

PERFORMANCE REPORT

2023



RUBBER DEVELOPMENT DEPARTMENT
MINISTRY OF AGRICULTURE AND PLANTATION INDUSTRIES

Message of the Director General

The year 2023 can be introduced as a year that had marked a turning point in the rubber sector of Sri Lanka. Various subsidy programmes were implemented for rubber plantation from the beginning, and a fund was also implemented for rubber plantation. The programme of providing high quality bud grafted rubber plants required by growers on free of charge basis was initiated from the year 2023 onwards as a subsidy after changing the subsidy programme for rubber cultivation existed up to that period. Accordingly, the Department has provided 597,655 bud grafted rubber plants free of charge to rubber smallholders to plant them in a land extent of 742 ha under rubber new planting and replanting programmes.

A census on rubber lands was initiated in the year 2023 as a solution to the long-standing issue of determining the extent under the rubber plantation, and it is expected to complete the census in the year 2024. The establishment of a more accurate information system related to the rubber sector will be enabled through that census.

The annual rubber production decreased compared to the previous year owing to the heavy rains that prevailed throughout the year, the incidence of leaf fall disease, and not getting a higher fixed price for rubber. The quantity of natural rubber consumed in the country has also decreased compared to the previous year due to the economic crisis prevailed in the country. Nevertheless, it is a matter of pleasure that the rubber sector has been able to generate an income of US\$ 930 million in the year 2023 through the export of rubber-related products.

C.C. Muhandiramge

Director General

Rubber Development Department

TABLE OF CONTENTS

<i>Vision, Mission, and Objectives of the Department</i>	1
1. Introduction	02-08
1.1 Rubber Development Department	2
1.2 Rubber Plantation	2
1.3 Rubber Industry	2
1.4 The Main Functions of the Department	3
1.4.1 Functions of the Head Office	3
1.4.2 Functions performed by Regional Offices	3
1.4.3 Functions of Rubber Plant Nurseries	4
1.5 Organizational Structure of the Rubber Development Department	5
1.6 Institutional Structure of the Rubber Development Department	6
1.7 Information regarding the Staff of the Department	7-8
2. Progress of Major Programmes Implemented by the Department	09-30
2.1 Rubber Replanting	09
2.1.1 Rubber Replanting- Smallholding Sector	09
2.1.2 Rubber Replanting - Plantation Companies Sector	11
2.2 Rubber New Planting	11
2.2.1 Rubber New Planting - Rubber Smallholding Sector	11
2.3 Production of Rubber Plants	13
2.3.1 Government Plant Nurseries	13
2.3.2 Production of Plants (Private Plant Nurseries)	14
2.4 Programme of Fixing Rain Guards	15
2.5 Intercropping	16
2.6 Conducting Training Programmes related to Rubber Cultivation	18
2.6.1 Training Programme for Tappers (Ordinary)	18
2.6.2 Training Programme for Bud Grafters	18
2.6.3 Training programme conducted by the Regional Office of Kegalle	19
2.7 Information related to Natural Rubber Industry - 2023	20
2.7.1 Extent of Lands under Rubber Plantation	20
2.7.2 Natural Rubber Production in Sri Lanka -2023	20
2.7.3 Cost of Production of Rubber	21
2.7.4 Export of Natural Rubber	22
2.7.5 Total Rubber Exports in Sri Lanka	22
2.7.6 Import of Natural Rubber	23
2.7.7 Total Rubber Imports - 2023	24
2.7.8 Rubber Prices	25
2.7.8.1 Monthly Average of the Price, at which Rubber Traders	25

	Purchased Rubber from Farmers	
2.7.9	International Rubber Prices (2018- 2023)	27
2.8	Information regarding Licensed Rubber Dealers	27
2.9	Consolidated Fund	28
2.10	Levy of Cess	29
3.	Overall Financial Performance for the Year Ended 31 December 2023	31-43
3.1	Statement of Financial Performance	31
3.2	Performance of Utilizing Allocated Provision	32
3.3	Performance of receiving Donations and Other Receipts	32
3.4	Performance in Reporting Non-Financial Assets	33
3.5	Report of the Auditor General	34
3.6	Statement of Financial Position	41
3.7	Cash Flow Statement	42
4.	Performance Indicators	44
4.1	Performance Indicators of the Department (Based on Action Plan)	44
5.	Performance in Achieving Sustainable Development Goals	45
5.1	Relevant Sustainable Development Goals identified	45
5.2	Achievements and Challenges in Achieving Sustainable Development Goals	45
6.	Human Resource Profile	47-50
6.1	Management of Cadre	47
6.2	Development of Human Resources	47
6.3	Number of Employees in Government Nurseries - as at 31.12.2023	47
6.4	Contribution of training programmes for the performance of the Department	48
6.5	Progress in Constructions in the Year 2023	49
7.	The Compliance Report	51-57

Vision

To become a leading stakeholder in the plantation industry to achieve socio-economic development in Sri Lanka.

Mission

Implementation of agricultural extension services for the qualitative and quantitative development in rubber cultivation and rubber related industries in Sri Lanka in accordance with the powers and functions legally vested in the Department.

Objectives of the Department

- Increasing the productivity of the existing lands under rubber cultivation and increasing the local rubber production by increasing the extent under rubber cultivation.
- Obtaining a higher price for rubber and increasing the income of farmers by increasing the quality of rubber and rubber-related products.
- Establishing the social security through increasing the employment generation in the sector.
- Contributing to meet local timber requirement.
- Ensuring the sustainability of the cultivation to preserve the balance of the natural environment.

1. Introduction

1.1. Rubber Development Department

Rubber Development Department can be identified as one of the major institutions operating in relation to the rubber sector in Sri Lanka. This Department, established in the year 1934, was initially known as Rubber Control Department and since 1994, it has been known as the Rubber Development Department.

Five (05) regional offices have been established under the Department in the districts of Kegalle, Kalutara, Ratnapura, Galle and Monaragala, covering the areas where rubber cultivation is widespread to efficiently perform the extension services carried out by the Department. Moreover, in order to provide high quality rubber saplings to the farmers, rubber plant nurseries have been established under the department in the areas of Welikadamulla, Meerigama, Egaloya, Gurugoda, Karapincha, Padiyathalawa, Kumbukkana and Middeniya.

1.2. Rubber Plantation

Rubber cultivation has been introduced at present to non-traditional intermediate and dry zones due to the limited land availability in the wet zone for cultivation. As a result, positive solutions have been received to the problems of lack of workers for rubber cultivation, as well as the limitation in the number of days to harvest rubber latex due to the rainy weather, and the spread of diseases.

The demand for rubber cultivation as a plantation crop in non-traditional areas is gradually increasing. It is a positive situation for rubber cultivation.

1.3 Rubber Industry

Rubber cultivation, which was introduced to Sri Lanka during the British rule, was initially carried out with the objective of exportation. At present, the rubber sector earns an export income of nearly 01 billion dollars per year.

Initially, rubber was mostly exported as raw rubber. Later, with the introduction of investment promotion zones, there was an increase in the production of rubber-related finished products locally. Accordingly, there was an increase in the export of rubber-related finished products, which also led to an increase in export earnings.

1.4 The main functions of the Department

1.4.1. Functions of the Head Office

- Execution of powers vested by major Acts and Legal Sources.
- Implementation of replanting and new planting subsidy schemes and the supervision of the provision of subsidies by Regional Offices.
- Production and provision of high-quality rubber seedlings in government nurseries.
- Issuing licenses for rubber cultivation and trade.
- Updating and maintaining data and information on the extent under rubber plantation, production, local consumption, export and import.
- Educating the rubber smallholders about the rubber market.
- Dealing with international organizations in relation to production, consumption and trade of natural rubber.
- Collection and administration of cess funds.
- Provision of necessary knowledge and advises to the rubber small holders regarding the respective stages of rubber cultivation and production.
- Organizing and implementing necessary activities for the economic upliftment of the rubber small holders.
- Implementing government policies aimed at increasing the productivity and production of the rubber sector and functioning as the leading agency for that.
- Estimating and collecting government revenue.
- Supervising the Regional Offices.

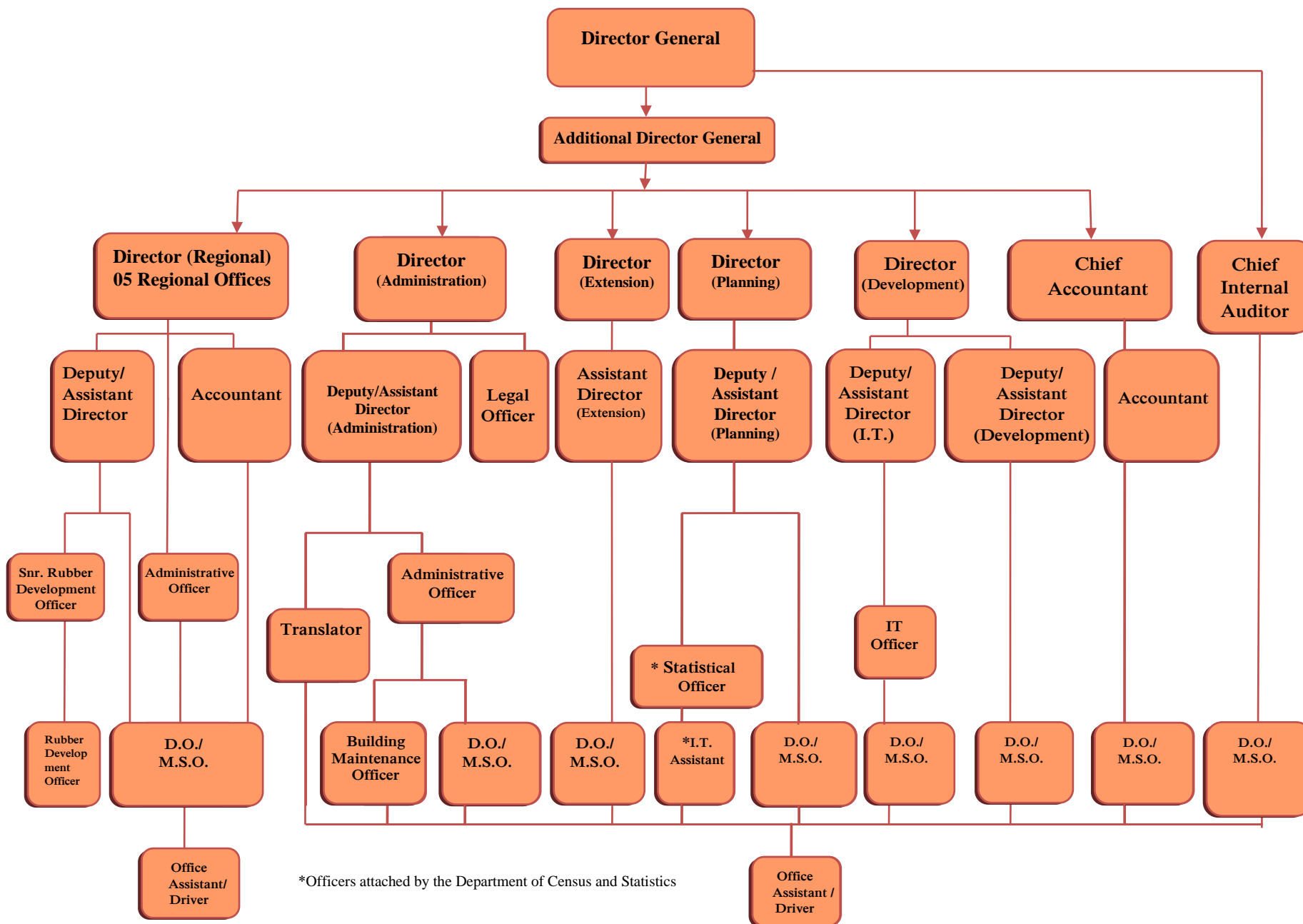
1.4.1 Functions Performed by Regional Offices

