පාර්ලිමේන්තු ප්‍රකාශන මාලා අංකය : 212

ආයතනයේ නම : ජාතික මැණික් සහ ස්වර්ණාභරණ අධිකාරිය

පාර්ලිමේන්තුවේ පොදු ව්‍යාපාර පිළිබඳ කාරක සභාව විසින් සභාගත කරන ලද වාර්තා සම්බන්ධයෙන් ස්ථාවර නියෝග අංක 120 (4) යටතේ ගරු ආයතන භාර අමාත්‍යවරයාගේ නිරීක්ෂණ හා ගනු ලබන පියවර පාර්ලිමේන්තුව වෙත ඉදිරිපත් කිරීම.

பாராளுமன்ற வெளியீட்டுத் தொடர் இலக்கம் : 212

நிறுவனத்தின் பெயர் : தேசிய இரத்தினக்கல், ஆபரண அதிகாரசபை

பாராளுமன்றத்தின் அரசாங்கப் பொறுப்பு முயற்சிகள் பற்றிய குழுவால் முன்வைக்கப்பட்ட அறிக்கை தொடர்பாக நிலையியற் கட்டளை இலக்கம் 120 (4) இன் கீழ் நிறுவனங்களிற்குப் பொறுப்பான கௌரவ அமைச்சரின் அவதானிப்புகள் மற்றும் அது தொடர்பாக எடுக்கப்பட்ட நடவடிக்கைகள் பாராளுமன்றத்திற்கு சமர்ப்பித்தல்

Parliamentary Series No : 212

Name of the Institution : National Gem And Jewellery Authority

Submission of observations of the Hon. Minister In charge of the institutions and steps taken with regard to the reports tabled by the Committee on Public Enterprises in terms of Standing Order No. 120 (4).

Submission of observations and actions taken on the reports of the Committee on Public Enterprises tabled in Parliament under Standing Order No. 120(4)

Parliamentary Publications Series 212
National Gem and Jewellery Authority

S. No	Publication Series 212 Recommendation No.	Recommendations of the Committee	Action taken by the ministry/institution and current progress
01	01	**<u>Composition of the Authority</u>** **<u>To Chief Accounting Officer</u>** I. Drawing attention to the fact that there is no institution named the Gem Trading Bank during the amendment of the National Gem and Jewellery Authority Act No. 50 of 1993. II. Considering whether there is currently a need to establish an institution as the Gem Trading Bank.	In terms of the Cabinet decision No. CP/25/0288/802/005 dated 25th March 2025 titled 'Submission of the summary report on the non-commercial entities belonging to the government', the relevant officers were notified on 14.07.2025 to take necessary measures to amend the Act, whilst also paying attention to the recommendations made by the Committee on Public Enterprises in respect of the National Gem and Jewellery Authority during the amendment of the Act scheduled to be carried out within the restructuring process of the institutions. (Annexure 01) It was reported to the Committee on 14.07.2025 with a copy to the Auditor General that action would be taken as above. (Annexure 02)
		III. Accelerating the appointment of representatives from the Department of Customs and the Central Bank of Sri Lanka to the Board of Directors.	Mrs. S.H. Mohotti representing the Central Bank was appointed on 07.03.2025 and Mr. S.I. De Silva representing the Department of Customs was appointed on 20.03.2025 to the board of directors. (Annexures 03 & 04)
		IV. Implementing these recommendations within one month (before 05.04.2025) and submitting	It was reported to the Committee on 14.07.2025 with a copy to the Auditor General that action was taken as above. (Annexure 05)

