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புடவைக் கைத்தொழில் திணைக்களம்

DEPARTMENT OF TEXTILE INDUSTRY

වැය ශීර්ෂ අංක: 303

செலவினத் தலைப்பு இலக்கம்: 303

Expenditure Head No: 303

3 වන මහල, මහලේකම් කාර්යාල ගොඩනැගිල්ල, මාලිගාවත්ත, කොළඹ 10

3ஆம் மாடி, செயலகக் கட்டிடம், மாளிகாவத்தை, கொழும்பு 10

3rd Floor, Secretariat Building, Maligawatta, Colombo 10

Annual Performance Report for the year 2025

Department of Textile Industry

Chapter 01: Institutional Profile

1.1 Introduction

1.1 Introduction

Unlike many other industries in Sri Lanka, the textile industry sector is not confined to a single area but is widespread across all provinces. The handloom textile industry can be identified as a key sector within it, enriched with traditional weaving methodologies, unique designs, and patterns. Currently, over 15,000 individuals are engaged in this industry, which generates numerous direct and indirect economic benefits.

Predominantly centered in rural areas, the vast majority of those employed in this industry are women. Consequently, this sector plays a pivotal role in empowering the rural economy through job creation and entrepreneurship promotion. Various handloom textile items, including fabric, are manufactured by weaving centers operating under the private sector, cooperative sector, and Provincial Departments of Industries, and these products are retailed through designated sales outlets.

In addition to traditional craftsmanship and knowledge, Sri Lanka possesses vocational training courses and training institutions dedicated to the textile industry, along with degree programmes related to the fields of textile and fashion design. As an eco-friendly sector featuring indigenous designs and local value, the handloom textile industry can be successfully integrated with niche and premium markets, as well as the tourism and fashion industries. Furthermore, by strengthening cluster-based production, improving product design and innovation, and enhancing market access through national-level branding and coordination, this sector can better integrate into the broader textile and apparel value chain.

This approach supports the enhancement of rural incomes, women's economic empowerment, entrepreneurship promotion, and export diversification, while simultaneously preserving the country's unique cultural identity.

Coordinating all these facets, the Department of Textile Industries implements a wide array of programmes for the development of the local handloom textile sector, including the training of trainers, conducting and introducing research for product diversification and product development, introducing technological upgrades, preserving traditional knowledge, market coordination, and entrepreneurship promotion.

This report encompasses the progress of the programmes implemented by the Department of Textile Industries during the year 2025 for the development of the handloom textile sector, executed through textile training institutions established across all provinces of Sri Lanka and in coordination with Divisional Secretariats.

1.2 Vision, Mission and Objectives of the Institution

Vision

Gearing up producers to manufacture creative and competitive textiles in the sphere of handloom textile industry in a manner befitting the indigenous identity and the culture as well as in a manner that can upsurge the behavior of the local and international market.

Mission

Formulation of policies in relation to the development of the handloom textile industry within the policy framework of the Government and creation of quantitative and qualitative improvement in the handloom textile industry sector through the required guidance, provision of necessary services and facilities, and monitoring and coordination with a view to setting such policies in motion.

Objectives

- Formalization of relevant policies and strategic planning towards the development of Handloom Textile Industry
- Coordination and strengthening of the institutional framework towards the implementation coordination and assessment of policies
- Capacity building and skills development of personnel engaged in the Handloom Textile Industry Sector.
- Training of instructors and personnel required for the development of the handloom textile industry sector
- Training of new employees required for the sector
- Provision of facilities and infrastructure development for the sector
- Coordination of Domestic and International Sales Promotion of products in Handloom Textile Industry
- Institutional coordination for the integrated development of the textile industry sector
- Taking necessary measures to introduce the new technology towards the qualitative and quantitative development in Handloom Textile Industry sector
- Experimental research and conservation work required for the uplift of the handloom textile industry
- Required research and conservations towards the development of Handloom Textile Industry sector

1.3 Core Functions

1.3.1 Training of Consultants and Novice Artisans for the Handloom Textile Sector

- **Recruitment and Training of Trainees for Textile Training Institutes**

The relevant training is provided through the six-month Basic Training Course and the 13-month Final Certificate Course in Textiles, conducted by the 14 textile training institutes operating under the Department of Textile Industries. These full-time courses offer comprehensive theoretical and practical training in the handloom textile industry in both Sinhala and Tamil mediums.

Through this, trainees equipped with the technical knowledge required for fabric production using handlooms are produced. The Department of Textile Industries is the sole institution that conducts vocational training courses for the handloom textile sector approved by the Tertiary and Vocational Education Commission (TVEC).

Accordingly, interviews were conducted to recruit 110 trainees for the 2025/2026 academic year. This course commenced on February 12, 2025, for 96 qualified trainees.

1.3.2 Conducting Handloom Textile Examinations

- **Examination Activities Related to the Textile Final Certificate Training Courses**

The examinations related to the Textile Final Certificate and Basic Training Courses for the trainees recruited for the 2024/2025 year were held on February 19, 20, and 21, 2025.

- **Examination Activities Related to the Handloom Textile Design Training Course**

Necessary arrangements were made to conduct the final examination from October 27 to 29, 2025, for the students recruited in October 2024 to pursue the Design Training Course. This one-year, full-time course commenced in August 2024 at the Textile Research, Design, Training and Service Institute in Katubedda.

1.3.3. Capacity Development and Skill Enhancement Training Programmes

In the year 1989, only the centres related to production operations that previously existed under the Department of Textile Industries were devolved to the Provincial Councils. Currently, handloom and power loom weaving centres, along with sales outlets inside the province to market those products, are maintained under the Provincial Departments of Industries.

Accordingly, this scope entails the organization and implementation of training programmes and workshops aimed at the qualitative development of the textile industry, spanning from artisans and entrepreneurs in the private and cooperative sectors to the Textile Instructors serving under the Provincial Departments of Industries.

- **In service training programmes conducted in 2025**

1.3.4 Conduct of Field Workshops for Individuals engaging in Handloom Textile Industry Sector

Serial No.	Course Name	Date Conducted	Duration (Days)	Number of Participants	Venue
1	Catchcard Designing	2025.01.28	04	15	Textile Research, Design, Training and Service Institute, Katubedda
2	Dumbara Patterns & Designs	2025.02.05	03	12	Textile Research, Design, Training and Service Institute, Katubedda
3	Soft Toys	2025.03.04	04	19	Textile Research, Design, Training and Service Institute, Katubedda
4	New Trends in the Handloom Sector	2025.03.11	02	40	Textile Research, Design, Training and Service Institute, Katubedda
5	Wee Ata (Rice Grain) Weaving Designs	2025.03.18	04	20	Textile Research, Design, Training and Service Institute, Katubedda
6	Handbag Designing	2025.03.24	05	20	Textile Research, Design, Training and Service Institute,

					Katubedda
7	Color Combination	2025.04.28	03	10	Textile Research, Design, Training and Service Institute, Katubedda
8	Woolen Towels	2025.07.15	04	02	Textile Research, Design, Training and Service Institute, Katubedda
9	Fabric Dyeing	2025.10.28	03	12	Textile Research, Design, Training and Service Institute, Katubedda
10	Jewellery Making	2025.11.21	03	05	Textile Research, Design, Training and Service Institute, Katubedda

Conducting field training workshops for those who are engaged in handloom textile industry