- Issuing licenses for rubber cultivation and registration of lands.
- Rubber replanting and new planting.
- Providing other services including the provision of cultivation subsidies for growers.
- Issuance of trade licenses for rubber traders.
- Maintaining government rubber seedling nurseries, distribution of rubber seedlings and supervising private seedling nurseries.
- Provision of necessary technical instructions to farmers and estate owners.
- Informing the Rubber Research Institute of Sri Lanka regarding diseases affecting rubber cultivation and taking necessary steps for disease control.
- Implementation of livelihood development projects to uplift the economic strength of rubber growers.
- Provision of knowledge and training related to rubber cultivation.

1.4.2 Functions of the Rubber Nurseries

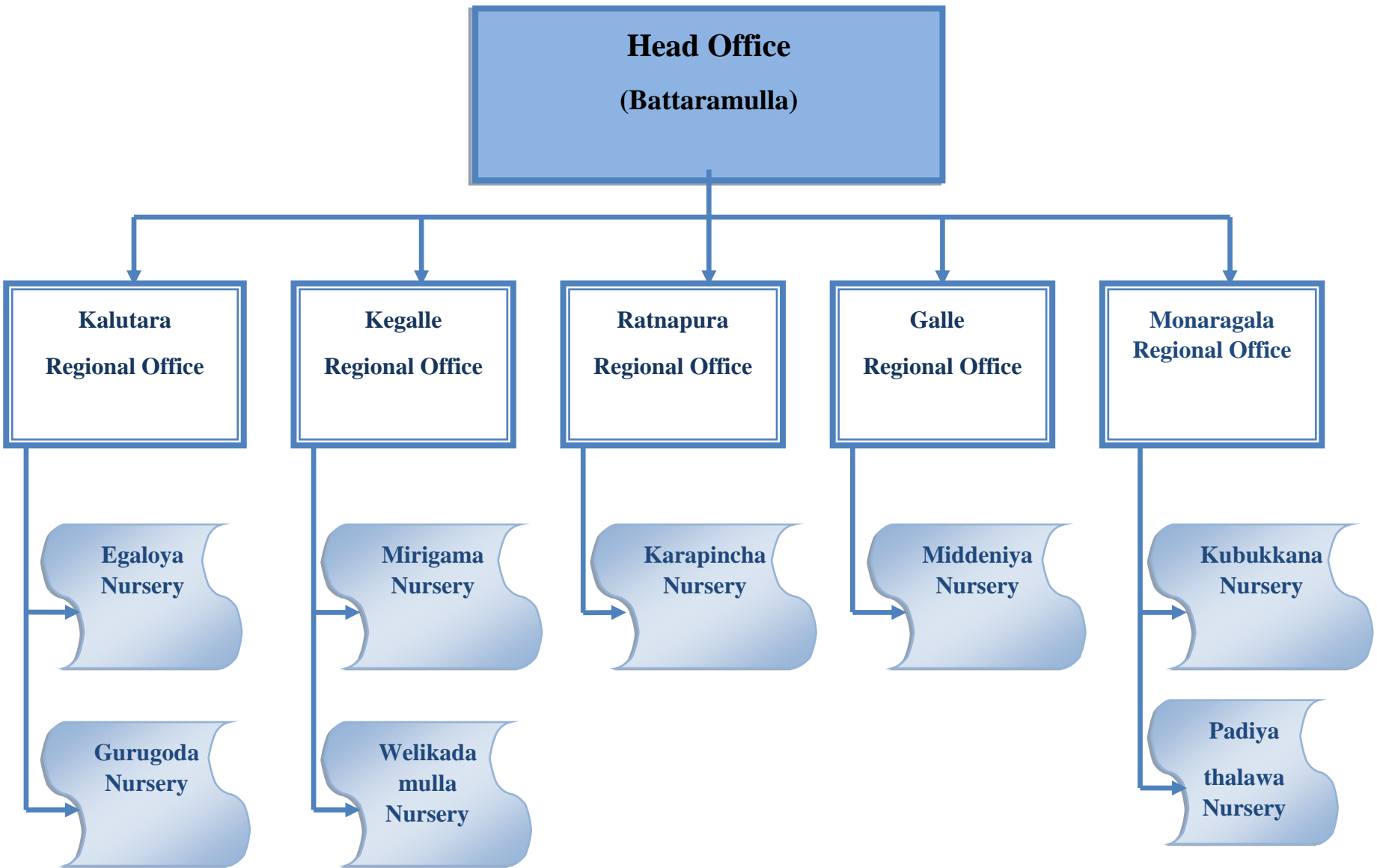
- Production and distribution of high-quality bud grafted rubber seedlings for replanting and new planting on the recommendations of the Rubber Research Institute.
- Introduction of improved varieties to farmers based on new clone findings of Sri Lanka Rubber Research Institute.
- Fulfilment of seedling requirements of plantation companies as and when required.
- Provision of necessary support for research plantations in the Rubber Research Institute.

1.5 Organizational Chart of the Rubber Development Department



*Officers attached by the Department of Census and Statistics

1.6. Institutional Structure of the Rubber Development Department



1.7 Information of the Staff of the Department

Serial Number	Designation	Approved Cadre	Present Cadre	Vacancies	Excess
01	Director General (S.L.A.S. – Special Grade)	1	1	0	0
02	Additional Director General (S.L.A.S. – Special Grade)	1	1	0	0
03	Director / Regional Director (S.L.A.S. – Grade I)	7	6	1	0
04	Director (S.L.P.S. – Grade I)	1	1	0	0
05	Director (Departmental)	1	0	1	0
06	Chief Accountant (S.L.Ac.S. – Grade I)	1	1	0	0
07	Chief Internal Auditor (S.L.Ac.S. – Grade I)	1	1	0	0
08	Deputy Director / Assistant Director (S.L.A.S. – Grade II, III)	12	8	4	0
09	Deputy Director / Assistant Director (S.L.P.S. – Grade II, III)	1	1	0	0
10	Deputy Director / Assistant Director (Departmental)	1	0	1	0
11	Legal Officer (Departmental)	1	0	1	0
12	Accountant (S.L.Ac.S.- Grade II, III)	6	5	1	0
13	Deputy Director (SLICTS- Grade II)	1	0	1	0
14	Assistant Director (SLICTS III)	2	1	1	0
15	Administrative Officer (M.S.O.S.- Supra Grade)	4	3	1	0
16	Senior Rubber Development Officer – Extension (Departmental – Supra Grade)	17	7	10	0
17	Translator – Sinhala / Tamil (G.T.S.)	1	0	1	0
18	Information Technology Officer (SLICTS)	2	0	2	0

19	Information Technology Assistant (SLICTS)	5	2	3	0
20	Development Officer (D.O.S.)	22	73	0	51
21	Buildings Maintenance Officer (Departmental)	1	1	0	0
22	Management Service Officer (M.S.O.)	120	118	2	0
23	Management Assistant (M.A.)	7	6	1	0
24	Rubber Development Officer (Departmental)	170	110	60	0
25	Driver (D.S.)	40	21	19	0
26	Driver (Departmental)	1	0	1	0
27	Lorry Assistant (Departmental)	10	09	1	0
28	Office Assistant (K.K.S.)	33	29	4	0
	Total	470	405	116	51

Table No. I

2. Progress of the Major Programmes Implemented by the Department

The financial subsidy scheme for rubber cultivation that existed until then was not implemented in the year 2023 due to the economic crisis prevailed in the country, and bud grafted rubber seedlings required for cultivation were given as subsidies, instead of giving the financial subsidy, for rubber smallholding sector. In addition, the extension service required for rubber cultivation was continuously implemented by the Department for the rubber smallholding sector as well as to plantation companies in the year 2023.

The Rubber Development Department had implemented the following programmes in the year 2023 with the objective of uplifting the local economy through the expansion of the rubber cultivation in Sri Lanka.

- 1. Rubber Replanting Programme - (Rubber Smallholdings)**
- 2. Rubber New Planting Programme- (Rubber Smallholdings)**
- 3. Production of Budded Rubber Plants**
- 4. Training Programmes related to Rubber Cultivation**

Programmes, for which the Department has provided extension services in the year 2023,

- 1. Rubber Replanting Programme – (Plantation Companies)**
- 2. Fixing Rain guards (Rubber Smallholdings / Plantation Companies).**
- 3. Intercropping**

2.1 Rubber Replanting

The productivity of a rubber plantation gradually decreases with the lapse of about 30 years after establishing a rubber plantation in the field. The removal of old plantations from such rubber plantation lands and the establishment of new rubber plants in the field is identified as rubber replanting. The Rubber Development Department provided high quality bud grafted rubber plants to the farmers as a subsidy for replanting rubber in the year 2023.

2.1.1. Rubber Replanting – Smallholding Sector

The information related to the physical progress achieved by the Department as per the target of replanting 300 hectares in the Rubber Smallholding Sector for the year 2023 is given in the following table.

