்றும் தேசியக் கொள்கைகள் அமைச்சு
MINISTRY OF FINANCE, ECONOMIC STABILIZATION & NATIONAL POLICIES



PERFORMANCE REPORT 2023

Prepared as per the Guidelines No. PFD / RED / COPA / 2019 / 01 dated 30.01.2020 and submitted through the Department of Public Finance of the Ministry of Finance, Economy and Policy Development of the Democratic, Socialist, Republic of Sri Lanka

Annual Performance Report for the year 2023

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Chapter – 01

Institutional Profile / Executive Summary

- 1.1 Introduction
- 1.2 Vision, Mission and Objectives and Key functions and values of the
Excise Department of Sri Lanka
- 1.3 Organizational Structure of the Excise Department of Sri Lanka
- 1.4 Geographical Locations of the Regional Offices of the Excise
Department of Sri Lanka

1.1 Introduction

The Excise Department of Sri Lanka has a history spanning over 111 years and it is a key governmental revenue collecting institution. The Department is tasked with the proper administration of excise revenue, tobacco tax and beedi tax, enforcing the relevant laws, and ensuring social security. A number of special events have been reported during the past 111 years commencing from the year 1912. However, the year 2023 that is under review has been a challenging year for this Department.

I was appointed as the Commissioner General of Excise of the Excise Department of Sri Lanka by a cabinet decision of the Parliament of Sri Lanka on 11.01.2024. An Additional Commissioner General of Excise, an (Acting) Additional Commissioner General of Excise, a Chief financial officer, a Commissioner of Excise and an (Acting) Commissioner of Excise, a Chief accountant and two Accountants, four (Acting) Deputy Commissioners of Excise, a Legal Officer, an Assistant Director and two Administrative Officers have served in the Department for the administrative and monitoring activities during the year 2023 that is under review. In order to streamline the internal control of the Excise Department, an Internal Audit Division and a Government Audit Division representing the Auditor General's Department has been established within the Excise Department. There is also a Statistics Division consisting of a Statistician attached to the Department of Census and Statistics.

There are 13 offices of Assistant commissioners of Excise established for every district, 30 offices of Superintendent of Excise, 56 Excise Stations, 05 Special Excise Operation Units and a Law Enforcement Division for drugs. In addition to the above, permanent staff have been assigned to the Excise Units situated in proximity to Tobacco and Liquor Manufactories.

The revenue target given to the Excise Department for the year 2023 was 217 billion rupees. The revenue targets were given to collect 214 billion rupees from liquor revenue and 03 billion rupees from tobacco tax. It was expected to collect the said 3 billion rupees through the beedi tobacco tax imposed by the Act No 08 of 1999 dated 31.12.2022. Since the difficulty in reaching the expected excise revenue target of 217 billion rupees due to the economic and social crisis caused by the severe inflation in 2023, the Ministry of Finance revised the expected excise revenue target for the year 2023 as 182 billion rupees. Subsequently to the revision of the revenue target, revenue targets were given as 181 billion rupees from liquor revenue and 1 billion rupees from tobacco tax. Despite the various difficulties, it is a pleasure that the Excise Department was able to accrue 177.57 rupees billion from liquor tax and 1 billion from tobacco tax and was able to achieve a total excise revenue of 178.57 billion rupees including tax rebates (7.3 billion rupees). Although the economic and the social crisis in the year 2023 impacted the entire staff and also the

shortage of employees affected the overall performance in the year 2023, the revenue collected indicated a progress of 98.1%.

The Excise Officers prosecuted on 39,436 illegal liquor and drug raids throughout the island in 2023 and the amount of fines collected was 168,292,485 rupees. 5,499 cases were reported in relation to violations pertaining to the licensed premises and thereby, a total of Rupees 172,209,513 was levied as composition fees.

The Actual number of employees as at 31st December of the year under review was 1,228. The number of available vacancies was 411 which constitutes 25% of the approved cadre. Despite such a shortage of officers, the expected performance was achieved up to 98%.

Two new officers were recruited for the vacant post of Legal Officer and Assistant Director (Information Technology) in the year 2023. Furthermore, interviews were conducted as approved by the Public Service Commission to fill the vacancies of the posts of Deputy Excise Commissioner as senior level promotions and the necessary preliminary work was done to fill in 08 positions of Superintendent of Excise on limited basis. Moreover, promotions were given for 21 posts of Chief Excise Inspector as tertiary level promotions during this year and necessary preliminary level work has been done to recruit 56 tertiary level officers and 170 secondary level officers.

In the performance of these overall duties, I gratefully recall the support extended to the Excise Department of Sri Lanka by the officers attached to the Ministry of Finance and the Treasury and from the institutions including the Sri Lanka Police, Sri Lanka Customs, Inland Revenue Department, Tourism Promotion Authority, National Dangerous Drugs Control Board, Government Analyst's Department, Sri Lanka Standards Institute, National Authority on Tobacco and Alcohol and the Attorney General's Department.

Although the overall performance of the Excise Department of Sri Lanka was hindered to a certain extent due to the impact of the economic crisis and high inflation on the entire public service in the year 2023, I hereby express my gratitude to the entire staff of the Excise Department which includes all the Excise Officers, the Officers belonging to the Combined and All Island Services for the support extended to achieve a high percentage in the institutional wise performance level for the year under review.



M.J. Gunasiri
Commissioner General of Excise

M.J. Gunasiri
Commissioner General of Excise
Excise Department of Sri Lanka
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1.2 Vision, Mission and Objectives and Key functions and values of the Excise Department of Sri Lanka



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Excise Department of Sri Lanka

“වගකීමෙන් සුරක්ෂාව”
“Protection through responsibility”

Vision

To be dedicated the most respectful and responsible revenue collection public institution in order to enhance the public revenue through formally regulating the tobacco and liquor manufacturing.

Mission

“Efficient and effective administration of liquor and other approved alcohol within the country in order to assist economic growth and development through creating incisive awareness programs which are against the improper usage of illegal liquor, dangerous drugs and psychotropic substances abuse by empowering the conformity to all rules and regulations in which we have the power to take action by providing facilities for earning legal trade revenues”

Objectives

- Maximizing Revenue collection through risk management and improving compliance of organizational prospect for the assistance of effective decision making at the strategic, operational and tactical levels.
- To provide facilities for trade through encouraging compliance of stakeholders with the laws pertaining to achieve through perpetual knowledge sharing aimed at enhancing revenue.
- Effective utilization of risk management principles is the core for achieving the equilibrium between control and providing facilities of liquor and tobacco revenue.
- Building good faith among the public on efficiency and the honesty at the time of collecting excise tax
- Regulating production and sale of alcohol, rectified spirit and denatured spirit and other approved intoxicants.
- Implementation of sustained operations and conducting awareness programs against illegal alcohol and drug use.
- Implementation of laws, rules and regulations to intercept illegal distillation of spirits and unlicensed distillation of spirits clandestinely.
- Improving capacity and abilities of employees to make sure sufficient professional and technical staff by incessant training and development.
- Maintaining dedicated staff for the service having well trained and utmost satisfaction.
- Prevention of the use of alcohol and liquor and to keep away from the illicit trafficking of drugs and psychotropic substances.
- Take necessary action to eradicate the toxic drugs and toxic liquor in trade and safeguard the public of them.
- Maintaining efficient tax system with good relationship of the Ministry of Finance and other external institutes

Functions and Values

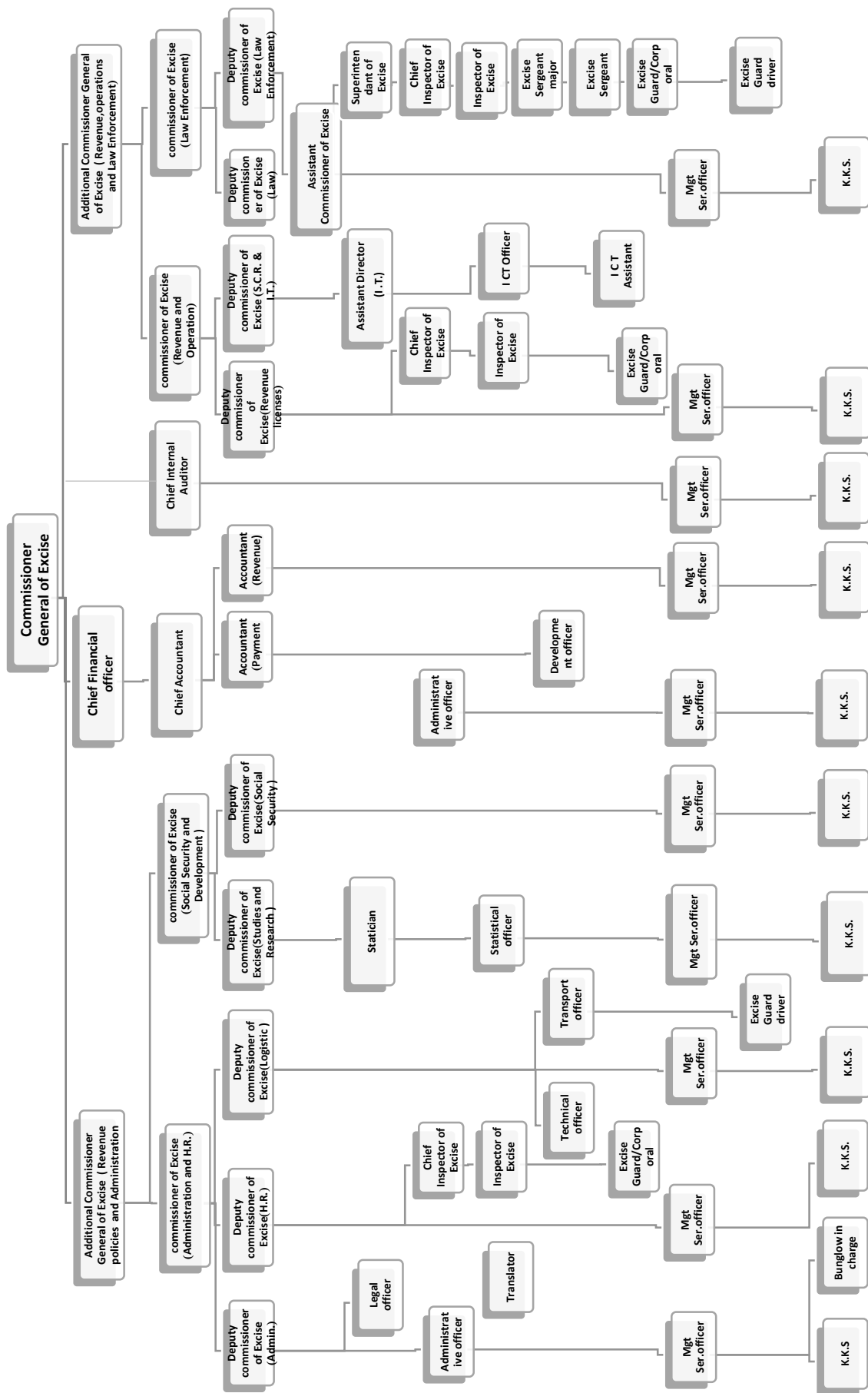
Functions

- Supervision and control of all Excise licensed premises and the collection of revenue thereof.
- Efficient and effective implementation of Excise Ordinance and Tobacco Tax Act.
- Act as a law enforcement institution regarding the Poisons, Opium and Dangerous Drugs Ordinance.
- Implementation of National Authority of Tobacco and Alcohol Act for the social protection of the nation.
- Building a close relationship with other law enforcement institutions such as Police, Customs and Inland Revenue Department in Sri Lanka.
- Make awareness through institutional programs against the illicit liquor and drugs abuse and make aware students and the community about the harmfulness of illicit liquor and dangerous drugs abuse.
- Implementation of Convention against Illicit Trafficking in Narcotics Drugs and Psychotropic Substances Act No: 01 of 2008.
- Providing training for all levels of employees within the planned year.
- Active participation for meetings and discussions with all stake holders.