Serial No.	Training Programme	Date	Venue / Location	Number of Participants	Duration (Days)
1	Pallu Saree Training	2025.03.04	Ransalu Institute, Mahamodara, Galle	16	04
2	Training on Natural Dyes	2025.03.24	Ransalu Institute, Mahamodara, Galle	16	05
3	Training on Leno Designs	2025.03.10	Ransalu Institute, Hambantota	12	04
4	Training on Natural Dyes	2025.06.02	Department of Rural Industries - Batticaloa	27	05
5	<i>Kukul Adi</i> (Bird's Foot) Weaving Design Training	2025.06.02	Department of Rural Industries - Batticaloa	16	05
6	Training on Natural Dyes	2025.06.11	Department of Rural Industries - Batticaloa	09	05
7	Training on Colour Combination	2025.06.16	Department of Rural Industries - Batticaloa	18	05
8	Carpet Weaving Training	2025.06.23	Department of Rural Industries - Batticaloa	25	07

Serial No.	Training Programme	Date	Venue / Location	Number of Participants	Duration (Days)
9	Dumbara Patterns Training	2025.07.01	Department of Rural Industries - Batticaloa	30	03
10	Training on Colour Combination	2025.07.07	Department of Rural Industries - Ampara	20	05
11	Training on Colour Combination	2025.06.14	Department of Rural Industries - Kalmunai	12	03
12	Training on Pallu Weaving	2025.08.22	Kalalpitiya Textile Project	10	05
13	Dobby Weaving Training	2025.09.02	Department of Rural Industries - Ampara	25	07
14	Catch Card Training	2025.09.22	North Central Province	22	04
15	Training on Natural Dyes	2025.10.07	North Central Province	22	04
16	<i>Wee Ata</i> (Rice Grain) Weaving	2025.10.27	North Central Province - Anuradhapura	21	05
17	Fabric Dyeing	2025.10.28	Textile Research, Design, Training and Service Institute, Katubedda	12	03

Serial No.	Training Programme	Date	Venue / Location	Number of Participants	Duration (Days)
18	Soft Toys Training	2025.11.03	Divisional Secretariat - Gampaha	18	05

1.3.4 Awarding Professional Qualifications in the Handloom Textile Sector

With the objective of awarding professional qualifications to artisans engaged in the handloom textile sector, 17 artisans were evaluated under the National Vocational Qualification (NVQ) framework through the Recognition of Prior Learning (RPL) methodology, and certificates for NVQ Levels 3 and 4 were awarded.

1.3.5 Research and Development Activities

Providing resource contribution and conducting training programmes on practical weaving modules for students pursuing the Bachelor's Degree in Fashion Design at the University of Moratuwa are carried out by the Textile Research, Design, Training and Service Institute in Katubedda, which operates under this Department. Accordingly, facilities were provided to offer a 06-month practical training programme for 70 undergraduate students in the year 2025.

Under the consultancy of the Industrial Development Board (IDB) of Ceylon, a successful electrically operated warping machine (Electric Warping Machine) was developed for the handloom textile sector.

In the year 2025, 23 new experimental fabric samples were developed. Out of these, the successful fabric products were introduced to the industry.

Samples involving yarn dyeing using natural raw materials (natural dye for yarn dyeing) as well as cotton and polyester blended products have been developed, and steps are currently being taken to introduce them to the sector.

1.3.6 Documentary Conservation of Traditional Knowledge

The handloom textile sector possesses a wealth of traditional weaving methodologies and unique designs, and the Department carries out the testing, introduction, and documentary conservation of these techniques. An archive of approximately 70 distinct traditional weaving method samples has been compiled, and a handbook has been created for the use of individuals engaged in the industry.

1.3.7. Initiating Self-Employment Projects in the Handloom Textile Industry

With the aim of expanding the handloom textile industry at the rural level as a more productive livelihood path, the Department of Textile Industries has initiated preliminary arrangements to launch handloom textile projects covering various districts across the island.

Under this initiative, selected beneficiaries from the respective areas are provided with a six-month training programme on the handloom textile industry. Subsequently, the handloom equipment and raw materials required to start the industry are provided on a contractual basis, after which steps are taken to establish the trained beneficiaries as active industrialists.

Accordingly, the details of the projects initiated during the year 2025 out of the project proposals received are outlined below. Through these initiatives, 39 self-employed individuals have been successfully integrated into the industry.

Serial No.	Project Name	District	Number of Trainees
1	Kalalpitiya Project (<i>Attanagalla D.S. Division</i>)	Gampaha	06
2	Ellakkala Project (<i>Attanagalla D.S. Division</i>)	Gampaha	03
3	Pelapitiyagoda Project (<i>Dodangoda D.S. Division</i>)	Kalutara	06
4	Kuruwita Project (<i>Kuruwita D.S. Division</i>)	Ratnapura	10
5	Kithulampitiya Project (<i>Four Gravets / Kadawath Sathara D.S. Division</i>)	Galle	05
6	Kamburupitiya Project (<i>Kamburupitiya D.S. Division</i>)	Matara	02
7	Wademada Project (<i>Ukuwela D.S. Division</i>)	Matale	05
8	Suriyawewa Project (<i>Suriyawewa D.S. Division</i>)	Hambantota	02
	Total Number of Beneficiaries		39

