



## **Parliamentary Series No 38**

**The Eighth Parliament of**  
The Democratic Socialist Republic of Sri Lanka  
**(Third Session)**

**First Report of the Committee on Public Enterprises**  
(For the period from 01<sup>st</sup> July 2017 to 30<sup>th</sup> September 2017)

Presented by  
**Hon. Sunil Handunnetti**  
Chairman of the Committee on Public Enterprises  
On 24<sup>th</sup> of January 2019

*Ordered to be printed by the Parliament On 24<sup>th</sup> of January 2019*



**The Committee on Public Enterprises**  
**Eighth Parliament (Third Session)**

According to the announcement made by the Hon. Speaker on 11.01 2019, as per the provisions of the standing order 120 (1) of Parliament, the Committee of Selection of Parliament, on 10.01.2019 appointed the following 16 members for the Committee on Public Enterprises in the Third session of the Eighth Parliament.

1. Hon. Sunil Handunnetti M.P., (chairman)
2. Hon. Rauff Hakeem, M.P.,
3. Hon. Ravindra Samaraweera, M.P.,
4. Hon. Sujeewa Senasinghe, M.P.,
5. Hon. (Dr.) Harsha De Silva, M.P.,
6. Hon. Ajith P. Perera, M.P.,
7. Hon. Wasantha Aluwihare, M.P.,
8. Hon. Ranjan Ramanayake, M.P.,
9. Hon. Ashok Abeysinghe, M.P.,
10. Hon. Anura Priyadharshana Yapa, M.P.,
11. Hon. Lakshman Senewiratne, M.P.,
12. Hon. Chandrasiri Gajadeera, M.P.,
13. Hon. Mahindananda Aluthgamage, M.P.,
14. Hon. Dayasiri Jayasekara, M.P.,
15. Hon. Jayantha Samaraweera, M.P.,
16. Hon. Mavai S. Senathirajah, M.P.,



**The Committee on Public Enterprises**  
**Eighth Parliament (Second Session)**

The Committee on Public Enterprises for the Second Session of the Eighth Parliament consisted with following 26 members Under the Chairmanship Hon.Sunil Handunnetti M.P., and the observations and recommendations with regard to the institutions that have been examined by the committee from 01.07.2017 to 30.09.2017, during the second session of the eighth Parliament have been included in this report.

1. Hon. Sunil Handunnetti M.P., (chairman)
2. Hon. Rauff Hakeem M.P.,
3. Hon. Raveendra Samaraweera, M.P.,
4. Hon. Lakshman Senevirathna, M.P.,
5. Hon. Sujeewa Senasinghe, M.P.,
6. Hon. Wasantha Aluvihare, M.P.,
7. Hon. (Dr.) Harsha de Silva, M.P.,
8. Hon. Ajith P. Perera, M.P.,
9. Hon. Lasantha Alagiyawanna, M.P.,
10. Hon. Ranjan Ramajayaka, M.P.,
11. Hon. Ashok Abeyasinghe, M.P.,
12. Hon. Anura Priyadarshana Yapa, M.P.,
13. Hon. Anura Dissanayaka, M.P.,
14. Hon. Chandrasiri Gajadheera, M.P.,
15. Hon. Mahindananda Aluthgamage, M.P.,
16. Hon. Dayasiri Jayasekara, M.P.,
17. Hon. Bimal Rathnayaka, M.P.,
18. Hon. Mavei Senadhiraja, M.P.,
19. Hon. Abdullah Maharroof, M.P.,
20. Hon. Jayantha Samaraweera, M.P.,
21. Hon. S. Shritharan, M.P.,
22. Hon. M. Sumandiran, M.P.,
23. Hon. Hector Appuhami, M.P.,
24. Hon. (Dr.) Nalinda Jayatissa, M.P.,
25. Hon. Harshana Rajakaruna, M.P.,
26. Hon. Gnanamuttu Srinesan M.P.,



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## **Chairman's Note**

The 7<sup>th</sup> Committee Report of the Eighth Parliament presented today to this Parliament by the Committee on Public Enterprises signifies another landmark in Parliament's responsibility and exercising of fiscal powers vested in Parliament.

It is important to note that Committee on Public Enterprises, which is a standing committee of Parliament presents this report to Parliament with the support and collaboration of all its members representing the government and the opposition during a period of time marked by lack of public trust and respect towards Parliament. All members of the Committee considered the work of the Committee to be of public importance and accordingly the Committee between 01-07-2017 and 30-09-2017 scrutinized many areas of interest pertaining to the maintenance of financial discipline by 13 institutions and expressed their comments in the report. Given their significance, certain institutions such as Sir Lankan Air and Milco had to be summoned before the Committee on several occasions.

Whether the public will have confidence in COPE and in Parliament in general or not, and whether the public will respect them or not, depends entirely on the trust that the public is able to establish based on our practices and our pragmatic actions.

It is not possible to say that disclosures made through this report and the commitment of the Auditor General and the staff of COPE alone will be sufficient to ensure that Parliament or COPE will act against corruption in the country and henceforth establish trust.

Direct involvement of the Executive, which has the power and the ability to implement recommendations and orders issued by this Committee is imperative in this matter. If political leaders of the government display only a mild interest in the disclosures made through this report, the effort made by this Committee would be in vain.

I wish to convey my appreciation to our staff who helped to compile this report, the Auditor General and the staff of the Auditor General, the officers who were involved in translating this report and to all MPs who are members of the Committee.

Sunil Handunnetti  
Chairman  
Committee on Public Enterprises



**Third Session of the Eighth Parliament**  
**First report of the third session of the Committee on Public Enterprises.**

The Committee on Public Enterprises is happy to present its first report of the third session of Eighth Parliament.

The Attorney General under the Committee on Public Enterprises audits the accounts of all government corporations and the corporations registered under the companies Act No. 07 of 2007 of which 50% of the shares are borne by the government or government corporations or Local Authorities.

Accordingly, the observations and recommendations with regard to the following 17 institutions, apart from the universities that are to be entered in the special report on universities that have been examined by the committee from 01.07.2017 to 30.09.2017 have been included in the report.

**The name of the institutions that have been examined by the Committee on Public Enterprises from 01.07.2017 to 30.09.2017 and the time taken for examination.**

	<b>Institution</b>	<b>Date on which it was examined</b>	<b>The time taken for examination</b>
1	University of Colombo	04.07.2017	Auditor General's reports for 2012,2013 and 2014 and the present performance.
2	National Apprentice and Industrial Training Authority	05.07.2017	Auditor General's reports for 2011,2012,2013 and 2014 and the present performance.
3	Paddy Marketing Board	06.07.2017	Auditor General's reports for 2013 and the present performance.
4	State Pharmaceutical Corporation and National Medicines Regulatory Authority	07.07.2017	Present situation with regard to the recommendation of the committee on 06.04.2017
5	Hector Kobbekaduwa Agrarian Research and Training Institute	25.07.2017	Auditor General's reports for 2013, 2014 and 2015 and the present performance.
6	Sri Lanka Telecom	26.07.2017	Performance for 2015/ 2016

7	Sri Lanka Transport Board and Former Board of Directors	08.08.2017	Auditor General's reports for 2010 and 2011 and the present performance.
		08.09.2017	Present situation regarding the recommendations of the Committee on 08.08.2017
8	University of Sabaragamuwa	09.08.2017	Auditor General's reports for 2012, 2013 and 2014 and the present performance.
9	Milco Pvt. Ltd.	11.08.2017	Performance for 2015/ 2016
		22.08.2017	Progress of the implementation of orders of the committee.
		06. 09. 2017	Progress of the implementation of orders of the committee.
10	Sri Lanka Institute of Advanced Technological Education	22.08.2017	Auditor General's reports for 2012, 2013 , 2014 and 2015 and the present performance
11	Regional Development Bank	23.08.2017	Auditor General's reports for 2012, 2013 and 2014 and the present performance
12	Sri Lanka State Pharmaceutical Manufacturing Corporation	24.08.2017	Auditor General's reports for 2012 and 2013 and the present performance
13	National Livestock Development Board	25.08.2017	Auditor General's reports for 2012, 2013 and 2014 and the present performance
14	Sri Lankan Airlines	06.09.2017	Performance in 2016
		20.09.2017	Present performance
15	Road Development Authority	19.09.2017	Auditor General's reports for 2011, 2012, 2013 and 2014
16	University of Ruhuna	21.09.2017	Auditor General's reports for 2011, 2012, 2013, 2014 and 2015 and the present performance
17	University of Kelaniya	22.09.2017	Auditor General's reports for 2011, 2012, 2013, 2014 and 2015 and the present performance

**University of Colombo**

(Ministry of Higher Education and Highways)

*(This institution belongs to the Ministry of City Planning, Water Supply and Higher Education  
from 28.12.2018)*

**Date of Examination : 4<sup>th</sup> July 2017**

**Note**

The committee decided to summon all universities function under the Ministry of City Planning, Water Supply and Higher Education separately before the committee to discuss the problems in each university and to submit a special report to the Parliament including the courses of action and recommendations for the identification problems in general to uplift the universities.

Therefore, the facts of the examination done by the committee on Public Enterprises on the University of Colombo on 04<sup>th</sup> July 2017 will be submitted in the special report on the university system.



## **National Apprenticeship and Industrial Training Authority**

(Ministry of Skills Development and Vocational Training)

*(Brought Under the purview of the Ministry of National Policies, Economic Affairs, Resettlement & Rehabilitation, Northern Province Development, Vocational Training & Skills Development and Youth Affairs from 28.12.2018)*

**Date of Examination : 05<sup>th</sup> July 2017**

### **Matters Discussed**

#### **01. Scope of the Authority**

The attention of the Committee was drawn to conducting examinations relating to vocational training that come under the purview of the National Apprenticeship and Industrial Training Authority by the Technical and Vocational Education Commission (TVEC)

The Committee was of the opinion that examinations be conducted by the National Apprenticeship and Industrial Training Authority with the Commission doing the regulatory activities relating to them and examinations for issuing of certificates (NVQ) be conducted separately outside of the Commission.

### **Recommendations**

- i. To pay attention to this matter when the relevant Act is amended.

#### **02. Remaining of vacancies and a number of major positions of the institution functioning on Acting basis**

The Chairman stated that officers had to be employed on acting basis since a number of senior officers were interdicted and that arrangements have been made to fill the remaining vacancies as soon as possible.

### **Recommendations**

- i. Submission of a report detailing the progress of the investigations being conducted on the interdicted officers to the Committee within two weeks.

### **Reporting the present status and progress**

The report called for by the above recommendation has been submitted to the Committee by the letter of the Ministry of Skills Development and Vocational Training No 1-2/03/13/2017 dated 11.10.2017. (**Annexure 01**)

**03. The vehicle released from the customs in 2010 by paying Rs.1,134,000**

The Committee questioned about the above vehicle being parked at the Orugodawatta Engineering Training Institute without the engine and the certificate of registration of the vehicle not being in possession of the institution.

The Chairman said that the engine has been given to the Killinochchi Training Centre for educational purposes since a Committee that inspected the engine informed that repairing it would be of no use. The certificate of registration was not in possession of the institute and it has been revealed that someone else had got a vehicle registered under that number, he added.

The Chairman also said that an inquiry had been conducted in 2015 in regard to this and it had recommended disciplinary action being taken against officers connected to the incident but since these officers are not in service at present, the case has been referred to the Financial Crimes Investigation Division (FCID) for further investigations.

**Recommendation**

- i. Taking further steps in regard to this incident by following it up and submitting a comprehensive report to the Committee within a month.

**Reporting the Present Status and Progress**

The report called for by the above recommendation has been submitted to the Committee by the letter of the Secretary to the Ministry of Skills Development and Vocational Training number 1-2/03/13/2017 dated 25.09.2017

**04. Obtaining a Peugeot vehicle by paying Rs. 16,380,140/= to the customs in 2017**

The Committee questioned on the Commission of the above transaction when the Authority did not have such a need as well as funds.

It was revealed that this transaction has happened as the Minister of Skills Development and Vocational Training agreed to it on an intimation of the Ministry of Finance and the required funds had been made available by the Ministry of Finance.

**Recommendations**

- i. Submit the letter sent by the Ministry of Finance to the Ministry of Skills Development and Vocational Training seeking consent to obtain this vehicle.
- ii. Referring the letters of the Ministry expressing consent to obtain this vehicle, to the Committee.

- iii. Informing the Ministry of Finance on the future action being taken in regard to this vehicle.
- iv. Submitting the reports of assessment if an assessment was made over the need of this vehicle.

### **Reporting the present status and progress**

The documents demanded by the Committee through the recommendations i – iii have been submitted to the Committee by the letter of the Secretary to the Ministry of Skills Development and Vocational Training No: 1-2/03/13/2017 dated 10.11.2017. **(Annexure 02)**

### **05. Remaining of Rs. 76 million in 04 reserves as at 31.12.2016**

The Committee inquired on the above matter and the Chairman stated that these funds operate in terms of the provisions of the Act and on the approved of the Board of Directors and a compensation received for rebuilding a parapet wall too is included in these reserves.

Another matter that surfaced at this meeting was that a representative of the Treasury is not in the Board of Directors.

### **Recommendations**

- i. Making a request to the Ministry of Finance to appoint a representative of the Treasury to the Board of Directors.
- ii. Including sections pertaining to the appointment of a representative of the treasury when the Act is amended in future.

### **Reporting the present status and progress**

It has been reported to the Committee that a request has been made to the Ministry of Finance to appoint a representative of the Treasury to the Board of Directors and arrangements would be made to include sections pertaining to the appointment of a representative of the Treasury when the Act is amended in future and that a representative of the Treasury attends the meetings of the Board of Directors as an observer.

### **06. Rented house for the accommodation facilities of the officers visiting Colombo**

Even though a house has been leased for the above purpose at the rate of Rs. 1,800,000/- a year, it has not been used for the intended purpose.

The Chairman said that arrangements were made to terminate the lease agreement in relation to this house.

### **Recommendations**

Submitting a comprehensive report including the following information about this transaction within a month.

- i. The reports that studied the need of such a house.
- ii. The reports of the Board of Directors that approved this decision
- iii. Tender calling documents
- iv. Government valuation reports
- v. How many officers from outstations have sought accommodation in this house?
- vi. Investigating about the owner of this house

### **Reporting the present status and progress**

The following information has been submitted to the Committee by the letter of the Secretary to the Ministry of Skills Development and Vocational Training No: 1-2/03/13/2017 dated 25.09.2017 on the above recommendations.