		a report on this to the Committee with a copy to the Auditor General.	
02	**02**	**<u>Strategic Plan and the Action Plan</u>** **<u>To Accounting Officer:</u>** I. Preparing an updated corporate plan, strategic plan, and action plan that aligns with Sri Lanka's new National Policies, current economic and social needs, and potential future requirements. II. Giving close attention to all aspects related to the development, promotion, and regulation of the gem and jewellery sector during this process. III. Focusing on introducing new technologies to the gem and jewellery sector. IV. Ensuring that the corporate plan, strategic plan, and action plan for the National Gem and Jewellery Authority are developed through discussions with relevant officials within the institution itself. V. Submitting a report on this matter to the Committee, with a copy forwarded to the Auditor General	The Action Plan for the year 2025 has been prepared. The approval thereto of the board of directors was obtained by board paper No. 2572 dated 30.01.2025. (Annexure 06) The new Corporate Plan of the Authority for years 2025-2029 has been prepared to be in consonant with national policies and prevailing socioeconomic requirements and to meet potential future needs whilst prioritizing development, promotion and regulation of the gem and jewellery sector and finding constructive solutions to the existing problems in the gem and jewellery sector. Further, the new Corporate Plan proposes to introduce new technology for the services offered by the Authority to the gem and jewellery industry. For the preparation of the draft of the Action Plan, a two-day workshop was held with the participation of the members of the board of directors, the top management and the heads of all divisions of the Authority which was followed by several rounds of discussions prior to the finalizing of the final draft. The Strategic Plan (2025-2029) thus prepared will be submitted for the next board meeting for its approval and upon the receipt of the approval it is due to be presented to the Committee with a copy to the Auditor General.
03	**03**	**<u>Conducting Board Meetings</u>** **<u>To Chief Accounting Officer:</u>**	

		I. Convening an optimum number of meetings of the Board of Directors, with at least one per month, depending on the need. II. Submitting a report to the Committee at the end of the year on the total number of Board meetings held, with a copy forwarded to the Auditor General.	During the year 2025, seven (07) board meeting were held. The overall report will be presented to the Committee with a copy to the Auditor General at the end of the year.
04	**04**	**<u>Meetings of the Audit and Management Committee</u>** **<u>To Accounting Officer:</u>** I. Meetings of the Audit and Management Committee should be held at least once a quarter and as many times as required. II. A report on the number of meetings of the Audit and Management Committee that was held during the year should be submitted to the Committee at the end of the year with copies to the Auditor General.	The meeting of the Audit Committee of the first quarter was held on 03.04.2025 and meeting of the Audit Committee of the second quarter was held on 14.07.2025. The overall report will be presented to the Committee with a copy to the Auditor General at the end of the year.
05	**05**	**<u>Staff</u>** **<u>To Chief Accounting Officer and Accounting Officer:</u>** I. Taking steps expeditiously to fill the vacancies in the Legal Division of the National Gem and Jewellery Authority.	In order to obtain approval of the Committee for the Review of the Recruitment Process and Managing the Cadre of the Public Service to fill 19 vacancies in addition to 04 vacancies of the Legal Division, a letter dated 12.03.2025 was forwarded to the above Committee via the line Ministry. (Annexure 07) A discussion relevant thereto was held at the Prime Minister's Office on 18.06.2025. Until such time the above approvals are

			secured, services of 04 legal officers were obtained on work assignment basis, in terms of Public Finance Circular 1/2020 for carrying on the functions of the Authority without delay. (Annexure 08)
		II. Identifying the posts that are still essential even after the amalgamation of this institution with other institutions under the merger of state enterprises and taking necessary steps to fill the vacancies in those posts.	A committee headed by the Additional Secretary (Development of Traditional Industries) has been appointed for merging this institute with the Gem and Jewellery Research & Training Institute under the amalgamation of state enterprises. (Annexure 09) Based on the recommendations of that Committee, action will be taken to identify essential posts when merging the two institutions and fill vacancies in such posts.
		III. Deploying the relevant officers to perform the duties of the relevant posts and monitoring whether those activities are carried out properly.	Duty lists have been issued to the relevant officers and the performance of officers is monitored through a performance appraisal method developed to assess annually whether duties have been discharged in line with the relevant duty lists.
		IV. Submitting a report on this matter to the Committee with copies to the Auditor General.	The relevant report in this regard has been submitted to the Committee with a copy to the Auditor General on 23.07.2025. (Annexure 10)
06	**06**	**Amendment of the Act** **To Chief Accounting Officer and Accounting Officer:** I. Identifying the amendments to be made to the National Gem and Jewellery Authority Act No. 50 of 1993 in accordance with the final decision on the Amalgamation of Public Enterprises.	In terms of the Cabinet decision No. CP/25/0288/802/005 dated 25th March 2025 titled 'Submission of the summary report on the non-commercial entities belonging to the government', the relevant officers were notified on 14.07.2025 to take necessary measures to amend the Act, whilst also paying attention to the recommendations made by the Committee on Public Enterprises in respect of the National Gem and Jewellery Authority. (Annexure 01) It was reported to the Committee on 14.07.2025 with a copy to the Auditor General that action would be taken as above. (Annexure 02)