1.3.8 Organizing the National Handloom Textile Competition, Exhibition, and Awards Ceremony

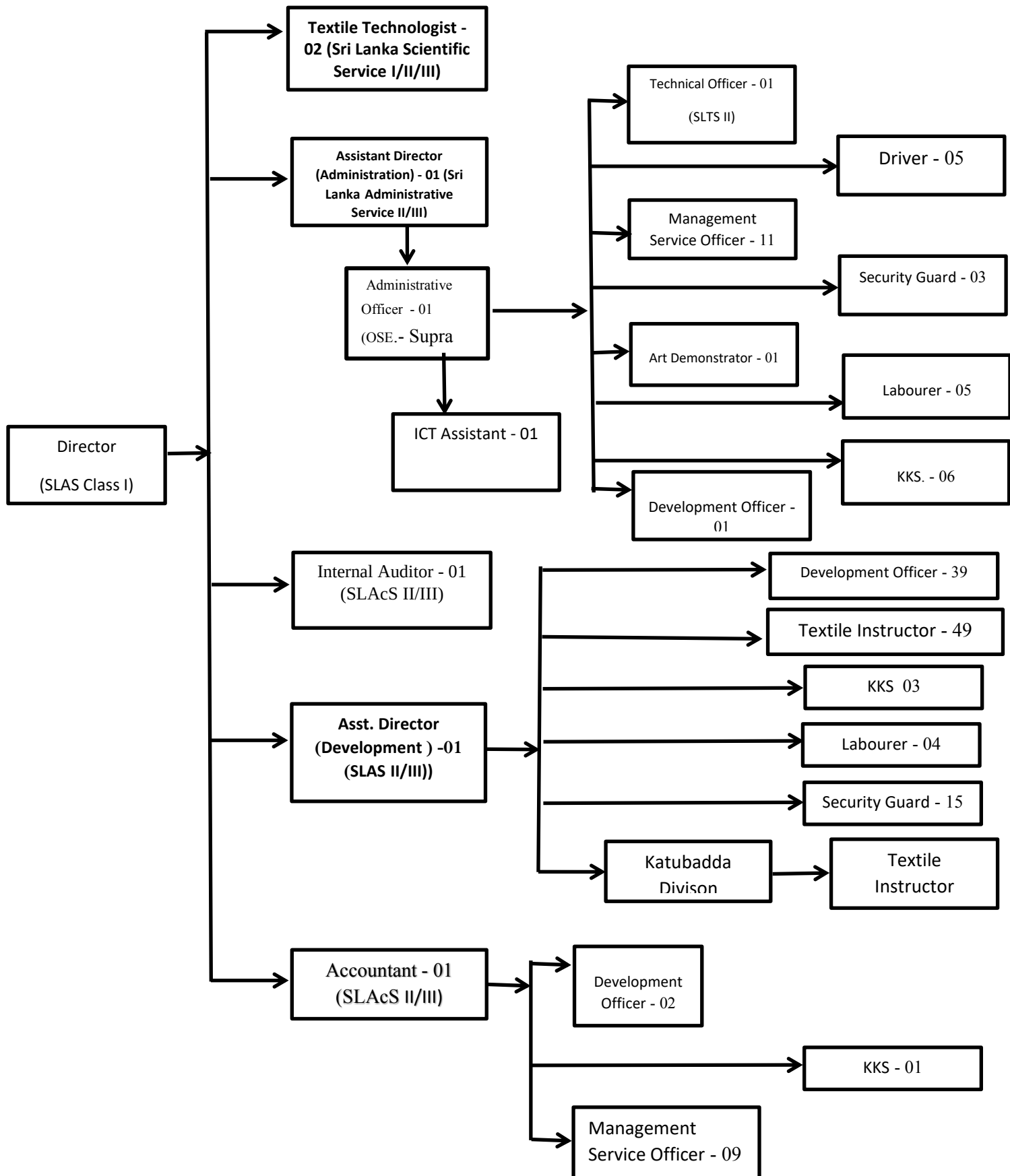
With the objective of enhancing the quality of the handloom textile sector, expanding reach into local and international markets, and refining, encouraging, and recognizing the skills of handloom practitioners creating local textiles, arrangements were made to hold the annual National Handloom Textile Competition.

Covering all provinces, provincial-level competitions were conducted under 23 distinct competition categories. The winning designs from these provincial stages were then forwarded to the national competition. The final selection process for the national competition was evaluated by an expert panel of judges on October 24, 2025, at the Textile Research, Design, Training and Service Institute in Katubedda. Consequent to this competition, the National Awards Ceremony was grandly held on December 12, 2025, at the Bandaranaike Memorial International Conference Hall (BMICH).

An exhibition displaying the winning creations from the aforementioned national competition was held on December 12, 13, and 14, 2025, at the Bandaranaike Memorial International Conference Hall (BMICH) premises.

Furthermore, with the aim of creating marketing avenues and business coordinating opportunities for those engaged in the handloom textile sector, trade fairs (marketing bazaars) were organized in the months of April and December 2025. In April, marketing facilities were provided for 54 stalls displaying handloom products, generating a total revenue of Rs. 7.9 million for the vendors. In December 2025, marketing facilities were extended to 60 stalls, resulting in a vendor revenue of Rs. 12.6 million. These events successfully facilitated the establishment of new business linkages within the sector.

1.4 Organizational Structure



1.5 Main Divisions of the Department

- Administration Division
- Research and Preservation Division
- Development Division
- Accounts Division

1.6 Institutions under the Department

The following institutions are currently functioning under this Department:

1. **Textile Research, Design, Training and Service Institute**
No. 280/1, Galle Road, Katubedda, Moratuwa.
2. **Textile Training Institutes and Design Training Institutes**

There are 14 Textile Training Institutes and 2 Design Training Institutes functioning under the Department of Textile Industries.

S. No	Institution	Address
01	Handloom Textile Training Institute, Katubedda	280/1, Galle Road, Katubedda, Moratuwa
02	Handloom Textile Training Institute, Kottala	Kottala, Veyangoda
03	Handloom Textile Training Institute, Boyagane	Boyagane, Kurunegala.
04	Handloom Textile Training Institute, Pinnawala	Pinnawala, Rambukkana
05	Handloom Textile Training Institute, Watapuluwa	Aruppala Road, Watapuluwa, Kandy
06	Handloom Textile Training Institute, Getambe	Getambe, Peradeniya
07	Handloom Textile Training Institute, Matale	Kongahamula, Palapathwala, Matale
08	Handloom Textile Training Institute, Matara	Hakmana Road, Matara.
09	Handloom Textile Training Institute, Kirama	Kirama
10	Handloom Textile Training Institute, Bandarawela	Kinigama, Bandarawela
11	Handloom Textile Training Institute, Thalawa	Mihirigama, Thalawa
12	Handloom Textile Training Institute, Galle	Kalegana Rd, Ginthota, Galle
13	Handloom Textile Training Institute, Nallur	194, Point Pedro Road, Nallur, Jaffna
14	Handloom Textile Training Institute, Samanthurai	Sammanthurai
15	Design Training Institute, Katubedda	280/1, Galle Road, Katubedda, Moratuwa
16	Design Training Institute, Getambe	Getambe, Peradeniya

Chapter 02: Progress and Future Outlook

2.1 Institutional Progress

In the year 2025, programs were initiated to provide necessary resource contribution for the practical training modules of students pursuing the Bachelor's Degree in Fashion Design at the University of Moratuwa. Accordingly, a 06-month practical training program was provided for 70 students, aiming to retain graduates within the handloom textile sector and foster entrepreneurship promotion.

The Department conducts advanced training courses in weaving, designing, and product development for artisans engaged in the handloom sector across provincial departments of industries, cooperatives, and the private sector. By increasing the volume of field-based training programs since 2025, a larger number of artisans have been successfully trained.

2.2 Future Outlook of the Institution

- The Strategic Plan 2026–2030 for the textile sector is currently being formulated.
- Updating training and skill development programs tailored for the handloom textile sector.
- Taking measures to address the shortage of trained artisans in the textile sector.
- Introducing product diversification and product development courses.
- Promoting entrepreneurship within the handloom textile sector.
- Empowering the rural economy by launching handloom textile self-employment projects at the village level.
- Improving handloom textile machinery, equipment, and accessories through research and development.
- Expanding programs to introduce handloom textile products utilizing natural dyes.
- Taking steps toward the conservation and preservation of the handloom textile sector.
- Implementing measures for the marketing and promotion of handloom textile products.
- Developing infrastructure facilities for the handloom textile sector.

2.3 Challenges

- Inadequacy of existing staff.
- Absence of designated designations/posts requiring technical knowledge within the department's approved staff structure.
- Lack of a workplace with adequate space and facilities.
- Existence of vacancies even within the limited approved staff cadre.
- Continuous increase in the prices of raw materials required for the handloom textile industry.
- Minimal coordination of adequate market opportunities for handloom products.
- Lack of value addition in handloom textile products and a deficiency in targeting export markets.