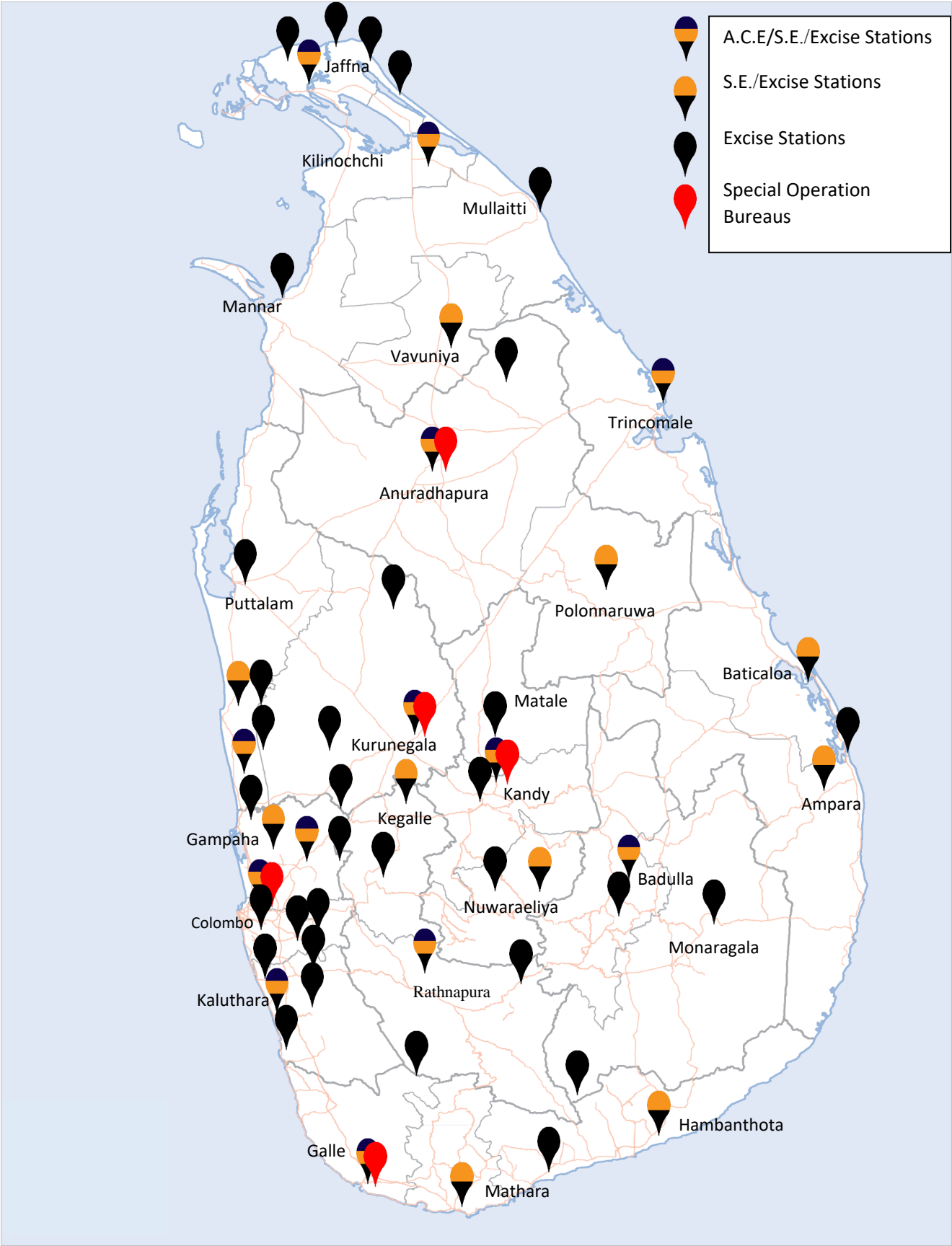
Values

- Maintaining a culture for granting friendly and transparent service that treated as everyone equally.
- Having a dedicated staff with a team spirit who can move towards to achieve ultimate goal.
- Eliminate illicit alcohol and drugs aimed to chasten the children for protective future.
- Socialized a person having valued human values.
- Performing within a formal strategic plan.
- Providing efficient and utmost service to the clients through new technical methodologies.
- Accurate tax collection through modern technology.
- Maintain a reliable database.
- Implementation of programs for reducing the use of toxic drugs and toxic liquor.
- Maintain good coordination with external institutions.

1.3 Organizational Structure of the Excise Department of Sri Lanka



1.4 Geographical Locations of the Regional offices of the Excise Department of Sri Lanka



Progress and the Future Outlook

2.1 Special Achievements

- 2.1.1 Revenue
- 2.1.2 Administration
- 2.1.3 Information Technology
- 2.1.4 Law Enforcement
- 2.1.5 Logistics
- 2.1.6 Studies & Research

2.2 Challenges – Future Goals

- 2.2.1 Future goals
- 2.2.2 Challenges

2.3 Welfare

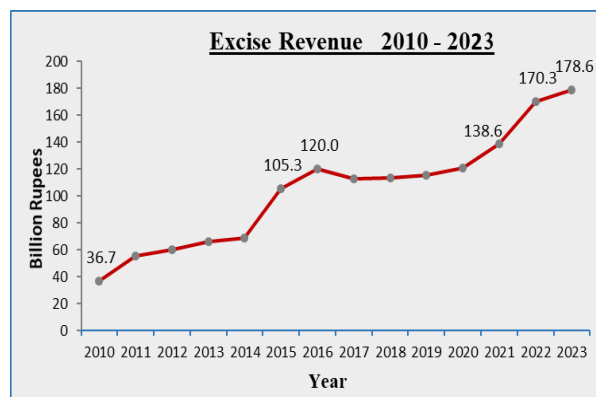
2.1 Special Achievements

2 : 1 : 1 Revenue

The year 2023 was a challenging year for the whole of Sri Lanka. The key reasons were the high inflation in 2023 and the impact on lives of the people due to the economic and social crisis.

- According to the action plan submitted by the Excise Department of Sri Lanka to the Ministry of Finance at the inception of the year 2023, it was agreed to collect 217 billion rupees in excise duty and tobacco tax revenue. However, the Ministry of Finance agreed to reduce the revenue target for excise duty and tobacco tax to 182 billion rupees due to the hyperinflationary situation, economic and social crisis in the country as per request of the Excise Department. After revising the revenue targets, the revenue targets were updated to 181 billion rupees to be collected from liquor tax and 1 billion rupees from tobacco tax. Accordingly, 177.57 billion rupees was collected from liquor revenue and Rupees 01 billion was collected from tobacco tax and a total sum of 178.57 billion rupees was collected in the year 2023 inclusive of tax rebate. Therefore, the progress of liquor and tobacco tax revenue collection is 98%. A revenue of 0.934 billion rupees was generated by the beedi tobacco by the tax imposed in terms of the Act No. 08 of 1999 dated 31.12.2022 which came into effect from the year 2023. Compared to the year 2022, a substantial growth can be witnessed in tobacco tax in the year 2023. In comparison to the year 2022, the liquor manufacturing in 2023 has decreased by 19% and the liquor manufacturing in 2023 showed a decrease of about 8.2 million liters of pure alcohol. The excise duty for one liter of pure alcohol was increased twice (according to Excise Notification 7/2022 dated 31.12.2022 and according to Excise Notification 2/2023 dated 30.06.2023), the selling price of a liquor bottle increased by approximately 26% in the year 2023. Decreasing demand for liquor due to

inflation, consumer deterrents and diversion to illicit liquor has led to a decline in manufacture, hampering collection of expected excise revenue. Collecting of this sort of revenue in the face of such obstacles was a special achievement and the said revenue is the highest revenue record achieved during the years 1912 – 2023.



- Furthermore, it is distinctive to forward 171.27 billion rupees to the treasury after paying the excise duty of 7.3 billion rupees for the exportation of liquor and soft liquor.
- Affixing of the safety sticker for imported foreign liquor was commenced on 15.07.2019 as per the Excise Notification 04/2019 and all the rules and facts related to the affixing of the security sticker have been published by the said Notification. The date of affixing of the security sticker in country made liquor bottles were amended from time to time by Excise Notifications 06/2019, 01/2020, 03/2020 and 01/2021. Excise Notification 07/2021 was published repealing Excise Notification 04/2019. The date of commencement of affixing of security sticker on all country-made liquor bottles has been amended from time to time by Excise Notifications 07/2021, 08/2021, 09/2021.

Excise Notification 10/2021 was published declaring the 3rd of January, 2022 as the

commencing date of affixing the security sticker and digital mark on country-made liquor bottles. At present, affixing of security sticker and digital mark are done for country-made liquor and imported foreign liquor in terms of the rules of the Excise Notification 07/2021. Raids were conducted in relation to the affixing of fake security stickers in the year 2023 and necessary action was taken against those involved in such activities.