- i. The report demanded by recommendation (i) had not been submitted as a study has not been conducted on the need of a house to provide accommodation to officers of the National Apprenticeship and Technical Training Authority who visit the Head Office for official purpose.
- ii. The Board paper submitted to the Board of Directors by the former Chairman, Mr. A.U.C. Athukorala to rent the above house has been submitted to the Committee.
- iii. The newspaper advertisement published in newspapers on 19.08.2016 to rent the above house has been submitted to the Committee.
- iv. It has been reported to the Committee that the government valuation reports had not been obtained in renting this house.
- v. The report states that no officer from the outstation, has sought accommodation in this house and the former Deputy Chairman has lived in it from 01.02.2017 to 30.04.2017

**Annexure 01**

2. වැඩ තහනමට ලක් වූ නිලධාරීන්ට අදාළව සිදුකරගෙන යන විමර්ශන වල ප්‍රගතිය

(1) I. ප්‍රීතිකා රණසිංහ මිය - හිටපු අධ්‍යක්ෂ (මුදල්)

- අධ්‍යක්ෂ (මුදල්) බදවා ගැනීම් සම්බන්ධයෙන් පැවැත්වූ මූලික විමර්ශනයේ නිර්දේශ මත 2015.08.20 දින සිට ක්‍රියාත්මක වන පරිදි වැටුප් රහිතව අධ්‍යක්ෂ (මුදල්) වශයෙන් සේවය කළ ප්‍රීතිකා රණසිංහ මහත්මියගේ වැඩ තහනම් කර එදිනම වෝදනා පත්‍රය නිකුත් කර ඇත.
- නිපුණතා අභිෂේක වැඩසටහන මාතර (නිපුණතා ආංශික සංවර්ධන ව්‍යාපෘතිය) පැවැත්වූ වැඩසටහන සම්බන්ධව පැවැත්වූ මූලික විමර්ශනයේ නිර්දේශ මත අධ්‍යක්ෂ (මුදල්) වන ප්‍රීතිකා රණසිංහ මහත්මිය වෙත 2016.05.20 දිනැති වෝදනා පත්‍රයක් නිකුත් කර ඇත.

II. ප්‍රදීපා උදාකර මිය - හිටපු අධ්‍යක්ෂ ජනරාල්

- උක්ත සඳහන් අධ්‍යක්ෂ (මුදල්) බදවා ගැනීම් සම්බන්ධයෙන් මූලික විමර්ශනයේ නිර්දේශ මත අධ්‍යක්ෂ ජනරාල් ප්‍රදීපා උදාකර මහත්මියට 2015.08.20 දිනැති වෝදනා පත්‍රය නිකුත් කර ඇත.
- උක්ත සඳහන් නිපුණතා අභිෂේක වැඩසටහන මාතර (නිපුණතා ආංශික සංවර්ධන ව්‍යාපෘතිය) පැවැත්වූ වැඩසටහන සම්බන්ධ මූලික විමර්ශනයේ නිර්දේශ මත 2015.11.09 දිනැති වෝදනා පත්‍රයක් නිකුත් කර ඇත.
- හිටපු සභාපතිවරයා විසින් ඉහත මූලික විමර්ශන වාර්තාවේ නිර්දේශ අනුව අධ්‍යක්ෂ ජනරාල් ප්‍රදීපා උදාකර මහත්මියගේ සේවය අවසන් කිරීම හෝ රාජකාරි වැඩ තහනම් කර විනය පරීක්ෂණ පැවැත්වීම සම්බන්ධයෙන් උපදෙස් ලබා ගැනීම සඳහා 2015.11.06 දින රේඛීය අමාත්‍යාංශ ලේකම්තුමා වෙත ලිපියක් යොමු කර ඇත.
- රේඛීය අමාත්‍යාංශ ලේකම්තුමාගේ ADM/01/08/07/14 හා 2016.02.19 දිනැති ලිපිය ප්‍රකාරව අධ්‍යක්ෂ ජනරාල් ප්‍රදීපා උදාකර මහත්මියගේ රාජකාරි වැඩ තහනම් කරන ලෙසත් මූලික විමර්ශන වාර්තාවේ නිර්දේශ සලකා ඇයට එරෙහිව විධිමත් විනය පරීක්ෂණයක් පැවැත්වීමට කටයුතු කරන ලෙසත් දැනුම් දී තිබුණි.
- ඒ අනුව 2016.02.25 දින සිට ක්‍රියාත්මක වන පරිදි වැටුප් රහිතව එම නිලධාරියාගේ රාජකාරි වැඩ තහනම් කර 2015.11.09 දිනැති වෝදනා පත්‍රය මත විධිමත් විනය පරීක්ෂණය ආරම්භ කර ඇත.

III. එන්.එස්. නිශ්ශංකමිය - හිටපු අධ්‍යක්ෂ (පුහුණු)

- අධ්‍යක්ෂකවරු සහ සහකාර අධ්‍යක්ෂවරු බදවා ගැනීම් සම්බන්ධයෙන් මූලික විමර්ශනයේ නිගමන නිර්දේශ මත පදනම්ව අධ්‍යක්ෂ (පුහුණු) එන්.එස්. නිශ්ශංක මහත්මිය 2016.08.22 වන දින සිට ක්‍රියාත්මක වන පරිදි වැටුප් රහිතව රාජකාරි වැඩ තහනම් කර 2016.08.29 දිනැති වෝදනා පත්‍රය නිකුත් කර ඇත.
- වැඩ තහනම් කිරීම අභියෝගයට ලක් කරමින් ඇය විසින් මූලික අයිතිවාසිකම් පෙත්සමක් ශ්‍රේෂ්ඨාධිකරණයේ ගොනු කරන ලදී. එම පෙත්සම අභිවිනිසුරුතුමා ප්‍රමුඛ තීප්‍රද්ශල විනිසුරුවරුන් ඉදිරියේ සලකා බැලීමෙන් අනතුරුව නිශ්ප්‍රභා කරන ලදී.

- (2) උක්ත සඳහන් විධිමත් විනය පරීක්ෂණ සඳහා ආයතන සංග්‍රහයේ XLVIII පරිච්ඡේදයේ 19.5 උපවගන්තිය යටතේ විනය පරීක්ෂණ සංවිතයේ ඇතුළත් වී සිටින එස්.කේ.ලියනගේ මහතා ඒක පුද්ගල විනිශ්චක සභාව ලෙස පත් කර ඇත.

විධිමත් විනය පරීක්ෂණ	මුදිත නිලධාරී	ඒක පුද්ගල විනිශ්චක සභාව පත් කල දිනය	විධිමත් විනය පරීක්ෂණ ආරම්භ කල දිනය
අධ්‍යක්ෂ (මුදල්) බදවා ගැනීම	ප්‍රීතිකා රණසිංහ මහත්මිය හිටපු අධ්‍යක්ෂ (මුදල්)	2015.09.14	2015.10.30
	ප්‍රදීපා උදාකර මහත්මිය හිටපු අධ්‍යක්ෂ ජනරාල්	2015.09.04	2015.10.16
නිපුණතා අභිමේක වැඩසටහන - මාතර	ප්‍රදීපා උදාකර මහත්මිය හිටපු අධ්‍යක්ෂ ජනරාල්	2016.04.18	2015.05.28
	ප්‍රීතිකා රණසිංහ මහත්මිය හිටපු අධ්‍යක්ෂ (මුදල්)	2016.08.03	2016.08.25
අධ්‍යක්ෂ (පුහුණු) බදවා ගැනීම	එන්.එස්. නිශ්ශංක මහත්මිය හිටපු අධ්‍යක්ෂ (පුහුණු)	2016.11.23	2016.12.21

- (3) මේ වන විට අධ්‍යක්ෂ (මුදල්) බදවා ගැනීම් සම්බන්ධ හිටපු අධ්‍යක්ෂ (මුදල්) ප්‍රීතිකා රණසිංහ මහත්මියගේ හා හිටපු අධ්‍යක්ෂ ජනරාල් ප්‍රදීපා උදාකර මහත්මියගේ විධිමත් විනය පරීක්ෂණ කටයුතු අවසන් කර ඇති බවත් එම විධිමත් විනය පරීක්ෂණ වාර්තාව ලබා දීමට කටයුතු කරන බවත් ඒක පුද්ගල විනිශ්චක සභාව විසින් දන්වා ඇත.

- (4) උක්ත විධිමත් විනය පරීක්ෂණයන්හි 2017.05.23 දින වන විට ප්‍රගතිය ඒක පුද්ගල විනිශ්චක සභාව විසින් දන්වා ඇත. (ඇමුණුම I)

විධිමත් විනය පරීක්ෂණ	මුදිත නිලධාරී	විධිමත් විනය පරීක්ෂණ ප්‍රමාද වීමට හේතු
නිපුණතා අභිමේක වැඩසටහන - මාතර	ප්‍රදීපා උදාකර මහත්මිය හිටපු අධ්‍යක්ෂ ජනරාල්	පරීක්ෂණ සඳහා සහභාගී නොවීම, රැකවරණ නිලධාරියා මිය යාම නිසා නව රැකවරණ නිලධාරියකු පත් කිරීම හා මසකට එක් වරක් පමණක් විධිමත් විනය පරීක්ෂණ පැවැත්වීමට කටයුතු කරන ලෙස කල ඉල්ලීම් යන කරුණු මතද
	ප්‍රීතිකා රණසිංහ මහත්මිය හිටපු අධ්‍යක්ෂ (මුදල්)	පරීක්ෂණ සඳහා සහභාගී නොවීම මතද
අධ්‍යක්ෂ (පුහුණු) බදවා ගැනීම	එන්.එස්. නිශ්ශංක මහත්මිය හිටපු අධ්‍යක්ෂ (පුහුණු)	අවසන් සාක්ෂිකරුවන් සාක්ෂිය මෙහෙය වීමට පමණක් ඇත

- (5) නමුත් හිටපු අධ්‍යක්ෂ ජනරාල්වරිය ප්‍රදීපා උදාකර මහත්මිය, හිටපු අධ්‍යක්ෂ (මුදල්) ප්‍රීතිකා රණසිංහ මහත්මිය හා හිටපු අධ්‍යක්ෂ (පුහුණු) එන්.එස්. නිශ්ශංක මහත්මිය විසින් 2017.06.05 වන දින ගරු අමාත්‍යතුමා වෙත ඉදිරිපත් කල ලිපිය අනුව දැනට සිටින ඒක පුද්ගල විනිශ්චක සභාව වෙනස් කිරීම සඳහා 2017.07.21 දින පාලක මණ්ඩල අනුමැතිය සඳහා පාලක මණ්ඩල පත්‍රිකාවක් ඉදිරිපත් කල අතර ඒ අනුව ඒක පුද්ගල විනිශ්චක සභාව වෙනස් කිරීමට හා නැවත මෙම විධිමත් විනය පරීක්ෂණ කටයුතු මුල සිට ආරම්භ කිරීමට අනුමැතිය ලැබුණි. 2017.08.18 දින පැවති පාලක මණ්ඩල රැස්වීම මගින් පාලක මණ්ඩල සටහන් සම්මත කරන

ලදී. පාලක මණ්ඩලයේ උපදෙස් පරිදි ආයතන සංග්‍රහයේ II කාණ්ඩයේ XLVIII වන පරිච්ඡේදයේ 19.5 උපවගන්තිය යටතේ නම් කරන ලද ව්‍යවස්ථාපිත පරීක්ෂණ නිලධාරී සංවිනයෙන් ව්‍යවස්ථාපිත පරීක්ෂණ නිලධාරියෙකු ලෙස ඇතුළත් වී සිටින බව. එමගමගේ මහතා නිපුණතා අභිෂේක වැඩසටහන මාතර (නිපුණතා ආංශික සංවර්ධන ව්‍යාපෘතිය) පැවැත්වූ වැඩසටහන සම්බන්ධව ඒක පුද්ගල විනිශ්චය සභාව ලෙසද ධර්ම භේවාමද්දුම මහතා, අධ්‍යක්ෂ (පුහුණු) බදවා ගැනීම සම්බන්ධ විනිශ්චය සභාව ලෙසද පත් කර ඇති අතර මෙම මස තුළ ව්‍යවස්ථාපිත පරීක්ෂණ කටයුතු ආරම්භ කිරීමට කටයුතු කරනු ලැබේ.



ශ්‍රී ලංකා පොදු ජනාධිපතිවරයාගේ  
සභාපති

**Annexure 02**



**Ravi Karunanayake - M.P**  
**Minister of Finance**

My Ref: FM/KADS/E/5445/17

Date: 28.02.2017

Hon Mahinda Samarasinghe  
Minister of Skills Development and Vocational Training,  
Ministry of Skills Development and Vocational Training,  
"Nipunatha Piyasa"  
Elvitigala Mawatha, Narahenpita,  
Colombo 05

*see / with chair*  
*German Tech Institute*

Dear Mahinda,

Donation of two brand new Peugeot vehicles to the Automotive training institute

*Pl. follow up with R/Minister*

I have been informed by Carmart that their principals, Automobiles Peugeot, that two 2015 brand new Peugeot 508 vehicles were sent to India for a motor show, but will not be retained in India as the vehicles were sent on a Carnet and then on shipped to Sri Lanka on a no foreign exchange basis.

Carmart, together with their principles, Automobiles Peugeot has requested me to consider these vehicles to be donated to a Sri Lankan engineering institute to be used as a work bench to give automotive engineering students hands on experience in working on the latest high-tech cars.

I have instructed my team to coordinate with yours to arrange this to be given to the Japan Tech and German Tech institutes respectively.

I would appreciate your support as always to clear these vehicles via National Apprentice & Industrial Authority in order to facilitate the donation.

Furthermore, I also look forward to hand over these vehicles with your participation on a mutually acceptable date.

Thank you.

Yours Faithfully

**Ravi Karunanayake**  
Minister of Finance

*CFO*  
*Pl. see how we should proceed to obtain these vehicles*  
*7/3*

- Cc: 1. Dr. R.H.S. Samararatunga, Secretary to the Treasury, Ministry of Finance  
 2. Mr. K.D.S. Ruwanachandra, Director General of Budget Department  
 3. Mr. Yasendra Amarasinghe, Chief Executive Officer, Carmart Limited, 424 Union Place, Colombo 02.

K-h/a

Office: +94112484500, +94112484600, +94112484700, +94112484798 Fax No: +94112422507

Website : www.treasury.gov.lk, email : minister@treasury.gov.lk

Minister of Finance, The President's Office, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200

2-2/03/3(ii)/2017

9/03/2017

Director General of Budget,  
Department of National Budget, General Treasury,  
Colombo 01.

**Donation of two Brand New Peugeot vehicles to the Automotive Training Institute**

This has reference to the letter no. FM/KAD/E/5445/17 dated 28/02/2017 addressed to Hon.Mahinda Samarasinghe, Minister of Skills Development and Vocational Training by Hon.Ravi Karunanayeka, Minister of Finance with a copy to you on the above subject.(The copy of letter attached)

With the purpose of giving hands on experience to the students of the Sri Lanka Engineering Institutes (German Tec & Japan Tec) on the latest high tech cars, two brand new Peugeot 508 vehicles have been donated by Carmart (Pvt) Limited and clearance should be done by the National Apprentice & Industrial Training Authority (NAITA).

As the Ministry of Skills Development & Vocational Training we have to bear the cost of Tax & demurrage amounting to Rs.32, 798,481/-for clearance as per the letter of Carmart (Pvt) Ltd.

We would appreciate if you could grant an additional allocation to following vote amounting to Rs32, 798,481/- since our budget provision is insufficient to cover the expense to proceed with this donation.

<u>Vote</u>	<u>Amount (Rs.)</u>
197-01-02-04-2201-NAITA	16,399,240.50
197-01-02-13-2201-CGTTI	16,399,240.50

Your early attention in this regard is highly appreciated.

  
Secretary  
Ministry of Skills Development & Vocational Training  
o/c

Copy: 1 Chairman, National Apprentice & Industrial Training Authority (NAITA)  
2 Chairman, Ceylon German Technical Training Institute (CGTTI)



## **Paddy Marketing Board**

(Ministry of Rural Economic Affairs)

*(This institution has been brought under the purview of the Ministry of Agriculture, Rural Economic Affairs, Livestock Development, Irrigation and Fisheries & Aquatic Resources Development from 28.12.2018)*

**Date of Examination : 06<sup>th</sup> July 2017**

### **Matters Discussed**

#### **01. Exporting rice in the year 2013**

Even though paddy had been given to 32 mill owners by the Board in exporting rice in 2013 only a portion of that stock of paddy had been made in to rice and given back to the C.W.E. The Committee inquired on the measures taken to recover the outstanding amount in relation to the balance stock of rice and to prevent such frauds from happening in future.