**Extent of Land Replanted by the Rubber Smallholding Sector under the
Rubber Replanting Subsidy Scheme -2023**

District	Target (ha)	Number of Applications received	Extent of land relevant to the applications (ha)	Number of Licenses Issued	Extent of Lands related to the Licenses Issued (ha)	Number of Persons obtained licenses	Number of Licensees, who Replanted Rubber	Extent under Replanting (ha)	Number of farmers, who have provided plants for replanting	Number of Plants issued for replanting
Ratnapura	56	96	66.01	90	63.10	90	53	31.12	50	17,585
Colombo	10	24	21.69	20	17.89	20	14	15.81	14	8,803
Kegalle	112	425	263.19	379	233.35	379	286	164.21	271	80,731
Gampaha	13	38	28.65	28	22.80	28	19	18.47	17	7,915
Kurunegala	9	39	36.46	37	35.23	37	28	26.87	28	12,489
Kandy	5	34	17.34	29	13.39	29	16	7.99	12	3,255
Matale	4	3	7.68	3	7.68	3	2	4.80	2	2,580
Kalutara	48	76	61.32	68	59.26	68	43	31.33	43	16,788
Monaragala	14	15	6.54	12	5.82	12	8	4.21	8	2,101
Galle	11	5	6.65	5	6.65	5	2	4.05	2	2,170
Matara	18	18	30.00	18	30.00	18	14	15.73	14	8,513
Total	300	773	545.53	689	495.17	689	485	324.59	461	162,930

Table No. II

In the year 2023, rubber growers in the Rubber Smallholding Sector submitted 773 applications to the Department for rubber replanting and the Department issued licenses for 689 applications, out of those applications. Rubber has been replanted in an area of 324.59ha by 485 licensees under those licenses. It is a positive feature that the area under cultivation in the year had a higher value as 324.59ha even though the replanting target in the Rubber Smallholding Sector in the year 2023 had been 300ha.

Moreover, 461 farmers, out of 485 farmers, have obtained the plant subsidy from the Department and 162,930 plants have been provided through the plant nurseries owned by the Department.

2.1.2 Rubber Replanting – Plantation Companies’ Sector

Information on rubber replanting by plantation companies in the year 2023 is given in the table below.

Name of the Plantation Company	Number of Applications Submitted	Land extent, for which licenses were issued.	Extent under Cultivation (Ha)
Pussellawa Plantation Company	34	198.75	177.87
Agalawatte Plantation Company	55	335.08	279.70
Kahawatta Plantation Company	2	9.86	9.86
Balangoda Plantation Company	6	20.48	20.48
Lalan Plantation Company	25	153.73	131.50
Kegalle Plantation Company	33	187.67	102.41
Kelani Valley Plantation Company	8	41.15	36.10
Malwatte Valley Plantation Company	9	59.93	33.52
Elkaduwa Plantation Company	1	10.00	4.00
Kotagala Plantation Company	9	60.07	40.07
Namunukula Plantation Company	6	38.10	20.07
Elpitiya Plantation Company	1	7.01	-
State Plantation Corporation	1	10.01	-
Janatha Estate Development Board	2	8.50	5.50
Total	192	1140.34	861.08

Table No. III

Licenses for rubber replanting were issued for a land extent of 1,140.34 ha in 14 plantation companies in the year 2023, and 861.08 ha, out of that area, have been replanted.

2.2 Rubber New Planting

2.2.1 Rubber New Planting – Smallholding Sector

Starting a new rubber plantation in a land where rubber is not grown, is called rubber new planting. The new rubber cultivation programme is being implemented to increase rubber production by increasing the extent under rubber. The new cultivation target given by the Department for rubber smallholders for the year 2023 is 600 ha.

Extent of land under rubber new planting under the rubber plants subsidy of the Department - 2023 (Smallholdings)

District	Target (ha)	Number of Applications received	Extent of land related to the No. of applications(ha)	Number of Licenses Issued	Land Extent related to the Licenses Issued (ha)	Number of Persons obtained licenses	Number of licensees who have completed the New Planting	Extent under New Planting (ha)	Number of farmers, who have provided plants for new planting	Number of Plants issued for new planting
Ratnapura	14	43	24.45	39	21.47	39	17	6.43	18*	3,945
Colombo	5	15	6.28	15	5.97	15	6	1.57	12*	1,478
Kegalle	33	146	50.42	126	42.65	126	94	33.36	89	17,604
Gampaha	5	26	13.97	23	10.60	23	12	6.91	11	2,409
Kurunegala	3	39	17.54	29	14.31	29	21	8.14	21	4,204
Kandy	2	16	8.12	15	7.93	15	12	4.93	12	2,593
Matale	3	1	0.74	1	0.74	1	1	0.73	1	392
Anuradhapura	2	4	1.62	4	1.42	4	3	1.10	3	591
Kalutara	9	34	13.62	28	10.77	28	18	7.35	18	4,209
Monaragala	421	873	466.38	807	439.50	807	534	295.31	534	148,787
Badulla	42	77	49.33	51	28.70	51	51	28.70	51	14,976
Ampara	42	37	23.83	30	17.21	30	18	8.72	18	4,517
Galle	6	16	13.13	16	13.13	16	7	4.80	7	2,705
Matara	5	11	6.76	11	6.76	11	6	2.13	6	1,192
Hambantota	8	28	13.50	28	13.50	28	17	6.69	17	3,681
Total	600	1,366	709.69	1,223	634.66	1,223	817	416.87	818	213,283

Table No. IV

* There are farmers, who have not cultivated in the year 2023 although they were provided with plants. Their licenses have been extended until 2024.

The progress in achieving the target of rubber new planting in the rubber smallholding sector is 69%. The Department has provided 213,283 bud grafted rubber plants as subsidies to 818 farmers for the establishment of 416.87 hectares of new rubber plantations. According to the above table, the districts of Monaragala, Kegalle, Badulla have contributed more to accomplish the rubber new planting target of the Department in the year 2023.

The total extent under new rubber planting in Sri Lanka from 2018 to 2023 is shown in the table below.

Extent under New Rubber Cultivation for the duration of 2018– 2023 (ha)

Year	Smallholdings (ha)	Plantation Companies (ha)	Total (ha)
2018	981	48	1,029
2019	1,103	-	1,103
2020	726	25	751
2021	1,186	02	1,188
2022	489	15	504
2023	417	-	417

Table No. V

2.3. Production of Rubber Plants

2.3.1. Government Plant Nurseries

Information on the production and distribution of rubber plants in the year 2023 by the 08 rubber plant nurseries established by the Rubber Development Department for the production of quality rubber plants according to the new findings made constantly through research of the Rubber Research Institute in coordination with the Institute is given below.

**Production and Distribution of Rubber Plants in the Nurseries of the
Government - 2023**

Name of the Nursery	Target of Distributing Plants	Number of Plants Produced	Number of Plants Distributed
Karapincha	40,000	48,220	44,096
Welikadamulla	74,000	114,934	108,859
Mirigama	74,000	77,931	74,445
Egaloya	70,000	78,788	45,145
Gurugoda	50,000	73,816	40,911
Kumbukkana	222,000	180,264	193,945
Padiyathalawa	45,000	44,457	39,024
Middeniya	35,000	55,723	51,230
Total	610,000	674,133	597,655

Table No. VI

The target of distributing plants in the year 2023 through the nurseries was 610,000. In order to achieve that goal, 674,133 bud grafted rubber plants have been produced, and action has been taken to distribute 597,655 plants, out of that, for rubber new planting and replanting. Sector-wise distribution of rubber plants in government nurseries in the year 2023 is stated in the table below.

Name of the Nursery	Total number of Plants issued in the year 2023				
	Rubber Smallholding	Plantation Companies	STaRR Projects	Others	Total
Karapincha	36,243	1,800	-	6,053	44,096
Welikadamulla	78,854	15,100	11,605	3,300	108,859
Mirigama	60,640	12,305	-	1,500	74,445
Gurugoda	32,960	6,220	-	1,731	40,911
Egal Oya	27,688	13,975	-	3,482	45,145
Kumbukkana	154,917	8,112	27,380	3,536	193,945
Padiyathalawa	32,240	-	5,000	1,784	39,024
Middeniya	31,517	1,550	17,348	815	51,230
Total	455,059	59,062	61,333	22,201	597,655

Table No. VII

2.3.2. Private Plant Nurseries

The annual plant requirement for replanting and new planting in Sri Lanka is not fulfilled completely by the government nurseries. Private plant nurseries as well as plantation companies make a significant contribution in meeting the requirement of plants. The production and distribution of plants in the private sector according to the districts in the year 2023 is mentioned below.

Production and Distribution of Plants - 2023 (Private Plant Nurseries)

District	No. of Plant Nurseries	No. of Plants Produced During the Year 2023	No. of Plants Distributed During the Year 2023
Ratnapura	7	261,780	75,770
Colombo	5	104,425	36,790
Kegalle	20	383,604	171,461
Gampaha	5	75,900	38,700
Kandy	1	7,800	2,140
Kurunegala	1	3,500	2,012
Kalutara	6	634,140	105,879
Monaragala	1	39,217	28,412
Galle	3	39,895	1,020
Total	49	1,550,261	462,184

Table No. VIII

2.4. The Programme of Fixing Rain Guards

Interruption of rubber latex harvesting by rain is one of the major problems existing in traditionally rubber growing areas. The application of rain guards enables rubber small holders as well as plantation companies to successfully harvest latex during the rainy season that occurs periodically throughout the year in the wet zone. The progress achieved by the rubber smallholding sector and plantation companies' sector in the year 2023 for application of rain guards under the direction of the Department is as follows.

Application of Rain Guards - 2023 (Rubber Smallholding Sector)

District	Land Extent under Rain Guards (ha)	Number of Trees, fixing with Rain Guards	Number of Farmers, who have Fixed Rain Guards
Ratnapura	31.11	12,981	23
Colombo	7.87	3,500	9
Kegalle	103.54	49,453	49
Gampaha	7.40	4,171	5
Kurunegala	43.76	15,520	9
Kalutara	9.16	3,235	5
Galle	0.40	175	1
Matara	13.64	5,582	5
Total	216.88	94,617	106

Table No. IX

The extent under rain guards in rubber smallholding sector was 216.88 ha and it is a decrease of about 600 ha when compared with the previous year. The unavailability of the subsidy system, implemented in previous years for the installation of rain guards, in the year 2023 has been the direct reason for this decrease.