2.4 Signature of the Head of the Institution



Name: U.V.S. Senani Seneviratne

Designation: Director of Textile Industries

Chapter 03: Overall Financial Performance

3.1 Statement of Financial Performance

Statement of Financial Performance for the period ended 31 December 2025

Budget (Current Year) Rs.		Note	Actual: Current Year Rs. Cts.	Actual: Previous Year Rs. Cts.
-	Revenue Receipts		-	-
-	Income Taxes	1	-	-
-	Taxes on Domestic Goods & Services	2	-	-
-	Taxes on International Trade	3	-	-
-	Non-Tax Revenue and Others	4	-	-
-	Total Revenue Receipts (a)		-	-
-	Non-Revenue Receipts		-	-
-	Treasury Imprests		166,320,000.00	150,484,000.00
-	Deposits		2,104,872.00	7,665,988.00
-	Advance Accounts		7,383,368.00	8,450,935.00
-	Other General Ledger Account Receipts		-	-
-	Total Non-Revenue Receipts (b)		175,808,240.00	166,600,923.00

Budget (Current Year) Rs.		Note	Actual: Current Year Rs. Cts.	Actual: Previous Year Rs. Cts.
-	Total Revenue & Non-Revenue Receipts (c) = (a) + (b)		175,808,240.00	166,600,923.00
-	Remittances to the Treasury (d)		177,512.00	-
-	Net Revenue & Non-Revenue Receipts (e) = (c) - (d)		175,630,728.00	166,600,923.00
-	Less: Expenditure		-	-
-	Recurrent Expenditure		-	-
103,600,000.00	Salaries, Wages, and Other Employee Benefits	5	102,382,979.00	82,364,725.00
30,400,000.00	Other Goods & Services	6	25,512,933.00	24,285,964.00
226,300,000.00	Subsidies, Grants, and Transfers	7	203,904,773.00	208,334,646.00
-	Interest Payments	8	-	-
-	Other Recurrent Expenditure	9	-	-
360,300,000.00	Total Recurrent Expenditure (f)		331,800,685.00	314,985,335.00
-	Capital Expenditure		-	-

Budget (Current Year) Rs.		Note	Actual: Current Year Rs. Cts.	Actual: Previous Year Rs. Cts.
27,500,000.00	Rehabilitation & Improvement of Capital Assets	10	25,673,308.00	11,395,349.00
200,000.00	Acquisition of Capital Assets	11	196,619.00	239,989.00
-	Capital Transfers	12	-	-
-	Acquisition of Financial Assets	13	-	-
-	Capacity Building	14	-	-
40,000,000.00	Other Capital Expenditure	15	39,557,506.00	40,990,810.00
67,700,000.00	Total Capital Expenditure (g)		65,427,434.00	52,626,148.00
-	Payment of Deposits		2,406,799.00	7,454,760.00
-	Payment of Advances		8,671,286.00	6,484,727.00
-	Other General Ledger Account Payments		-	-
-	General Ledger Expenditure (h)		11,078,085.00	13,939,487.00
428,000,000.00	Total Expenditure (i) = (f + g + h)		408,306,204.00	381,550,971.00
-	Imprest Balance		(232,675,476.00)	(214,950,048.00)

Budget (Current Year) Rs.		Note	Actual: Current Year Rs. Cts.	Actual: Previous Year Rs. Cts.
	as of December 31 (j) = (e - i)			
-	Balance as per Imprest Reconciliation Statement		(232,675,476.00)	(214,950,048.00)
-	Imprest Balance as of December 31		-	-

3.2 Statement of Financial Position

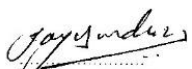
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Statement of Financial Position
As at 31st December 2025

	Note	Actual 2025 Rs	2024 Rs
Non Financial Assets			
Property, Plant & Equipment	ACA-6	246,692,136	246,495,516
Financial Assets			
Advance Accounts	ACA-5	18,488,812	17,200,894
Cash & Cash Equivalents	ACA-3	-	-
Total Assets		265,180,948	263,696,410
Net Assets / Equity			
Net Worth to Treasury		18,218,412	16,628,567
Property, Plant & Equipment Reserve		246,692,136	246,495,516
Rent and Work Advance Reserve	ACA-5(b)		
Current Liabilities			
Deposits Accounts	ACA-4	270,400	572,327
Unsettled Imprest Balance	ACA-3	-	-
Total Liabilities		265,180,948	263,696,410

Detail Accounting Statements in ACA format Nos. 1 to 7 presented in pages from 07 to 26 and Annexures to accounts presented in pages from 27 to 34 form an integral part of these Financial Statements. **The Financial Statements have been prepared in accordance with the Government Financial Regulations 150 & 151 and State Accounts Guideline No. 02/2025, dated 17.12.2025** and hereby certify that figures in these Financial Statements, Notes to accounts and other relevant accounts were reconciled with the Treasury Books of Accounts and found in agreement.

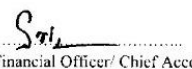
We hereby certify that an effective internal control system for the financial control exists in the Reporting Entity and carried out periodic reviews to monitor the effectiveness of internal control system for the financial control and accordingly make alterations as required for such systems to be effectively carried out as per the Section 38(1) (C) of the National Audit Act No.19 of 2018


 Chief Accounting Officer
 Name :
 Designation :
 Date : 2026/02/26

J.M. Thilaka Jayasundara
 Secretary
 Ministry of Industry and
 Entrepreneurship Development
 73/1, Galle Road, Colombo 03.


 Accounting Officer
 Name :
 Designation :
 Date : 24/02/2026

U.V.S. Senani Seneviratne
 Director
 Department of Textile Industry
 3rd Floor, Secretariat Building,
 Maligawatta, Colombo 10.


 Chief Financial Officer/ Chief Accountant/
 Director (Finance)/ Commissioner (Finance)
 Name :
 Date : 26/02/24

S. M. S. K. Sirlwardana
 Accountant
 Department of Textile Industry
 3rd Floor, Secretariat Building,
 Maligawatta, Colombo 10

3.3 Statement of Cash Flows

Statement of cash flows for the Period ended 31st December 2025

	Actual	
	Current Year (Rs. Cts.),	Previous Year (Rs. Cts.)
Cash Flows from Operating Activities		
Total Tax Receipts	-	-
Fees, Surcharges, Fines, and Licenses	-	-
Profits	-	-
Non Revenue Receipts	-	-
Revenue Collected on Behalf of Other Revenue Heads	11,154,500.00	00.,8,237,986
Imprest Receipts	166,320,000.00	150,484,000.00
Recovery of Advances	4,807,814.00	4,894,015.00
Deposit Receipts	2,104,872.00	7,665,988.00
Total Cash Generated from Operating Activities (a)	184,387,185.00	171,281,989.00
Less - Cash Outflows:		
Personnel Emoluments and Operating Expenses	101,916,604.00	106,305,189.00
Subsidies and Transfers	211,273.00	1,025,923.00
Other Recurrent Expenses	25,512,933.00	
Rehabilitation & Improvement of Capital Assets, Capital Transfers, Capacity Building, and Other Capital Expenditure	42,926,188.00	
Expenditure Incurred on Behalf of Other Expenditure Heads	6,166,763.00	9,129,576.00
Imprests Settled to the Treasury	177,512.00	229,000.00
Advance Payments	4872,492.00,	4,711,022.00
Payment of Deposits	2,406,799.00	7,454,760.00
Total Cash Outflow for Operating Activities (b)	184,190,566.00	128,855,470.00
Net Cash Flow from Operating Activities (c) = (a) - (b)	196,619.00	42,426,519.00
Cash Flows from Investing Activities		