- With the objective of increasing the government revenue, a beedi tobacco tax was suggested by the Budget proposals in 2022 and hence the necessary legal framework to that effect was published by Excise Notification No 08 of 1999 dated 31.12.2022 under the Tobacco Tax Act. Crediting 934.3 billion rupees to the government revenue thus collected from beedi tobacco tax in the year 2023 is an exceptional achievement.

The Law Enforcement Division was able to conduct 39,436 raids on illicit liquor, tobacco and drugs throughout the island. A fine of 168,292,485.00 rupees was imposed for the cases assigned in relation to the said seizures. In addition, 5,499 industrial crime reports were submitted against violation of license conditions and composition fees amounting to 172,209,513.00 rupees was handed over to the state, which is also regarded as a special achievement.

2 : 1 : 2 Administration

- The Administration division conducted an interview on 15.08.2023 under senior level promotions for 02 posts of Deputy Commissioners of Excise and forwarded to the Public Service Commission for approval in the year 2023. Promotions were given on 25.02.2023 for 21 Chief Inspectors of Excise as tertiary level promotions. Furthermore, the initial preparations required to recruit 08 Excise Commissioner Posts on limited basis and 56

Excise Inspector posts on limited and open basis under the filling of tertiary level posts vacancies were carried out. Necessary preliminary work was done for the promotion of 44 officers on the basis of limited and seniority and merit for the posts of Excise Sergeant. Moreover, the prescribed efficiency bar examinations for the posts of Superintendent of Excise, Chief Inspector of Excise, Excise Inspector, Excise Sergeant Major and Excise Sergeant/Excise Guard have also been successfully conducted for a total of 119 officers and the results have been released.

- Furthermore, 708 salary increments have been given to the uniform staff and 135 salary increments have been given to the civil staff. Benefits under the Agrahara Insurance Loan Scheme have been granted to 234 applicants and 71 officers of the uniform staff and 03 officers of the civil staff have retired and necessary steps have been taken with regard to the said retirements. 196 bookings have been made to the circuit bungalows belonging to this Department during the year. 202 Official Identity cards have also been issued for the Uniformed staff and 46 Official Identity cards have been issued to the Civil staff. Based on the applications given during the year, uniform allowances have been paid to 65 officers. Furthermore, 248 disaster loan applications forwarded by the officers have been granted in the year 2023. During the year, this Division has carried out the necessary arrangements for making payments to 345 festival advance applications. 32 Information requests received by the Excise Department under the Right to Information Act has been provided with necessary responses. Necessary information has been forwarded to the Department of Pensions in respect to the 09 officers who passed away whilst serving this department during the year and 03 dependent families were paid death gratuity. All activities regarding leave related to 1,228 officers attached to the Department are handled by this Division. The Department sends

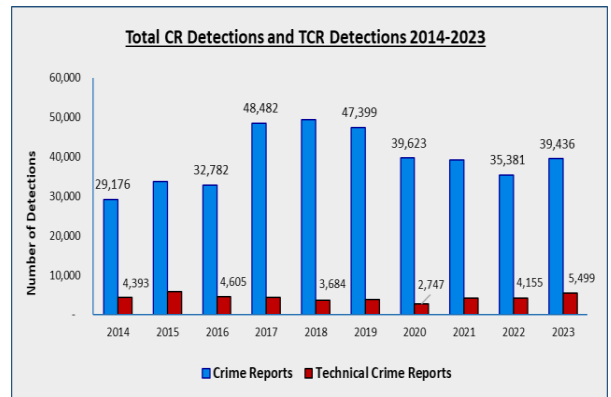
over 80 letters on a daily basis and approximately 20,000 has been sent for the year 2023. In addition to these functions, all activities related to annual and non-annual transfers of uniformed staff and the issuance of the railway season tickets to the officers of the Department is also carried out by this Division.

2 : 1 : 3 Information Technology

- Providing necessary recommendations and approvals online for import and export of Excise related products through the ACYCUDA system of the Department of Customs and also providing training and information technology facilities for the related officers.
- The Second draft of the Schedule of Requirements (SOR) was prepared by the Excise Department under the supervision of the committee on Ways and Means on the instructions given by the Committee on Public Accounts. The type of data and the government institutions that the data to be exchanged by the proposed system was identified. Since this project has to be carried out with proper guidance, a financial proposal was obtained from the University of Moratuwa to obtain an expert consultancy service. A draft of a Cabinet Memorandum was also forwarded to the Ministry of Finance to obtain Cabinet approval.

2:1:4 Law Enforcement (Crimes)

- The State was able to obtain Rupees 172,209,513.00 as composition fees by submitting 5,499 technical crime reports related to violation of licensing conditions through the entire supervision and administration of licensed excise premises island wide.
- 39,436 raids on illegal drugs and liquor were carried out and Rupees 168,292,485.00 was collected as fines.



- 905 complaints were received through the Special Telephone Number (hot line) 1913 which is operated 24 hours to link closely with the public and to make the public complaints a priority and those complaints were immediately sent to the Excise Regional Offices.
- Procurement process had been done with the coordination of the Ministry of Defense and the Navy for purchasing of 140 - 9mm pistols for the law enforcement activities and self defence of officers and 118 firearms were purchased to the Excise Department in the year 2023. This will allow for higher level raids that can be conducted by the law enforcement officers with the self-defense in the field.

2:1:5 Logistics

- Maintaining a central laboratory to keep high standards of all locally manufactured liquor, imported liquor, raw materials of alcohol distillation, etc... which is the prime objective of the Excise Department and to direct quality products to the market is a major requirement. Accordingly, the necessary activities for establishing this central laboratory in a modern building belonging to the department; attached to the Excise Station, Poogoda was commenced in the year 2021, and the amount of 100 million rupees has been approved from the government budget 2023 for its future activities. In the year 2023, the basic construction works and internal partitions of this building has been completed. The operation of this central laboratory is proposed to commence before the end of 2024.

- By the date 31.12.2023, the number of freehold lands belonged to the Excise Department was 28 and actions have been taken to acquire 17 lands. The acquisition of 4 lands was completed in the year 2023.

2:1:6 Research and Studies

- Obstacles have occurred in controlling the manufacturing of artificial toddy as no proper standards have been laid preparation of natural toddy within Sri Lanka. Accordingly, necessary researches to establish standards for Coconut, Palmyra and Kithul toddy have been initiated linking with studies and research unit of the Excise Department of Sri Lanka, Sri Lanka Standards Institution, Department of Government Analyst and externally the Industrial Technological Institute. It was decided that toddy samples should be taken from 4 areas covering the entire island for this research, i.e. Kalutara, Anuradhapura, Chilaw and Hambantota. Though there were some obstacles in the work due to the economic and social crisis that arose in the last year, samples of toddy were taken from three areas of Kalutara, Anuradhapura and Chilaw by the end of 2023 and submitted to the Sri Lanka Standards Institute, and the results of those samples were obtained. Subsequently to the obtaining of the results of the toddy sample to be taken from the Hambantota area, it is expected to hold discussions with the institutions related to these activities mentioned above and carry out the necessary activities to establish the standards for toddy in the year 2024. In 2024, there is a capability to establish standards for toddy.
- In addition, standards for arrack, beer and country-made foreign liquors have been established and completed and manufactories have been informed with respect to that. It is the responsibility of the Excise Department to keep an eye on the standards established for the liquor manufactured by these spirits. Further, it is an urgent need to publish the standards for the liquor

manufactured by these spirits through a gazette notification as it has been emphasized by the Committee on Public Accounts of the Parliament as well and it is helpful for the well-being of the public. In the year 2023, the necessary actions were done to prepare the drafts for issuing a gazette notification. Arrangements are also being made to establish standards for wine and sake. 26 manufactories of bottling hard liquor Beer and Sake, 14 distilleries, and 15 warehouses are under the supervision of this Department. The liquor manufactured by the above manufactories; those are issued to the market after the monitoring of their quality by the 56 Regional offices of Excise. It is essential to provide at least one set of hydrometers to each excise stations. Accordingly, a provision of 29.7 million rupees has been allocated for the purchase of 125 sets of hydrometers required for all liquor manufactories across the island and it is a special achievement to be able to commence the procurement activities for the purchases.

2:2 Future Goals and Challenges .

2:2:1 Future Goals.

The revised target of tax revenue for liquor and tobacco given by the Ministry of Finance for the year 2023 was 182 billion rupees, and a revenue target of 232 billion rupees has been given for the upcoming year 2024. The revenue target given for the year 2024 is 232 billion rupees, a 27% higher revenue target compared to the revised revenue target for the year 2023. According to the new tax policy imposed on beedi production, a tax revenue of 2 billion rupees has been given for beedi and 230 billion rupees as tax revenue for liquor in the year 2024. However, according to the current situation of the liquor industry, it is a huge challenge in the year 2024 to reach the relevant revenue targets by implementing the following suggestions for revenue growth.

- Providing targets to breweries and reviewing monthly on meeting the said targets.
- Introducing new liquor manufactures such as Ready to Drink (RTD) to the foreign market, introducing new Micro-Brewery licenses for the foreign market, granting liquor licenses for direct exports and it is expected to be prepared new rules liquor for Port City New rules are for licensing.
- Providing targets for Excise Officers to carry-out 39,000 crime report detentions and 4,500 technical crime report detentions throughout the Island for increasing liquor manufacture by controlling the illicit liquor.
- Expanding raids on the fake security stickers on country-made liquor and foreign imported liquor bottles.
- Changing the color, shape, size and design of security sticker to improve the efficiency of security management system that affixing on liquor bottles.
- Establishment of a unit to act on complaints regarding security stickers and appointing a committee of officers at Head Office to take action for technical issues.
- It is expected to install a CCTV camera system in liquor manufactories.
- Issuing F.L.04 New Liquor Licenses and Tourist Board Approved F.L.7,8 soft liquor licenses and issuing F.L.11,22B licenses for the year 2024
- Levying the relevant tax arrases from the manufactures who defaulted tax according to an agreement relating while being manufactured.
- To introduce standards for Natural Toddy through the Sri Lanka Standards Institution and Prevention of Artificial Toddy issuance to the market by introducing the said standards and increase the demand for toddy as issuance of quality toddy to the market.
- Introducing Natural Toddy to the Tourist Hotels to popularize the Natural Toddy among foreign tourists.
- Publishing standards prepared for liquor manufactured by spirits by a Gazette Notification.
- Issuing Excise Notifications after introducing practical percentages on wastes for managing tax levied on wastes.
- Preparation of manual on orders of the Department regarding the uniform and ethics, and implementing the said orders.
- Issuing new licenses and increasing the tax on non-portable liquor from Rs 6.00 to 10.00 in order to increase the tax on non-portable liquor.
- Registration of all manufacturers in relation to the beedi industry through the regulation of the beedi industry and amending Tobacco Tax Act and issuing Excise Notifications to obtain tax revenues to be levied properly.
- Investigating and supervising whether revisions for the tax on the local industrial spirits and liquor manufacturing spirits are applied properly.
- Identifying the necessary measures to boost the excise revenue by establishing a Risk Management Unit.
- 23 Regional offices of the Excise Department of Sri Lanka are operating on a rental basis among them the Anti-Narcotics Division in Colombo as well as the Island-wide Special Operations Unit is maintained under strict space limitations. Therefore, construction of permanent Excise stations for existing offices under rental basis remains a prime target.
- Necessary arrangements for establishing a central laboratory in a modern building belonging to the department attached to Poogoda Excise Station, was started in the year 2021 and provisions of 100 million rupees has been approved by the government budget proposals in the year 2023 for its future work. Accordingly, the basic work of the laboratory, such as partitioning, purchase of necessary equipment for laboratory work and purchase of household equipment is expected to be completed in the year 2024. The capability of issuing high quality alcohol to the market will be strengthened by the construction of this central laboratory.