Information about the application of rain guards for rubber cultivation in the year 2023 by plantation companies is mentioned in the table below.

Application of Rain Guards - 2023 (Plantation Companies)

Name of the Plantation Company	Land Extent under Rain Guards (ha)	Number of Trees fixed with Rain Guards
Pussellawa Plantation Company	1,886.32	656,550
Balangoda Plantation Company	285.60	82,329
Hapugasthenna Plantation Company	64.00	26,404
Agalawatte Plantation Company	1,542.42	383,244
Kuruwita Rubber Research Institute	105.58	34,911
Lalan Plantation Company	2,627.96	844,811
Kegalle Plantation Company	1,334.80	396,876
Horana Plantation Company	240.96	88,072
Elpitiya Plantation Company	375.85	130,780
Namunukula Plantation Company	134.26	39,229
Total	8,597.75	2,683,206

Table No. X

The extent under rain guards by the plantation companies in the year 2023 has been 8,597.75 ha.

2.5 Intercropping

Inter-cropping has been introduced to provide some additional income to the rubber growers. Accordingly, crops such as pineapple, banana, passion fruit, papaya, cocoa, chillies, ginger, arecanut, cinnamon, onions, green beans, cowpeas, undu, sesame seeds, kurakkan, cardamom, nutmeg, pepper, vegetables and maize can be cultivated as intercrops. An intercrop successfully cultivated as per the recommendations of the Rubber Research Institute always strengthens the economy of the grower. Even though the Department had not implemented the subsidy programme for intercropping, it was possible through the extension service of the Department to direct 164 farmers to cultivate intercrops in an area of 100.21 ha in the year 2023.

Intercropping in the year 2023

District	Type of the Crop Cultivated	Extent Cultivated (ha)	Number of Farmers, who have Cultivated
Ratnapura	Pineapple	2.04	4
Colombo	Pineapple	1.43	5
		3.47	9
Kegalle	Pineapple	26.64	44
	Banana	11.48	14
	Vegetable	1.82	4
	Other Crops	3.62	5
Gampaha	Pineapple	13.38	17
	Other Crops	1.21	1
Kurunegala	Banana	3.88	6
	Other Crops	0.80	1
Kandy	Banana	4.70	7
Anuradhapura	Vegetable	0.61	3
	Cereals	1.21	1
		69.35	103
Kalutara	Pineapple	4.43	7
	Banana	0.57	2
	Vegetable	1.59	2
	Passion Fruit	1.01	1
		7.60	12
Monaragala	Seasonal Crops	3.66	7
Badulla	Seasonal Crops	1.96	5
Ampara	Seasonal Crops	3.14	6
		8.76	18
Galle	Seasonal Crops	2.53	3
Matara	Pineapple	0.45	2
	Banana	0.51	2
Hambantota	Banana	2.39	6
	Seasonal Crops	4.74	8
	Pineapple	0.41	1
		11.03	22
Grand Total		100.21	164

Table No. XI

2.6 Conducting training programmes related to rubber cultivation.

2.6.1 Training Programme for Tappers – Ordinary

The Department annually implements general training programmes for tappers to tap latex according to the prescribed technology by providing an opportunity to get the harvest of rubber latex correctly and effectively for a long time. In the year 2023, 66 training programmes were conducted and 824 people were trained.

Training Programme for Tappers (Ordinary) - 2023

Regional Office	No. of Programmes Conducted	Number of Persons Participated in the Programme	Amount incurred (Rs.)
Ratnapura	11	145	95,548.00
Kegalle	7	140	116,403.00
Kalutara	18	237	136,959.00
Monaragala	21	210	252,864.00
Galle	9	92	92,000.00
Total	66	824	693,774.00

Table No. XII

2.6.2 Training Programmes for Bud Grafters

People engaged in bud grafting as well as apprentices who are interested in bud grafting are trained in this training Programme.

Training of Bud Grafters - 2023

Regional Office	No. of Programmes Conducted	No. of Persons Participated in the Programme	Amount incurred (Rs.)
Ratnapura	1	55	132,080.00
Kalutara	2	36	64,050.00
Monaragala	2	60	83,000.00
Galle	1	10	17,868.00
Total	6	161	296,998.00

Table No. XIII

2.6.3 Training Programme conducted by Kegalle Regional Office

Training programme	No. of Programmes Conducted	No. of Trainees	Amount Incurred (Rs.)
Awareness Programme for Medium scale Growers	1	80	151,000.00
Awareness Programme for farmers, who have cultivated RRISL 2001 and RRISL 203 clones	2	120	17,000.00

Table No. XIV

Training programme on the application of fertilizer for rubber cultivation, training on rubber related manufacturing industries, training on Rubber Sheet Manufacturing, Awareness Training on Rubber Cultivation have also been implemented.

2.7 Information related to the Natural Rubber Industry – 2023

2.7.1. Extent of Lands under Rubber Plantation

The estimated extent of rubber lands in Sri Lanka in the year 2023 has been calculated as per the annual extent of lands under new planting and the extent of lands removed from cultivation based on the data of the island-wide rubber land census carried out in the year 2010.

Extent of Rubber Lands (2023)

Year	Estimated extent of Lands (ha)		
	Rubber Smallholding Sector	Regional Plantation Companies / Estates of the Government	Total
2023	67,039	31,354	98,393

Table No. XV

2.7.2 Natural Rubber Production in Sri Lanka - 2023

Rubber production in the year 2023 had been 64,444 metric tons. That figure was a decrease of 6,423 metric tons when compared to the year 2022. A sharp drop in rubber prices in the second half of the year 2023, heavy rains prevailed throughout the year and widespread leaf fall disease in the plantations have contributed to lower production.

World Rubber Production - 2023 (thousands - metric tons)

Country	Production of Rubber 2022	Production of Rubber 2023
Thailand	4,786	4,707
Indonesia	2,717	2,651
Vietnam	1,340	1,293
China	862	835
India	843	849
Malaysia	377	340
Cambodia	382	392
Myanmar	299	300
Philippines	208	191
Sri Lanka	71	64
Bangladesh	23	23
Papua New Guinea	6	6
Other countries	2,332	2,639
World production	14,245	14,290

Table No. XVI

Source- From the data of the Association of Natural Rubber Producing Countries

According to the above table, the world rubber production in 2023 has increased by 45 thousand MT compared to the year 2022. Thailand, which is a Southeast Asian country has produced the highest rubber quantity in the year 2023 as well as in the year 2022.

2.7.3 Cost of Production of Rubber

Cost of Rubber Production 2021 – 2023 (Rs. /1 kg)

Year	Plantation Companies	Rubber Smallholding Sector
2021	364.91	221.00
2022	369.43	288.00
2023	486.00*	302.00*

Table No. XVII

*Information may be updated later.

2.7.4 Export of Natural Rubber

There had been a slight decrease in rubber exports in Sri Lanka in the year 2023 when compared to the year 2022. The export volume of natural rubber in the year 2022 had been 15,138 metric tons and it has decreased to 12,673 metric tons in the year 2023.

2.7.5 Total Rubber Exports in Sri Lanka

According to the statistics of rubber exports in Sri Lanka, the rubber sector has added a value of Rs. 304,770 million to the local economy as the total rubber export income in the year 2023.

Total Rubber Export Volume and Rubber Export Income – 2023

Category	Quantity Exported	Export Income (Rs. Million)
Natural Rubber (metric tons)	12,673	9,288
Synthetic Rubber (metric tons)	57	6
Semi-Processed Rubber (metric tons)	9,149	935
Finished Goods (metric tons)	50,516	101,120
Finished Goods (Units)	23,505,133	193,421
Total Rubber Export Volume (metric tons)	72,395	111,349
Total Rubber Export Volume (Units)	23,505,133	193,421
Total		304,770

Table No. XVIII

Total Rubber Export Revenue - 2023 (Country wise)

Country	Export Revenue (Rs. Million)	Percentage (%)
United States of America	102,244.9	33.5
Germany	27,749.0	9.1
Belgium	15,538.8	5.1
Italy	14,216.1	4.6
Brazil	11,556.0	3.8
Canada	10,569.2	3.5
France	10,592.5	3.5
United Kingdom	9,994.2	3.3
India	9,220.2	3.0
Australia	9,137.6	3.0
Other countries	83,951.8	27.6
Total Rubber Export Revenue	304,770.3	100.00

Table No. XIX

Major Countries that Purchased Natural Rubber from Sri Lanka - 2023

Country	Purchased Quantity (MT)	Percentage (%)
Pakistan	4,526	35.71
Japan	1,040	8.21
China	972	7.67
India	907	7.16
Germany	696	5.49
Malaysia	664	5.24
South Africa	518	4.09
Vietnam	469	3.70
United States of America	436	3.44
Italy	421	3.32
Other countries	2,024	15.97
Total	12,673	100

Table No. XX

2.7.6 Import of Natural Rubber

In the year 2023, 37,295 metric tons of natural rubber have been imported and it had been a decrease of 42% when compared to 64,459 metric tons, which had been the quantity imported in the year 2022.

Imported Volumes of Natural Rubber - Country Wise -2023

Country	Quantity Imported (Metric Tons)	Percentage (%)
Thailand	18,233	48.89
Vietnam	9,232	24.75
Indonesia	4,924	13.2
Malaysia	1,733	4.65
Ivory Coast	1,331	3.57
India	1,070	2.87
Belgium	262	0.70
Bangladesh	218	0.58
United Kingdom	101	0.27
South Africa	70	0.19
Other Countries	121	0.32
Total	37,295	100

Table No. XXI

2.7.7 Total Rubber Imports - 2023

Total Rubber Import Volume and Expenditure on Imports - 2023

Category	Quantity Imported	Expenditure on Imports (Rs. Million)
Natural Rubber (metric tons)	37,295	17,550
Synthetic Rubber (metric tons)	52,410	29,407
Semi-Processed Rubber (metric tons)	29,123	10,504
Finished goods (metric tons)	7,710	14,757
Finished Goods (Units)	2,295,087	14,369
Total Import Volume of Rubber (metric tons)	126,538	72,218
Total Import Volume of Rubber (Units)	2,295,087	14,369
Total		86,587

Table No. XXIII

There had been a significant decrease in the quantity imported and in the expenditure on imports in the year 2023 when compared to the year 2022. The expenditure of imports in the year 2022 amounted to Rs. 125,863.22 million has decreased to Rs. 86,587 million in the year 2023.