		II. Amending Section 8(6) of the National Gem and Jewellery Authority Act No. 50 of 1993 to enable the National Gem and Jewellery Authority to have two posts as Chairman and Director General. III. Identifying all institutions (Related to subjects of Geology and Mines, Wildlife, Forest Conservation, Drinking Water Management Institutions, Central Environmental Authority, Agriculture, etc.) that should work together with the National Gem and Jewellery Authority to achieve excellence in the industry through the development, promotion and regulation of the gem and jewellery sector and to prevent all forms of environmental damages, and to make necessary provisions through the amendment of the National Gem and Jewellery Authority Act No. 50 of 1993 to enable appointment of members to the Board of Directors with representation from all those sectors. IV. To provide all officers with comprehensive knowledge of the National Gem and Jewellery Authority Act No. 50 of 1993 and to maintain relevant information with the Authority to ensure that they are aware of it.	 A discussion to raise awareness amongst officers of all divisions and to obtain their views and proposals was held on 11.03.2025 and 19.03.2025.
07	**07**	**Regulation and licensing process of the gem industry** **To Chief Accounting Officer:**	

		I. To submit a report to the committee within 02 weeks (before 19.03.2025), with the copies to the Auditor General, on whether the reasons that led to the refusal of the National Gem and Jewellery Authority to grant the license in relation to the land titled Kebella, Gangowita in Meepagama, were properly considered by the appeals committee in the exercise of the Ministry's power of appeal regarding the issuance of the license for gem mining and whether the licenses were granted without negating such reasons. II. To submit a report to the Committee within 02 weeks (before 19.03.2025) with copies to the Auditor General, if any licenses have been issued by the appeals committee chaired by the Secretary to the Ministry, subsequent to the rejection of granting and extension of the licences by the National Gem and Jewellery Authority.	The relevant report dated 18.03.2025 was forwarded to the Committee with a copy to the Auditor General. (Annexure 11)
		<u>To Accounting Officer:</u> III. To take necessary steps to display notices in the relevant Grama Niladhari offices and Divisional Secretariats, regarding the objections on the license applications within the proper time period and to monitor whether it is done properly.	A letter of instructions dated 18.03.2025 was sent to all the heads of regional offices as to the publishing and making public of notices regarding the issue of licences and displaying them on the land for which the licence is granted and the Grama Niladhari office and as of now action has been taken to display these notices in District Secretariats as well.

08	**08**	**<u>Gem imports and re-exports.</u>** **<u>To Chief Accounting Officer:</u>** I. To submit a report to the committee within a month (before 05.04.2025) on the import of gems worth Rs.2,091,693,980/- of 46,815.94 kg through Sri Lanka Customs, the collection of social security tax of Rs.15,614,849 and value added tax of Rs. 38,616,009/- (in 2024) from these imports, and the re-export of only 1,664.06 kg of gems worth Rs. 22,523,409/- through the Authority, adding a value of Rs. 10,723,623/- II. Considering the calculation of taxes, levied on the value of imported gems, the value of exported gemstones and collection of taxes due, owing to the failure of the Authority to regulate the import and re-export of gems, properly.	Out of the quantity of 46,815.94 kilograms of gem stones imported, it was revealed as per the data of the Sri Lanka Customs that 7,500 Kgs of very law quality garnet rough gems in 2023 and 22,000 Kgs in 2024 had been imported. The NGJA obtained statements from gem importers about this unusual import of gems and the officers who conducted the field inspection in this regard had physically observed and reported these rough gem stones were garnet gems of very low quality. The relevant report in this connection dated 23.07.2025 was submitted to the Committee with a copy to the Auditor General. (Annexure 12) According to Section 16 of the National Gem and Jewellery Authority Act, No. 50 of 1993, no person shall export any gems from Sri Lanka except with the approval of the Authority. However, in the absence of specific provisions with regard to the import of gems, it is expected to be dealt with during the process of amending the Act. For the regulation of this process until then, a Memorandum of Understanding was signed with the Sri Lanka Customs on 30.05.2023 in terms of the recommendation of the Committee. (Annexure 13) In addition, by letter dated 10.03.2025, action was taken to inform Sri Lanka Customs to check whether the importer is in possession of a valid trade license issued by the Authority. (Annexure 14)
09	**09**	**<u>Fee of Rs. 3500 Charged in Export of Gems</u>** **<u>To Chief Accounting Officer and Accounting Officer</u>:** I. That the matter be looked into and a report be presented to the Auditor General within one	The relevant report in this connection dated 23.07.2025 was submitted to the Committee with a copy to the Auditor General. (Annexure 15)