- It is expected to identify a resource person to identify the necessary requirements of RASED system and to develop that software system and to conduct its development activities according to the modular method and to develop information communication infrastructural facilities of the Department.

2:2:2 Challenges

- Achieving the revenue target of 232 billion rupees for the year 2024 is a big challenge due to reasons of increasing cost of liquor production, cost of spirits production, the inflation in the country and the decrease of purchasing power. Getting the revenue of 2 billion rupees by implementing the new tax of Rs. 2/= per unit of beedi for the year 2024 is also a big challenge.
- The application of a fool proof sticker or digital marking for all locally manufactured liquor started from January 2022. After solving the various problems that arose at the beginning of the implementation of this new project, from April 2022, the application of the stickers in all the manufactories has implemented as scheduled. It is a challenge for the Department to regulate and maintain this process correctly. It is also expected to introduce the color, shape, size and design of digital making to overcome this challenge.
- Beedi manufacturers shall be registered to obtain taxes received by all manufactures in relation to the beedi industry.
- Lack of required expertise for the RASED project and taking actions to obtain appropriate consultancy service.
- The collection of revenue is a major challenge due to the shortage of officers of the Head Office as the retirement of senior officers of the uniform staff of the entire Department. Further, there is a large shortage of officers of tertiary levels. Though the new recruitments shall be made for this purpose, the decision of the government to suspend new recruitments is a challenge to maintain the performance of the Department.

However, necessary arrangements have been made to make new recruitments for the year 2024.

- Special attention has been drawn by the Excise department regarding the proper collection and directing to recycling of empty bottles, empty beer tins (beer cans) and arrangements have been taken to fix steel buckets next to the liquor shops by discussing with the central environmental authority and other relevant external institutes. The recycling of collected empty beer cans has already been started now, therefore there is no risk of beer cans adding to the environment in the future.
- Religious, Social and political resistance that persists for the issuing of new retail liquor shop licenses (F.L.04) with the anticipation of increasing the revenue on excise is a challenge to the entire performance of the department.
- Barriers to purchase vehicles to the Logistic division and the shortage of spare parts in the market to repair the vehicles have been made a drastic effect for the administration of the vehicles belonging to the department as well as there is a drastic requirement to recruit new drivers to the department.

2:3 Welfare

- The Excise Department of Sri Lanka established a welfare society with the intention of facilitating welfare and efficiency within the excise staff and also to set up a canteen with all facilities. In 2023, a full-fledged canteen was maintained.
- Actions were taken to submit a proposal to the Ministry of Finance to provide incentives (25%) to the entire staff who have contributed in the growth of government revenue to further motivate in performing the duties within the Excise Department and the Cabinet has approved the payment of incentive allowances from the year 2024.

Overall Financial Performance of the year

- 3.1 Statement of Financial Performance
- 3.2 Statement of Financial Position
- 3.3 Statement of Cash Flows
- 3.4 Statement of Financial Performance –Reward Fund
- 3.5 Statement of Financial Position –Reward Fund
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- 3.8 Performance of the Utilization of Allocation
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excise department of Sri Lanka as a departmental agent.
- 3.10 Performance of Reporting Non-Financial Assets
- 3.11 Summary Report of the Auditor General- Excise Department of Sri Lanka
(Sinhala Version) - Annexure 1
- 3.12 Summary Report of the Auditor General – Excise Reward Fund
(Sinhala Version) Annexure 2

3.1 Statement of Financial Performance (For the period ended 31st December 2023)

						ACA-F
Statement of Financial Performance for the period ended 31st December 2023						
Revised Budgetary Provisions	Rs.	Note	Actual			
			2023	2022		
			Rs.	Rs.		
-	Reverse Receipts		171,273,655,832.00	165,227,025,349.00		
-	Income Tax	1	-	-		
182,000,000,000.00	Taxes on Domestic Goods and Services	2	171,273,655,832.00	165,227,025,349.00	ACA-1	
-	Taxes on International Trade	3	-	-		
-	Non Tax Revenue and Others	4	-	-		
-	Total Revenue Receipts (A)		171,273,655,832.00	165,227,025,349.00		
-	Non-Revenue Receipts		1,764,656,721.00	636,428,953		
-	Treasury Imprest		1,458,000,959.00	380,000,000.00	ACA-3	
-	Deposits		254,662,745.00	207,733,044.00	ACA-4	
-	Advance Accounts		51,993,017.00	48,695,909.00	ACA-5	
-	Other Ledger Accounts Receipts		-	-		
-	Total Non-Revenue Receipts (B)		1,764,656,721.00	636,428,953.00		
-	Net Total Revenue Receipt and Non Revenue Receipt C = (A)+(B)		173,038,312,553.00	165,863,454,302.00		
-	Treasury Remittance (D)		169,672,076,255.00	163,894,015,184.00		
-	Net Total Revenue Receipt and Non Revenue Receipt E = (C)-(D)		3,366,236,298.00	1,969,439,118.00		
-	Deducted for : Expenditure					
-	Recurrent Expenditure		3,049,367,108.00	1,770,977,060.00		
1,175,823,830.00	Wages,Salaries and Other Employment Be	5	888,601,238.00	1,048,170,199.00		
2,227,676,170.00	Other Goods and Services	6	2,154,636,847.00	716,982,651.00	ACA-2(ii)	
7,000,000.00	Subsidies,Grants and Transfers	7	6,129,023.00	5,824,210.00		
-	Interest Payments	8	-	-		
-	Other Recurrent Expenditure	9	-	-		
3,410,500,000.00	Total Recurrent Expenditure (F)		3,049,367,108.00	1,770,977,060.00		
-	Capital Expenditure		235,218,685.00	68,247,037.00		
42,000,000.00	Rehabilitation and Improvement of Capital Assets	10	33,555,451.00	24,362,844.00		
445,000,000.00	Acquisition of Capital Assests	11	196,488,034.00	41,421,817.00	ACA-2(ii)	
-	Capital Transfers	12	-	-		
-	Acquisition of Financial Assests	13	-	-		
20,000,000.00	Capacity Building	14	5,175,200.00	2,462,376.00		
-	Other Capital Expenditure	15	-	-		
507,000,000.00	Other Capital Expenditure (G)		235,218,685.00	68,247,037.00		
-	Deposit Payments		202,366,622.00	188,973,432.00	ACA-4	
-	Advanced Payments		38,729,596.00	42,959,371.00	ACA-5	
-	Other Main Ledger Payments		-	-		
-	Main Ledger Payments (H)		241,096,218.00	231,932,803.00		
-	Total Expenditure I = (F+G+H)		3,525,682,011.00	2,071,156,900.00		
-	Balance as at 31st December J = (E-I)		(159,445,713.00)	(101,717,782.00)		
-	Balance as per Treasury Imprest Statement		(159,445,713.00)	(102,108,741.00)	ACA-7	
-	Treasury Imprest Balance as at 31st December		-	390,959.00	ACA-3	
-			(159,445,713.00)	(101,717,782.00)		

3.2 Statement of Financial Position (2023)

				ACA-P	
Statement of Financial Position as at 31st December 2023					
				Actual	
	Note		2023	2022	
			Rs.	Rs.	
<u>Non-Financial Assests</u>					
Property,Plant and Equipment	ACA-6		2,179,655,327.00	1,755,263,088.00	
<u>Financial Assests</u>					
Advance Accountns	ACA-5/5(A)		142,298,622.00	155,562,043.00	
Cash and Cash Equivalents	ACA-3		-	390,959.00	
Total Assests			2,321,953,949.00	1,911,216,090.00	
<u>Net Assests / Equipment</u>					
Net Assests of Treasury			(234,969,113.00)	(169,409,568.00)	
Net Property and Equipment Reserve			2,179,655,327.00	1,755,263,088.00	
Rent and Work Advance Reserve	ACA-5(B)				
<u>Current Liabilities</u>					
Deposit Accounts	ACA-4		377,267,735.00	324,971,611.00	
Imprest Balance	ACA-3		-	390,959.00	
Total Liabilities			2,321,953,949.00	1,911,216,090.00	
Details Accounting Statement in ACA format Nos.01 to 07 presented in pages from accounts presented in pages from 09 to 37 and Notes to accounts presented in pages from 98 to 57 form and integral parts of these Finance Statements have been prepared in complying with the Generally Accepted Accounting Principles where as most appropriate Accounting Policies are used as disclosed in the Notes to the Financial Statement and hereby certify that figures in these Financial Statements,Notes to Accounts and Other Relevant Accounts were reconcilled with the Treasury books of Accounts and found to be in agreement.					
We hereby certify that an effective internal control system for the financial control exists in the reporting entity and control periodic reviewa to monitor the effectiveness of internal control system for the financial controland accordingly make alternations an required for the system to be effectively carried out.					
Sgd	Sgd		Sgd		
Chief Accountion Officer	Accounting Officer		Chief Financial Officer/Chief Accountant		
Name:K.M.Mahinda Siriwardhana	Name:M.J.Gunasiri		Director (Finance)/ Commisioner (Finance)		
Designation:Secretary	Designation : Excise Commissioner		Name :G.Ajitha Chandani		
Date :	Date :		Date :		