Total Rubber Import Expenditure (Country wise) – 2023

Country	Expenditure on Imports (Rs. Million)	Percentage (%)
Thailand	12,133	14.0
India	11,856	13.7
China	11,554	13.3
Malaysia	7,352	8.5
South Korea	7,038	8.1
Japan	6,635	7.7
Vietnam	4,792	5.5
Taiwan	4,432	5.1
Indonesia	4,028	4.7
Brazil	3,364	3.9
Other countries	13,403	15.5
Total	86,587	100

Table No. XXII

2.7.8 Rubber Prices

2.7.8.1 Monthly Average Price, at which Rubber is Purchased by Rubber Traders from Farmers

Monthly Average Price, at which Rubber is Purchased from Farmers by Rubber Traders (Farm Gate Price) 2023							
Month	Sheet Rubber (R.S.S.)					Rubber Latex	Scrap Rubber
	1	2	3	4	5		
January	455.73	445.35	437.15	433.21	432.53	390.42	199.92
February	421.24	417.54	402.51	396.45	395.61	350.13	195.68
March	397.98	392.91	386.62	379.18	379.46	423.50	190.17
April	402.15	400.70	394.19	388.48	388.19	432.27	195.61
May	439.61	436.55	427.50	422.29	421.41	447.15	222.55
June	447.74	445.74	438.76	431.24	429.82	445.66	226.90
July	474.21	472.09	468.15	458.41	456.49	453.87	246.73
August	500.51	493.43	490.02	480.01	478.26	470.07	247.24
September	501.09	493.43	492.24	484.75	481.65	464.61	243.06
October	520.93	516.78	514.13	504.12	500.57	475.81	252.20
November	579.42	571.24	579.62	570.78	569.81	497.41	275.39
December	652.85	649.30	637.45	628.00	621.80	516.08	305.24
Average Value	482.79	477.92	472.36	464.74	462.97	447.25	233.39

Table No. XXIV

Average Prices of Rubber at the Colombo Rubber Auction Monthly - 2023																
Month	Sheet Rubber (R.S.S)					Latex Crepe					Scrap Crepe					
	1	2	3	4	5	1X	1	2	3	4	1XB R	2XB R	3XB R	No.4	F.B.	SKI M
January	472.67	483.00	476.50	456.50	450.00	600.00	572.00	466.20	438.60	422.00	398.00	389.00	392.25	395.33	358.00	370.40
February	505.00	485.00	Not Presented	452.00	440.00	616.67	610.00	558.75	490.00	485.50	451.67	428.00	432.00	419.33	415.00	424.33
March	480.00	Not Presented	Not Presented	Not Presented	Not Presented	Not Presented	Not Presented	400.00	378.00	373.67	362.67	Not Presented	365.00	355.00	Not Presented	374.67
April	464.00	446.75	444.00	426.50	417.50	572.50	570.00	517.50	481.25	463.75	440.00	417.70	440.00	429.33	Not Presented	440.25
May	485.00	Not Presented	Not Presented	Not Presented	Not Presented	640.25	639.75	613.75	586.25	515.33	485.00	475.00	471.50	456.50	Not Presented	456.67
June	536.25	Not Presented	Not Presented	Not Presented	Not Presented	668.25	659.50	551.25	491.67	456.25	435.75	Not Presented	438.67	435.00	400.00	434.31
July	600.00	Not Presented	550.00	Not Presented	Not Presented	732.50	731.67	602.50	513.75	474.25	456.00	454.33	444.00	434.83	427.50	438.00
August	518.33	510.00	500.00	480.00	470.00	778.75	754.00	542.40	456.40	441.40	419.50	402.50	400.38	391.00	382.67	400.87
September	566.00	Not Presented	545.00	Not Presented	Not Presented	806.00	785.00	570.00	501.75	470.25	443.00	410.00	413.25	408.75	Not Presented	405.50
October	610.00	Not Presented	Not Presented	Not Presented	Not Presented	845.00	811.67	539.00	512.60	498.60	479.75	465.67	456.10	440.75	Not Presented	439.00
November	682.33	650.00	Not Presented	Not Presented	Not Presented	851.25	835.00	553.75	540.00	536.50	518.25	512.50	496.33	472.50	485.00	474.50
December	793.33	772.50	Not Presented	752.00	Not Presented	898.00	865.00	746.25	653.75	645.00	610.00	565.00	593.33	586.00	Not Presented	589.00
Average	559.41	557.88	503.10	513.40	444.38	728.11	712.14	555.11	503.67	481.88	458.30	451.97	445.23	435.36	406.86	437.29

Table No. XXV

2.7.9 International Rubber Prices (2018-2023)

Year	Sri Lanka Rupees			
	Colombo Auction Price (Rs.) (RSS 3)	Bangkok Auction Price (Rs.) (RSS 3)	Kottayam Auction Price (Rs.) (RSS 4)	Sicom Auction Price (Rs.) (RSS 3)
2018	263.11	257.00	301.80	256.01
2019	272.43	296.90	343.08	297.05
2020	318.86	327.01	339.82	322.17
2021	435.52	389.13	443.64	416.54
2022	556.56	619.89	676.16	585.65
2023	503.10	564.71	605.20	575.34

Table No. XXVI

2.8 Information regarding the Licensed Rubber Dealers

Information on the issue of licenses to the rubber dealers to purchase rubber in the year 2023 is mentioned below according to the districts.

District	No. of Licenses Renewed	No. of New Licenses Issued	Total (Total No. of Licenses issued during the year 2023)
Ratnapura	118	8	126
Colombo	39	2	41
Kegalle	170	7	177
Gampaha	25	5	30
Kurunegala	8	-	8
Kandy	11	-	11
Matale	1	-	1
Kalutara	128	6	134
Monaragala	34	27	61
Badulla	1	2	3
Ampara	1	0	1
Galle	26	0	26
Matara	24	5	29
Hambantota	1	0	1
Total	587	62	649

Table No. XXVII

2.9 Consolidated Fund

Object		Provision Allocated (Rs.)	Net Expenditure as at 31.12.2022 (Rs.)
<u>Recurrent Expenditure</u>			
Wages and salaries	1001	209,698,000.00	202,215,936.34
Overtime and holiday pay	1002	7,000,000.00	3,258,822.66
Other allowances	1003	93,000,000.00	88,733,877.70
Travel Expenses - Local	1101	15,000,000.00	12,705,413.88
Travel Expenses - Overseas	1102	-	-
Stationery and office requirements	1201	7,000,000.00	6,246,587.05
fuel	1202	17,000,000.00	13,546,359.09
Food, drink and uniforms	1203	500,000.00	486,995.25
Other Supplies	1205	800,000.00	655,869.84
Maintenance of Vehicles	1301	10,000,000.00	8,850,398.92
Maintenance of Machines and Machinery	1302	1,200,000.00	1,115,264.02
Maintenance of Building and Constructions	1303	850,000.00	762,610.00
Transport	1401	3,500,000.00	2,746,198.15
Postal and Communications	1402	6,000,000.00	5,518,387.53
Electricity and water	1403	3,150,000.00	2,797,764.30
Rentals and Local Government Taxes	1404	48,000,000.00	46,224,637.88
Others (Cleaning/Security Services)	1409	11,000,000.00	10,558,950.19
Donations and Contributions	1505	48,000,000.00	4,124,031.01
Interest on Property Loans for Government Servants	1506	2,000,000.00	1,830,006.65
Losses and write-offs	1701	-	-
Total (recurrent Expenditure)		483,698,000.00	412,378,110.46
<u>Capital Expenditure</u>			
Buildings and constructions	2001	5,000,000.00	4,922,393.02
Machines and machinery	2002	1,000,000.00	964,735.19
Maintenance and Improvements-Vehicles	2003	6,000,000.00	5,721,961.10
Furniture and Office Equipment	2102	-	-
Machines and machinery	2103	1,000,000.00	999,135.00
Software Development	2106	5,000,000.00	2,498,823.00
Staff Training	2401	1,000,000.00	859,691.46
Development Assistance	2202	700,000,000.00	655,085,488.14
Research and Development	2507	2,000,000.00	1,979,964.05
Total (Capital Expenditure)		721,000,000.00	673,032,190.96
Grand Total		1,204,698,000.00	1,085,410,301.42

Table No. XXVIII

2.10 Levy of Cess

According to the CESS Regulations No. 01 of 2007, Cess of Rs. 4/- each must be charged for 1 kg of raw rubber purchased for natural rubber purchased locally for the manufacture of rubber-based finished products in Sri Lanka from the industrialists, who manufacture those products. Accordingly, information about the levy of cess by the Rubber Development Department in the year 2023 is given below.

Details of Institutions Registered for Cess – 2023

Number of registered institutions manufacturing rubber related products for the year 2023 - 152
Number of Institutions, which had paid Cess - 61

Amount of Cess levied on domestic consumption per month – 2023.

Month	Amount of Cess levied on Domestic consumption. (Rs. Million)
January	26.72
February	14.74
March	6.90
April	28.92
May	11.43
June	14.43
July	16.73
August	23.57
September	13.35
October	15.96
November	16.28
December	8.29
Total	197.32

Table No. XXIX

The details of the cess charged by the Sri Lanka Customs on the import and export of rubber in the year 2023 according to the Cess Regulations are given in the table below.