The Deputy General Manager stated that 06 out of the 32 mill owners have been blacklisted following complaints being lodged in the Criminal Investigation Department in 2014 and disciplinary actions have been taken against the accused officers for dealing with mill owners without agreements and that agreements will be made to enter into agreements after checking the registration of mill owners in order to prevent such frauds from taking place in future.

### **Recommendations**

- i. Submitting the list of names of mill owners which was referred to the Criminal Investigation Department for conducting investigations to the Committee.
- ii. Submitting a report which includes separate information on the following to the Committee
  - Who is the accused officer against whom the board has taken disciplinary action on each matter?
  - What are the disciplinary actions taken against them?

### **Reporting the present status and progress**

- i. The list of names of mill owners that was submitted to the Criminal Investigation Department for conducting investigations for failure to return the due volume of rice that was issued to them for exporting by the Paddy Marketing Board in 2013 has been referred to the Secretary to the Ministry of rural Economic Affairs by the letter dated 22.08.2017 with a copy to the Committee. The list of names as follows.

Name of the Mill	Name of the owner of the Mill	The amount of money being complaint about (Rs.)
Okas Rice Mill	Mr. M.S.M. Haroon	10,032,785.00
Abul Rice Mill	Mr. A.K. Abul	17,963,913.00
Rice Lanka Rice Mill	Mr. M.S.M. Haroon	39,239,429.00
New Royal Rice Mill	Mr. J.M. Subair	37,630,444.00
Fathima Rice Mill	Mr. G.G.M.H.M. Sufrikan	7,762,214.00
Katukeliyawa Rice Mill	Mr. L.V. Sunil	6,613,045.00
Jayawickrama Rice Mill	Mr. J.A.S.M. Jayawickrama	15,472,891.00
A.S.M. Rice Mills	Mr. S.M.M. Faws	9,278,955.00

ii. That following action has been taken against Mr. K.A.V.U.S. Perera, the Deputy General Manager who is primarily responsible for the above transaction of issuing paddy on loan basis.

- Filing a case against him, in the court.
- Conducting a preliminary inquiry on the institution level and serving a charge sheet (Disciplinary actions have been temporarily suspended owing to judicial procedure)

According to the revelations at the inquiry against Deputy General Manager Mr. K.A.V.U.S. Perera, if there are other officers involved, disciplinary action would be initiated against them as well.

## 02. Selling paddy as animal feed

The Committee discussed at length about the loss of Rs. 2,487.7 million, the Board had to incur owing to selling paddy to private companies at Rs. 24 a kilogram for animal feed in 2016 when it was possible to sell a stock of paddy (Nadu) which was purchased at Rs. 45 a Kilogram in the Maha season of 2014/2015 and Yala season of 2015, at Rs. 45 a Kilogram and the availability of not only paddy unsuitable for human consumption but also paddy of good quality in the stocks so issued as well as the issue of maintaining such stocks to be sold to mills that do not manufacture animal feed at higher prices.

The Secretary to the Ministry and the Chairman of the Board stated that paddy had been sold as mentioned above in order to secure storage facilities for the harvest of the upcoming season as there was a huge surplus of paddy in the Paddy Marketing Board at that time which necessitated the sale of that stock of paddy regardless of whether it was suitable for human consumption or not.

### **Recommendations**

To send a report containing the following information to the Prime Minister's Secretariat within a week with a copy to the Committee.

- i. All storage facilities where paddy can be stored throughout the country
- ii. The Ministries/Departments/Private Institutions under which those warehouses come at present
- iii. The storage capacity of those warehouses
- iv. Whether they are suitable/unsuitable for storing paddy
- v. Warehouse necessity (the type of warehouses in each area)
- vi. The value of paddy stored in all those warehouses separately
- vii. The remaining space in those warehouses.
- viii. The shortage an excess of storage capacity according to area paddy is received from
- ix. Whether the existing warehouses are sufficient
- x. If the number of warehouses mentioned in (ix) above, is not sufficient the districts and cities where new warehouses should be located.

### **Reporting the Present Status and Progress**

The above report has been submitted to the Secretary to the Prime Minister by the letter of the Secretary to the Ministry of Rural Economic Affairs MRE/3/13/4/2016 dated 23.03.2017 with a copy to the Committee.

### **03. Setting up of warehouses of paddy**

The Committee inquired whether a scientific study on the total storage capacity / warehouse need; required to purchase sufficient paddy in order for the Board to control the price of paddy and a comprehensive study on storing and issuing paddy and determining prices have been conducted.

The Chairman of the Board informed the Committee that such studies have not been conducted and that a scientific study have not been conducted and that a sufficient study on purchasing, maintaining stocks and selling of paddy can be conducted and a strategic plan in that direction can be formulated.

### **Recommendations**

- i. Submitting the plan the Board has already prepared in regard to these to the Committee within a week
- ii. Submitting the completed plan later

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### **Reporting the Present Status and Progress**

- i. Four project reports on establishing warehouses of paddy and enhancing the standard of the existing warehouses has been submitted to the Committee by the letter of the Ministry of Rural Economic Affairs dated 22.08.2017 with a copy to the Secretary of the Committee on Public Enterprises.
- ii. A comprehensive report containing long term and short term strategies on purchasing and selling stocks of paddy has been submitted to the Committee by the letter of the Ministry of Rural Economic Affairs MRE/03/03/13/4/2016 dated 27.09.2017

### **04. Post of General Manager**

The Committee paid its attention to the post of General Manager which is vacant at present.

The Board was of the opinion that owing to the fact that case against the violation of human rights of the former General Manager is pending before the Supreme Court, there is no possibility to appoint a new General Manager.

### **Recommendations**

- i. To make arrangements to fill the vacancy of General Manager without delay.

### **Reporting the Present Status and Progress**

The present status of the steps taken to fill the vacancy of General Manager has not been reported to the Committee as at 31.03.2018

### **05. Loans to be settled and received**

The Committee discussed how outstanding loans to the Treasury, Bank o Ceylon and People's Bank can be settled and how loans to be received from other state Institutions can be recovered.

The Deputy General Manager stated that this type this type of a liability has ocured owing to policy decisions takes by the government from time to time and that futher action in this regard is perused in accordance with a Cabinet decision made in this regard.

### **Recommendations**

- i. Paying attention to other measures that can be adopted to overcome issues in a manner that is not determined to the objectives of the institution.
- ii. Developing a strategic programme to attract the small and medium scale paddy mill owners to the Board.

## **06. Damage to Stocks**

A deficiency of 16,853,527 Kilograms of paddy worth Rs. 506 million in 235 warehouses in Polonnaruwa – South and North West, Anuradhapura and Ampara zones had been detected while 586,107 Kilograms of paddy worth Rs. 17 million in those zones have rotten. The Committee paid its attention to the importance of verifying stock in a bid to avoid such damages and deficiencies and a system of issuing the first stock first as well as measures to overcome the shortcomings in the warehouses at present.

The above deficiency had been detected at the verification of stocks conducted in 2014 and at present too verification of stocks take place while arrangements are in place to recover a sum of Rs. 9.17 million from the 14 officers who are responsible for unrealistic stock damages.

### **Recommendations**

- i. Submitting a report on the facilities available in the warehouses of the Paddy Marketing Board to issue first stocks first.

### **Reporting the Present Status and Progress**

The above report is due to be received from the Auditor General's Department.



## **State Pharmaceuticals Corporation**

(Ministry of Health, Nutrition and Indigenous Medicine)

## **National Medicines Regulatory Authority**

(Ministry of Health, Nutrition and Indigenous Medicine)

**Date of Examination: 07<sup>th</sup> July 2017**

### **Matters Discussed**

On 06 April 2017 the State Pharmaceuticals Corporation was summoned before the Committee and the Committee decided to meet again at 2.30 p.m. on 24<sup>th</sup> May 2017 to discuss about the cancer drug and decided that the officers of the Sri Lanka College of Oncologists, officers of the State Pharmaceuticals Corporation, the Secretary of the Ministry and the relevant officials, officers of the Medical Supplies Unit, the immediate past Chairman, the incumbent Chairman and the Chief Executive Officer of the National Medicines Regulatory Authority.

The session of the Committee which was scheduled to be held at 2.30 p.m. on 24 May was postponed until 07 July 2017 and accordingly, the State Pharmaceuticals Corporation of Sri Lanka and other relevant parties were summoned before the Committee and the details of the inquiry are disclosed herein.

### **01. National Medicines Regulatory Authority making irresponsible submissions**

When inquiries were made by the Auditor General's Department about the controversial cancer drug as per the instructions of the Committee on Public Enterprises, the responses were submitted without the signature of the Chairman of the National Medicines Regulatory Authority regarding which the committee expressed its deep displeasure.

### **Recommendations**

- i. Be attentive and act in a responsible manner in submitting information henceforth.

### **Present situation and reporting progress**

It was reported to the Committee by the letter No. SH/NMRA-COPE/02/2018 dated 29.03.2018 of the Secretary of the Ministry of Health, Nutrition and Indigenous Medicine that the signature of the Chief Executive Officer was placed on the above letter referred to the Audit Division by the Authority since the signature of the Chief Executive Officer is usually affixed to letters and documents sent by of the National Medicines Regulatory Authority.

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However it is observed that the letter referred to the Secretary of the Ministry of Health, Nutrition and Indigenous Medicine on 16.03.2018 by the Authority for reporting this matter to the Committee had been referred to the Secretary of the Ministry of Health, Nutrition and Indigenous Medicine by the Chairman of the National Medicines Regulatory Authority with the signature of the Chief Executive Officer of the Authority. (Annexure 03)

**02. The institution in Russia which registered the drug ‘Herticad’ brought for cancer treatment**

The committee inquired about the institution in Russia in which this drug has been registered in the same way the drug registration activities are carried out in Sri Lanka by the National Medicines Regulatory Authority.

When a drug is registered in another country, a Certificate of Pharmaceutical Products (COPP) should be obtained and in many countries, it is issued by an institution affiliated to the Ministry of Health. But the Regulation Pharmacist of the National Medicines Regulatory Authority stated that the certificate for the aforesaid drug had been issued by the Ministry of Industry and Commerce of Russia.

**03. Composition of the Technical Committee for Approval of Medicines**

The committee inquired whether there had been doctors who had knowledge about this drug in the Technical Committee relevant which approved this medicine.

The Chairman of the State Pharmaceuticals Corporation said that since this was a cabinet tender, the technical committee was approved by a separate division of the Ministry.

The Chairperson of the Sri Lanka College of Oncologists said, that the drug “Herticad”-

- i. had been declared as unsuitable at several technical committees,
- ii. but that opinion had been disregarded;
- iii. the tender had been awarded despite such objections
- iv. and when the drug was required, it was requested by its generic name ‘Trastuzumab’ and never by its brand name ‘Herceptin’,

**Present situation and reporting progress**

It has been reported that three oncologists participated in the first Technical Committee appointed in respect of the drug name ‘Herticad’ and one of them had not agreed to the purchase of ‘Herticad’ while the other two had agreed. It has

been further reported by letter No. SH/NMRA-COPE/02/2018 dated 29.03.2018 of the Secretary of the Ministry of Health, Nutrition and Indigenous Medicine that thereafter another committee consisting of 5 medical specialists had been appointed and once again save for the specialist who objected to the drug at the first committee, the other four had agreed. But none of the recommendations made by the said Technical Committee had been submitted to the Committee.

**04. Allegations by Regulation Pharmacist of the State Pharmaceuticals Corporation Mr. Krishantha De Silva that the Auditor General had acted partially.**

The serious allegation above was made when it was stated by the Auditor General that as per the audit opinion it had been confirmed that the approval had been obtained without the relevant doctors participating in the meeting for obtaining approval of the drug registration technical committee.

**Recommendation**

- i. Conducting a disciplinary inquiry against the relevant officer and submitting the report to the Committee.
- ii. Handing over all files brought by Mr. Krishantha De Silva to answer the queries of the Committee and those prepared to be submitted in respect of the court case filed in this regard to the Criminal Investigations Department and reporting the progress thereof to the Committee.

**Present situation and reporting progress**

In letter No SH/NMRA-COPE/02/2018 dated 29.03.2018 of the Secretary to the Ministry of Health, Nutrition and Indigenous Medicine, it has been stated that the alleged statement may have been directed at officers who prepared the report and not against the Auditor General due to the pain of mind caused to Mr. Silva as he had felt that certain details submitted by the National Medicine Regulatory Authority had been ignored in preparing the report.

However it has hitherto not been reported to the Committee that action had been taken to conduct a disciplinary inquiry against Mr. Krishantha De Silva or any measures had been taken regarding the conduct of a disciplinary action as recommended by the Committee.

Thus it is observed that due attention had not been paid to the recommendations of the Committee.

**05. Reasons for objections of the College of Oncologists for administering the drug 'Herticad'**

The College of Oncologists declared that it objected to the drug as it had only been given to 44 patients in Russia of whom 05 had died and that administering

this drug to early stage breast cancer patients could be detrimental as it was a drug given to advanced breast cancer patients. The Chairperson of the College of Oncologists stated that some doctors of the College administer the drug to patients while some others do not and those who refuse to administer the drug have to face disciplinary action.

**06. Inquired whether the College of Oncologists did not complain after the registration of “Herticad”**

The chairperson of the College of Oncologists said that what was registered by them was a drug named ‘Herticad’ which was very similar to ‘Herceptin’ and that it was suitable only for advanced breast cancer patients and not for cancer patients of all stages.

Though this situation was repeatedly brought to the notice of the Secretary of the Ministry, the Director of the Hospital had sent letters insisting the drug to be given to early stage cancer patients as well she added it was sad to see due recognition not being given to expert opinion of medical specialists and noted that as medical specialist they should have the right to recommend drugs.

**Annexure 03**

2018.03.16

සභාපති,  
ජාතික ඖෂධ නියාමන අධිකාරිය මගින්  
ලේකම්තුමා  
සෞඛ්‍ය පෝෂණ හා දේශීය වෛද්‍ය අමාත්‍යාංශය  
සුවසිරිපාය  
කොළඹ 10

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**පොදු ව්‍යාපාර පිළිබඳ කාරක සභාවේ නිර්දේශ**

උක්ක කරුණ සම්බන්ධයෙන් ඔබතුමාගේ MH/FCC/02/COPA/2017 දරන ලිපිය මගින් දන්වා ඇති පරිදි, පොදු ව්‍යාපාර පිළිබඳ කාරක සභාවේ නිර්දේශ -රාජ්‍ය ඖෂධ නීති ගත සංස්ථාව” යන මැයි 2017 අගෝස්තු මස 15 දින දරන ලිපියේ අමුණා ඇති 2017 ජූලි මස 07 වන දින පැවති පොදු ව්‍යාපාර පිළිබඳ කාරක සභා වාර්තාවේ සඳහන් කරුණු අතරින් ජාතික ඖෂධ නියාමන අධිකාරියට අදාළ නිර්දේශ පිළිබඳව අප ආයතනයේ හැඟිලි කිරීම් අදාළ අංක සමග ඔබතුමාගේ දැනගැනීමට පහතින් ඉදිරිපත් කරමි.