3.3 Statement of Cash Flow

		ACA-C		
Cash Flow Statement for the year ended 31st December 2023				
	Actual			
	2023	2022		
	Rs.	Rs.		
<u>Cash Flows from operating Activities</u>				
Total Tax Receipts	171,273,655,832.00	165,227,025,349.00		
Fees, Fines, Penalties and License	-	-		
Profit	-	-		
Non-Revenue Receipts	-	1,778,379.00		
Revenue Collected from the Other Heads	135,663,272.00	91,125,084.00	135663272	
Imprest Received	1,458,000,959.00	380,000,000.00		
Advance Receipts	44,682,987.00	42,573,817.00	135663272	
Deposit Receipts	254,662,745.00	207,733,044.00		
Total cash generated from operations (A)	173,166,665,795.00	165,950,235,673.00		
<u>Deducted for : Expenditure</u>				
Personal Emoluments and Operating Payments	3,037,900,985.00	1,765,793,859.00		
Subsides and Transfer Payments	6,129,023.00	5,824,210.00		
Expenditure on the other Heads	7,223,672.00	2,091,048.00		
Imprest Settlement to Treasury	169,672,076,255.00	163,894,015,184.00		
Advance Payments	31,320,831.00	37,448,523.00		
Deposit Payments	202,366,622.00	188,973,432.00		
Total cash deducted for operations (B)	172,957,017,388.00	165,894,146,256.00		
Net Cash flow (C)=(A)-(B)	209,648,407.00	56,089,417.00		
<u>Cash flows from Investing Activities</u>				
Interest	-	-		
Dividends	-	-		
Divestiture Proceeds and Sale of Physical Assets	-	-		
Recoveries from on Lending	-	-		
Total cash generated from Investing (D)	-	-		
<u>Cash deducted for : Expenditure</u>				
Investment	210,039,366.00	55,698,458.00		
Total cash deducted for Investing Activities (E)	210,039,366.00	55,698,458.00		
Net cash flows from investing activities (F)=(D)-(E)	(210,039,366.00)	(55,698,458.00)		
(G)=(C) + (F)	(390,959.00)	390,959.00		
<u>Cash Flows from Financial Activities</u>				
Local Borrowings	-	-		
Foreign Borrowings	-	-		
Grants received	-	-		
Total cash generated from Financial Activities (H)	-	-		
<u>Deducted for : Expenditure</u>				
Repayment of Local Borrowings	-	-		
Repayment of Foreign Borrowings	-	-		
Total cash deducted for Financial Activities (I)	-	-		
Total cash generated from Financial Activities (J)=(H)-(I)	-	-		
Net changes of the cash (K) = (G)+(J)	(390,959.00)	-		
Opening balance as at 01st January	-	-		
Closing balance as at 31st December	-	390,959.00		

3.4 Statement of Financial Performance – Excise Reward Fund

Statement of Financial Performance for the year ending 31 December 2023		
(Rupees)		
	2023	2022
Revenue		
Receipts of Composition fees	162,558,319	154,560,181
Cigarettes fines	10,732,540	4,986,600
Total Revenue	173,290,859	159,546,781
Expenditure		
Payments of Rewards	89,465,894	79,724,620
Payment for the Government Revenue – Composition Revenue 15%	24,383,747	23,184,027
Payment for the Government Revenue - Cigarettes fines 75%	8,049,405	3,739,950
Allocated for Tobacco Fund	2,683,136	1,077,275
Special Raids	-	
Other		99,890
Deductions	32,755	
Depreciations (Schedule 01)	11,707,328	3,276,488
Refund to Licensees	-	-
Total Expenditure	136,322,265	111,102,250
Surplus/(Deficiency)	36,968,594	48,444,530

Prepared by:- Sgd.

Checked by:- Sgd.

Sgd.
G.Ajitha Chandani
Chief Financial Officer

3.5 Statement of Financial Position

Excise Department of Sri Lanka –Excise Reward Fund Statement of Financial Position as at 31 December 2023

Monetary Unit –Rupees	2023	2022
<u>Assets</u>	-	-
<u>Current Assets</u>	-	-
T.C.R Receipts and Payment Account	229,635,702	192,517,335
Receivable Composition fees	-	9,651,195
Receivable cigarettes fines	-	960,400
	229,635,702	203,128,930
<u>Non Current Assets</u>	-	-
Land and Buildings (Schedule 02)	47,134,000	47,134,000
Vehicles (Schedule 03)	606,361	808,481
Furniture and Equipment (Schedule 04)	9,172,135	904,357
Electronic equipment (Schedule 05)	5,280	9,918
Office Equipment (Schedule 06)	44,858,986	11,131,732
Sport items (Schedule 07)	2,514	3,142
Library Books (Schedule 08)	16,293	20,366
Other Equipment (Schedule 09)	3,397	3,882
Purchase of Depreciation assets	-	49,687,107
Depreciation Reserve fund	30,686,023	18,974,695
	132,480,989	128,677,682
Total Assets	362,116,691	331,806,612
<u>Liabilities</u>	-	-
<u>Short term Liabilities</u>	-	-
Composition fees payable to Government Revenue	-	1,447,679
cigarettes fines payable to Government Revenue	-	720,300
Payable to Tobacco Fund	-	240,100
Payable amount as rewards	-	7,238,396
<u>Long Term Liabilities</u>	-	-
Payable to tobacco funds	24,363,751	21,440,516
Net Assets	337,752,940	300,719,620
<u>Net Assets /Equity</u>	-	-
Accumulative Fund	300,719,620	252,775,090
Previous year adjustments	64,726	(500,000)
Surplus / (Deficiency)	36,986,594	48,444,530
Total Equity	337,752,940	300,719,620

3.6 Statement of Cash Flows - Excise Reward Fund

Excise Department of Sri Lanka – Reward Fund		
Cash flow statement for the year ended 31 December 2023		
(In Rupees)		
	2023	2022
Cash flows from operational activities		
Receipts		
Receipts of Composition Fees	172,209,513	164,831,863
Receipts of cigarette fines	11,692,940	4,309,100
Total Receipts from operational activities	183,902,453	169,140,963
Payments		
Composition Reward Money	96,704,291	87,428,382
Public Revenue	34,601,132	27,956,604
For Special Raids	-	-
Depreciation Reserve Fund (Schedule 01)	11,707,328	3,276,488
Repayments for Licensees	-	-
Other	3,771,335	599,890
Total payments from operational activities	146,784,086	119,261,364
Net Cash Flows	37,118,367	49,879,599
Cash flows from Investment activities		
Net cash flows from Investment activities		-
Net increase/decrease of cash	37,118,367	49,879,599
Cash at the beginning of the period	192,517,335	142,637,736
Balance as at 31.12.2023	229,635,702	192,517,335

Prepared by :- Sgd.

Checked by:- Sgd.

Sgd.
G. Ajitha Chandani
Chief Financial officer

3.7 Notes to the Financial Statement

Performance of the Revenue Collection

Revenue Code	Revenue Code Description	Revenue Estimation		Collected Revenue	
		Prior Estimation (Rs.)	Last Estimation (Rs.)	Amount (Rs.)	As a % of the Last Revenue Estimation (Rs.)
1002.04.01	Liquor	214,000,000,000.00	181,000,000,000.00	170,259,621,094.00	94.07
1002.06.00	Tobacco Tax	3,035,000,000.00	1,000,000,000.00	1,014,034,738.00	101.40

3.8 Performance of the Utilization of the Allocated Provisions

Type of Provision	Allocated Provisions		Actual Expenses (Rs.)	Utilized provisions as a percentage (%) of the last allocated provisions that spent
	Prior allocated Provisions (Rs.)	Last allocated Provisions (Rs.)		
Recurring	3,410,500,000.00	3,410,500,000.00	3,049,367,108.00	89.41
Capital	507,000,000.00	507,000,000.00	235,218,685.00	46.39

3.9 In terms of F.R.208, granting allocations of the Excise Department of Sri Lanka as a departmental agent in the year 2022.

Not available

3.10 Performance of Reporting Non-Financial Assets

Assets Code	Assets Code Description	Balance as per the Inventory Survey reports as at 31.12.2023	Balance as per the Financial Position Report as at 31.12.2023	To be accounted for in the future	Reporting the progress as %.
9151	Buildings and Structures	528,597,207.71	528,597,207.71		100%
9152	Machinery	844,008,490.35	844,008,490.35		100%
9153	Lands	384,125,000.00	384,125,000.00		100%
9154	Intangible Assets	3,803,200.00	3,803,200.00		100%
9155	Biological Asserts	-	-		-
9160	Ongoing works	190,803,318.24	190,803,318.24		100%
9180	Leased Asserts	228,318,111.00	228,318,111.00		100%

3.11 Summary Report of the Auditor General- Excise Department of Sri Lanka (Sinhala Version) - Annexure 1

3.12 Summary Report of the Auditor General – Excise Reward Fund (Sinhala Version) Annexure 2

Performance Indicators

- 4.1 Introduction
- 4.2 Performance Indicators of the Institute
 - 4.2.1 Administrative Division
 - 4.2.2 Revenue Division
 - 4.2.3 Law Enforcement Division
 - 4.2.4 Accounts Division
 - 4.2.5 Internal Audit Division
 - 4.2.6 Human Resources Division
 - 4.2.7 Information Technology Division
 - 4.2.8 Transport & Logistics Division
 - 4.2.9 Studies & Research Division
 - 4.2.10 Statistic Division
 - 4.2.10 Supply Chain Regulation Division
 - 4.2.11 Legal Division

4.1 Introduction

The performance indicators of the institution have been prepared for each and every division in accordance with the action plan submitted to the Ministry of Finance for the year 2023. According to the revised action plan for the year 2023, the revenue target given to the Excise Department of Sri Lanka was Rupees 182 billion. The Excise Department of Sri Lanka has given 171.27 billion rupees as revenue to the Treasury, it is with the tax rebates of Rupees 7.3 billion, and the collected total revenue was 178.57 billion rupees. Accordingly, the progress of revenue collection has been recorded as 98.1%. Achieving this progress despite the various crises faced by the country in the year 2023 is commendable.

By considering all the divisions within the Department that contributed to the overall performance of the Excise Department of Sri Lanka, it is worthy to mention that the progress of the law enforcement division, legal division and human resources division has exceeded 100%. Further, it should also be appreciated that the other 8 divisions have kept on their progress between 90% - 100%.