Interest	-	-
Dividends	-	-
Divestiture Provisions and Sale of Physical Assets	-	-
Recovery of Advances	-	-
Total Cash Generated from Investing Activities (d)		-
Less - Cash Outflows;		
Capital Expenditure	196,619.00	42,655,519.00
Total Cash Outflow for Investing Activities (e)	196,619.00	42,655,519.00
Net Cash Flow from Investing Activities (f) = (d) - (e)	(196,619.00)	(42,655,519.00)
-,Net Cash Flow from Operating & Investing Activities (g) = (c) + (f),	-	(229,000.00)
Cash Flows from Financing Activities		
Domestic Borrowings	-	-
Foreign Borrowings	-	-
Receipts of Grants	-	-
Deposit Receipts	-	-
Total Cash Generated from Financing Activities (h)	-	-
Less - Cash Outflows / Disbursements;		
Repayment of Domestic Borrowings	-	-
Repayment of Foreign Borrowings	-	-
Total Cash Outflow for Financing Activities (i)	-	-
Net Cash Flow from Financing Activities (j) = (h) - (i)	-	-
Net Change in Cash (k) = (g) - (j)		(229,000.00)
Opening Cash Balance as of January	-	229,000.00
Closing Cash Balance as of December 31	-	-

3.4 Notes to Financial Statements

1) Reporting Period

The reporting period for these Financial Statements is from 01st January to 31st December 2025.

2) Basis of Measurement

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

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

3) Recognition of Revenue

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

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

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

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

5) Property, Plant and Equipment Reserve

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

6) Cash and Cash Equivalents

Cash & cash equivalents include local currency notes and coins on hand as at 31st December 2025.

3.5 Performance of Revenue Collection

Revenue Code	Description of Revenue Code	Revenue Estimate		Revenue Collected	
		Original Estimate (Rs.)	Final Estimate (Rs.)	Amount Collected (Rs.)	As a % of Final Revenue Estimate
2002.01.00	Rent				
2002.01.01	Government Building Rent	800,000.00	800,000.00	1,015,742.58	%127
2002.02.99	Interest - Other	750,000.00	750,000.00	710,197.95	%95
2003.99.00	Other Receipts	900,000.00	900,000.00	4,153,076.32	%461
2004.01.00	Social Security Contributions				
2004.01.00	Central Government	3,300,000.00	3,300,000.00	5,275,482.95	%159

3.6 Performance in the utilization of allocated funds

Type of Allocation	Allocation		Actual expenditure	Allocation utilization as a % of the final allocation
	Original estimate	Final estimate		
Recurrent	343,000,000.00	360,300,000.00	331,800,686.00	92%
Capital	67,700,000.00	67,700,000.00	65,427,434.00	97%

3.7 Allocations granted to this Department / District Secretariat / Provincial Council as an agent of other Ministries / Departments under F.R. 208

Serial No.	Allocation Granting Ministry / Department	Purpose of Allocation	Allocation		Actual Expenditure (Rs.)	Utilized Allocation as a % of Final Allocation
			Original Allocation (Rs.)	Final Allocation (Rs.)		
149	Ministry of Industries	"Ransalu" Handicraft Exhibition	6,022,500.00	6,022,500.00	6,022,500.00	%100
253	Department of Elections	Making payments to officers for election duties	198,126.99	198,126.99	171,195.00	%86

3.8 Performance of the Reporting of Non-Financial Assets

Asset Code	Description of Code	Balance as per Board of Survey Report as of 2024.12.31	Balance as per Statement of Financial Position as of 2024.12.31	To be Accounted in Future	Progress of Reporting as a %
9151	Buildings & Structures	118,816,125.00	118,816,125.00	-	-
9152 2.1	Vehicles	17,350,000.00	17,350,000.00	-	-
9152 2.2	Machinery	24,364,160.63	24,364,160.63	-	-
9153	Land	86,161,850.00	86,161,850.00	-	-

3.9 Auditor General's Report

National Audit Office

My No.: IMT/D/DTI/1/2025/51

Your No.:

Date: 2026 May 20

Director

Department of Textile Industries

Head 303 - Auditor General's Summary Report in terms of Section 11(1) of the National Audit Act No. 19 of 2018 on the Financial Statements of the Department of Textile Industries for the year ended 31 December 2025.

1. Financial Statements

1.1 Opinion

The audit of the financial statements of Head 303 - Department of Textile Industries for the year ended 31 December 2025—comprising the statement of financial position as at 31 December 2025, the statement of financial performance and the cash flow statement for the year then ended, along with information regarding significant accounting policies and notes to the financial statements—was carried out under my direction in accordance with the provisions of Article 154(1) of the Constitution of the Democratic Socialist Republic of Sri Lanka, read in conjunction with the provisions of the National Audit Act No. 19 of 2018. My expressions of opinion and observations regarding these financial statements, which are presented to the Department of Textile Industries in terms of Section 11(1) of the National Audit Act No. 19 of 2018, are contained in this report. A detailed Management Audit Report in terms of Section 11(2) (Amended) of the National Audit Act No. 19 of 2018 will be issued to the Accounting Officer in due course. The Auditor General's Report, which must be presented in terms of Section 10 of the National Audit Act No. 19 of 2018, read in conjunction with Article 154(6) of the Constitution of the Democratic Socialist Republic of Sri Lanka, will be tabled in Parliament in due course.

It is my opinion that the financial statements of the Department of Textile Industries for the year ended 31 December 2025 present a fair view, in all material respects, of its financial position, financial performance, and cash flows in accordance with the basis of preparation of financial statements specified in Note 1 to the financial statements.

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 this report. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

1.3 Emphasis of Matter - Basis of Preparation of Financial Statements

I draw attention to Note 1 to the financial statements, which describes the basis of preparation. These financial statements have been prepared for the requirements of the Department of Textile Industries, the General Treasury, and Parliament in accordance with Government Financial Regulations 150 and 151, and the Public Accounts Guideline No. 02/2025 dated 17 December 2025. Therefore, these financial statements may not be suitable for another purpose. My report is intended solely for the use of the Department of Textile Industries, the General Treasury, and the Parliament of Sri Lanka. My opinion is not modified in respect of this matter.

1.4 Responsibility of the Chief Accounting Officer and the Accounting Officer for the Financial Statements

The Accounting Officer is responsible for the preparation of financial statements that give a fair view in accordance with Government Financial Regulations 150 and 151 and Public Accounts Guideline No. 02/2025 dated 17 December 2025 in respect of all material aspects, and for such internal control as the Accounting Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In terms of Section 16(1) of the National Audit Act No. 19 of 2018, the Department of Textile Industries is required to maintain proper books and records of its income, expenditure, assets, and liabilities, so as to enable the preparation of annual and periodic financial statements.

In terms of Subsection 38(1)(c) of the National Audit Act, the Accounting Officer shall ensure that an effective internal control system is designed and maintained for the financial control of the Department of Textile Industries, and shall carry out periodic reviews of the effectiveness of the system and make any necessary changes to ensure the system is operated effectively.

1.5 Auditor's Responsibilities for 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 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, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my 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.

Obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

- Evaluated whether the underlying transactions and events are included in the financial statements in an appropriate and fair manner for the structure and content of the financial statements, including disclosures.
- Evaluated the overall presentation of the financial statements, including disclosures, and whether the underlying transactions and events are included in an appropriate and fair manner for the structure and content of the financial statements.

I inform the Accounting Officer of significant audit findings, major internal control deficiencies, and other matters identified during my audit.