**01. ජාතික ඖෂධ නියාමන අධිකාරිය මගින් වගකීමකින් තොරව කරුණු ඉදිරිපත් කිරීම**

ජාතික ඖෂධ නියාමන අධිකාරියෙන් බැහැරව යන ලිපිලේඛනවල සාමාන්‍යයෙන් යොදනු ලබන්නේ ජාතික ඖෂධ නියාමන අධිකාරියේ ප්‍රධාන විධායක නිලධාරියාගේ අත්සනයි.

මෙම වාර්තාවේ සඳහන්වන ලිපිය ජාතික ඖෂධ නියාමන අධිකාරිය විසින් විගණන අංශය වෙත යොමුකරන ලද ලිපියකි. එම නිසා එම ලිපියේද යොදා ඇත්තේ ආයතනයේ ප්‍රධාන විධායක නිලධාරියාගේ අත්සනයි.

**03. පිළිකා රෝගය සඳහා හෙන්ටු Herticad ඖෂධය රුසියාවේ ලියාපදිංචි කළ ආයතනය**

ජාතික ඖෂධ නියාමන අධිකාරියේ ඖෂධවේදියා මෙම කාරක සභාවේදී සඳහන් කළේ Herticad ඖෂධය සඳහා COPP සහතිකය නිකුත්කර ඇත්තේ කර්මාන්ත හා වාණිජ අමාත්‍යාංශයෙන් බවත් රුසියාවේ එම සහතික නිකුත් කරනු ලබන්නේ කර්මාන්ත හා වාණිජ අමාත්‍යාංශයෙන් බවත්ය. එය වාර්තාවේ නිර්දේශවලින් හැඟියන පරිදි ප්‍රස්තුත ඖෂධය (Herticad) සඳහා පමනක් විශේෂ වූ සිදුවීමක් නොවේ.

**05. ඖෂධ අනුමත කිරීමේ තාක්ෂණික කමිටු සංයුතිය**

මෙම කරුණ සම්බන්ධව විස්තර සෞඛ්‍ය සේවා අධ්‍යක්ෂ ජනරාල් වෛද්‍ය ජයසුන්දර බණ්ඩාර මයා මනාව පැහැදිලි කරන ලදී. ප්‍රථමයෙන් පැවති තාක්ෂණික ඇගයීම් කමිටුවට පිළිකා රෝග පිළිබඳ විශේෂඥ වෛද්‍යවරුන් නිදෙනෙක් සහභාගි වූ අතර එක් වෛද්‍යවරයෙක් Horticad ඖෂධය මිල දී ගැනීම පිළිබඳව එකඟ නොවූ බවත් අනිත් වෛද්‍යවරුන් දෙදෙනාම එකඟ වූ බවත්, ඒ අනුව නැවත විශේෂඥ වෛද්‍ය නිලධාරීන් පස් දෙනෙකුගෙන් සමන්විත තාක්ෂණික ඇගයීම් කමිටුවක් පත් කරන ලදුව එහිදී එම විශේෂඥ වෛද්‍යවරයාම එකඟ නොවූ අතර අනිකුත් විශේෂඥ වෛද්‍යවරුන් සිව් දෙනාම එකඟ වූ බවත් ප්‍රකාශ කර ඇත. ඒ පිළිබඳව මෙම වාර්තාවේ කිසිදු සඳහනක් නොමැත.

**10. විගණකාධිපති වරයා විසින් පක්ෂග්‍රාහීව කටයුතු කළැයි ඖෂධ නියාමන අධිකාරියේ නියාමන ඖෂධවේදී ක්‍රිෂාන්ත ද සිල්වා මහතා විසින් චෝදනා කිරීම.**

විගණන නිලධාරීන් වෙත ජාතික ඖෂධ නියාමන අධිකාරිය මගින් ලබා දෙන ලද ඇතැම් තොරතුරු නොසලකා හරිමින් මෙම වාර්තාව සකස්කරකර ඇති බව හැඟී ගිය බැවින් ඇති වූ සිත්වේදනාව නිසා විගණකාධිපතිවරයා පිළිබඳ නොව අදාළ වාර්තාව සැකසූ නිලධාරීන් පිළිබඳව ක්‍රිෂාන්ත ද සිල්වා මහතා මෙබඳු ප්‍රකාශයක් කල බව අපගේ හැඟීමයි.

රුසියාවේ COPP සහතිකය නිකුත්කරනු ලබන්නේ සෞඛ්‍ය අමාත්‍යාංශය මගින් නොවන බව සඳහන් කරමින් රුසියානු සෞඛ්‍ය අමාත්‍යාංශය මගින් ලබා දී ඇති ලිපිය, COPP සහතිකය නිකුත් කිරීමට හැකි ආයතන පිළිබඳව ලෝක සෞඛ්‍ය සංවිධානයේ මාර්ගෝපදේශය, ඇතැම් ඖෂධ සඳහා ප්‍රමුඛතාව ලබාදෙන බව අපගේ වෙබ් අඩවියේ සඳහන්ව තිබීම ආදිය එසේ වාර්ථාව සැකසූ නිලධාරීන්ගේ අවධානයට ලක් නොවූ තොරතුරු අතරින් කිහිපයක් පමණි.

අදහස් ප්‍රකාශ කිරීමේ නිදහස තිබුණද ඉහත ප්‍රකාශය පිළිබඳව ක්‍රිෂාන්ත ද සිල්වා මහතා විසින් කෝප් කමිටුවේදී විගණන නිලධාරීන්ගෙන් සමාව ගෙන ඇත.

මෙම ඖෂධය සම්බන්ධව අභියාචනාධිකරණයේ පැවති නඩුවට ජාතික ඖෂධ නියාමන අධිකාරිය පාර්ශවයෙන් කරුණු ඉදිරිපත් කිරීමේදී එම කාර්ය පහසු කර ගැනීමට අවශ්‍ය ලිපිලේඛන එකට ගොනුකර තිබූ අතර කෝප් කමිටුව වෙත තොරතුරු දැක්වීමේදී රැගෙන ආවේද එම ලිපිගොනුවයි. එම ලිපි ලේඛණ සියල්ල නඩුවට ඉදිරිපත් කල ඒවා නොවේ. කෙසේ වෙතත් එම ලේඛන සියල්ල නිර්ව්‍යාජ ලේඛන බව වගකීමෙන් ප්‍රකාශ කර සිටීම්.

**12. විධිමත් පරීක්ෂණයක් කිරීම**

ජාතික ඖෂධ නියාමන අධිකාරිය විගණකාධිපති දෙපාර්තමේන්තුවට සහය නොදැක් වූ බව සඳහන් ප්‍රකාශය වගකීමෙන් හා නිහතමානීව ප්‍රතික්ෂේප කරමි.

මේ පිළිබඳව කරුණු ලබා ගැනීමට විගණන නිලධාරීන් ජාතික ඖෂධ නියාමන අධිකාරියට පැමිණි මුල් දිනයේම ජෛව විද්‍යාත්මකව සමාන ඖෂධ සහ ප්‍රස්තුත ඖෂධය ලියාපදිංචියට අදාලව ජාතික ඖෂධ නියාමන අධිකාරියේ සභාපති මහාචාර්ය අසිත ද සිල්වා මහතා ද එහි ප්‍රධාන විධායක නිලධාරී වන මාද ඖෂධවේදී ක්‍රිෂාන්ත ද සිල්වා මහතා ද දීර්ග ලෙස කරුණු පැහැදිලි කරගත් අතර වහාම අදාල ලිපිගොනුව ලේඛණාගාරයෙන් ගෙන්වා දීමටද කටයුතු කරන ලදී.

ඉන් අනතුරුව මෙම ආයතනයේ ඖෂධවේදී ක්‍රිෂාන්ත ද සිල්වා මහතා අවස්ථා 02 කදී අදාල ලිපිගොනුවේ විගණන නිලධාරීන්ට නිරාකරණය කරගැනීමට තිබූ කරුණු පිළිබඳව පැහැදිලි කර දෙන ලදී.

කෝප් කම්පුව වෙත ඉදිරිපත් කිරීමට විගණන නිලධාරීන් සැකසූ වාර්තාවේ එකඟ විය නොහැකි කරුණු පිළිබඳව දැනුම් දීමට සාධාරණ කාලයක් අවශ්‍ය බව සඳහන් කිරීම නිසා විගණන නිලධාරීන් මෙබඳු අදහසක් දරන බව ජාතික ඖෂධ නියාමන අධිකාරියේ හැඟීමයි.

තවද මෙම රැස්වීම් සටහනේ අප ආයතනයේ වර්තමාන සභාපති මහාචාර්ය අසිත ද සිල්වා මහතා හා ප්‍රස්තුත ඖෂධය ලියාපදිංචි කරන විට අධිකාරියේ සභාපති ලෙස කටයුතු කල මහාචාර්ය ලාල් ජයකොඩි මහතා විසින් ඉතා පැහැදිලිව ඉදිරිපත් කරන ලද පහත සඳහන් කරුණු ඇතුළත් වී නොමැතිබව කාරුණිකව දන්වා සිටිමි.

- 1) ජෛව විද්‍යාත්මකව සමාන ඖෂධ නිසා, ජෛව විද්‍යාත්මක ඖෂධ වෙනුවෙන් වැය කිරීමට සිදුවන වියදම විශාල වශයෙන් අඩුවන නිසා ඕනෑම රටකට ඉන් සුවිශාල වාසියක් අත්වන බව සහ මේ නිසා ශ්‍රී ලංකාව වැනි සංවර්ධනය වන රටවල පමණක් නොව ඇමරිකා එක්සත් ජනපදයේ ආහාර හා ඖෂධ ආයතනය, යුරෝපීය ඖෂධ නියාමන ආයතනය වැනි සංවර්ධනය වූ රටවල ඖෂධ නියාමන ආයතන පවා මෙම ජෛව විද්‍යාත්මකව සමාන ඖෂධ පිළිබඳව සුවිශේෂී අවධානයක් යොමුකර ඇතිබව.
- 2) ජෛව විද්‍යාත්මක සමාන ඖෂධ ලියාපදිංචි කිරීම මගින් රෝගීන් වැඩි සංඛ්‍යාවකට ඉහල සාර්ථකත්වයක් සහිත ඵලෙන් ඉතා මිළ අධික ඖෂධ කාන්ඩයක ප්‍රතිලාභ ලැබීමට අවස්ථාව හිමිවන බව.
- 3) සාකච්ඡාවට බඳුන්වී ඇති Trastuzumab ඖෂධය ජාතික ඖෂධ නියාමන අධිකාරියේ ලියාපදිංචිකර ඇත්තේ ලෝක සෞඛ්‍ය සංවිධානයේ සහ යුරෝපා ඖෂධ නියාමන ආයතනයේ මාර්ගෝපදේශ පාදක කොටගෙන ජෛවවිද්‍යාත්මක සමානතාව ඇගයීමට ලක්කිරීමෙන් අනතුරුව බව සහ මේ සඳහා ඖෂධයේ රසායනික පරීක්ෂණ වාර්ථා දත්ත මෙන්ම ඖෂධයේ භෞතරසායනික ගුණාංග පිළිබඳ දත්තද භාවිතාකර ඇති බව සහ මෙම ඖෂධය ලියාපදිංචියට පෙර ජෛව විද්‍යාත්මකව සමානතාව තීරණය කිරීම සඳහා ඖෂධ වේදාත්මක ඇගයීම ඖෂධවේදීන් විසින් ජාතික ඖෂධ නියාමන අධිකාරිය තුළ

අභ්‍යන්තරවද එහි සායනික වාර්ථාව ඇගයීම මහාචාර්ය අසිතද සිල්වා මහතා විසින් බාහිරවද සිදු කර ඇති බව.

- 4) පිළිකා වෛද්‍ය සංගමයේ සභාපතිනිය විසින් මෙම ඖෂධය පැතිරුණු පියයුරු පිළිකා රෝගීන්ට ලබා දිය හැකි නමුත් මූලික අවස්ථාවේ පියයුරු පිළිකා රෝගීන්ට ලබා දිය නොහැකි බව පැවසීම විද්‍යාත්මකව පිලිගත් Extrapolation (බහිර් නිවේශනය) නැමති මූලධර්මයට පටහැනි බව සහ මේ පිළිබඳව පිළිකා වෛද්‍යවරුන්ගේ සංගමයේ සභාපතිනිය පවසන කරුණු විද්‍යාත්මක පදනමින් තොර බව.
- 5) ඉන්දියානු ඖෂධ නියාමන ආයතනය වන මධ්‍යම ඖෂධ ප්‍රමිති පාලන ආයතනය ජෛව විද්‍යාත්මකව සමාන Trastuzumab ඖෂධ සඳහා ලියාපදිංචිය ලබාදීමේදී එම ඖෂධ පැතිරුණු පියයුරු පිළිකා රෝගීන්ට මෙන්ම මූලික අවස්ථාවේ පියයුරු පිළිකා රෝගීන්ටද ආමාශයික පිළිකා රෝගීන්ටද ලබාදිය හැකිබවට අනුමැතිය ලබාදී ඇත්තේ මෙම බහිර්නිවේශනය (Extrapolation) නැමති මූල ධර්මය පදනම් කරගෙන බව සහ මෙම තීරණය ඉන්දියාවේ දිල්ලි මහාධිකරණය මගින්ද නිවැරදි බව තීන්දු කර ඇතිබව.
- 6) ජෛව විද්යාත්මකව සමාන ඖෂධ භාවිතා කලහැකි රෝගතත්ව පිළිබඳව තීරණ ගැනීමේදී ඇමරිකානු ආහාර හා ඖෂධ නියාමන ආයතනය, යුරෝපා ඖෂධ නියාමන ආයතනය වැනි නියාමන ආයතන පවා මෙම මූලධර්මය යොදාගෙන ඇතිබව .
- 7) ඒවන විට ඖෂධ නියාමන අධිකාරිය තවත් ජෛව විද්යාත්මකව සමාන Trastuzumab නිෂ්පාදනයකට ලියාපදිංචිය ලබාදී තිබූ අතර ඒ සඳහා ද ඉහත සඳහන් කල බහිර්නිවේශනය (Extrapolation) නැමති මූල ධර්මය පොදු බව.
- 8) Herticad නමින් හඳුන්වන ජෛව විද්යාත්මකව සමාන Trastuzumab ඖෂධය සඳහා ලබාගත් තහනම් නියෝගය දීර්ගකර ගැනීමට Trastuzumab සඳහා ශ්‍රී ලංකාව තුල ඒකාධිකාරයක් පවත්වා ගෙන යමින් තිබූ සමාගම උත්සාහ කල බව සහ අභියාචනාධිකරණය විසින් එම ඉල්ලීම ප්‍රතික්ෂේප කරන ලද බව.
- 9) පිළිකා වෛද්‍ය සංගමයේ සභාපතිනිය සඳහන් කල පරිදි ඒවනවිට ලෝකයේ Herticad ලබා දී ඇති රෝගීන් සංඛ්‍යාව 44 ක් බව පැවසීම වැරදි සහගත බව හා ඒ වනවිට රෝගීන් 1000කට වඩා එම ඖෂධය ලබා දී තිබූ බව.
- 10) මෙම ඖෂධය පාවිච්චි කරන ලද විශේෂඥ වෛද්‍යවරුන් ගෙන් විමසා බැලූවද කිසිදු අවස්ථාවක මෙම ඖෂධ ලබාදුන් රෝගීන් තුල කිසිදු අහිතකර බලපෑමක් ඇති වී ඇති බවට වාර්තා වී නොමැති බව හා මෙම ඖෂධය ඒ වන විට මහරගම පිළිකා රෝහල ඇතුළු දිවයින පුරා පිහිටි පිළිකා මර්ධන ඒකකවල මාස 16 ක පමණ කාලයක් රෝගීන් විශාල

සංඛ්‍යාවකට භාවිතා කර තිබුනද එම කිසිදු ආයතනයකින් ඖෂධයේ ආරක්ෂිත බව හෝ ප්‍රත්‍යක්ෂ බව පිළිබඳව ජාතික ඖෂධ නියාමන අධිකාරියට පැමිණිලි ලැබී නොමැති බව.