The progress of the Administration branch showed a performance of 95% and they were able to give promotions for 21 Chief Inspectors of Excise in the year 2023 and preliminary work done in the previous years facilitated to make 2 new recruitments in the year 2023. Even though there were vacancies for various posts, the government could not fill those vacancies due to the decision of the government to not make new recruitments, and it is therefore exceptional to achieve this success during a fuel and electricity crisis

and the instability that existed within the country in the year 2023.

As mentioned earlier, despite the various difficulties faced in the collection of revenue, 171.27 billion rupees was collected and was credited to the treasury and it was recorded as the highest revenue collected in the 111-year history of the department. Accordingly, progress of the revenue division has peaked at 98.1% and 93% for liquor and beedi tobacco tax respectively which is quite admirable.

Internal Audit Division, Human Resources Division, ASYCUDA System of Information Technology Division, Obtaining financial proposal of the Consultancy Service for RASED System and drafting the project plan, transport and proposed building construction work of the Logistics Division, local sticker work of Supply Chain Regulation Division's sticker project and liquor and drug awareness and social welfare activities of Social Security Division have successfully achieved 100% performance and Revenue Division, Accounts Division, Information and Technology Division, Studies and Research Division, Statistics Division and Supply Chain Regulation Division have achieved a performance of almost 100%.

RAMIS system of Information & Technology Division has managed to keep its progress at 50% - 74% level.

The study and research division started the basic research work required for the standardization of natural toddy in the year 2022 and the work was successfully carried out to the final phase in the year 2023. Accordingly, the progress of the research work has reached to around 85%. Provisions have been made in the 2023

budget proposal to establish a laboratory for conducting researches to check whether liquor is available in the required quality for the consumers and the same activities are being carried out in the year 2023 as well.

It is remarkable that the 12 main divisions of the Department have obtained a progress over 90%. Therefore, taking into consideration the actual output and the expected output, the Excise Department has successfully exhibited a higher progress.

4.2 Performance Indicators of the Institute (Based on Action Plan 2023)

Divisions of the Department	Specific Indicators		Actual output as a percentage (%) of the expected output				
			>100%	90 % - 100%	75% - 89 %	50 % - 74 %	0% - 50%
4.2.1 Administrative Division	Establishment and Administrative functions			95%			
4.2.2 Revenue Division	Collection of expected revenue for 2023	Liquor		98%			75%
		Tobacco tax					93%
		Beedi Tobacco tax					
4.2.3 Law Enforcement Division	• Enforcement of relevant laws and acts and Drug crime reports and tobacco related raids.		104%				
	• Technical crime reports for excise licenses		137%				
4.2.4 Accounts Division	All accounting activities of the year 2023			95%			
4.2.5 Internal Audit Division	Internal audit program to be completed in the year 2023			100%			
4.2.6 Human Resources Division	• Trainings for all officers		129%				
	• Capacity Building of Officers						
4.2.7 IT Division	Updating the web site						
	Implementing new projects	• Transferring data to the RAMIS system through the interface			50%		
		• Facilitate online system through ASYCUDA system		100%			
		• Obtaining the Financial Proposal for the Consultancy Service from the University of Moratuwa for the RASED System		100%			
		• Preparation of SRS First Draft of RASED Project		100%			
		• Coordinating the providing of infrastructure needed to implement the Sticker project and contracting for it					20%
4.2.8 Transport & Logistics Division	Construction activities of proposed buildings			100%			
	Transport and other related duties			90%			
4.2.9 Studies & Research Division	Studies			92%			
	Research activities				85%		
4.2.10 Statistics Division	Statistics activities and Issuing Data			95%			
4.2.11 Supply Chain Regulation Division	Sticker Project	Local		95%			
		Foreign		100%			
4.2.12 Legal Division	Legal requirements		287%				
	Expected new trends						
4.2.13 Social Security Division	liquor and drug awareness and social welfare activities			100%			
	Ensuring the safety of people from health hazards by providing standardized liquor				85%		

Chapter 05

Performance of Achieving Sustainable Development Goals (SDG)

5.1 Introduction

5.2 Activities and Progress of the Excise Department of Sri Lanka based on the Sustainable Development Goals

5.1 Introduction

In terms of the provisions of the sustainable development Act No. 19 of 2017 upon the guidance of the sustainable development council established in Sri Lanka, National Policy on sustainable development is a process with the aim of sustainable development which is to be implemented in every public organization, educational institutions and civil society in the year 2030 to implement 17 sustainable development objectives. As a main and responsible institution which is collecting state revenue for the sustainable development of Sri Lanka, Excise Department of Sri Lanka has come into the agreement by discussing with the head of the departments to implement 05 objectives mainly out of 17 sustainable development objectives while introducing the action plan of the year 2022. Those objectives are objectives no 01, 03, 12 and 16 and 17. Facts have been presented in detail of paragraph 5.2.

The Revenue of 178.57 billion rupees has been collected by us in the year 2023 to implement the objective No.1 among the above facts that is to eradicate the all forms of poverty prevailing everywhere and the amount has been credited to the Treasury to use it for the development and betterment of the people and for the development of entire citizens of Sri Lanka. It is important to eliminate illicit alcohol and liquor from society, which directly affect economic development which is the key factor in eradicating poverty. The Excise Department of Sri Lanka is providing an excellent contribution in this regard. Since the use of tobacco is also not good for the human body, plans are being carried out to implement a new tax policy for beedis (Tobacco Act No.08 of 1999) from 01.01.2023 with the aim of discouraging the use of tobacco and actions are taken to

levying tax by registering all beedi manufactures through that..No solution could be gained only from raids but it is required to reduce the demand for that and it is actually a special matter accordingly a huge social awareness programmes and other awareness programmes for the public are implemented with the participation of other concurrent institutions.

Sustainable Development Goal Number 03, i.e, the Excise Department of Sri Lanka dedicated for health guard and security for the benefits of community who suffered and caused on risk of poverty. By increasing tax revenue for annual manufacturing of liquor and tobacco and this will reduce the purchasing power and reduce the demand for the same. To strict the limits on the obtaining liquor among the public, to manufacture the legalized liquor with proper quality, to implement awareness programs for the general public to abstain from liquor as much as possible and to work with the relevant institutions to mitigate the damage to the environment that can be illustrated as a very important step.

Sustainable Development Goal No. 12 i.e, all manufacturers of alcohol are encouraged to comply with the rules and regulations of the Central Environmental Authority and in consistent with the recommendations and instructions of the relevant local authorities while operating of boilers and water purification having provided with natural water sources and clean air to secure manufacture patterns and consumption patterns. In addition to this, 1650 bins have been placed near the liquor stores to prevent environmental pollution caused by the bottles and cans that are thrown away after the consumption of liquor.

Under Sustainable Development Goal No. 16 and 17, instructions are being issued to

all uniformed staff to prevent annoying, violence and torture of persons arrested by providing legal justice for all persons. Arrangements have been made to perform all duties with transparency to secure the public revenue and to reduce the corruptions in prominent manner. Accordingly, actions have been constantly taken to provide necessary officer training, awareness programs to prevent bribery and

corruption and regular training of law enforcement officers to perform their duties free from social violence. The entire staff, including the Commissioner General of Excise, will be dedicated to ensure each and every activity without delay in order to achieve the primary objectives of sustainable development within the Excise Department of Sri Lanka by 2030.

5.2 Activities and Progress of the excise department of Sri Lanka based on the Sustainable Development Goals

- The sustainable development goals have been identified and those goals have been prepared and included to the action plan – 2022.
- Targeted sustainable development goals of the year 2022 and the specific activities for this are as follows.

Goals	Targets	Indicators of the achievement	Progress of the Achievement up to date		
			0% -49%	50% -70%	75%-100%
Goal - 01 Eliminate the poverty in all the ways in every where	➤ Contribute to the development of the country through collection of taxes efficiently and effectively and appropriately crediting taxes to the Treasury for economic and social development and infrastructure development.				✓
	➤ Eliminate the poverty and development of social security by efficient and effective law enforcement on illicit liquor and dangerous drugs.				✓
	➤ Conduct awareness programs for creating social development on effective control of liquor and dangerous drugs and its bad effects by selection of villages in every Divisional Secretary's Division.		✓		
	➤ Developing rural economy through increasing annual taxes or increasing prices to discourage the purchase of liquor and tobacco products.				✓
	➤ A new tax called Beedi Tobacco Tax was imposed on Beedi manufacture in terms of the Act No.08 of 1999 dated 31.02.2022 and providing relief to the community by discouraging the purchase of Beedi and revenue that received, credited to the state revenue.				✓
	➤ Actions are taken to reduce or decrease liquor and tobacco consumption through awareness programs on liquor and tobacco consumption and its bad effects.			✓	

Goal - 03 Ensure healthy lives and promote well-being for all at all ages	➤ Preparation of standards for all liquors by linking with the Sri Lanka Standards Institution to ensure the quality of the liquor manufactured legally.				✓
	➤ Reduce and control the spread of illicit liquor and tobacco manufactures for protecting health and living standards.				✓
	➤ Establishment of social security through implementing effective prevention programs				✓
	➤ Law enforcement on dangerous liquor for the wellbeing of the general public				✓
	➤ Controlling the sale of liquor and tobacco related manufactures for the persons under 21 years of age.				✓
	➤ To control the illegal manufacturing of Toddy and prepare specific standards for palm, coconut, and Kitul.			✓	
	➤ Conduct awareness programs for communities of all levels and prevent them of the danger of addiction to liquor and drugs to the human lives.				✓
	➤ Installation of bins near liquor outlets to collect and recycle discarded bottles and cans after consumption of liquor to prevent environmental pollution for the benefit of public health.				✓