		month copying the Committee (before 05.04.2025)	
10	**10**	**<u>Import of Gems</u>** **<u>To Accounting Officer</u>** I. To formulate a proper methodology to regulate the import of gems, implement it continuously and to submit a report in this regard to the Committee within 01 month (before 05.04.2025) with copies to the Auditor General.	Measures have been taken to obtain information regarding gem imports through the MoU signed with the Sri Lanka Customs Department. (Annexure 13) In addition, by letter dated 10.03.2025, action was taken to apprise the Sri Lanka Customs to check whether the importer is in possession of a valid trade license issued by the Authority. (Annexure 14) The relevant report in this connection dated 23.07.2025 was submitted to the Committee with a copy to the Auditor General. (Annexure 16)
11	**11**	**<u>Importing Gold</u>** **<u>To Accounting Officer</u>** I. Presenting a report on the applicability or non-applicability of the regulation of the National Gem and Jewellery Authority in importing gold within one month (before 05.04.2025) to the Committee.	According to the National Gem and Jewellery Authority Act, No. 50 of 1993, the import or export of gold as a raw material does not come under the purview of the Authority. The approval for the import of gold to Sri Lanka is granted in terms of Gazette No. 2023/16 dated 11.06.2021 issued for that purpose by the Import and Export Control Department. The relevant report in this connection dated 23.07.2025 was submitted to the Committee with a copy to the Auditor General. (Annexure 17)
12	**13**	**<u>Gem Mining Licenses and Income Derived from it</u>** **<u>To Chief Accounting Officer and Accounting Officer;</u>** I. To appoint an independent investigation committee to conduct an investigation into the release of this parcel of gems, identify the	For the conduct of an inquiry regarding the release of a parcel of gems subsequent to the case regarding the fraud of undervaluing gems in the invoices submitted to obtain an valuation report relevant to the gem

		responsible officers, take necessary action and submit a report to the Committee within 01 month (before 05.04.2025) with copies to the Auditor General.	stones which were to be exported through the National Gem & Jewellery Authority by Elegant Gems run by a person called Shahul Hameed Mohammad Nizam, a 05-member committee was appointed on 12.03.2025. (Annexure 18) The relevant Committee report dated 30.06.2025 was submitted to the Committee with a copy to the Auditor General. (Annexure 19) In terms of the recommendations of the said committee report, instructions were given to the institution on 30.06.2025 to take necessary legal and administrative measures. (Annexure 20) With regard to the recommendation regarding which legal action should be initiated, a complaint was lodged by the NGJA with the Criminal Investigations Department under I.B. reference 01 dated 24.07.2025. (Annexure 21) In order to take action regarding the disciplinary and administrative recommendations of the said report, they are to be referred to the next meeting of the board of directors for necessary action.
13	**14**	**<u>Amount of foreign remittances received from gem and jewellery exports</u>** **<u>To Chief Accounting Officer and Accounting Officer:</u>** I. In the implementation of the regulatory mechanism for bringing export proceeds properly to the country, the Authority should properly exercise its powers to prevent exporters' commercial banks from directly providing actual remittance information to the Authority and to prevent difficulties in obtaining actual sales values from exporters.	There is no specific license exclusively for exporters and at present necessary approval is granted to carry on export activities using the gem trade license. In future, an export license is to be introduced for exporters and in renewing the said license, a condition is due to be imposed that requires the disclosure of foreign exchange remittance earnings. The relevant report in this regard dated 23.07.2025 was forwarded to the Committee with a copy to the Auditor General. (Annexure 22)