2. Report on Other Legal Requirements

In terms of Section 6(1)(d) of the National Audit Act No. 19 of 2018, I state the following matters:

- (a) The financial statements are consistent with the preceding year,
- (b) The recommendations made by me regarding the financial statements of the preceding year had been implemented.

3. Financial Review

3.1 Revenue Management

An aggregate lease rent of Rs. 11,112,250 remained outstanding as at 31 December 2025 in relation to the leasing of 03 plots of land belonging to the department with powerloom textile mills.

3.2 Certifications to be Made by the Chief Accounting Officer / Accounting Officer

Although the Chief Accounting Officer / Accounting Officer was required to provide certifications regarding the following matters in terms of the provisions of Section 38 of the National Audit Act No. 19 of 2018, action had not been taken accordingly.

Although the Chief Accounting Officer and the Accounting Officer are required to certify that an effective mechanism is in place for the proper implementation of the internal audit function, that requirement had not been fulfilled according to the observations mentioned in paragraph 5.1 of this report

3.3 Non-compliance with Laws, Rules, and Regulations

Reference to Laws, Rules / Directives	Observation
(a) Establishments Code of the Democratic Socialist Republic of Sri Lanka	
(i) Chapter XXIV, Section 4.5	Action had not been taken by the end of the year under review to review and recover an unrecovered loan balance of Rs. 1,322,454 from the guarantors, which has been outstanding for a period of 07 years from officers who have vacated service and retired.
(b) Public Administration Circular No. 05/2008 and 05/2008(i) dated 06 February 2008	Although the department should formulate a methodology to prepare, implement, and evaluate the tasks related to a Citizen's/Client's Charter, a Citizen's/Client's Charter had not been prepared for the Department of Textile Industries.
(c) National Budget Circular No. 02/2020 dated 28 August 2020	
(i) Paragraph 03	Although the Annual Action Plan for the implementation of the approved budget estimates for every ensuing year should be prepared before December 15 of the current year and the approval of the Chief Accounting Officer obtained, the Action Plan of the department had been submitted for approval only on 05 April 2025 and had been approved on 30 April 2025.
(ii) Paragraph 04	Although the Annual Procurement Plan for the ensuing year should be prepared before December 10 of the current year and the approval of the Chief Accounting Officer obtained, the Procurement Plan of the department for the year 2025 had not been approved.
(iii) Paragraph 12.1	Although the Annual Report should be presented to Parliament for tabling within 150 days from the end of the financial year, the Annual Report for the year 2024 had not been tabled in Parliament.

3.4 Issuance and Settlement of Ad-hoc Sub-advances

In terms of Financial Regulation 371(5) as amended by the Public Financial Circular No. 01/2020 dated 28 August 2020, ad-hoc sub-imprestis issued for a specific purpose should be settled within 10

days of completing the relevant task. However, a period of 02 to $\frac{1}{2}$ months had elapsed for the settlement of advances totaling Rs. 91,500 granted in 03 instances.

4. Operational Review

4.1 Performance

4.1.1 Failure to Achieve the Expected Output Level

(a) Although 20 in service training programs and 05 advanced training programs had been planned for the year 2025, only 07 field training programs and 04 advanced training programs had been conducted as at 31 December 2025, thereby failing to achieve the expected targets.

(b) During the year under review, although 35 training programs had been planned to be conducted by 17 Textile Advisors and a Textile Technological Specialist of the department, only 18 programs had been conducted, thereby failing to achieve the expected targets.

(c) To fulfill 19 main activities in the Action Plan for the year 2025, the budgetary allocation was Rs. 68.95 million, out of which only about Rs. 47.6 million had been utilized to complete only 16 activities. Accordingly, its financial performance was 69%.

4.1.2 Failure to Achieve Expected Benefits

(a) Fourteen (14) training schools are operated under the Department of Textile Industries. In the year 2025, a cost of Rs. 109,292,890 had been incurred for 95 students trained in these schools, which resulted in an expenditure of Rs. 1,150,451 per student. The gross value of the assets of 10 schools where students are being trained was Rs. 274,084,475, while the assets of the remaining 04 schools had not been valued. According to the existing assets and the expenditure incurred by the department, a high unit cost per student had been incurred. Although it was necessary to sufficiently increase the student enrollment to minimize this cost and to achieve the objectives of the department, promotional programs had not been implemented to attract students. Furthermore, the failure to modernize curricula and the non-utilization of new technological methods had led to low student interest in pursuing these courses, which contributed to this industry not becoming popular among students.

(b) For the training courses implemented in 07 handloom textile villages, there were 84 trainees at the commencement of the courses in the year 2025, but that number had decreased to 52 trainees by 31 December 2025. For this project, the department had spent Rs. 652,811 as training instruction allowances in the year 2025 and had also spent funds on raw materials such as handlooms and yarn required for the course. However, due to the failure to formulate a successful strategic program to retain the trainees for the courses, 32 trainees had dropped out.

(c) For the creation of new self-employment opportunities in the handloom textile industry, equipment (09 sets) and basic raw materials had been provided to 09 beneficiaries in the year 2025 through the "Amunakumbura Project" under the Textile Villages Project to encourage trainees who successfully complete the handloom textile course to start new self-employment. However, the beneficiaries had not carried out any production. Accordingly, 04 looms provided to the beneficiaries had been brought back to the department, and the expected objectives through the project had not been achieved.

(d) While paying Rs. 102,382,979 as salaries and allowances as at 31 December 2025 for a staff of 134 in the department, and maintaining the training schools at a high unit student cost, the output of students graduating from the training schools remained at a very low level. As a result, the annual returns relative to the annual cost borne by the government were minimal, thereby failing to make the annual expenditure an effective investment.

4.1.3 Abandoning Projects Without Completion

Five (05) powerloom textile projects in Matale (Matale, Galewela, Arangala, Ukuwela, and Wattegama) had been leased out to a private company on a 99-year lease basis. These projects had been closed down for a period of 10 to 15 years, and due to the failure to recover outstanding lease rents for these lands, the revenue lost to the government amounted to Rs. 108,485,000.

4.1.4 Annual Performance Report

In terms of Subsection 47(4) of the Public Financial Management Act No. 44 of 2024, the Annual Performance Report should be published within 180 days from the end of the financial year or prior to that. Although Section 16(2) of the National Audit Act No. 19 of 2018 states that this performance report should be submitted for audit along with the annual financial statements, the report had not been prepared even by 15 May 2026.

4.2 Asset Management

(a) The department owns 4.7244 hectares and 310 perches of land, and although 16 training schools are maintained on them, only a very small number of courses are conducted. As a result, the extent of land utilized is very low, leaving these lands underutilized, and the institution had not paid attention to directing the surplus land toward another productive investment.

(b) In accordance with the State Accounts Circular No. SF/SS/E dated 12 July 2013, 12 plots of land and buildings owned by the department had been valued by the Chief Government Valuer, but the valuation tasks for the remaining 04 plots of land and buildings had not been completed by 30 November 2025.

(c) Action had not been taken up to the year under review to value and account for 25 plastic chairs received as donations in the year 2021.

(d) Although the 2023 Board of Survey had recommended the destruction of 99 inventory items and the sale of 22 inventory items—including office equipment, computer accessories, furniture, and other machinery and equipment belonging to the Department of Textile Industries and its training schools—action had not been taken accordingly up to April 2026. Consequently, due to the failure to remove the cost value of those assets from the accounts, the value of other machinery and equipment shown under non-financial assets, amounting to Rs. 24,364,111, was incorrect.