11) මෙම ඖෂධය සම්බන්ධව අභියාචනාධිකරණයේ පැවති නඩුවට ජාතික ඖෂධ නියාමන අධිකාරිය පාර්ශවයෙන් කරුණු ඉදිරිපත් කිරීමේදී එම කාර්ය පහසු කර ගැනීමට අවශ්‍ය ලිපිලේඛන එකට ගොනුකර තිබූ අතර කෝප් කමිටුව වෙත තොරතුරු දැක්වීමේදී රැගෙන ආවේද එම ලිපිගොනුව බව සහ එම ලිපි ලේඛණ සියල්ල නඩුවට ඉදිරිපත් කල ඒවා නොවන බව.

මෙම කරුණු සියල්ල එම රැස්වීම් සටහනට ඇතුලත් නොවීමෙන් මෙම කරුණ සම්බන්ධයෙන් ජාතික ඖෂධ නියාමන අධිකාරිය ක්‍රියාකල ආකාරය පිළිබඳව වැරදි අවබෝධයක් ඇතිවීමට ඉඩ ඇති බව මාගේ හැඟීමයි.

මෙහි සඳහන් කර ඇති කරුණු පිළිබඳව හෝ ජාතික ඖෂධ නියාමන අධිකාරියට අදාල නොවන බව හැඟී යන නිසා පිළිතුරු ලබා දී නොමැති කරුණු පිළිබඳව වැඩිදුර පැහැදිලිකිරීමක් අවශ්‍ය නම් ඒ පිළිබඳව සහයෝගය දැක්වීමට ජාතික ඖෂධ නියාමන අධිකාරිය නොපැකිලිව ඉදිරිපත් වන බව කාරුණිකව දන්වා සිටිමි.

  
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Dr. Kamal Jayasingha  
MBBS, DFM, MSc-Med. Admn, MBA, DIPP/CA  
Chief Executive Officer  
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## **Hector Kobbekaduwa Agrarian Research and Training Institute**

(Ministry of Agriculture)

*(This institution has been brought under the purview of the Ministry of Agriculture, Rural Economic Affairs, Livestock Development, Irrigation and Fisheries & Aquatic Resources Development from 28.12.2018)*

**Date of Examination: 25<sup>th</sup> July 2017**

### **Matters Discussed**

#### **01. Composition of Board of Directors**

The committee inquired as to why the secretary of the state ministry was functioning as the chairman of the Board of Governors since the secretary of the ministry in charge of the subject of agriculture should be the Chairman of the Board of Governors as per the Act.

The Secretary to the Ministry stated that since the subject of Hector Kobbekaduwa Agrarian Research and Training Institute had been placed under the State Minister of Agriculture by Gazette Extraordinary No. 1986/6 dated 26 September 2016, the Secretary of the State Ministry had been appointed as Chairman of the Board of Governors.

### **Recommendations**

- i. In order to preempt any problematic situation in future, consulting the Attorney General's Department regarding the legal situation in this regard.

### **Present situation and reporting progress**

It had been notified by letter No. 5/32/COPE/HARTI dated 27.03.2018 of the Secretary of the Ministry of Agriculture that the Secretary of the Ministry of Agriculture was serving as Chairman of the Board of Governors as per the instructions given by the Attorney General.

#### **02. Non-functioning of the Internal Audit Committee**

The Committee inquired about the non-issue of any audit query for a period of nearly 06 months due to the internal audit division being non-functional.

The Director/ Chief Executive Officer said that the Internal Auditor had been released from the service until an inquiry was held consequent to an issue that arose at the commencement of year 2017 and added that the report of the Ministry of Public Administration in this regard had been received as of now and action would be taken accordingly.

**Recommendations**

- i. Pay special attention to this matter and take necessary action.

**Present situation and reporting progress**

It was reported to the Committee by letter No. 5/32/COPE/HARTI dated 27.03.2018 of the Secretary of the Ministry of Agriculture that the report of the Ministry of Public Administration would be referred to the meeting of the Board of Governors to be held on 20.11.2017 with the intention of taking a decision in this regard.

**03. Breaching of contracts by foreign scholarship recipients**

The committee inquired about a sum of Rs 15,992,125/= receivable from foreign scholarship holders for the breach of contracts who had pursued post graduate diplomas in foreign universities.

The Director/ Chief Executive Officer said that there only remained 10 scholarship holders as of now and that two of them had reached a settlement on the payments and a ruling in favour of the institution had been received following consultation with the Attorney General's Department in respect of two others and that strategic action was expected to be adopted for the recovery of dues from the remaining six.

**Recommendation**

- i. Pay special attention to this matter and take necessary action.

**Present situation and reporting progress**

It has been reported to the Committee by letter No. No. 5/32/COPE/HARTI dated 27.03.2018 of the Secretary of the Ministry of Agriculture that a balance of Rs 15,899,840/= was due to be recovered from nine foreign scholarship holders and action had been taken to recover the dues.

No of scholarship holders	Measures taken to recover dues
Scholarship holders -01	Settlement has been reached regarding the outstanding balance and payments are being made accordingly.
Scholarship holders -02	Following action taken in collaboration with the Attorney General's Department, a ruling in favour of the institution has been received
Scholarship holders -06	The Director/ Chief Executive Officer said that strategic action was expected to be adopted for the recovery of dues.

#### **04. Director's quarters being used by external parties**

The Committee inquired about giving the official quarters of the director to an external party for residence without levying a rent and without approval.

The Director/ Chief Executive Officer said that the quarters had been given temporarily to a coordinating secretary of the Minister as the director was not occupying it in year 2015 and that he had been asked as of now to vacate the quarters.

#### **Present situation and reporting progress**

The Committee was informed that action had been taken to inform the relevant party to vacate the said quarters.

#### **05. Purchasing computers**

The Committee inquired about the purchase of 17 computers at a cost of Rs 1.7 million in 2015 from an institution rejected by the Technical Committee, defects in those computers and no servicing them during the prescribed period in terms of service contracts.

The Director/ Chief Executive Officer stated that this purchase was made on the recommendation of the registrar of the institution.

The Committee expressed its displeasure over the involvement of an external party in making decisions about purchases despite their being a technical committee in the institution.

The Secretary of the Ministry said that action would be taken to prevent recurrence of such incidents in future.

#### **Recommendation**

- i. Submitting a report in this connection to the Committee within 02 weeks.

#### **Present situation and reporting progress**

It has been reported to the Committee by letter No. 5/32/COPE/HARTI dated 27.03.2018 of the Secretary of the Ministry of Agriculture that these computers had been purchased on the recommendation of the Procurement Committee of the Department and that action had been taken to carry put procurement activities in compliance with rules and regulations of the Code of Procurement Guidelines. Thus, instead of submitting the report asked by the Committee within 02 weeks, a period of more than 09 months had been taken to furnish information in that regard. But any supporting document to corroborate the aforesaid fact or a report as recommended by the Committee had not been submitted to the Committee even by 31.03.2018.

**06. Use of organic fertilizer**

The Director General of the Department of Agriculture said that the Hector Kobbekaduwa Institute only conducted agrarian research and technical researches were conducted by the Department of Agriculture and that awareness had been created amongst public that it was advisable to use less amounts of chemical fertilizers with organic fertilizer.

The Director General of the Department of Agriculture further said that scientific researches were being conducted to wean farmers off chemical fertilizer and encourage them to use organic fertilizer.

## **Sri Lanka Telecom**

(Ministry of Telecommunications and Digital Infrastructure)

*(This institution has not been placed under the purview of the any ministry in accordance with the Extraordinary Gazette No. 2103/33 dated 28.12.2018)*

**Date of Examination: 26<sup>th</sup> July 2017**

### **Matters Discussed**

#### **01. Corporate Plan, Action Plan and Procurement Plan**

The committee inquired about the reason for not having a business plan for the period from 2016-2017.

The Chairman said that a Corporate Plan was being prepared for years 2017-2022 and that the above plans were delayed as a result of not receiving the approval of the board of directors.

### **Recommendation**

- i. Submit a report to the Committee as to how the institution has achieved the goals outlined in the Corporate Plan and Strategic Plan of the institution in order to have an understanding about the vision of the institution.
- ii. Forwarding the procurement plan to the Auditor General.

### **Present situation and reporting progress**

The Performance Report with details as to how the institution achieved its goals had been submitted to the Committee by letter No. MTDI/I.AUDIT/03 dated 14.11.2017 of the Secretary of the Ministry of Telecommunications and Digital Infrastructure.

#### **02. Changing the organization realignment on a number of occasions from time to time during the period from 2015 to 2017**

The inquired about the reasons for above changes and asked whether the approval was obtained for such changes.

Responding to the query, the Chief Executive Officer said that such changes were necessitated due to the need to carry out institutional activities more effectively.

The Chairman stated that the approval had only been obtained for major changes and that action would be taken to inquire from the CEO at the meeting of the Nomination Committee appointed for the purpose of granting approval for such changes.

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**Recommendation**

- i. Submitting a report to the committee within 2 weeks indicating the number of times the organization realignment was changed and instances wherein approval was received and not received from the board of directors for such changes with copies of minutes of board meetings.

**Present situation and reporting progress**

It has been reported to the Committee by letter No. MTDI/I.AUDIT/03 dated 14.11.2017 of the Secretary of the Ministry of Telecommunications and Digital Infrastructure that a programme for the realignment of organizational hierarchy aimed at the growth of the institution had been implemented following the appointment of the new Group Chief Executive Officer and that the above programme was carried out step by step subsequent to awareness being created amongst the staff through circular 40/2015 (**Annexure 04**) since the implementation of the said programme all at once would have disrupted the business activities of the institution.

**03. Outsourcing services on contract basis despite a surplus of employees**

The committee discussed the above matter at length and even though it was stated that the outsourcing was done to prevent the collapse of consumer services during strikes, that committee was of the opinion that such claims were not plausible.

**Recommendation**

- i. The secretary of the Ministry and the Chairman of the company were ordered by the Committee to conduct a performance audit to ascertain whether the major services outsourced during year 2016 and up to now in 2017 could have been done by employing the internal staff so as to be useful to the institution as well and submit a report to the Committee within 2 months.

The Auditor General was instructed to extent his support for this purpose.

**Present situation and reporting progress**

The above report was submitted to the committee by letter No. MTDI/I.AUDIT/03 dated 14.11.2017 of the Secretary of the Ministry of Telecommunications and Digital Infrastructure.

**04. Proposed voluntary retirement scheme for 450 employees**

- i. Prevent the retirement of employees needed by the institution

The committee inquired about the measures to be adopted to prevent the retirement of employees needed by the institution through this scheme.

The Chairman said that this scheme which would require about Rs 01 billion was introduced as a solution to a surplus of 1500 employees in the institution and added that approval would only be granted after assessing each employee.

**ii. Spending a huge amount as salaries and bonuses**

The Chairman said that approximately 45% of the income of the institution was spent on employees which the institution could not afford. Paying special attention to this matter against the backdrop of debt burden of and losses incurred by the institution.

**iii. Recruitment of engineers with qualifications as set out by the Engineering Council Act**

The Chairman said that only the engineers who satisfy qualifications as the Engineering Council Act are recruited as of now.

**iv. Incurring a huge expenditure to increase the use of fiber optic lines**

The committee inquired into the reasons for increasing this number by another 600,000 in the backdrop of 80,000 out of existing 100,000 port centers remained unused with only 20,000 being used.

The Chairman said that action was taken to increase the use of these advanced fiber optic lines taking into account the future requirements.

**v. The ownership of lands belonging to the institution not confirmed**

The Chairman said that the reason for not being able to confirm the ownership of 464 lands belonging to the company was that such lands had not been gazetted at the time institution was converted into a company and that His Excellency the President had agreed to transfer the ownership to the Company through a grant and that legal action was being pursued in that regard.

**vi. The Auditor General has the right to audit the company**

The Committee pointed out that the Auditor General has the authority to audit the company as already more than 50% of the ownership of the company was with the government as the Treasury owns 49.50% of the shares and Ceybank Unit Trust owns 01% of the shares of the company.

**Annexure 04**

GCEO's Circular No. 40/2015

GCEO's Office,  
Sri Lanka Telecom PLC,  
Colombo 01.

23<sup>rd</sup> September 2015.

To: All Staff

**Organizational Re-alignment of Sri Lanka Telecom PLC**

Sri Lanka Telecom PLC is functioning in an increasingly competitive environment, where the future growth of the company relies on regaining market leadership and capitalizing on new opportunities created by advancements in ICT. An increased focus on delivering a great customer experience and further improving the efficiency of operations are essential for increasing company revenue and managing operational costs.

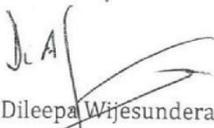
In order to accommodate the above, the organizational structure will be re-aligned to function as centres of excellence in Marketing, Planning, Sales and Operations.

The new group-level organizational structure is given in the Annex.

Further circulars will follow outlining the new organizational structures of each Group re-aligned under this initiative.

SLT looks forward to increased effectiveness in implementing its strategies and improved focus becoming the undisputed leader in the market, supported by this new organizational structure.

I invite the SLT team to use this as a new beginning to explore new opportunities and take the organization to greater heights.

  
Dileepa Wijesundera  
Group Chief Executive Officer

## **Sri Lanka Transport Board & Former Board of Directors**

(Ministry of Transport and Civil Aviation)

**Date of Examination : 08<sup>th</sup> August 2017**

**08<sup>th</sup> September 2017**

### **Matters Discussed**

#### **01. Approved Cadre**

It was observed that the permanent cadre had been 30,524 by 30<sup>th</sup> June 2017 even though approval had been obtained for a cadre of 24,886 in March 2017 and that the permanent cadre was in excess of the approved cadre by 5,638 and the reasons for such a situation were inquired into.

The Chairman stated that there had been a cadre of nearly 36,000 by 2015 and that 3,227 had left the service by obtaining compensation under the Voluntary Retirement Scheme introduced subsequently while another 526 were due to retire with compensation, that no new recruitment had been done after 2015, the remaining workers were due to retire on completion of the age of retirement, a plan had been submitted to the Treasury accordingly and that the cadre was expected to reach the approved number by 2021.

### **Recommendations**

- i. Sending a copy of the plan submitted to the Treasury to the Committee.

### **Reporting the current situation and the progress**

The said report has been submitted to the Committee through the letter of the Secretary to the Ministry of Transport and Civil Aviation bearing No.MT/07/06/06/08 dated 11.10.2017.

#### **02. Surplus of Drivers and Conductors**

The Committee inquired about the existence of a surplus of drivers and conductors at certain depots while there was a shortage of the same personnel at certain depots and also about 235 drivers and 528 conductors being engaged in duties not relevant to them as of 01 May 2015 and about the failure to take action to correct this situation.