Amount of Cess levied on Exports and Imports per Month – 2023

Month	Amount of Cess Levied on Imports (Rs. Million)	Amount of Cess Levied on Exports (Rs. Million)
January	394.49	5.52
February	353.19	8.63
March	428.24	7.28
April	232.02	4.43
May	210.11	5.29
June	208.99	3.19
July	290.48	3.40
August	389.49	3.57
September	351.60	4.50
October	316.38	3.57
November	455.75	2.83
December	423.51	3.53
Total	4,054.25	55.74

Table No. XXX

3. Overall Financial Performance for the year ended 31 December 2023

3.1. Statement of Financial Performance

ACA-F

Statement of Financial Performance for the Year ended 31 December 2023

	Budget 2023	Note	Actual 2023	Actual 2021	
-	Revenue Receipts		-	-	
-	Income tax	1	-	-	ACA -1
-	Taxes on local goods and services	2	-	-	
-	Taxes on International Trade	3	-	-	
-	Non-tax revenue and Others	4	-	-	
-	Total Revenue Receipts (a)		-	-	
-	Non-revenue receipts				
-	Treasury Imprest		768,236,000	722,250,000	ACA -3
-	Deposits		28,367,574	91,214,920	ACA -4
-	Advance Accounts		26,169,048	23,452,751	ACA -5
-	Other General Ledger Accounts Receipts		-	-	
-	Total Non-Revenue Receipts (b)		822,772,622	836,917,671	
-	Total revenue receipts and non-revenue Receipts c = (a) + (b)		822,772,622	836,917,671	
	Remittances to Treasury (d)				
	Net revenue receipts and non-revenue receipts e=(c) – (d)		822,772,622	836,917,671	
	Less - Expenses				
	Recurrent Expenditure				
309,698,000.00	Salaries, Wages and Other Employee Benefits	5	294,208,637	256,706,131	ACA 2(ii)
124,000,000.00	Other Goods and Services	6	112,215,436	101,296,992	
50,000,000.00	Subsidies, grants and transfers	7	5,954,037	1,848,218	
	Interest payments	8	-	-	
	Other Recurrent Expenditure	9	-	14,580	
483,698,000.00	Total Recurrent Expenditure (e)		412,378,110	359,865,921	
	Capital Expenditure				

	Rehabilitation of Capital Assets and				
12,000,000.00	Improvements	10	11,609,089	9,293,066	
6,000,000.00	Acquisition of Capital Assets	11	3,497,958	-	
700,000,000.00	Capital Transfers	12	655,085,488	652,140,101	ACA-2 (ii)
	Acquisition of Financial Assets	13	-	-	
1,000,000.00	Capacity Development	14	859,692	975,776	
2,000,000.00	Other Capital Expenditure	15	1,979,964	4,403,336	
721,000,000.00	Total Capital Expenditure (g)		673,032,191	666,812,279	
	Deposit Payments		33,283,443	90,112,941	ACA -4
	Advance Payments		29,994,296	25,072,400	ACA -5
	Payments of Other General Ledger Accounts		-	-	
	Major Ledger Expenditure (h)		63,277,739	115,185,341	
	Total Expenditure i = (f + g + h)		1,148,688,040	1,141,863,541	
-	Balance as at 31 December j= (e-i)		(325,915,418)	(304,945,870)	
	Balance as at Imprest Reconciliation Statement		(325,915,418)	(304,945,870)	ACA -7
	Imprest Balance as at 31 December				ACA -3

Table No. XXXI

3.2. Performance of Utilizing Allocated Provision

Category of Provision	Allocated Provision (Rs. Million)		Actual Expenditure (Rs. Million)	Provision utilized as a % of the fully utilized Final Provision Made
	Initial Provision	Final Provision		
Recurrent	483,698,000	483,698,000	412,378,110.46	85.26
Capital	721,000,000	721,000,000	673,032,190.96	93.35

Table No. XXXII

3.3 Performance on Donations and Other Receipts

Not applicable.

3.4 Performance of Reporting Non-Financial Assets

Rs.

Asset Code	Code Description	Balance as at 31.12.2022 as per the Goods Survey Report	Balance as at 31.12.2022 as per the Statement of Financial Position	To be Accounted in the Future	Report ing the Progre ss as %
9151	Buildings and Structures	-	181,929,111.60	-	-
9152	Machinery	-	236,889,746.38	-	-
9153	Lands	-	408,370,800.00	-	-
9154	Intangible Assets	-	3,545,429.00	-	-
9155	Biological Assets	-	-	-	-
9160	Work in Progress	-	-	-	-
9180	Leased Assets	-	-	-	-

Table No. XXXIII

3.5 Report of the Auditor General

PAL/E/RDD/02/23/03

20 May 2024

Accounting Officer

Rubber Development Department

The Summary Report of the Auditor General on the financial statements of the Head 293 – Rubber Development Department as at 31 December 2023 in terms of Section 11 (1) of the National Audit Act, No. 19 of 2018

1. Financial Statement

1.1 Opinion

The audit of the financial statements of the Head 293 - Rubber Development Department for the year ended 31 December 2023 comprising the statement of financial position as at 31 December 2023 and the statement of financial performance, and cash flow statement for the year then ended, was carried out under my direction in pursuance of provisions in Article 154(1) of the Constitution of the Democratic Socialist Republic of Sri Lanka read in conjunction with provisions of the National Audit Act No. 19 of 2018. This Report contains my comments and observations on these financial statements submitted to the Rubber Development Department in terms of Section 11 (1) of the National Audit Act No. 19 of 2018. The Report of Parliament General to be submitted in terms of Section 10 of the National Audit Act, No. 19 of 2018, which should be read in conjunction with Article 154 (6) of the Constitution of the Democratic Socialist Republic of Sri Lanka will be submitted to Parliament in due course.

In my opinion, the financial statements of the Rubber Development Department give a true and fair view of the financial position of the Rubber Development Department as at 31 December 2023 and its financial

performance and cash flow for the year then ended in accordance with Generally Accepted Accounting Principles.

1.2 Basis for Opinion

I conducted my audit in accordance with Sri Lanka Auditing Standards (SLAuSs). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

1.3 Responsibilities of the Accounting Officer for the Financial Statements

The Accounting Officer is responsible for the preparation of financial statements that give a true and fair view in accordance with Generally Accepted Accounting Principles and provisions in Section 38 of the National Audit Act, No.19 of 2018 and for the determination of the internal control that is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

As per Section 16 (1) of the National Audit Act No. 19 of 2018, the Department is required to maintain proper books and records of all its income, expenditure, assets and liabilities, to enable annual and periodic financial statements to be prepared.

In terms of Sub-section 38(1)(c) of the National Audit Act, the Accounting Officer shall ensure that an effective internal control system for the financial control exists in the Department and carry out periodic reviews to monitor the effectiveness of such systems and accordingly make any alterations as required for such systems to be effectively carried out.

1.4 Auditor's Responsibility on the Audit of the Financial Statements

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's summary report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Sri Lanka Auditing Standards will always

detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate and its materiality depends on the influence on economic decisions taken by users on the basis of these financial statements.

As part of an audit in accordance with Sri Lanka Auditing Standards, I exercised professional judgment and maintain professional skepticism throughout the audit. I also:

- Appropriate audit procedures were designed and performed to identify and assess the risk of material misstatement in financial statements whether due to fraud or errors in providing a basis for the expressed audit opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- An understanding of internal control relevant to the audit was obtained in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Department's internal control.
- Evaluate the structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Evaluate the overall presentation, structure and content of the financial statements including disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Accounting Officer regarding, among other matters significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

1.5 Report on Other Legal Requirements

I express the following matters in terms of Section 6 (1) (d) and Section 38 of the National Audit Act, No. 19 of 2018.

- (a) The financial statements are in consistent with those of the preceding year.
- (b) The recommendations made by me regarding the financial statements of the preceding year had not been implemented.

Reference to the Paragraph of the Report related to the Previous Year	Audit observation	Recommendation
3.1	The Department had not taken action to recover or write off the losses and damages totaling to Rs. 3,106,351 in relation to 08 incidents, for which 03 years to 08 years had elapsed after occurring the losses and damages as at 31 December in the year under review.	Arrangements should be made to recover the losses for the vehicles.

2. Financial Review

2.1 Management of Expenditure

- (a) Out of the total provision of Rs. 55,000,000 made for 02 recurrent objects in the year under review, Rs.3,741,177, out of the provision allocated for overtime and holiday pay (1002) and Rs. 43,875,969, out of the provision allocated for subscriptions and contributions (1505) or 53 per cent and 91 per cent had been saved.
- (b) A sum of Rs. Rs. 2,501,177, viz 50 percent of the provision amounting to Rs. 5,000,000 made under object No. 293-2-1-2106 for software development in the year under review had not been utilized.

2.2 Non- compliance with Laws, Rules and Regulations

Reference to the Laws, Rules and Regulations

Paragraph 02 (b) of Asset
Management Circular No.
04/2022 dated 25 January 2022

Non-compliance

Although the repairing process of vehicles should be completed expeditiously as per instructions given in 02 (b) of the Asset Management Circular No. 05/2020 for repairing the vehicles, which are not in the running condition and for which repairing would be productive, and to use such vehicles after repairing, 02 vehicles owned by the Department remained idle without any repairs for over 02 years due to the defects in vehicles and due to accidents occurred to such vehicles.

3. Operating Review

3.1 Losses and Damages

The Department had not taken action to recover or write off the losses and damages totaling to Rs. 2,086,351 in relation to 07 incidents, for which 04 years to 09 years had elapsed after occurring the losses and damages as at 31 December in the year under review.

3.2 Uneconomic Transactions

Even though the Department had purchased a land of 75 perches valued at Rs.66,700,000 owned by the Urban Development Authority for the construction of the administrative building of the Rubber Development Department in the year 2009 by paying Rs.59,304,347, this land had not been transferred by the Rubber Development Department even by the end of the year under review. Even though over 14 years had elapsed, this land had not been utilized for any productive activity.

3.3 Management Weaknesses

- (a) Even though Rs.126,306,217, out of the subsidies provided for rubber replanting and rubber new planting for 32,563 growers in 15 districts, should have been charged from 3,544 growers by the end of the year under review as they had abandoned the cultivation, the Department had not taken steps to collect the money.
- (b) Only 64 percent of the plants in the 8 plant nurseries under the Department in the year 2023 had been distributed and 20 percent of the plants i.e. 186,578 rubber plants had been destroyed during the year.
- (c) A census had not been conducted after the year 2010/2011 in relation to rubber lands, and even though the extent under rubber lands had been indicated as 138,526 ha according to the performance report – 2022 of the Rubber Development Department, the land extent under rubber had been indicated as 98,583.56 ha according to the information of the Rubber Development Department.
- (d) Although 835 kg of carbendazim and 52 kg of hexaconazole had been provided to the regional offices during the year 2023 for leaf fall disease in rubber plantation, the disease has spread in more than 60 percent of the lands by the end of the year under review. Therefore, the desired results had not been obtained from the disease control programme. 597 kg and 22.87 kg of these two fungicides were remained in the regional offices even by 31 January 2024.
- (e) Action had not been taken even by the end of the year under review to transfer the ownership of 03 motor vehicles and 16 motor bicycles, which are being used by the Department and for which 08 to 12 years had passed since this department had received them from other departments and ministries.