(e) Four (04) toner cartridges purchased for Lexmark printers, 02 cartridges for HP printers, 05 looms, 03 plastic baskets, and 07 water pots, which had been purchased for distribution to textile training centers, were kept idle in the stores.

4.3 Losses and Damages

Seven hundred (700) disposable gloves, which had been purchased during the COVID-19 pandemic period to be utilized and were available in the store, had expired.

4.4 Management Inefficiencies

(a) With regard to the spare parts of the Kalutara Powerloom Textile Project sold to the Salusala Institute, the Colombo District Court had ordered that the amount of Rs. 2,694,443 due to the department be settled in 24 installments along with an interest of 9 percent. Accordingly, except for a payment of Rs. 702,481 made up to 01 July 1999, the Salusala Institute had defaulted on the payment of the remaining principal and interest amounting to Rs. 1,991,962, but no action whatsoever had been taken in that regard.

(b) The Bibile Finished Goods Institute had been leased out to the private sector from 01 January 1996 for an annual lease rent of Rs. 150,000, and since no business operations were conducted therein, the land and buildings had been taken over by the department on 04 August 2011. On the same day, the property had been handed over to the Divisional Secretary. A lawsuit had been filed under Case No. CHC/1110/2023 ARB in the Commercial High Court of Western Province to enforce the arbitration award in terms of Section (e) of the lease agreement, in order to recover the lease rent of Rs. 1,681,250 due from the lessee. However, the arbitration proceedings had not been completed by the end of the year under review.

5. Good Governance

5.1 Internal Audit

In terms of the provisions stated in Section 40 of the National Audit Act No. 19 of 2018 and Section 33 of the Public Financial Management Act No. 44 of 2024, the department had not established an Internal Audit Unit. Although the post of Internal Auditor was approved on 14 July 2020, the post had not been filled to date, and an internal audit had not been conducted.

5.2 Audit and Management Committees

Audit and Management Committees had not been established in terms of the provisions in Section 41 of the National Audit Act No. 19 of 2018.

M. D. Sudarshanie Amaratunga

Deputy Auditor General

For Auditor General

Chapter 04: Performance Indicators

4.1 Institutional Performance Indicators

	Specific Indicator	Percentage of Actual Output Achieved in Relation to Expected Output (%):		
		100%-95%	75%-89%	50%-74%
1	Training of 110 new students through recognized handloom training institutions.		✓	
2	Implementation of 25 short-term training programs under capacity development initiatives.	✓		
3	Initiation of 10 self-employment group projects at the rural level		✓	
4	Conduct of 10 field training programs targeting rural individuals engaged in the sector		✓	
5	Organization of the National Handloom Textile Competition and Exhibition.	✓		
6	Facilitation of sales opportunities and promotion of products for 50 industrialists in the handloom textile sector through marketing fairs	✓		

Chapter 05: Performance in Achieving Sustainable Development Goals (SDGs)

Targets/Objectives	Goals	Achievement Indicators	Progress Achieved to Date in Attaining the Objectives		
			0%-49%	50%-74%	75%-100%
4.4 Substantially increase, by 2030, the number of youth and adults who possess relevant skills, including technical and vocational qualifications, for employment, decent work, and entrepreneurship.	By the year 2030, provide training to 1,000 new professionals in the handloom textile industry sector.	As of the year 2025, a total of 158 new professionals have been trained.		✓	
9.9 Promote inclusive and sustainable industrialization, and by 2030, significantly increase the industry's share of employment in line with national circumstances, with the aim of doubling its contribution in least developed countries.	Generation of 800 new employment opportunities in the handloom textile industry sector by the year 2030.	Commencement of 84 new employment opportunities in the handloom textile industry sector during the year 2025.	✓		

Chapter 06: Human Resources Profile

6.1 Cadre Management

	Approved cadre	Existing cadre	Vacancies/(Excess)
Senior	07	04	03
Tertiary	01	01	0
Secondary	128	101	27
Primary	42	28	14

6.2 Impact of Human Resource Shortage or Excess on Institutional Performance

- The achievement of the Department's targets has been significantly impeded by a shortage of human resources. Vacancies exist not only in technical positions but also in development officer and management service officer posts, among others. Additionally, the internal auditor position remains vacant.
- The absence of an Information Technology Officer position within the departmental staff has resulted in significant difficulties in the execution of information technology-related functions.
- Furthermore, the Department lacks qualified officers to undertake the essential research and development activities necessary for the advancement of the handloom industry sector, and the requisite technical positions for this purpose have not been approved. This situation has adversely affected the development of the sector as an industry.

Chapter 07 - Compliance Report

No.	Applicable Requirement	Compliance Status (Complied/ Not complied)	Brief explanation for non-compliance	Corrective actions proposed to avoid non-compliance in future
1	The following Financial statements/ accounts have been submitted on due date			
1.1	Annual financial statements	Complied		
1.6	Others	-		
2	Maintenance of books and registers (FR 445)			
2.1	Fixed assets register has been maintained and updated in terms of Public Administration Circular 267/2018.	Complied		
2.2	Personal emoluments register/ Personal emoluments cards has been maintained and updated.	Complied		
2.3	Register of Audit queries has been maintained and updated.	Complied		
2.4	Register of Internal Audit reports has been maintained and updated.	Complied		
2.5	All the monthly account summaries (CIGAS) are prepared and submitted to the Treasury on due date.	Complied		
2.6	Register for cheques and money orders has been maintained and update	Complied		
2.7	Inventory register has been maintained and updated.	Complied		
2.8	Stocks Register has been maintained and updated.	Complied		
2.9	Register of Losses has been maintained and updated	Complied		
2.10	Commitment Register has been maintained and updated.	Complied		
2.11	Register of Counterfoil Books (GA – N20) has been maintained and updated.	Complied		
3	Delegation of functions for financial control (FR 135)			
3.1	The financial authority has been Delegated within the institute.	Complied		
3.2	The delegation of financial authority has been communicated within the institute.	Complied		

No.	Applicable Requirement	Compliance Status (Complied/ Not complied)	Brief explanation for non-compliance	Corrective actions proposed to avoid non-compliance in future
3.3	The authority has been delegated in such manner so as to pass each transaction through two or more officers	Complied		
3.4	The controls has been adhered to by the Accountants in terms of State Account Circular 171/2004 dated 11.05.2014 in using the Government Payroll Software Package.	Complied		
4.	Preparation of Annual Plans			
4.1	The annual action plan has been prepared.	Complied		
4.2	The annual procurement plan has been prepared.	Complied		
4.3	Having the budget for the year under review approved in terms of Finance Act No. 38 of 1971	Complied		
4.4	The annual Internal Audit plan has been prepared.	Not complied	Internal Auditor post is not yet filled	Getting an internal audit officer approved in the cadre
4.5	The annual estimate has been prepared and submitted to the National Budget Department (NBD) on due date.	Complied		
4.6	The annual cash flow has been submitted to the Treasury Operations Department on time.	Complied		
4.7	Quarterly reports have been prepared and submitted to the Treasury on due date	Complied		
5	Audit queries			
5.1	All the audit queries has been replied within the time specified by the Auditor General	Complied		
6	Internal Audit			
6.1	The internal audit plan has been prepared at the beginning of the year after consulting the Auditor General in terms of Financial Regulation 134(2)) DMA/1-2019.	Not complied	Internal Auditor post is not yet filled	Getting an internal audit officer approved in the cadre