The Chairman stated that such a situation had prevailed and that it had not been corrected. He stated that practical problems emerged on every occasion that attempts were made to change the said situation, a system of transferring workers based on the number of days of no pay leave taken by them had been developed and tried out initially in the North Western Province and that a transfer board representing all trade unions had been set up in addition. It was also stated by the

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Chairman that the number of drivers engaged in duties not relevant to them had reduced to 88 as a result of the retirement of 235 such workers, the number of such conductors had come down to 498 and that the situation would be corrected by the end of the year.

The Chairman further stated that it would be possible to reach a final solution in that regard at the end of the year as a committee had been set up with the agreement of all the trade unions.

### **Recommendations**

- i. Submitting a report in that regard to the Committee.

### **Reporting the current situation and the progress**

The said report has been submitted to the Committee through the letter of the Secretary to the Ministry of Transport and Civil Aviation bearing No.MT/07/06/06/08 dated 11.10.2017.

### **03. Procurement Procedure**

It has been observed that the procurement procedure had not been carried out according to a plan, that the report sent to the Committee in that regard was not acceptable, that the goods were supplied to the depots by the suppliers even though goods were ordered by the Head Office, that the difference caused due to lack of connection between the place of ordering place supplied was around 2,000 million and that no entry existed regarding the supply of goods in addition and the Committee questioned whether that situation had been identified.

It was stated by the Chairman that advance payment to any supplier had not been done within the last 3 years, that all payments had been made by obtaining invoices to the Head Office, that investigations regarding incidents of that nature that had happened in the past were under way and that a procurement plan had been submitted to the Board of Directors every year for approval.

### **Recommendations**

- i. Taking action to correct this situation using new technology, using a computer system.
- ii. Sending a report regarding similar incidents in the past.

### **Reporting the current situation and the progress**

The said report has been submitted to the Committee through the letter of the Secretary to the Ministry of Transport and Civil Aviation bearing No.MT/07/06/06/08 dated 11.10.2017.

#### **04. Purchasing Spare Parts**

Inquiring whether legal action has been taken against the persons responsible for the loss incurred to the Board as a result of purchasing spare parts from the following 2 private companies.

- i. STEEL Impex Institute
- ii. NYMBUS Company Ltd.

The Chairman stated that various investigations were going on in this regard at institution level, that the investigation file of the Financial Crimes Investigation Division had been handed over to the Attorney General and that investigations were conducted by the Presidential Investigation Unit and the Commission to Investigate Allegations of Bribery or Corruption.

#### **Recommendations**

- i. Sending to the Committee a comprehensive report on this transaction containing all the details from the beginning.

#### **Reporting the current situation and the progress**

The said report has been submitted to the Committee through the letter of the Secretary to the Ministry of Transport and Civil Aviation bearing No.MT/07/06/06/08 dated 11.10.2017.

#### **05. Importation of Buses**

Inquiring whether there was a policy of receiving one bus free of charge when 10 buses were imported and how 18 buses so obtained were distributed in Kalutara district.

The Chairman stated that those buses had not been received by Sri Lanka Transport Board and that an investigation was going on about that incident that had happened in the past.

#### **Recommendations**

- i. If there was any document provided by the Company from which the buses were imported relevant to the period when the buses were imported, claiming that such a gift was made to Sri Lanka Transport Board, submitting the same to the Committee.

#### **Current Situation and Reporting the Progress**

The said report stating that the buses distributed in Kalutara district were not buses imported by Sri Lanka Transport Board has been submitted to the Committee through the letter of the Secretary to the Ministry of Transport and Civil Aviation bearing No.MT/07/06/06/08 dated 11.10.2017.

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## **06. Repair of buses**

As it has been observed that 143 buses had been handed over to Wesco Company for repairs, inquiring what had happened to those buses.

The Chairman stated that those buses had not been returned and that a case had been filed against Wesco.

### **Recommendations**

- i. Ordering to send a report to the Committee in this regard including the relevant periods of time.

### **Reporting the current situation and the progress**

The said report has been submitted to the Committee through the letter of the Secretary to the Ministry of Transport and Civil Aviation bearing No.MT/07/06/06/08 dated 11.10.2017.

## **07. Re-summoning**

Ordering the re-summoning of Sri Lanka Transport Board on 08<sup>th</sup> September 2017 including the Board of Directors , Chairman of Transport Board, Chief Accountant, Chief Legal Officer, Chief Internal Auditor, Chief Executive Officer and any other officers necessary with relevance to the period, 2012- 2014.

At the same time, in case of intimating their inability to appear before the Committee, the Committee emphasized the necessity of obtaining such intimation in writing.

### **Reporting the current situation and the progress**

As recommended by the Committee, Sri Lanka Transport Board was summoned again to appear before the Committee on 08<sup>th</sup> September 2018.

*After this Institution had been called before the Committee on Public Enterprises on 08.08.2017, the Committee decided to call the Institute before the Committee once again on 08.09.2017. The following matters were discussed at this meeting:*

## **01. Purchase of Spare Parts**

It has been observed that spare parts worth approximately Rs.1500 million had been purchased from Steel Impex Company within the period 2011 – 2015 for requirement relevant to 2 months. Inquiring about the procedure followed in

selecting this institution in relation to this transaction and how the requirement for purchasing had been identified.

As it was observed that Nymbas Automatives Company had been awarded a part of the tender citing various short comings in the supply of spare parts by Steel Impex, inquiring how that had happened.

The former Chairman, Mr.M.D.Bandusena stated that the daily income of the institution had been in the range of Rs.33-40 million in 2010 and it had increased to Rs.60 million by the time he left that office in 2012, that the institution had been in a highly corrupt situation by that time and spare parts had been purchased from only two or three suppliers and according to the instructions received from the Hon. Minister when that situation had been brought to his notice, action had been taken to purchase spare parts through the SLTB Head Office and distribute them to places that required them, that a letter had been sent in that regard by the Secretary to the Ministry of Finance to the Secretary to the Ministry of Transport after discussions with the Treasury and that the Secretary to the Ministry of Transport had later informed that to the SLTB Head Office by a letter and that both those letters could be submitted. The Chairman further stated that the Hon. Minister had informed that the matter would be referred to the Cabinet to take a decision, that some countries including India had been informed in that regard later and a news paper advertisement had been published on 14.02.2011, that the requirement for two months had been identified by calling for a Technical Evaluation Committee report, that a procurement committee had been appointed in addition and that he could not remember whether the Board of Directors had been informed about that.

The Committee emphasized that the letter of the Secretary to the Ministry of Finance had been about instructions issued to the Customs Department to grant tax relief to the Department of Railways and Sri Lanka Transport Board in importing spare parts, that the limit for purchases for institution was Rs.50 million and any purchase exceeding that limit would require Cabinet approval, that the requirement for 02 months had been used to bypass that and that the decision should be subject to the approval of the Board even though it had been taken by an institutional level tender board. Stating that the following weaknesses have been observed.

- i. Absence of a report that identified requirements.
- ii. The method used to decide the requirement for 02 months is not clear.
- iii. It is obvious that the Board of Directors had not been reported about this.
- iv. The method used to select the supplier, Steel Impex is not clear.

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- v. The steps taken in relation to Steel Impex according to the agreement in selecting Nymbas Automotives to supply a part of the requirement are not clear.
  - vi. The agreement with Steel Impex and Nymbas Automotives is not satisfactory and the agreement had not been presented to the Procurement Committee and failure to follow such a procedure.
  - vii. Interest on late payment for spare parts has been U.S.\$3.9 million and paying to Steel Impex after the provision of Rs.122 million by the Treasury for this purpose on 21.07.2017.
  - viii. Evidence to confirm the receipt of all items as ordered, the provision of all those items for the use of depots is lacking and internal procedures followed are not clear.

### **Recommendations**

- i. Investigating whether the Board of Directors has been informed and reporting on that.

### **Reporting the current situation and the progress**

The Paper of the Board of Directors including the method of considering the exchange rates when payments are made to the two institutions, Steel Impex and Nymbas Automotives has been submitted to the Committee. **(Annexure 05)**

But it has been reported to the Committee through the letter of the Chairman of Sri Lanka Transport Board bearing No. ශ්‍රීලංකම /ස.කා./මු.කො./කෝප්/2017-9 dated 24.11 2017 that no evidence to prove that the Board of Directors had been informed about the purchase of items from Steel Impex and Nymbas Automotives could be discovered up to now.

### **02. Maintaining values in dollars**

Questioning about the reason for maintaining the values in dollars in the agreements signed with suppliers when items are ordered.

The former Chairman, Mr.M.D.Bandusena stated that it had been decided to maintain the prices in dollars as advised in discussions with the accountants in that regard.

The Committee was of the view that a huge additional expenditure had to be borne as a result of maintaining the prices in dollars.

### **Recommendations**

The following recommendations were made by the Committee.

- i. Submitting a report within one month stating the authority held to supply spare parts.
- ii. Submitting a report within one month stating the status of Steel Impex Company in India by 22.04.2011 and whether it prevails at present as well.
- iii. In preparing that report, stating the data based on which the Technical Evaluation Committee recommended this institution.
- iv. Reporting on the local agent of the Company.
- v. Conducting a special investigation about the extent to which the legal requirement in the country in relation to such a transaction has been followed, the requirements that have been bypassed and the manner in which the officials have acted in making decisions and submitting a report on the same.
- vi. Paying special attention to the safety of the documents relevant to these transactions and making arrangements to safeguard them.
- vii. Investigating the failure to subject the agreements to a legal analysis and a technical analysis and submitting a report in that regard.
- viii. Reporting on the reasons for adjusting the price of the spare parts to that of the previous month.

### **Reporting the current situation and the progress**

Regarding the aforesaid recommendations of the committee, the following information has been reported to the Committee through the letter of the Chairman of Sri Lanka Transport Board bearing No. ඉලංගම/ස.කා./මු.කො./කෝප්/2017-09 dated 24.11.2017.

- i. Approval of the Board of Directors has not been obtained to award the tender for spare parts to Steel Impex and Nymbas Automotive companies.
- ii. No special investigation had been conducted regarding the business status of Steel Impex Company in India by 22.04.2011 and Steel Impex Company was accepted as an institution conducting business in India at a favourable level according to a letter dated 25.01.2011 presented by DENA BANK of India.(Annexure 06)
- iii. The Technical Evaluation Committee has recommended Steel Impex on the following grounds.

<b>Institution that submitted bids</b>	<b>No. of items for which bids were submitted</b>	<b>No. of items for which the lowest bids were submitted</b>
Lanka Ashok Leyland	329	21
DIMO	60	03
Douglas & Sons	187	99
Nymbas Automotive	740	206
Steel Impex & Industries	706	418

It has been reported to the Committee that bids had been called for by Sri Lanka Transport Board for 747 spare parts and Steel Impex had been identified as the institution that submitted bids for the highest number of items with the lowest bids for the highest number of items, that it had been recommended by the Technical Evaluation Committee to get Steel Impex to supply other spare parts for which bids had not been submitted as well at the lowest prices considering the difficulty for several institutions to work within the same bonded warehouse, as only one bonded warehouse was owned by Sri Lanka Transport Board.

- iv. It has been reported that there had not been a procurement condition that necessitated a local agent, that no local agent had existed at the time of awarding the contract to the said institution and that an institution named Steel Impex and Industries (Lanka) had been registered later and introduced to Sri Lanka Transport Board as the local agent.
- v. The report requested through the recommendations of the Committee has not been submitted to the Committee even by 31.01.2018 and it has been reported that no such special investigation had been conducted by Sri Lanka Transport Board up to then.
- vi. It has been reported to the Committee that the originals of the relevant documents handed over to the Financial Crimes Division had been returned and that those documents were kept safe at the Deputy General Manager's (Technical) office.
- vii. The report requested through the recommendations of the Committee has not been submitted to the Committee even by 31.01.2018 and it has been reported that no such investigation had been conducted by Sri Lanka Transport Board up to then.

viii. It has been reported to the Committee that this decision has been taken considering the request made by Steel Impex stating that a serious problematic situation was created in settling import bills as a result of the rapid appreciation of the dollar against the Sri Lankan Rupee. (Annexure 05)

### **03. Purchase of leaf springs from Steel Impex Company**

It has been observed that action had been taken to purchase leaf springs from Steel Impex in 2013 after the granting of the said tender by the then Deputy General Manager (Technical) and the Secretary to the Tender Board and that it had been informed to the supplier that had been selected earlier, Nandana Auto Products Company (Pvt.) Ltd. through the letter dated 30.04.2013. Enquiring whether the agreement with the supplier initially selected was cancelled in selecting another supplier in this manner.

The then Deputy General Manager (Technical ) said that the agreement had not been cancelled and the Legal Officer said advice had never been sought from the officers of the Legal Branch regarding the cancelling of the agreement.

The Committee expressed its grave displeasure regarding the answer provided.

#### **Recommendations**

- i. Submitting the letter dated 30.04.2013 sent to Nandana Auto Products Company (Pvt.) Ltd.

#### **Reporting the current situation and the progress**

The said letter asked to be submitted by the Committee has not been even by 31.01.2018.

### **04. Payment of Rs.66 million as advances.**

It has been observed that Rs.66 million had been paid through 77 cheques by Sri Lanka Transport Board to the company that supplied lead springs, Nandana Auto Products Company (Pvt.) Ltd. without confirming the receipt of goods before making the advance payments.

The former Chairman, Mr.Shashi Welgama said that he had never advised to make advance payments, not signed any cheque, that the relevant company also had admitted that an over payment had been made, that those payments had been approved by the then Chief Accountant and that a case had been filed in that regard at the Commercial High Court. The current Chairman said that Nandana Auto Products Company (Pvt.) Ltd. had been supplying leaf springs from 2010, that an audit had been conducted subsequent to his appointment and an over payment of Rs.124 million had been observed accordingly,that two cases had been filed with the Commercial High Court as only Rs.697,000/= had been

reimbursed despite the agreement reached with the owner after discussions to reimburse the overpaid amount and that a complaint had been lodged with the Criminal Investigations Division as well.

It was observed that Sumith Hettiarachchi (Financial Manager) and Sanjeeewa Waidyathilaka (Chief Financial Manager) had signed in the vouchers as the officer certifying the expenditure.

It was admitted by Mr. Sumith Hettiarachchi that he had no understanding of the financial value of the tender and that the payments had not been made according to a proper procedure.

#### **05. Purchase of 2,200 buses**

It had been disclosed at the previous meeting of the Committee on Public Enterprise that 18 buses received free of charge in the purchase of 2,200 buses by the Board had been distributed among schools in Kalutara and inquiring whether S.L.T.B. received other buses provided by the supplier in addition to the 2,200 buses.

The former Chairman Mr.Sashi Welgama stated that the decision to purchase those 2,200 buses had been taken during the period of 2013-2014 and that action in relation to that tender had been taken by the Ministry and an officer from that period said that a Cabinet Memorandum submitted in that regard on 11.09.2013 had received Cabinet approval on 17.10.2013 and the decision to purchase buses from Ashok Leyland Company had been taken accordingly by the Negotiation Committee appointed by the Cabinet and that the buses had been purchased on lease through People's Bank to pay in 5 years , 50% of the payments to be made by the Treasury and 50% to be paid by S.L.T.B.