14	**16**	**<u>Necessity of trained officers and training programs</u>** **<u>To Accounting Officer;</u>** I. To provide gemologists working in the laboratory with diplomas such as Fellowship of Gemological Association (FGA) Gemological Institute of America (GIA) and training in a foreign laboratory.	Four out of 16 gemologists serving in the gem laboratory have obtained the higher diploma from FGA and two more are currently following the FGA diploma. Rs.3 million has been allocated for this from the budget of 2025. Since the remaining five officers are in their probationary period, action will be taken to extend financial assistance to them at the end of their probationary period for them to follow FGA course.
15	**17**	**<u>Rough Sapphire Cluster Weighing 510 Kilograms</u>** **<u>To Chief Accounting Officer and Accounting Officer</u>;** I. Taking necessary steps to prevent such incidents from happening in future.	Guidelines have been prepared to prevent assaying of gem cluster crystals or museum items presented for exportation on the basis of different criteria. Future course of action is to be determined accordingly. (Annexure 23)
16	**19**	**<u>The two FTIR machines in the Authority's laboratory being out of order.</u>** **<u>To Chief Accounting Officer and Accounting Officer;</u>** I. Appoint an independent committee at the ministry level to conduct a proper investigation into the missing part of the FTIR machine installed at the Ratnapura office of the National Gem and Jewellery Authority, identify all the responsible officers, take necessary further action and submit a report to the Committee within 01 month (before 05.04.2025) with copies to the Auditor General.	A 03- member committee was appointed on 19.03.2025 to conduct an independent inquiry regarding a missing part of the FTIR machine installed at the Ratnapura office of the NGJA. (Annexure 24) The relevant Committee report dated 29.05.2025 was referred to the Committee with a copy to the Auditor General. (Annexure 25) For taking necessary action in terms of the observations and recommendations of the committee report, it was referred to the institution on 28.05.2025. (Annexure 26)

		II. Prepare the relevant machine for use.	In order to conduct a preliminary inquiry in terms of the recommendations made by the relevant committee report for determining the parties responsible for keeping the FTIR machines idling, an independent officer has been appointed. (Annexure 27) It has been stated in the inquiry report that the machine should be fine-tuned for the issuance of certificates from the relevant machine and technical recommendations have been received in that regard. Accordingly, the relevant technical adjustments have now been made and action is being pursued to provide technical training. (Annexure 28)
17	**20**	**<u>Regulation and licensing process of the gem industry</u>** **<u>To Chief Accounting Officer:</u>** I. To reconsider the need to continue to retain this power of appeal to the Secretary to the Ministry when amending the Act. II. To submit a report to the Committee with copies to the Auditor General at the time of carrying out the relevant work. **<u>To Chief Accounting Officer and Accounting Officer:</u>** III. To take all necessary steps to rectify the issuance of gem mining licenses 100% and to minimize public petitions and objections and to submit a report thereon to the Committee within 01 month with copies to the Auditor General.	In terms of the Cabinet decision No. CP/25/0288/802/005 dated 25th March 2025 titled 'Submission of the summary report on the non-commercial entities belonging to the government', the relevant officers were notified on 14.07.2025 to take necessary measures to amend the Act, whilst also paying attention to the recommendations made by the Committee on Public Enterprises in respect of the National Gem and Jewellery Authority during the amendment of the Act scheduled to be carried out within the restructuring process of the institutions. (Annexure 01) It was reported to the Committee on 14.07.2025 with a copy to the Auditor General that action would be taken as above. (Annexure 02) A detailed report in this regard was referred to the Committee on 23.07.2025 with a copy to the Auditor General. (Annexure 29)

		IV. Taking necessary steps to incorporate all provisions needed in this regard during the amendment of the National Gem and Jewellery Authority Act, No.50 of 1993 submit a report in that regard to the Committee with a copy to the Auditor General and when carrying out the relevant activities.	At the time of making relevant amendments to the Act, they are to be submitted to the Committee with a copy to the Attorney General.
18	**21**	**<u>Project to extricate the gem-bearing gravel (Illama) in Heraniyawaka</u>** **<u>To Chief Accounting Officer</u>** I. To submit to the Committee within one month, with copies to the Auditor General, a report containing all matters regarding whether the contracting and extension of the agreements for the Heraniyawaka Gem Mining Project has been carried out in a lawful and proper manner in accordance with the powers vested in the Authority. II. To conduct an internal investigation regarding the failure to sign the relevant agreement for an extended period after notifying the Lotus International Trade (Pvt) Ltd on 08.04.2024 to come to the Head Office of the National Gem and Jewellery Authority to sign the relevant agreement according to the approval given through the Board Paper 2426 dated 31.01.2024, and to take appropriate disciplinary action against all responsible	A 05-member committee was appointed on 08.05.2025 to conduct an investigation into the issue regarding the Heraniyawaka Gem Mining Project. (Annexure 30) As per the request made by the chairman of the committee on 04.07.2025 requesting an additional period of 02 months for the investigation, the deadline for the submission of report was extended up to 04.09.2025. (Annexure 31) Those details were reported to the Committee on 14.07.2025. (Annexure 32)