No.	Applicable Requirement	Compliance Status (Complied/ Not complied)	Brief explanation for non-compliance	Corrective actions proposed to avoid non-compliance in future
6.2	Answers have been submitted to all internal audit reports within a period of one month.	Not complied	Internal Auditor post is not yet filled	Getting an internal audit officer approved in the cadre
6.3	Copies of all the internal audit reports has been submitted to the Management Audit Department in terms of Sub-section 40(4) of the National Audit Act No. 19 of 2018.	Not complied	Internal Auditor post is not yet filled	Getting an internal audit officer approved in the cadre
6.4	All the copies of internal audit reports has been submitted to the Auditor General in terms of Financial Regulation 134(3)	Not complied	Internal Auditor post is not yet filled	Getting an internal audit officer approved in the cadre
7	Audit and Management Committee			
7.1	Minimum 04 meetings of the Audit and Management Committee has been held during the year as per the DMA Circular 1-2019.	Not complied	Internal Auditor post is not yet filled	Getting an internal audit officer approved in the cadre
8	Asset Management	Complied		
8.1	The information about purchases of assets and disposals was submitted to the Comptroller General's Office in terms of Paragraph 07 of the Asset Management Circular No. 01/2017.	Complied		
8.2	A suitable liaison officer was appointed to coordinate the implementation of the provisions of the circular and the details of the nominated officer was sent to the Comptroller General's Office in terms of Paragraph 13 of the aforesaid circular.	Complied		
8.3	The boards of survey was conducted and the relevant reports submitted to the Auditor General on due date in terms of Public Finance Circular No. 05/2016.	Complied		
8.4	The excesses and deficits that were disclosed through the board of survey and other relating recommendations, actions were carried out during the	Complied		

	period specified in the circular.			
No.	Applicable Requirement	Compliance Status (Complied/ Not complied)	Brief explanation for non-compliance	Corrective actions proposed to avoid non-compliance in future
8.5	The disposal of condemned articles had been carried out in terms of FR 772.	Complied		
9	Vehicle Management			
9.1	The daily running charts and monthly summaries of the pool vehicles had been prepared and submitted to the Auditor General on due date.	Complied		
9.2	The condemned vehicles had been disposed of within a period of less than 6 months after condemning.	Complied		
9.3	The vehicle logbooks had been maintained and updated.	Complied		
9.4	The action has been taken in terms of F.R. 103, 104, 109 and 110 with regard to every vehicle accident.	complied		
9.5	The fuel consumption of vehicles has been retested in terms of the provisions of Paragraph 3.1 of the Public Administration Circular No. 30/2016 of 29.12.2016.	Complied		
9.6	The absolute ownership of the leased vehicle logbooks has been transferred after the lease term.	Complied		
10	Management of Bank Accounts			
10.1	The bank reconciliation statements had been prepared, got certified and made ready for audit by the due date.	Complied		
10.2	The dormant accounts that had existed in the year under review or since previous years settled.	Not complied	Internal Auditor post is not yet filled	Getting an internal audit officer approved in the cadre
10.3	The action had been taken in terms of Financial Regulations regarding balances that had been disclosed through bank reconciliation statements and for which adjustments had to be made, and had those	Complied		

	balances been settled within one month.			
No.	Applicable Requirement	Compliance Status (Complied/ Not complied)	Brief explanation for non-compliance	Corrective actions proposed to avoid non-compliance in future
11	Utilization of Provisions			
11.1	The provisions allocated had been spent without exceeding the limit.	Complied		
11.2	The liabilities not exceeding the provisions that remained at the end of the year as per the FR 94(1).	Complied		
12	Advances to Public Officers Account	Complied		
12.1	The limits had been complied with.	Complied		
12.2	A time analysis had been carried out on the loans in arrears.	Complied		
12.3	The loan balances in arrears for over one year had been settled	Complied		
13	General Deposit Account			
13.1	The action had been taken as per F.R.571 in relation to disposal of lapsed deposits.	Complied		
13.2	The control register for general deposits had been updated and maintained.	Complied		
14	Imprest Account	Complied		
14.1	The balance in the cash book at the end of the year under review remitted to Treasury Operations Department.	Complied		
14.2	The ad-hoc sub imprests issued as per F.R. 371 settled within one month from the completion of the task.	Complied		
14.3	The ad-hoc sub imprests had been issued without exceeding the limit approved as per F.R. 371.	Complied		
14.4	The balance of the imprest account had been reconciled with the Treasury books monthly.	Complied		
15	Revenue Account	Complied		

15.1	The refunds from the revenue had been made in terms of the regulations.	Complied		
No.	Applicable Requirement	Compliance Status (Complied/ Not complied)	Brief explanation for non-compliance	Corrective actions proposed to avoid non-compliance in future
15.2	The revenue collection had been directly credited to the revenue account without credited to the deposit account.	Complied		
15.3	Returns of arrears of revenue forward to the Auditor General in terms of FR 176.	Complied		
16	Human Resource Management			
16.1	The staff has been maintained within the approved cadre.	Complied		1.
16.2	All members of the staff have been issued a duty list in writing.	Complied		
16.3	All reports have been submitted to MSD in terms of their circular no.04/2017 dated 20.09.2017.	Complied		
17	Provision of information to the public			
17.1	An information officer has been appointed and a proper register of information is maintained and updated in terms of Right to Information Act and Regulation.	Complied		
17.2	Information about the institution to the public have been provided by Website or alternative measures and has it been facilitated to appreciate / allegation to public against the public authority by this website or alternative measures.	Complied		
17.3	Biannual and Annual reports have been submitted as per section 08 of the RTI Act.	Complied		
No.	Applicable Requirement	Compliance Status (Complied/ Not	Brief explanation for non-compliance	Corrective actions proposed to avoid non-compliance in

		complied)		future
18	Implementing citizens charter			
18.1	A citizens charter/ Citizens client's charter has been formulated and implemented by the Institution in terms of the circular number 05/2008 and 05/2018(1) of Ministry of Public Administration and Management.	Complied		
18.2	A methodology has been devised by the Institution in order to monitor and assess the formulation and the implementation of Citizens Charter / Citizens client's charter as per paragraph 2.3 of the circular.	Complied		
19	Preparation of the Human Resource Plan			
19.1	A human resource plan has been prepared in terms of the format in Annexure 02 of Public Administration Circular No.02/2018 dated 24.01.2018.	Complied		
19.2	A minimum training opportunity of not less than 12 hours per year for each member of the staff has been ensured in the aforesaid Human Resource Plan.	complied		
19.3	Annual performance agreements have been signed for the entire staff based on the format in Annexure 01 of the aforesaid Circular.	compiled		
19.4	A senior officer was appointed and assigned the responsibility of preparing the human resource development plan, organizing capacity-building programs and conducting skill development programs as per paragraph No.6.5 of the aforesaid Circular.	Complied		.

No.	Applicable Requirement	Compliance Status (Complied/ Not complied)	Brief explanation for non-compliance	Corrective actions proposed to avoid non-compliance in future
20	Responses to Audit Paragraphs			
20.1	The shortcomings pointed out in the audit paragraphs issued by the Auditor General for the previous years have been rectified	Complied		