- i. 19.07.2013- First consignment of buses received
- ii. 28.03.2015-Final consignment of buses received

The current Chairman further stated that S.L.T.B. had not received any additional buses, no payment in that regard had been by S.L.T.B. or the Treasury, those buses had been provided to schools only and that the Negotiation Committee had considered the prices of buses purchased from Ashok Leyland Company by private institutions as well within the relevant period.He further stated the prices of the buses purchased by S.L.T.B. as follows.

	<b>In the first quarter</b>	<b>In the second quarter</b>
42 seater	U.S.\$31,100	U.S.\$32,100
54 seater	U.S.\$34,100	U.S.\$35,100

It was further stated that the prices in the ordinary market had been similar to those and that the relevant information had been obtained from Ashok Leyland Company. An officer who had been in the Board of Directors during that period said that S.L.T.B. had had to pay Rs.10.684 billion by the end of the year by the end of the 05 years.

### **Recommendations**

- i. Submitting to the Committee the report on the calculation of market prices based on the information obtained from Ashok Leyland Company.

### **Reporting the current situation and the progress**

The report submitted to the Committee through the letter of the Chairman of Sri Lanka Transport Board bearing No. ශ්‍රීලංකම/ස.කා./මු.කො./කෝප්/2017-09 dated 24.11.2017 is given under the **Annexure 07**.

#### **06. Deploying 47 buses without charging any fee.**

Disclosure of deploying 47 buses belonging to 6 depots of Kalutara region on 31.01.2014 for a celebration held in Mathugama without charging a fee.

The former Chairman Mr.Shashi Welgama said that during his period in office he had instructed not to provide any bus at any time without charging a fee and the current Chairman stated that an investigation in that regard had been started.

Key Matters Noticed by the Committee

- Purchase of spare parts
- Purchase of leaf springs
- Purchase of 2,200 buses
- Provision of buses without charging a fee

### **Recommendations**

- i. Conducting a forensic audit regarding the first two matters, conducting an internal investigation against the officers responsible for the remaining matters and informing the Committee about the measures taken in that regard.

### **Reporting the current situation and the progress**

The investigation report about the alleged deployment of 47 buses free of charge for a celebration held in Matugama has been submitted to the Committee and it has been further stated through that report that most of the running details to obtain information for that investigation had not been available and that deliberate destruction or misplacing of those documents relevant to the depots of Horana, Panadura and Aluthgama had taken place.

It has been further mentioned in the report that the daily income of that region on the relevant date had shown a drastic reduction in comparison the previous days. The summary of the investigation report is included under the **Annexure 08**.

**Annexure 05**

මුදල් ප්‍රතිපාදන ලබාගැනීමට අනුමැතිය අපේක්ෂාවෙන් ශ්‍රී ලංකා ප්‍රධාන සිවිල් ඉංජිනේරු තැන විසින් මෙම අධ්‍යක්ෂ මණ්ඩලීය පත්‍රිකාව ඉදිරිපත් කර ඇත.

පත්‍රිකාවේ සඳහන් කරුණු වීමට බැඳුණු අධ්‍යක්ෂ මණ්ඩලය තාක්ෂණ ඇගයීම් කමිටුවේ වාර්තාවට යටත්ව ජාතික තරඟකාරී ප්‍රසම්පාදන පිළිවෙතට අනුව ලංසු කැඳවා අවම ලංසුව ඉදිරිපත් කළ කොන්ත්‍රාත්කරුවාට හෝ ආයතනයට ඉදිකිරීම් කටයුතු පවරා දීමට හා අදාළ මුදල් ප්‍රතිපාදන සඳහා අනුමැතිය ලබාදීමට කීරණය කරන ලදී.

සභාපතිතුමා / උප සභාපතිතුමා / ප්‍රධාන විධායක නිලධාරීතුමා / ප්‍රධාන සිවිල් ඉංජිනේරු තැන / ~~ප්‍රධාන මුද්‍රණාංශපතිතුමා~~ - අවශ්‍ය ක්‍රියාමාර්ග සඳහා

2012/08/04

ශ්‍රී ලංකා ගම්නාගමන මණ්ඩලයට අයත් අයෝජ්‍ය ලේලන්ඩ් සහ වාටා බස් රථ වලට අමතර කොටස් සැපයීම.

2012 අධ්‍යක්ෂ මණ්ඩල පත්‍රිකා අංක 69 සභාගත කරන ලදී.

ශ්‍රී ලංකා ගම්නාගමන මණ්ඩලයට අයත් අයෝජ්‍ය ලේලන්ඩ් සහ වාටා බස් රථවලට අවශ්‍ය අමතර කොටස් ඉන්දියාවේ ස්විල් ඉම්පෙක්ස් ඇන්ඩ් ඉන්ඩස්ට්‍රිස් සමාගම විසින් මණ්ඩලය වෙනුවෙන් ආනයනය කර 2011 ජුනි සිට මේ දක්වා සපයනු ලැබේ. මෙම අමතර කොටස් සපයා ගැනීමේදී එම භාණ්ඩවලට අදාළ මිල රක්ෂණ හා නැව් ගාස්තුවල (CIF) ඇමෙරිකානු ඩොලර් වටිනාකම, විනිමය අනුපාතය අනුව පරිවර්තනය කර ශ්‍රී ලංකා රුපියල් වලින් ගෙවනු ලැබේ. මේ අනුව දැනට ඇමෙරිකානු ඩොලරයට ශ්‍රී ලංකා රුපියලේ විනිමය අනුපාතය රු. 129.93ක් වශයෙන් සලකා ගෙවීම් කරනු ලැබේ.

එහෙත් ශ්‍රී ලංකා රුපියලට එරෙහිව ඇමෙරිකානු ඩොලරයේ අගය පසුගිය දින කිහිපය තුළ ශීඝ්‍රයෙන් වැඩිවීම හේතු කොටගෙන රුපියල් 136.02 බැගින් ගෙවා ආනයන බිල්පත් බේරුම් කිරීමට සිදුවී ඇති බව ස්වල් ඉම්පෙක්ස් ඇන්ඩ් ඉන්ඩස්ට්‍රිස් සමාගම දන්වා සිටී. ඒ අනුව ශ්‍රී ලංකම ඩිපෝවලට අමතර කොටස් නිකුත් කිරීමේදී රු:136.02ක විනිමය අනුපාතය යොදා බිල්ගත කිරීමට මණ්ඩලීය අනුමැතිය ඉල්ලා සිටී.

ශ්‍රී ලංකම විසින් ස්වල් ඉම්පෙක්ස් ඇන්ඩ් ඉන්ඩස්ට්‍රිස් සමාගම සමග ගිවිස ගෙන ඇති පරිදි බිල්පත් බේරුම් කරන දිනට ශ්‍රී ලංකා මහ බැංකුව විසින් නිගමනය කෙරෙන විනිමය අනුපාතය උපයෝගී කරගෙන ගෙවීම් කිරීමට ප්‍රතිපාදන සැලසී ඇත. එහෙත් දෛනිකව විනිමය අනුපාතයන් උච්චාවචනය වන බැවින් එපරිදි ක්‍රියා කිරීමට ප්‍රායෝගිකව අපහසුවේ. එහෙයින් නිශ්චිත කාලසීමාවක් සඳහා එක්ගවිය හැකි පොදු අනුපාතයක් පදනම් කරගෙන ගෙවීම් කිරීම උචිත බැව් පෙනේ.

එබැවින් ස්වල් ඉම්පෙක්ස් ඇන්ඩ් ඉන්ඩස්ට්‍රිස් සමාගමෙන් අමතර කොටස් ලබා ගැනීමේදී සෑම මාසකයම පළමු දින ඉකුත් මාසයේදී බල පැවැත්වූ විනිමය අනුපාතයේ මාසික සාමාන්‍යය ශ්‍රී ලංකා මහ බැංකුවෙන් ලබාගෙන ඉදිරි මාසය වෙනුවෙන් එය උපයෝගී කරගෙන, බිල්ගත කිරීමට යෝජනා කරනු ලැබේ. මෙම වැඩ පිළිවෙල මින් ඉදිරියට සෑම මාසයක් පාසාම ක්‍රියාත්මක කිරීමට අපේක්ෂා කෙරේ.

තවද මණ්ඩලයට අමතර කොටස් සැපයීමට පවරා ඇති දෙවෙනි සැපයුම්කරු වූ නිමිබස් ඔටෝ මෝටර්ව් පුද්ගලික සමාගමෙන් භාණ්ඩ ලබාගැනීමේදී මෙම ක්‍රියා පිළිවෙත අනුගමනය කිරීමට බලාපොරොත්තු වේ. මණ්ඩලයට අවශ්‍ය අමතර කොටස් සපයා ගැනීමේදී ඉහත සඳහන්

කළ ක්‍රමවේදය අනුව බිල්ගත කිරීම සඳහා අධ්‍යක්ෂ මණ්ඩලයේ අනුමැතිය අපේක්ෂාවෙන් මෙම පත්‍රිකාව සහාගත කර ඇත.

පත්‍රිකාවේ සඳහන් කරුණු සලකා බැලූ අධ්‍යක්ෂ මණ්ඩලය ස්වල් ඉම්පෙක්ස් ඇන්ඩ් ඉන්ඩස්ට්‍රියල් සමාගමෙන් සහ නිමබස් මටේ මෝටිව් පුද්ගලික සමාගමෙන් අමතර කොටස් ලබාගැනීමේදී සෑම මාසයකම පළමු දින ඉකුත් මාසයේදී බල පැවැත්වූ විනිමය අනුපාතයේ මාසික සාමාන්‍යය ශ්‍රී ලංකා මහ බැංකුවෙන් ලබාගෙන ඉදිරි මාසය වෙනුවෙන් එකී අනුපාතය උපයෝගී කරගෙන බිල්ගත කිරීමට කීරණය කරන ලදී.

( සභාපතිතුමා / උප සභාපතිතුමා / ප්‍රධාන විධායක නිලධාරීතුමා / නියෝජ්‍ය සාමාන්‍යාධිකාරී ( කාර්මික ) / ප්‍රධාන මූල්‍ය කළමනාකරු ) - අවශ්‍ය ක්‍රියාමාර්ග සඳහා

2012/08/05

ආරක්ෂක නියාමක මහතුන්ගේ තනතුරු නාමය වෙනස්කිරීමේදී ඉදිරි කොටසට වෙනත් කාර්යවල යෙදවීම වලකාලීම

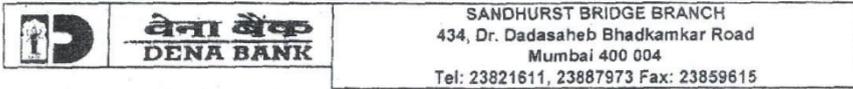
ප්‍රධාන මූල්‍ය කළමනාකරු  
ශ්‍රී ලංකා ගම්නාමික මණ්ඩලය  
නො 200, කිරුළ පාර,  
කොළඹ 05.

2012 අධ්‍යක්ෂ මණ්ඩලීය පත්‍රිකා අංක 74 සහාගත කරන ලදී.

සාර්ථක එලදායි කාර්යක්ෂම ආරක්ෂක සේවාවක් ශ්‍රී ලංකා ගම්නාමික මණ්ඩලයේ ස්ථාපනය කර පවත්වාගෙන යාමේ මූලික පරමාර්ථය පෙරදැරිව හමුදා සේවයේ අවුරුදු 10ක් හෝ 12ක් සේවයකර නිත්‍යානුකූලව ඉවත්වූවන් ආරක්ෂක නියාමකවරුන් වශයෙන් බඳවාගන්නා ලදී.

එසේ ආරක්ෂක නියාමක තනතුරට බඳවාගත් අයවලුන් එම විෂයකීරණය සේවයේ යෙදිය යුතු අතර, තනතුරු නාමය වෙනස්කර එම ආරක්ෂක නියාමක තනතුර දරමින් වෙනත් කාර්යවල යෙදවීමද නොකළ යුතුය. නමුත් දැනට ආරක්ෂක නියාමකවරුන් එම තනතුර දරමින්

**Annexure 06**



SB/LTR/34/2011  
25th January, 2011

**TO WHOM SO EVER IT MAY CONCERN**

This is to certify that "Steel Impex & Industries, Mira Road East, Thane, India" is 100% Export Oriented Company having business experience of over 45 years.

The Company is our customer since inception of its business.

It is a very well established organization with strong financial position.

It is treated that this information is furnished without any risk and responsibility on our part in any respect whatsoever more particularly either as guarantor or otherwise. This certificate is issued at the specific request letter dated 23.01.2011.

For DENA BANK,  
Sandhurst Bridge Branch



Chief Manager



## **Annexure 07**

DGM(Technical)'s Office  
25<sup>th</sup> September 2017

Chairman,  
SLTB.

### **Report on the Price Comparison of Buses procured under 2200 Bus Project by SLTB and similar buses of Private Sector**

On 19.07.2013 Lanka Ashok Leyland PLC had submitted a proposal on behalf of Ashok Leyland Ltd. India to supply registered 800 nos. Viking 42 seater buses and 1400 nos. Viking 54 seater buses at all inclusive unit prices (as per exemption granted from local levies to SLTB) of USD 32,100 and USD 35,100 respectively with a warranty of 18 months, on supplier's credit basis to be paid back in 05 years in 20 quarterly installments at an interest of 3.98% on diminishing balance.

Consequent to a Cabinet memo submitted by Hon. Minister of Transport on 11.09.2013 to accept the above proposal, the Cabinet had appointed a Cabinet Appointed Negotiating Committee (CANC) on 17.10.2013. A Project Committee (PC) to assist the CANC had been appointed on 19.12.2013.

Taking into consideration the observation of SEMA attached to the Cabinet decision, it was decided to provide the proposer with revised SLTB specifications including technical improvements from the existing fleet and request the proposer to respond to same. In the revised specifications the following additional items, which had not been in the Ashok Leyland proposal, were included.

The included items were:

Rear luggage compartment

Guard rail for driver area

Electronic front & rear destination board

07 nos. 16 PR Tyres instead of 14 PR Tyres

CCTV device with storage system

Multi function GPS device including fuel sensor & 02 way communication system

and a Warranty of 200,000 Km for the bus and 03 years warranty on paint

In his response dated 10.01.2014, the proposer agreed to supply all the above items excluding CCTV device with storage system at the quoted prices. He also agreed to a warranty of 200,000 Km for the bus and 03 years warranty on paint.

At the negotiations held on 16.01.2014 by the PC with the proposer, he agreed to include CCTV device with storage system also at the quoted prices.

And at the negotiation held by CANC on 30.01.2014, the proposer agreed to a reduction of USD 1000 per bus for both types.

The final agreement with the proposer was for the supply of :

- 800 nos registered A/L Viking 42 seater buses at a unit price of USD 31,100 (as per exemption granted from local levies to SLTB)

and

- 1400 nos registered A/L Viking 54 seater buses at a unit price of USD 34,100 (as per exemption granted from local levies to SLTB)

with Rear luggage compartment, Guard rail for driver area, Electronic front & rear destination board, 07 nos. 16 PR Tyres instead of 14 PR Tyres, CCTV device with storage system, Multi function GPS device including fuel sensor & 02 way communication system and a Warranty of 200,000 Km for the bus and 03 years warranty on paint.