4. Human Resources Management

- (a) Although the approved cadre of the Department was 470 at the end of the year under review, and the actual staff was 405, and the number of vacancies was 116, the Department had not taken action to remove additional 51 development officers employed and to revise the approved cadre and to recruit the essential staff.
- (b) Officers had not been attached from the year 2001 for 05 posts of Assistant Director in the Sri Lanka Administrative Service and 01 post in the Accountants Service under the vacancies in the senior level.
- (c) There are vacancies in 9 senior Rubber Development Officers and 61 Rubber Development Officers, who contribute directly to the operational process of the Department, and a trend in increasing the vacancies of Rubber Development Officers from 2021 up to the year under review was observed.

V.D. Seetha

Senior Assistant Auditor General

For Auditor General

3.6 Statement of Financial Position as at 31 December 2023

		ACA -P	
		Actual	
	Note	2023	2022
		Rs.	Rs.
<u>Non-Financial Assets</u>			
Property, Plant and Equipment	ACA -6	830,735,087	823,196,685
<u>Financial Assets</u>			
Advance Account	ACA-5/5(A)	57,574,111	53,748,863
Cash and Cash Equivalents	ACA -3	0	0
Total Assets		888,309,198	876,945,548
<u>Net Assets / Equity</u>			
Net assets to the Treasury		55,892,110	46,633,324
Reserve of Property, Plant and Equipment		830,735,087	823,196,685
Reserve of Rents and Work Advances	ACA-5(B)		
<u>Current Liabilities</u>			
Deposit Accounts	ACA -4	1,682,001	6,597,870
Imprest Balance	ACA -3	0	0
Total Liabilities		888,309,198	876,945,548

Accounts details presented in Forms ACA1 to ACA7 from page Nos. 01 to 25 and particulars of accounts notes included in pages 26 to 46 are also integral parts of this final account. These financial statements are prepared in accordance with Generally Accepted Accounting Principles and the most appropriate accounting policies have been used as revealed in the notes to the financial statements. We certify that the figures mentioned in the aforementioned final account and the relevant accounts notes and other accounts information have been reconciled with the Treasury Accounts books and they reconcile with those figures.

We hereby certify that an effective internal control system for the financial control is in place in the reporting entity and periodical reviews are conducted to monitor the effectiveness of the internal control system for financial control and to make changes as necessary for the effective operation of those systems accordingly.

.....
Chief Accounting Officer

.....
Accounting Officer

.....
Chief Financial Officer / Chief Accountant
/ Director (Finance) / Commissioner
(Finance)

Name:
Position:
Date: 26/02/2024

Name:
Position:
Date:22/02/2024

Name:
Date:21/02/2024

3.7 Cash Flow Statement

ACA -C

Cash Flow Statement for the Year Ended 31 December 2023

	Actual	
	2023 Rs.	2022 Rs.
Cash Flows Generated from Operational Activities		
Total Tax Receipts	-	-
Fees, Surcharges, Fines and Licenses	-	-
Profit	-	-
Non-Revenue Receipts		
Revenue collected for the Other Revenue Heads	326,780,008	327,922,242
Imprest Received	768,236,000	722,250,000
Recovery of Advances	24,986,771	22,954,509
Receipt of deposits	28,367,574	91,214,920
Cash flows generated from operating activities (a)	1,148,370,353	1,164,341,671
Less: Cash disbursed for:		
Personal Emoluments and Operating Expenses	405,152,103	357,998,048
Subsidies and Transfer Payments	5,954,038	1,848,218
Expenditure incurred on other Expenditure Heads	980,793	22,715,386
Imprest Settled to Treasury	-	-
Payments of Advances	29,994,296	24,854,799
Payment of deposits	33,283,443	90,112,941
Cash flows utilized for operating activities (b)	475,364,673	497,529,392
Cash flows generated from operational activities (c)=(a)-(b)	673,005,680	666,812,279
Cash flows generated from Investment Activities		
Interest		
Dividends	-	-
Equity Waiver Provisions and sale of physical assets.	-	-

Recovery on Lending	-	-
Cash flows generated from investment activities (d)	-	-
<u>Less: Cash disbursed for:</u>		
Construction or purchase of physical assets and acquisition of other investment	673,005,680	666,812,279
Total Cash Flow incurred for Investment Activities (e)	673,005,680	666,812,279
Net Cash Flows Generated from Investment Activities (f) = (d) - (e)	(673,005,680)	(666,812,279)
Net Cash Flow Generated from Operational and Investment Activities (g) = (c) + (f)	0	0
<u>Cash flows generated from Financial Activities</u>		
Local Borrowings	-	-
Foreign Borrowings	-	-
Grants Received	-	-
Cash flows generated from Financial Activities (h)	-	-
<u>Less: Cash disbursed for:</u>		
Repayment of Local Borrowings	-	-
Repayment of Foreign Borrowings	-	-
Total Cash incurred for Financial Activities (i)	-	-
Cash flow generated from Financial Activities (j) = (h) - (i)	-	-
Net Changes in Cash (k) = (g) –(j)	-	-
Opening Cash Balance as at 01 January	-	-
Closing Cash Balance as at 31 December	-	-

Table No. XXXIV

4. Performance Indicators

4.1 Performance Indicators of the Department (Based on Action Plan)

Specific Indicators	Target	Progress	Actual Output as a Percentage of Expected Output (%)
1. Land under Replanting – Rubber Smallholdings (ha)	300	324.59	108%
2. Land under Replanting – Plantation Companies (ha)	-	861.08	-
3. Land under New rubber cultivation – Rubber Smallholdings (ha)	600	416.87	69%
4. Distribution of Rubber Plants – from Departmental Nurseries (Plants)	610,000	597,655	98%
5. Lands with Rain Guards – Smallholdings (Ha)	-	216.88	-
6. Lands with Rain Guards – Plantation Companies (Ha)	-	8,597.75	-
7. Intercropping (ha)	-	100.21	-
8. Number of Persons obtained the Training on Tapping (Ordinary) – (Persons)	810	824	102%
9. Number of Persons Obtained the Training on Bud grafting (Persons)	105	161	153%

Table No. XXXV

Since the prevailed general subsidy scheme for rubber cultivation was not implemented in the year 2023, targets had not been set under the action plan for replanting (plantation companies), installation of rain guards (plantation companies), installation of rain guards (rubber smallholdings) and intercropping activities.

5. Performance in the Achievement of Sustainable Development Goals

5.1 Relevant Sustainable Development Objectives Identified

Goal / Objective	Target	Progress	Indicators of Achievements	Progress in the Achievements So far
Implementation of agricultural practices, which can assist in confirming the existence of sustainable food production systems by 2030 and help sustain ecosystems, strengthen capabilities to adapt to weather changes, withstand adverse weather conditions, droughts, floods and other disasters, and improve land and soil quality.	1. New Cultivation - for rubber smallholdings 600 ha	416.87	ha	69%
	2. Replanting - for rubber smallholdings 300 ha	324.59	ha	108%
	3. Distribution of bud grafted rubber Plants in government nurseries - 610,000 plants were distributed.	597,655	plants	98%
By 2030, reduce per capita food waste at the retail and consumption levels and reduce waste in production and supply chains, including post-harvest losses.	1. Installation of Rain Guards - Rubber Smallholdings*	216.88	ha	
	2. Installation of Rain Guards - Plantation Companies*	8,597.75	ha	

Table No. XXXVI

**Targets were not set as the subsidy programme had not been implemented.

5.2. Achievements and challenges in the accomplishment of the Sustainable Development Goals

In the year 2023, the Rubber Development Department contributed to cultivate 1,603 hectares through rubber new planting and rubber replanting. Thereby, the Department has contributed significantly to create ecological zones sensitive to the living community. Although it was difficult to achieve the expected goals in 2023 due to the economic downturn in Sri Lanka because of the economic crisis, the replanting sector has achieved a higher progress. The plantation companies' sector has provided a higher contribution in this regard. Moreover, the support of the Department has been provided for activities such as identifying the diseases related to rubber cultivation, introducing treatments for such diseases, supplying chemicals and fertilizers also in the year 2023.

6. Human Resources Profile

6.1 Management of Cadre

	Approved Cadre	Present Cadre	Vacancies
Senior	37	27	10
Tertiary	21	12	9
Secondary	328	307	21
Primary	84	59	25
Contract/Casual	-	-	-
	470	405	65

Table No. XXXVII

*51 number of development officers as a surplus have been included in the present cadre and the actual number of vacancies is 116 (65+51).

6.2 Development of Human Resources

Name of the Programme	Number of Employees Trained	Duration of the Programme	Overall Investment (Rupees)		Nature of the Programme (Local / Foreign)	Output / Knowledge Obtained /
			Local	Foreign		
Postgraduate course	1	1 Year	98,500.00	-	Local	in Agribusiness and Technical Management
Postgraduate course	1	1 Year	173,500.00	-	Local	on Public Administration and Management
Natural Rubber Production and Management Seminar Course (China) - Overseas Training Grants	2	19 Days	-	249,501.08	Foreign	On Natural Rubber Technology

Table No. XXXVIII

6.3 Number of Employees in the Government Nurseries – As at 31.12.2023

Name of the Nursery	Number of Employees (Contract Basis)
Welikadamulla Nursery	44
Mirigama Nursery	34
Egal Oya Nursery	34
Gurugoda Nursery	28
Karapincha Nursery	18
Kumbukkana Nursery	55
Padiyathalawa Nursery	32
Middeniya Nursery	16
Total	261

Table No. XXXIX

6.4 Contribution of the Training Programmes for the Performance of the Department

The officers have been able to improve the performance of the organization by functioning efficiently and effectively after developing their subject knowledge and attitudes through participating in the training programmes. The training programmes conducted are as follows.