		officers in this regard, and to submit a report on this to the Committee within one month with copies to the Auditor General. III. To submit to the Committee within one month, with copies to the Auditor General, a report containing the following matters regarding the actions of the Authority in issuing cheques to the cost-bearing party/individual names for the 25% benefit that should rightfully belong to Samurdhi Societies under this project. 1. Information regarding the officers who authorized, recommended, certified expenses, approved, and made these payments; 2. Whether the approval of the Chairman of the National Gem and Jewellery Authority was obtained for these payments; 3. After the Auditor General pointed out that issuing cheques to individual names in this manner constitutes a violation of financial regulations, the actions taken regarding the cheques that had already been issued to individual names by that time; 4. Whether it was ensured that the relevant amount was properly received by the relevant Samurdhi beneficiaries from the individual who received the cheque to his/her personal name and conduct an investigation to re-verify it and its report;	

		5. Regarding the actions taken to prevent such offences from recurring in the National Gem and Jewellery Authority; 6. Regarding the actions taken and to be taken in the future against the officers who committed the relevant offenses in this regard; and 7. To conduct an investigation into complaints received and all corruption irregularities that occurred in relation to this process. **<u>To Accounting Officer:</u>**	
		IV. To take urgent action regarding the current activities of the Heraniyawaka Gem Mine and to take necessary action in accordance with the National Gem and Jewellery Authority Act No. 50 of 1993 regarding the existing obstacles to its safety. To submit a brief report in this regard to the Committee within one month with copies to the Auditor General.	Since an independent committee has been appointed on the recommendation of the COPE to investigate into the Heraniyawaka project, upon the receipt of the recommendations of that committee and upon obtaining clear explanation as to the legal provisions available regarding the implementation of the project whilst keeping the royalty, necessary actions are due to be taken with the approval of the board of directors. A detailed report in this regard was referred to the Committee on 23.07.2025 with a copy to the Auditor General. (Annexure 33)
		<u>To Accounting Officer and the Assistant Director (Legal) of the Authority;</u>	
		V. Before the Authority grants licenses, before it enters into an agreement, before it calls for	An internal circular has been drafted as to the measures to be course of action to be followed by the Authority before issuing licenses, entering into

		bids, or before it publishes newspaper advertisements, it shall refer the relevant licenses, advertisements, and draft agreements to the Legal Division of the Authority and shall formulate a formal procedure to examine their legal compliance; shall assign the said duties to the relevant responsible officers, carry out those activities in a formal manner, provide instructions in this regard, and continue to implement the relevant process and maintain records in a proper format in this regard. VI. To submit to the Committee within one month, with copies to the Auditor General, regarding the proper procedure that has been prepared. To annually inform the Committee with copies to the Auditor General regarding its continuous implementation.	agreements, calling for quotations and publishing newspaper notices and the circular includes a form for naming the responsible officers, assigning duties and maintaining reports continuously. A report in this regard was forwarded to the Committee on 23.07.2025 with a copy to the Auditor General. (Annexure 34)
19	**24**	**<u>Cancelling the Land Auction in the Paradise Tank on 18.07.2024</u>** **<u>To Chief Accounting Officer;</u>** I. To inquire whether there is a Cabinet Decision to stop the gem land auction referred to above and submit it to the Auditor General and the Committee within 1 month	It was notified to the Committee with a copy to the Auditor General on 23.05.2025 that a cabinet decision has not been received regarding the relevant matter. (Annexure 35)
20	**25**	**<u>Prevention of illegal gem mining</u>** **<u>To Accounting Officer:</u>** I. To undertake all necessary activities to strengthen the enforcement units of the	Raid teams have been deployed at the regional level to control the unauthorized gem mining and regulate whether gem mining is carried on