<p>Goal - 12</p> <p>Ensure sustainable consumption patterns and patterns of manufacturing</p>	<ul style="list-style-type: none"> ➤ Conducting community awareness programs for controlling consumption of liquor and tobacco ➤ Calculation of annual per capita consumption of liquor to control illicit liquor and controlling per capita consumption of liquor accordingly. ➤ Introducing a safety sticker for alcohol to facilitate tax administration and to control access to the substitute market and to protect health. ➤ The effective and efficient monitoring of liquor and tobacco manufactories for ensuring liquor and tobacco with high standards. ➤ Actions are taken for issuing Certificates of Environmental Safety, Boiler Certificates and Water Purification Certificates of the Central Environmental Authority to all liquor manufactories. 			<p>✓</p> <p>✓</p> <p>✓</p> <p>✓</p> <p>✓</p>	<p>✓</p> <p>✓</p> <p>✓</p> <p>✓</p> <p>✓</p>
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Goal - 16 Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	➤ Taking action to build a peaceful environment for the community through enforcement of law effectively on dangerous drugs, illegal liquor and tobacco products				✓
	➤ Providing necessary training and awareness to all officers to perform their duties legally.				✓
	➤ Creating necessary environment for all staff to perform their duties responsibly.				✓
	➤ Create conducive environment to perform duties in a legal environment by implementing a legal division.				✓
	➤ Granting at least 12 hours training to all male and female officers either institutionally or externally.			✓	
	➤ Equal opportunities granted for the promotions of female officers and no discrimination on the basis of gender by granting opportunities with reasonable salary for both male and female.			✓	
	➤ Ensuring effective employment through making effective use of the revenue from the legally manufactured liquor and tobacco industry for sustainable development and economic development.				✓

<p>Goal -17</p> <p>Strengthening and revitalizing the requirements by implementing global cooperation for sustainable development</p>	<ul style="list-style-type: none"> ➤ Granting and protecting the annual collection of liquor and tobacco tax revenue to the treasury. ➤ Introducing ERMS and RASED systems to expedite revenue collection process through introduction of new technology. ➤ Protecting excise revenue through use of Fool Proof Sticker or digital printing which is a globally popular security measure. 				<p>✓</p> <p>✓</p> <p>✓</p>
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Chapter 06

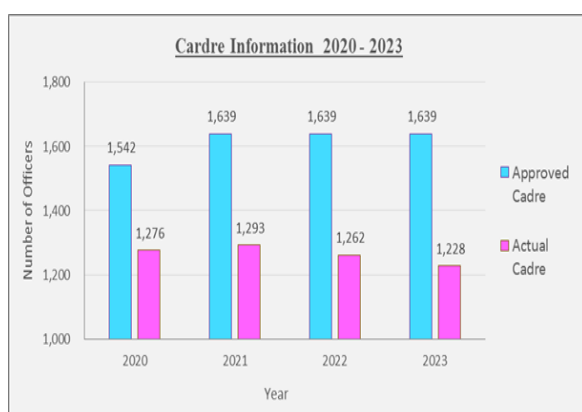
Human Resource Profile

- 6.1 Cadre Management
- 6.2 The impact of the shortage or excess in human resources for the
Performance of the excise Department of Sri Lanka
- 6.3 Details on vacancies
- 6.4 Human Resource Development
 - 6.4.1 Method of the training programs contributed to the
Performance of the institute
 - 6.4.2 Human Resource Development- Training Programmes

6.1 Cadre Management

	As at 31.12.2023		
	Approved Cadre	Actual Cadre	Vacancies
Senior	68	29	39
Territory	381	289	92
Secondary	1,048	823	225
Primary	142	87	55
Total	1,639	1,228	411

6.2 Impact on Human Resource Shortage or Surplus for The Performance of the Excise Department of Sri Lanka.



Interviews have been conducted for 02 Assistant Excise Commissioners on 15.08.2023 as approved by the Public Service Commission to fill 02 vacancies of Deputy Excise Commissioner among senior level posts. Further, 21 posts of Chief Excise Inspector were promoted as tertiary level promotions on 25.02.2023. A new officer has been recruited for the existing vacancy in the post of Legal Officer on 15.05.2023. Moreover, an officer of Sri Lanka Information Technology Service has been recruited for the post of Assistant Director (Information Technology) on 30.10.2023.

In the year 2023, the necessary preliminary action has been taken to recruit 22 posts of Excise Inspector on the limited basis, 34 posts on the open basis and 08 posts of Excise Officer on the limited basis under the filling of tertiary level post vacancies.

The preliminary action was taken to promote the officers for 30 on the limited basis and 14

on the merit basis to fill up the vacancies of 44 posts of Excise Sergeant among secondary level posts. Further, the preliminary action was taken to recruit 100 posts of Excise Guard on the open basis and applications were called for the recruitment of officers for 11 posts of Excise Guard on the limited basis. The preliminary steps have been taken to recruit 15 posts of Excise Guard Driver.

No new recruitments have been approved under the restriction of government expenditure and many functions of the Department have been delayed due to lack of sufficient staff for the duties. Granting the detections targets to officers is also difficult due to the decrease of the number of officers and this directly affects to the prevention of drug activities of the Department.

In addition, in the year 2023, 13 efficiency bar examinations have been conducted for 119 officers holding departmental positions.

As well as, it was possible to close the files of long-term disciplinary enquiries of Departmental Officers and the number of

disciplinary enquiry files closed in 2023 is 10.

6.3 Details of vacancies in the year 2023

Post	Number of Vacancies	Status to the date 2023.12.31	Period that the vacancy existed
Additional Commissioner General of Excise (Revenue Operations and Law Enforcement)	1	The Commissioner of Excise, Kapila Kumarasingha has been appointed for this post due to the absence of a qualified person to be appointed as per the recruitment procedure to cover the duties of this post from 31.12.2022.	04 years
Chief Financial Officer*		Chief Accountant, Mrs. G.A. Chandani has been appointed for full-time acting basis for this post from 01.12.2021.	02 years and 05 months
Commissioner of Excise (Social Security and Development)	1	Deputy Commissioner of Excise Mr. P.H. C. Silva covered the duties of this post since 31.12.2022.	04 years
Commissioner of Excise (Law Enforcement)	1	Deputy Commissioner of Excise Mr. P.H. C. Silva covered the duties of this post since 31.12.2022.	01 year
Deputy Commissioner of Excise (Administration)	1	This post has been vacant since 28.10.2021	02 years and 02 months
Deputy Commissioner of Excise (Human Resources)	1	Assistant Commissioner of Excise Mr. R.M.S.P.A.K. Ratnayake has been appointed to cover the duties since 31.12.2022.	05 years
Deputy Commissioner of Excise (Logistics)	1	Assistant Commissioner of Excise Mr. R.M.S.P.A.K. Ratnayake has been appointed to cover the duties since 31.12.2022.	02 years and 01 month
Deputy Commissioner of Excise (Studies and Research)	1	Assistant Commissioner of Excise Mr. A.A.Ajith Upul Kumara had been appointed to cover the duties since 01.01.2023 and due to the retirement of him on 28.12.2023, Commissioner of Excise Mr. K.Dharmaseelan has appointed to cover the duties of this post from 28.12.2023.	01 year

Deputy Commissioner of Excise (Social Security)	1	Deputy Excise Commissioner Mr. P.H.C. Silva covered the duties of this post from 20.07.2021 to 30.12.2022. Any officer has not been appointed on acting basis, to discharge duties or cover the duties of this post.	05 years
Deputy Commissioner of Excise (Supply Chain Regulation and IT)	1	Assistant Commissioner of Excise Mr. C. J. A. Weerakkody covers the duties of this post from 31.12.2022.	03 years and 03 months
Deputy Commissioner of Excise (Law Enforcement)	1	Assistant Commissioner of Excise Mr. A.A.Ajith Upul Kumara had been appointed to cover the duties on full time basis since 31.12.2022 and due to the retirement of him on 28.12.2023 Assistant Commissioner of Excise Mr. C. J. A. Weerakkody covers the duties of this post.	01 year
Deputy Commissioner of Excise (Revenue/Licenses)	1	Assistant Commissioner of Excise, Mr. K. Dharmaseelan has been appointed on full time acting basis for this post from 31.12.2022.	01 year
Deputy Commissioner of Excise (Law)	1	Assistant Commissioner of Excise Mr. K.Dharmaseelan has been appointed on full time acting basis for this post from 31.12.2022 to cover the duties of this post.	01 year
Assistant commissioner of Excise	9	There are currently 04 officers out of the 13 approved Assistant Excise Commissioner posts and 03 officers out of them are performing the duties in the post of Deputy Excise Commissioner. Superintendents of Excise have been appointed to perform the duties of 10 vacant posts of Assistant Commissioner of Excise, and two officers are also covering the duties.	
Superintendent of Excise	18	Only 13 officers out of the 31 approved posts of Excise Officers serve currently. With the remaining 18 vacancies and 10 vacancies arising out of appointment to the post of Assistant Commissioner of Excise, appointments have been given for 28 vacancies on acting and duty covering basis.	

6.4 Human Resource Development

The Human Resources Division of the Excise Department of Sri Lanka is performed under the direct supervision of a Commissioner of Excise and Deputy Commissioner of Excise to lead the Human Resources Division with the objective of organizing the human resources correctly with the intention of achieving institutional as well as individual improvement by development of knowledge, skills and attitudes of the human resources of the Excise Department. In addition, it is supervised under the Additional Commissioner General of Excise (Policy Administration).

The Sri Lanka Excise College located in Kurunegala district is used for the implementation of training programs of the Excise Department and also the auditorium of the head office and the places owned by external institutions are also used for this purpose.

In accordance with the action plan prepared for the year 2023, it had been decided to provide minimum twelve hours training for all uniform staff as well as all island and combined service staff.

During the year 2023, all uniformed staff were provided with full understanding and knowledge of the law as well as the documents of the Department and public administrative laws and regulations. Special training programs on public finances were implemented for the staff grade officers of this Department. Further, special training opportunities are provided by external institutions for Development Officers, Management Service Officers and Uniformed Staff. Six training programs were implemented for every officer to acquire his language proficiency through learning Tamil language as per the 18/2020. Apart from that, workshops were held regarding

manufacturing manufactories, distilleries, warehouse duties as well as legal regulations of the Tobacco and Liquor Authority and the Department arranged to provide special training for drivers regarding the cars of the National Apprenticeship Board. Creating a group of officers capable of achieving the goals and objectives by strengthening and developing human resources of the Excise Department and beyond that, drug prevention programs have been implemented for youth and school children and various organizations on liquor and drug abuse in the outer society. Accordingly, in the year 2023, the Human Resources Division has conducted 27 training programs and has managed all activities by spending an amount of Rs. 4,134,330.00.

Due to the limitations of the provisions as the covid-19 pandemic and the conditions in the country in the previous years, the training activities had been hampered. It was possible to carry out training activities successfully in the year 2023 by filling the said void. As a result of the economic and social crisis which worsened in the country, though many of the planned training programs were difficult to implement due to severe restrictions on the provisions, it was possible to move towards successful goals.