Name of the Programme	Number Participated	Expenditure (Rs.)
Personal file management	2	36,000.00
Scientific Economical and Safe Driving – Monaragala	1	5,000.00
Testing of Special fields and imparting knowledge - Monaragala	30	46,080.98
CIGAS Training Program - Galle	1	19,000.00
Office Management and Establishments Procedures - Galle	37	149,909.40
Training for the implementation of the ITMIS System	9	54,000.00
Training of the Staff for the RIMS	35	23,200.00

Table No. XL

6.5. Progress in Constructions in the Year 2023

Object	Estimated Amount (Rs. Million)	Physical Progress %	Expenditure (Rs. Million)
Renovation of the Office of the Rubber Development Officer at Nivithigala	0.200	100%	0.216
Renovation of the Quarters of the Staff Officer (No. 03 New Town Ratnapura)	0.075	Renovation was cancelled	
Renovation of Paradise No. 02 quarters of the Rubber Development Officer	0.065	100%	0.057
Renovation of the Quarters of the Staff Officer (No. 03 New Town Ratnapura)	0.060	100%	0.060
Renovation of Kalutara Regional Office	1.000	100%	0.957
Renovation of the Quarters of the Rubber Development Officer at Egaloya	0.100	100%	0.081
Renovation of the Quarters of the Rubber Development Officer at Dodangoda	0.100	100%	0.099
Renovation of the Quarters of the Nursery Manager Gurugoda	0.150	100%	0.133
Renovation of the sewage system of the Gurugoda Nursery	0.200	100%	0.138
Renovation of the Quarters of the Rubber Development Officer at Kotiyakumbura	2.000	100%	2.000
Renovation of the office of the Mirigama Nursery and rest room of the employees	0.300	100%	0.264
Renovation of the office of the Middeniya Nursery and Employees' rest room	0.500	100%	0.492
Repairing of the Internal electrical system of Monaragala Regional Office	0.100	100%	0.114
<u>Emergency Repairs</u>			
Renovation of the Official Quarters of the Rubber	0.150	100%	0.077

Development Officer at Ingiriya			
Renovation of the Official Quarters of the Rubber Development Officer at Millewa		100%	0.027
Repairing the roof of Kalutara Regional Office		100%	0.155
Renovation of the Official Quarters of the Rubber Development Officer at Ussapitiya-Kegalla		100%	0.054

Table No. XLI

7. The Compliance Report

Serial No.	Requirement to be Applied	Status of Compliance (Complied / Not Complied)	Brief Explanation if not Complied	Precise Decisions and Actions that are Proposed to Prevent Non-Compliance in the Future
1	The following financial statements / accounts have been submitted on the due date			
1.1	Annual Financial Statements	Complied.		
1.2	Others			
2	Maintenance of books and registers (FR 445)			
2.1	Maintenance of the updated fixed asset register as per Public Administration Circular No. 267/2018	Complied.		
2.2	Maintenance of the updated personal payroll registers / personal payroll cards	Complied.		
2.3	Maintenance of the updated audit query register	Complied.		
2.4	Maintenance of the updated register of internal audit reports	Complied.		
2.5	Maintenance of the updated cheque and money order register	Complied.		
2.6	Maintenance of the updated inventory	Complied.		
2.7	Maintenance of the updated Register of inventory	Complied.		
2.8	Maintenance of the updated register of losses and damages	Complied.		
2.9	Maintenance of the updated Register of liabilities	Complied.		
2.10	Maintenance of the updated Register of Counterfoil Books (GA- N 20)	Complied.		
3	Delegation of Functions for Financial Control (FR 135)			
3.1	Should have delegated financial powers in the institution	Complied.		
3.2	Should have informed the institution about the delegation of financial powers	Complied.		
3.3	Delegation of Authority to enable each transaction is approved through two or more officers.	Complied.		

3.4	Acting under the control of the accountants in using the Government Payroll Software Package as per State Accounts Circular No. 171/2004 dated 11.05.2014	Complied.		
4	Preparation of Annual Plans			
4.1	Preparation of Annual Action Plan	Complied.		
4.2	Preparation of Annual Procurement Plan	Complied.		
4.3	Having approved the Budget for the year under review in terms of the Finance Act No. 38 of 1971	Complied.		
4.4	Preparation of Annual Internal Audit Plan.	Complied.		
4.5	Preparing the annual estimate and submitting it to the National Budget Department (NBD) on the due date	Complied.		
4.6	Should have submitted the Annual Cash Flow Statement to the Department of Treasury Operations on the due date	Complied.		
4.7	Submitting of quarterly reports to the Treasury on the due date	Complied.		
5	Audit Queries			
5.1	Answer all audit queries on the date prescribed by the Auditor General.	Complied.		
6	Internal Audit			
6.1	Preparation of the internal audit plan after making discussions with the Auditor General at the beginning of the year as per FR 134 (2) and DMA/1 2019.	Complied.		
6.2	Having replied to every internal audit report within a period of one month.	Complied.		
6.3	Submitting copies of all the internal audit reports to the Department of Management Audit in terms of sub-section 40 (4) of the National Audit Act No. 19 of 2018.	Complied.		
6.4	Submission of copies of all the internal audit reports to the Auditor General in accordance with FR 134 (3).	Complied.		
7	Audit and Management Committees			
7.1	Should have conducted at least 04 Audit and Management Committee meetings during the relevant year as per DMA	Complied.		

	Circular 1-2019.			
8	Management of Assets			
8.1	Submitting information on purchase and disposal of assets to the Comptroller General's Office as per Chapter 07 of the Asset Management Circular No. 01/2017	Complied.		
8.2	An appropriate liaison officer should be appointed to coordinate the implementation of the provisions of that Circular as per Chapter 13 of the above Circular and the information about that officer should be reported to the Comptroller General's Office.	Complied.		
8.3	Should have conducted Verification of Goods in accordance with Public Finance Circular No. 05/2016 and the relevant reports should be submitted to the Auditor General on the due date.	Complied according to the Verification of goods for the year 2022.		
8.4	Should have made excesses, deficiencies and other recommendations revealed in the Annual Verification of Goods should be reported within the period specified in the Circular.			
8.5	Performing the disposal of condemned articles in terms of FR 772.	Complied.		
9	Management of Vehicles			
9.1	Preparation of daily running charts and monthly summary reports for pool vehicles and submitting them to the Auditor General on the due date.	Complied.		
9.2	Should have disposed of the vehicles within a period less than 06 months after condemning the vehicles.	Complied.		
9.3	Maintaining and updating the vehicle logbooks.	Complied.		
9.4	Taking action in terms of FR 103,104,109 and 110 regarding every vehicle accident.	Complied.		
9.5	Re-inspection of fuel combustion of vehicles in accordance with the provisions of paragraph 3.1 of the Public Administration Circular No. 2016/30 dated 29.12.2016.	Complied.		

9.6	After the lease period, full ownership of the logbooks of leased vehicle should have been taken over.	Complied.		
10	Management of Bank Accounts			
10.1	Should have prepared and certified the bank reconciliation statements on the due date and they should have submitted to audit	Complied.		
10.2	Should have settled the dormant bank accounts brought forward during the year under review or in the previous years.	Complied.		
10.3	The balances revealed through Bank Reconciliation Statements and that should be adjusted should be dealt in accordance with the Financial Regulations and those balances should have been settled within a period of one month.	Complied.		
11	Utilization of Provision			
11.1	Spending the provision made without exceeding their limits	Complied.		
11.2	In terms of FR 94 (1), incurring commitments without exceeding the remaining provision limit at the end of the year after utilization of the provision made	Complied.		
12	Advance to Public Officers Accounts			
12.1	Compliance with the limits	Complied.		
12.2	Having done a time analysis of outstanding loan balances	Complied.		
12.3	Should have settled the outstanding loan balances prevailed for more than one year	Not Complied.	There had been 02 unsettled loan balances to be recovered. They had been referred to the Attorney General's Department for prosecution.	Officers have been informed to recover loan balances immediately at the time of vacating the post by officers or interdicting the officers to prevent

				such unsettlement s in the future.
13	General Deposit Account			
13.1	Lapsed Deposits should have been dealt in terms of FR 571	Complied.		
13.2	Maintaining the Control Account for General Deposits in updated manner	Complied.		
14	Imprest Account			
14.1	The balance of the cash book should have been remitted to the Department of Treasury Operations at the end of the year under review	Complied.		
14.2	Ad hoc Sub Imprest issued in terms of FR 371 should have been settled within one month after the completion of the purpose for which it is granted	Complied.		
14.3	In terms of FR 371 Ad hoc Sub Imprest should have been issued without exceeding the approved limit.	Complied.		
14.4	Balance of the Imprest account should be reconciled monthly with Treasury Books	Complied.		
15	Revenue account			
15.1	Repayments have been made from the collected income in accordance with the relevant regulations	Complied.		
15.2	Revenue collected should have been credited directly to the income without crediting to the deposit account	Complied.		
15.3	Returns of Arrears of Revenue have been submitted to the Auditor General in terms of FR 176	Not Applicable		
16	Management of Human Resources			
16.1	Maintaining the staff within the approved cadre limit.	Complied.		
16.2	The duty lists should have been provided in writing to all the members of the staff.	Complied.		
16.3	All the reports in terms of MSD Circular No. 04/2017 dated 20.09.2017 should have been submitted to the Department of Management Services	Complied.		
17	Providing information to the public			

17.1	Appointment of an Information Officer in terms of the Right to Information Act and Regulations and maintaining an updated register of providing information.	Complied.		
17.2	Information about the organization is provided through its website and facilitates have been provided to publish the commendations /accusations of the Public about the Organization through the website or through alternative channels.	Complied.		
17.3	Reports should have been submitted twice a year or once a year in terms of Sections 08 and 10 of the Right to Information Act.	Complied.		
18	Making the Citizens' Charter Effective.			
18.1	Compilation and execution of a Citizen / Client Charter as per the Ministry of Public Administration and Management Circulars No. 05/2018 and 05/2018 (1).	Complied.		
18.2	As per paragraph 2.3 of the said Circular, the institutions have set up a system to monitor and evaluate the compilation and execution of the Citizen / Client Charter.	Complied.		
19	Compilation of Human Resource Plan.			
19.1	A human resource plan should have been prepared based on the Annexure 02 of the Public Administration Circular No. 02/2018 dated 24.01.2018.	Complied.		
19.2	A training opportunity of at least 12 hours per year should have been ensured for each member of the staff in the above Human Resource Plan.	Complied.		
19.3	Annual Performance Agreements should have been signed for the entire staff based on the format given in Annexure 01 of the above Circular.	Complied.		
19.4	Appointment of a Senior Officer with the responsibility of preparing Human Resource Development Plan, Development of Capacity Development	Complied.		

	Programmes and Implementation of Skills Development Programmes in accordance with paragraph 6.5 of the above Circular.			
20	Providing Answers to Audit Paragraphs.			
20.1	Should have corrected the deficiencies pointed out in the audit Queries issued by the Auditor General for the previous years	Complied.		

Table No. XLII