		National Gem and Jewellery Authority regarding illegal gem mining and violations of the conditions of the licences issued and to submit a brief report in this regard to the Committee within 01 month with copies to the Auditor General.	in compliance with the license conditions and a report containing proposals for strengthening this system was forwarded to the Committee on 23.07.2025 with a copy to the Auditor General. (Annexure 36)
21	**26**	**<u>Renting a building for the National Gem and Jewellery Authority</u>** **<u>To Chief Accounting Officer and Accounting Officer:</u>** I. Draw attention to the decision taken by the Government to remove all state institutions operating on rented premise and relocate them at government- owned buildings. II. Take immediate actions to restore the old building to its original condition as soon as possible and to set a time frame for this. III. Take steps to recover the agreed monthly payment of Rs. 03 Million related to the said hotel project. IV. While carrying out the necessary work to establish the National gem and Jewellery Authority in the old building, the most appropriate decision should be taken promptly, considering all the existing conditions (the date	Taking cognizance of the government decision to remove all state institutions from rented premises and relocate at government-owned buildings, it is expected to shift the Authority to the building of the Janatha Estate Development Board, a state entity under the purview of the Ministry of Plantation Industries on or before 30.11.2025. Steps have been taken as of now to obtain board approvals in this regard. A cabinet memorandum is due to be submitted to secure the approval of the Cabinet of Ministers thereto.

		by which the office can be established in the old building, the time required to search for a new building, associated costs, the relocation expenses for office equipment and the laboratory instruments) before the lease agreements relating to the building where the office is currently located expire on 31.08.2025.	
		V. Take appropriate disciplinary actions against all responsible officers who contributed to the creation of an environment that led to this significant unnecessary expenditure.	Steps have been taken to conduct a preliminary inquiry in order to determine the officers responsible for this. (Annexure 37)
		VI. Implement all these recommendations and submit a report thereon to the committee within 01 month with copies to the Auditor General.	The relevant report in this regard was submitted to the Committee on 23.07.2025 with a copy to the Auditor General. (Annexure 38)
22	**28**	**<u>Thailand visit</u>** **<u>To Chief Accounting Officer:</u>** I. Submit the relevant Board papers and Board approval related to the proposed visit within 02 weeks to the committee and the Auditor General.	The relevant report in this regard was submitted to the Committee on 23.07.2025 with a copy to the Auditor General. (Annexure 39)
23	**31**	**<u>Matters that could not be discussed and provide recommendations</u>** **<u>To the Chief Accounting Officer:</u>** I. Attention should be drawn to all audit observations related to the National Gem and Jewellery Authority as presented by the Auditor	The report regarding all audit observations discussed at the Committee on Public Enterprises on 05.03.2025 and 27.03.2025 for which recommendations were not submitted separately, was forwarded to the

		General for the year 2023 in the reports dated 5th March 2025 and 27th March 2025, which were discussed by the Committee on Public Enterprises but for which individual recommendations were not made. Necessary actions should be taken with regard to each observation, and a report outlining the actions taken should be submitted to the Committee on Public Enterprises, with a copy also forwarded to the Auditor General.	Committee on 14.07.2025 with a copy to the Auditor General. (Annexure 40)

Naveen Sooriyaarachchi
Chairman & Chief Executive Officer
National Gem and Jewellery Authority

J.M. Thilaka Jayasundara
Secretary
Ministry of Industries & Entrepreneurship Development

The measures taken by the Chairman of the National Gem & Jewellery Authority are recommended and necessary instructions have been given to pay personal attention to shortcomings highlighted and rectify same.

J.M. Thilaka Jayasundara
Secretary
Ministry of Industries & Entrepreneurship Development

Recommendation of the Minister and actions taken

I have given instructions to the Secretary of the Ministry and the Chairman of the institution to pay special attention to the recommendations given by the Committee on Public Enterprises to the National Gem and Jewellery Authority and correct such shortcomings and take measures to prevent recurrence of same and it is expected that such actions will reach an optima level during the year 2025.

Sunil Handunneththi (M.P.)
Hon. Minister
Ministry of Industries & Entrepreneurship Development