In the year 2023, 27 training programs have been conducted in which nearly 2,746 officers participated and a certificate was also awarded to them. It is a particular fact that all these programs are conducted under the direct supervision of an Additional Excise Commissioner General through a Deputy Excise Commissioner, an Excise Commissioner and a Chief Excise Inspector, an Excise Corporal, an officer of the office. A description of the training programs conducted by the Human Resources Division is mentioned below

6.4.1 Contribution of Training programmes for the performance of the Institution.

Human resources are identified as the most important resource of any institution. The proper preparation for fulfilling the objectives of the institution is delegated to the human resources division. Employee training and employee development are considered an essential requirement for achieving institutional goals as well as individual aspirations. In order to increase employee efficiency and effectiveness, it is expected to create self-confidence on the employees through employee training. In this process, employee motivation and job satisfaction will increase employee performance and employee motivation through updating knowledge, skills and attitudes. The Human Resources Division directly intervenes for development of the uniformed staff of the Excise Department as well as the officers of the Combined Service. In the year 2023, 27 training programs have been conducted in which nearly 2,746 officers participated and a certificate was also awarded to them.

In addition to these programmes, nearly 20 drug prevention programs were implemented in

schools, youth centers, liquor manufactories and vocational training centers without charging money (free of charge) for preventing the youth from drugs and various anomalous situations as a social service. Despite the absence of government provisions allocated for conducting these programs, it is commendable that the Excise Department has undertaken these initiatives, supplementing them with its own resources. Further, the Human Resources Division has assigned officers of the Excise Department to make aware the officers within the Department and outside Semi-Government Institutions.

The Human Resource Division has been able to work to lead the task of organizing correctly with the intention of achieving institutional as well as individual improvement by developing the human resources of the Excise Department with knowledge, skills and attitudes through the performance of the above mentioned functions as the mission of the Human Resources Division of the Sri Lanka Excise Department.

6.4.2 Human Resource Development - Training programmes

Serial No	Name of the training Program	Place of the training Program held	No. of employees trained	Total Investment (Rs'000)	Output/Knowledge Gained
01	Manufactory, warehouse, distillery training	Head Office	180	Rs.231,855.00	E.C, E.I, E.S.M, E.S, E.G - Maintenance of manufactory documents.
02	Promoted Chief Excise Inspector Training	Panadaragama	19	Rs.133,000.00	C.E.I. .- Procedural Rules, Establishment Code, Finance Regulations, Leadership
03	Legal status related to Easy Cash	Online	100	-	Regarding the existing legal and institutional situation
04	Making aware of Army Officers of the Headquarters (Regarding Excise Law)	Army Headquarters - Akuregoda	75	-	Drug detection and related rules for military personnel.
05	Court duty related training program. - 02 days (Category - 05)	Panadaragama Excise Training School	218	Rs.811,730.00	A practical duty study through a court model for E.I, E.S.M.
06	Tamil Language Training – 150 Hours	Online	200	Rs.225,000.00	E.C,E.S.M,E.S,E.G,E. G.D, Development Officers, Management Service Officers - for Tamil language proficiency
07	Tamil Language Training – 100 Hours	Online	45	Rs.75,000.00	Office Assistants For Tamil language proficiency
08	Preparation of payroll reports	Nipunatha Piyasa	02	Rs.18,000.00	Development Officers, Management Services Officer - For relevant knowledge
09	Workshop on Transport Management	Nipunatha Piyasa	02	Rs.12,000.00	Development Officers, Management Services Officer - For relevant knowledge
10	Public finance training for Staff Grade Officers- 02 days	Nipunatha Piyasa	42	Rs.197,190.00	D.E.C, A.E.C. and E.S. officers, Public Accounts, Financial Regulations, Procurement

11	Training for Development Officers	Nipunatha Piyasa	03	Rs.28,500.00	Development Officers, - For relevant knowledge
12	Preparation of Cabinet Memorandams	Nipunatha Piyasa	03	Rs.28,500.00	Development Officers, - For relevant knowledge
13	German Technical Training Institute for Excise Drivers - 02 days One day training for office assistants	German Technical Training Institute		Rs.718,000.00	Excise Drivers - Mechanical knowledge of traffic and practical operations. .
14	One day training for Office Assistants	Auditorium	70	Rs. 193,800.00	For K.K.S. Officers - regarding office work, key duties, documents
15	For Excise Officers (Regional Offices) Online Computer Training Course.	Online	100	Rs.15,000.00	E.C, E.I, E.S.M, E.S, E.G, Development Officer.
16	Lecture on Law (Arrest and Investigation of Information).	Online	100	Rs.8,400.00	For E.C, E.I, E.S.M, E.S
17	Stress management training program for all rank officers of the Head office	Head Office Auditorium	98	Rs.20,000.00	Work management, goal settings. Guidance to serve with a smile.
18	One Day Training Workshop on Brewery Industry and Spirit Manufactory	Lion Brewery and IDL Manufacturing premises	720	(Resource contribution by Lion Brewery and IDL Manufactory)	Brewing process, new trends, industrial chemistry including spirit production. For for E.C,E.I, E.S.M, E.S .
19	One-day training on Public Accounts and Procurement	Nipunatha Piyasa	45	Rs.117,000.00	Departmental Financial Regulations for A.E.C,E.S
20	Criminology Diploma in Criminal Justice	Sri Lanka Foundation Institute	20	Rs.621,000.00	Knowledge on Criminology for E.S,E.I,S.M,E.S,E.C
21	Diploma in Human Rights Law	University of Colombo	04	Rs.200,000.00	Regarding Human Rights Law for E.S,E.I,S.M,E.S,E.C
22	Workshop on Court Duties for Tamil Officers. 02 days	In a selected Auditorium - Trincomalee	30	Rs.262,280.00	Court Duties and related law knowledge for E.I,S.M,E.S,E.C

23	Counseling training	NATA Institute	25	-	Identifying addictive behaviors and the importance of counselling.
24	Workshop on office management and public administration rules and regulations	Auditorium-Head Office	53	Rs.60,000.00	Regarding public administration rules and regulations for C.E.I
25	Drug prevention programs	(Schools, Vocational Training Institutes, Organizations)	(approximately 2000 individuals)	Voluntary programs conducted by the Human Resources Division	Regarding non-addiction to drugs and to identify such special behaviors in relation to the situations faced by those who are addicted.
26	Workshop on Office Management, Document Maintenance and Public Administration Circulars (Workshop - 07)	Head Office Auditorium	537	Rs.98,075.00	E.I,S.M, E.S. E.C.-Office Management, Letters and Document Maintenance and Public Administration Circulars
27	Practical Computer Workshop on the computer systems operating in the Department and the way of providing the data accurately (RAMIS).	Head Office Auditorium	55	Rs.60,000.00	E.I, S.M, E.S. E.C. and Development Officers
		Total	2746	Rs. 4,134,330.00	
			(Except those who participated in drug prevention programs.)		

Chapter 07

Compliance Report

7.1 Compliance Report on the manner of contribution to the departmental Performance.

7.1 Compliance Report on the manner of contribution to the departmental Performance.

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 officers account	Complied		
1.3	Trading and Manufacturing Advance Accounts (Commercial Advance Accounts)	Not Applicable	1.This account is not relevant to the Excise Department of Sri Lanka (EDSL)	
1.4	Stores Advance Accounts	Not Applicable	2.This account is not relevant to the EDSL	
1.5	Special Advance Accounts	Not Applicable	3.This account is not relevant to the EDSL	
1.6	Others	Not Applicable	4.This account is not relevant to the EDSL	
2	Maintenance of books and registers (FR 445)			
2.1	Fixed assets register has been maintained and update in terms of Public Administration Circular 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 orders 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 Losses 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		
03	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 controls have been adhered to by the accountants in terms of State Account Circular 171/2004 dated 11.05.2014 in using the Government Payroll Software Package	Complied		
4	Preparation of Annual Report			
4.1	Preparation of the annual action plan.	Complied		
4.2	Preparation of the annual procurement report	Complied		
4.3	Preparation of the annual audit report.	Complied		
4.4	Preparation and Submission of the annual estimate to the Department of National Budget by the prescribed date	Complied		
4.5	Submission of the annual cash flows to the Department of Treasury Operations by the prescribed date.	Complied		

5	Audit queries			
5.1	All the audit queries have been replied within the specified time by the Auditor General	Not complied	The head office and regional offices consist of 133 and due to lack of officers and overwork, the response has been delayed.	Action is being taken to be provided answers on due date in the future
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 have been replied within one month	Complied (In case of exceeding one month period in respect of regional office audit)		
6.3	Copies of all the internal audit reports have been submitted to the Management Audit Department in terms of Sub-section 404(4) of the National Audit Act No. 19 of 2018	Complied		
6.4	All the copies of internal audit reports have been submitted to the Auditor General in terms of Financial Regulation 134(3).	Complied		
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	Complied		

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 13 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 summaries of the pool vehicles had been prepared and 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	Complied		

9.3	The vehicle logbooks had been maintained and updated	Complied		
9.4	The action has been taken in terms of F.R. 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	Complied		
10	Management of Bank Accounts			
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	Complied		
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	Not Complied	Actions are being taken to settle.	
13	General Deposit Account			
13.1	The action had been taken as per F.R.571 in relation to the 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 imprests issued as per F.R. 371 settled within one month from the completion of the task	Complied		
14.3	The ad -hoc sub imprests had not been issued exceeding the limit approved as per F.R. 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 refunds 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 deposit account	Complied		

15.3	Returns of arrears of revenue forward to the Auditor General in terms of FR 176	Complied		
16	Human Resource Management			
16.1	The staff had been maintained within the approved cadre	Not complied	The approved staff cannot be maintained within the limit due to reasons such as death, retirement, resignation of officers.	Necessary actions should be taken for recruitment within the prescribed time period
16.2	All members of the staff have been issued a duty list in writing	Complied		
16.3	All reports have been submitted to MSD 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 citizens charter			
18.1	A citizen's charter/ Citizens client's charter has been formulated and implemented by the Institution in terms of the circular number 05/2008 and 05/2018(1) of Ministry of Public Administration and Management	Not complied	It has been forwarded to the relevant branch	Currently, the preparation activities are being completed
18.2	A methodology has been devised by the Institution in order to monitor and assess the formulation and the implementation of Citizens Charter / Citizens client's charter as per paragraph 2.3 of the circular.	Not Complied	It has been forwarded to the relevant branch	Actions have been taken to prepare a method for monitoring and evaluation.
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. (It has been confirmed)		
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 resource development plan, organizing capacity building programs and conducting skill development programs 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.		