#### Comparison with the prices quoted by the proposer to private sector

##### A/L Viking 42 seater buses offered to Private Sector

As per proforma invoice of Lanka Ashok Leyland PLC dated 13.01.2014, the unit price of an A/L Viking 42 seater bus was Rs. 4,200,000/- with a warranty of 12 months/100,000 km whichever occurs first. The following items were offered as optional:

Rear luggage compartment	Rs 35,000/-
Guard rail for driver area	Rs 18,000/-
Electronic front & rear destination board	Rs. 50,000/-
07 nos. 16 PR Tyres instead of 14 PR Tyres	Rs. 18,000/-
Multi function GPS device	Rs 65,000/-
Registration	Rs 30,000/-
Total	Rs. 216,000/-

Hence the unit price of a A/L Viking 42 seater bus with above optionals was Rs 4,416,000/- with a warranty of 12 months/100,000 km whichever occurs first but without CCTV device with storage system and 03 year warranty on paint available for busses offered to SLTB.

##### A/L Viking 42 seater buses offered to SLTB

On 13.01.2014 the exchange rate was USD 1= Rs 132.17

Hence the Rupee price on 13.01.2014 of a A/L Viking 42 seater bus offered to SLTB was Rs 4,110,487/- (that is 31,100 x 132.17) as per exemption granted from local levies to SLTB, with all the optional offered to private sector + CCTV device with storage system, Warranty of 200,000 Km and 03 year warranty on paint.

Buses imported for SLTB as well as Private sector are exempted from VAT and Custom Duty. But PAL & NBT is applicable. So for comparison, NBT and PAL ( which is approximately 7.3% of CIF value) have to be added to the price offered to SLTB making the price Rs 4,410,553/- (that is 4,110,487/- x 1.073) .

Then the actual price of A/L Viking 42 seater bus for SLTB was Rs 4,410,553/- with CCTV device with storage system, Warranty of 200,000 Km and 03 year warranty on paint compared to Rs 4,416,000/- for Private sector without CCTV device with storage system & 03 year warranty on paint and with only a Warranty of 12 months/100,000 km whichever occurs first

According to the CANC report, the proponent's costing for all the extras offered to SLTB (including the additional items and the additional warranties) was Rs. 376,390/-, making the total unit price for private sector of a bus similar to the one

offered to SLTB at Rs. 4,410,553/- to be Rs 4,576,390/- (that is Rs 4,200,000/- + 376,390/-).

#### **A/L Viking 54 seater buses offered to Private Sector**

As per proforma invoice of Lanka Ashok Leyland PLC dated 13.01.2014, the unit price of an A/L Viking 54 seater bus was Rs. 4,575,000/- with a warranty of 12 months/100,000 km whichever occurs first.

The following items were offered as optional:

Guard rail for driver area	Rs 18,000/-
Electronic front & rear destination board	Rs. 50,000/-
07 nos. 16 PR Tyres instead of 14 PR Tyres	Rs. 18,000/-
Multi function GPS device	Rs 65,000/-
Registration	<u>Rs 30,000/-</u>
Total	Rs. 181,000/-

Hence the unit price of a A/L Viking 54 seater bus with above optionals was Rs 4,756,000/- with a warranty of 12 months/100,000 km whichever occurs first but without CCTV device with storage system, warranty of 200,000km for the bus and 03 year warranty on paint available for busses offered to SLTB.

#### **A/L Viking 54 seater buses offered to SLTB**

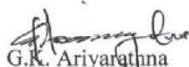
At the exchange rate of USD 1= Rs 132.17, the Rupee price on 13.01.2014 of a A/L Viking 54 seater bus offered to SLTB was Rs 4,506,997/- (that is 34,100 x 132.17) as per exemption granted from local levies to SLTB, with all the optional offered to private sector + CCTV device with storage system, Warranty of 200,000 Km and 03 year warranty on paint.

For comparison NBT and PAL ( which is approximately 7.3% of CIF value) have to be added to the price offered to SLTB making the price Rs 4,836,008/- (that is 4,506,997/- x 1.073) .

Then the actual price of A/L Viking 54 seater bus for SLTB was Rs 4,836,008/- with CCTV device with storage system, Warranty of 200,000 Km and 03 year warranty on paint compared to Rs 4,756,000/- for Private sector without CCTV device with storage system & 03 year warranty on paint and with only a Warranty of 12 months/100,000 km whichever occurs first

According to the CANC report, the proponent's costing for all the extras offered to SLTB (including the additional items and the additional warranties) was Rs. 376,390/- making the total unit price for private sector of a bus similar to the one offered to SLTB at Rs. 4,836,008/- to be Rs 4,951,390/- (that is Rs 4,575,000/- + 376,390/-)

From the above it can be seen that for a proper price comparison of buses between Private Sector and SLTB, it is not only the GPS system but other additional items and warranties need to be taken into account.



G.K. Ariyaratna  
Dy. General Manager (Technical)  
SLTB

**Annexure 08**

**2014 ජනවාරි මස 31 වන දින මතුගම නගරයේ පැවති “දිරි උදාව” උත්සවය සඳහා කළුතර ප්‍රාදේශීයයට අයත් ඩිපෝවන් මගින් බස් රථ 47 ක් ගාස්තු අයකිරීමකින් තොරව සේවයේ යොදවා තිබූ බවට ලැබුණ පැමිණිලි අනුව කරනු ලැබූ විමර්ශන වාර්තාව.**

කළුතර ප්‍රාදේශීයයට අයත් අළුත්ගම/හොරණ/පානදුර/කළුතර මතුගම යන ඩිපෝවන් පහෙන් බස් රථ විශාල සංඛ්‍යාවක් 2014.01.31 වන දින මතුගම දක්වා විවිධ ස්ථානයන් හි සිට ගමන් වාර කිහිපයක් හෝ ධාවනය කර ඇති තරුණ ජීවිතවලට අදාළ ලොග් පත්‍ර හා ආදායම් රහිතව මගී ප්‍රවාහනයේ යෙදුණ බවට ඇතැම් මාර්ග ලේඛණ පරීක්ෂා කිරීමේදී තහවුරු විය. එක් එක් ඩිපෝවන් සඳහා වෙන් වෙන් වශයෙන් කරුණු සොයා බැලීමේදී හොරණ, අළුත්ගම ඩිපෝවන් හි 2014.01.31 වන දිනට අදාළ රථ අදාළ ලොග් පත්‍ර මාර්ග ලේඛණ අස්ථානගත වීම හෝ විනාශ වී ඇති බවට සහකාර කළමනාකාර මුදල් හොරණ, අළුත්ගම යන නිලධාරී මහතුවගෙන් ප්‍රකාශ ලබා ගැනීමේදී තහවුරු වේ. එමෙන්ම මතුගම ඩිපෝවේද මාර්ගලේඛණ සොයා ගැනීමට නොහැකි වූ අතර කළුතර ඩිපෝවේ පමණක් ලොග් පත්‍ර හා මාර්ග ලේඛණ නියමිත පරිදි තිබිණි.

ඉහත තම සඳහන් ඩිපෝවන් පහේ බස් රථ ධාවනය පිළිබඳ නිසි විස්තර නොතිබුණද එම දිනයන් හි ලැබූ ආදායම සම්බන්ධ සාම ඩිපෝවකට අයත් R 10 හෝ R 11 සොයා ගැනීමට හැකිවූ අතර එම ලේඛනයන්ට අනුව 2014.01.31 දිනට අදාළ ආදායම් අඩුවීමක් 2014.01.30 වෙනි දිනට සාපෙක්ෂව අඩුවීමක් දක්නට තිබිණි. එය පහත වගුවෙන් පෙන්වනු ලැබේ.

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අනු අංකය	ඩිපෝව	2014.01.30 වන දින මාර්ග ලේඛණ ආදායම් R 10 හෝ R 11 අනුව	2014.01.31 වන දින මාර්ග ලේඛණ ආදායම් R 10 හෝ R 11 අනුව	වෙනස
1.	අළුත්ගම	444,406.50	351,925.50	92,481.00
2.	හොරණ	422,132.00	301,069.00	121,063.00
3.	පානදුර	913,501.50	691,598.00	221,902.50
4.	කළුතර	510,400.50	381,410.00	128,989.50
5.	මතුගම	562,326.00	335,717.50	228,608.50

ඒ අනුව 2014.01.31 වන දින මගී ප්‍රවේශ පත් අලෙවියෙන් මණ්ඩලයට අනිමි වූ ආදායම 2014.01.30 වන දිනට සාපෙක්ෂව 793,044.50 මුදලක් වේ. අදාළ ඩිපෝවන් පහෙන් කිසිදු ඩිපෝවකින් අදාළ දිනය වෙනුවෙන් මුදල් ගෙවා බස් රථ වෙන් කරවා ගැනීමක් සිදුකර නොමැති බව සු/10 ලේඛන පරීක්ෂා කිරීමේදී තහවුරු වේ. මෙම ප්‍ර වේශ පත්‍ර අලෙවියෙන් ලද පාඩුවක් ලෙස පෙන්වුම් කළද මෙහිදී ඊට වඩා වැඩි අලාභයක් මණ්ඩලයට සිදුවී ඇති බවත් එනම් සේවක අතිකාල සහ වැටුප් වැය වී ඉන්ධන ප්‍රමාණය ගණනය කර නොමැත.

මගේ අංකය: ශ්‍රී ලංගම/ආ/12/ජ්‍ය.ස.ආ.නි/2017  
2017 සැප්තැම්බර් 7

ප්‍රධානී ආරක්ෂක හා විමර්ශන නැත,  
ශ්‍රී ලංකා ගමනාගමන මණ්ඩලය.

**2014 ජනවාරි 31 වන දින මතුගම ගතරයේ පැවති දත්සවයක් සඳහා කළුතර ප්‍රාදේශීයයට අයත් ඩිපෝවන් මගින් බස් රථ 47 ක් ගාස්තු අයකිරීමකින් තොරව යොදවා තිබුණු බවට ලැබුණ පැමිණිල්ලට අනුව කරනු ලබන විමර්ශන වාර්ථාව.**

ඉහත දිනයට අදාල ධාවන විස්තර සියල්ල නිවැරදිව කළුතර ප්‍රාදේශීයයට අයත් ඩිපෝවන් සියල්ලගෙම නොතිබුණ බවත්, කළුතර ඩිපෝවේ පමණක් යම් ප්‍රමාණයක් තිබූ සොයා ගැනීමට හැකිවිය. පානදුර, අළුත්ගම, හොරණ සම්බන්ධයෙන් එදිනට අදාල මාර්ග ලේඛන විනය කිරීම හෝ අස්ථානගත කිරීම ලේඛනාගාරයෙන් ඉවත් කිරීමක් සිදුකර ඇති බව විමර්ශනයේදී හෙලි වූ අතර, ඒ සම්බන්ධයෙන් අදාල ඩිපෝවන් හි සහකාර කළමනාකාර (මුදල්) අයගෙන් ප්‍රකාශණ ලබාගන්නා ලදී. ධාවන විස්තර සියල්ල නොතිබුණ අදාල ඩිපෝවන් පහේ අළුත්ගම, හොරණ, මතුගම, කළුතර, පානදුර ධා/01, R/10,R/11, මු/10 ලේඛණද එදිනට අදාල ලොග් පත්‍ර හා සොයා ගැනීමට හැකි වූ මාර්ග ලේඛන ඇසුරෙන් කරනු ලැබූ විමර්ශන වාර්තාව හොරණ ඩිපෝව පිටු 01යි, අළුත්ගම ඩිපෝව පිටු 01, කළුතර ඩිපෝව 03, මතුගම ඩිපෝව 02, පානදුර 02 යි, ඉදිරිපත් කර ඇත. අදාල විස්තර තිබුණු ලේඛණ අනුව වාර්තාව එක් පිටුවකට ගොනු කර ඇත. ඩිපෝවන් මගින් මතුගම තිබූ දිවි දාන වැඩසටහනට ලංගම බස් රථ 47 නොව ඊට වඩා වැඩි ප්‍රමාණයක් ධාවන කර ඇති අතර, මුදල් අය නොකර බස් රථ ධාවනය කළ බවට තහවුරු කිරීම සඳහා අවශ්‍ය සාක්ෂි ලේඛන එවකට පැවැති පරිපාලනය විසින් තිසා මනා විනය කර දැනුම්මක් හෝ ඩිපෝ ලේඛනාගාරය තුළින් ඉවත් කිරීම සිදුකර ඇත.

2014/01/31 වන දින 2014/01/30 වෙනි දිනට සාපේක්ෂව කළුතර ප්‍රාදේශීයය තුළ අහිමි වූ මඟී ප්‍රවේශපත් අලෙවි ආදායම ආසන්න වශයෙන් 7,93044.50 පමණ වේ. මේ දින සේවයේ යොදවනු ලැබූ සේවක මහතුන්ගේ අතිකාල සහ වැය වී ඇති ඉන්ධන ප්‍රමාණයන් සම්බන්ධයෙන් ඇති වූ පාඩුව ගණනය කිරීමක් මෙම වාර්තාවට ඇතුළත් කර නොමැති බව සඳහන් කරමි. මෙම කාර්ය සඳහා උපදෙස් දීම සම්බන්ධව වගකීම පැවරිය යුතු ප්‍රධාන ප්‍රාදේශීය කළමනාකාර හා ධාවන කළමනාකාර සම්බන්ධයෙන් සොයා බැලීමේදී කළුතර ප්‍රාදේශීයයේ ප්‍රධාන ප්‍රාදේශීය කළමනාකාර ලෙස කටයුතු කල එච්.එම්.ජේරත් බණ්ඩාර මහතා මේ වන විට මියගොස් ඇති බවත් එම කාලය තුළ ධාවන කළමනාකාර ලෙස කටයුතු කල පී.පී.එස්.මුතුකුමාරණ මහතා විශ්‍රාම ගොස් ඇති බවත් විමර්ශනයේදී හෙලි වේ.එම කාලයතුළ ඩිපෝ කළමනාකාර ලෙසින් සේවය කල පානදුර, මතුගම, කළුතර, අළුත්ගම යන ඩිපෝවන් හි ඩිපෝ කළමනාකාරවරුන් ස්වේච්ඡාවෙන් විශ්‍රාම ගැන්වීම යටතේ මේවය අවසන් කර ඇත.හොරණ ඩිපෝවේ ඩිපෝ කළමනාකාර ලෙස සේවය කල දැනට මොරටු ඩිපෝවේ සේවය කරනු ලබන සංජීව මහතා ප්‍රකාශ කර සිටිනුයේ ප්‍රාදේශීය කළමනාකාර නැතහොත් උපදෙස් පරිදි ආදාල ධාවනයන් සිදු කල බවයි. හොරණ ඩිපෝවේ 2014.01.31 දිනට අදාල ධාවන විස්තර කිසිවක් සොයා ගැනීමට නොහැකි වූ අතර අදාල තොරතුරු ලබා ගැනීමට සිදුවූයේ ආර් 10 ලේඛණය ඇසුරෙන් හා මු 10 ලේඛණය ඇසුරෙන් පමණි.

විමර්ශන කරන අවස්ථාව වන විට කළුතර ඩිපෝව හැර පානදුර, අළුත්ගම, මතුගම, හොරණ ඩිපෝවන් හි සිටි ඩිපෝ කළමනාකාර මහතුන් මණ්ඩලීය සේවය අවසන් කර ඇත. එකල සිටි ප්‍රාදේශීය කළමනාකාර නැත මිය ගොස් ඇති අතර, ධාවන කළමනාකාර නැත විශ්‍රාම ගොස් ඇත. කළුතර ඩිපෝව මගින් 2014/01/31 වෙනි දින බස් රථ 30 ආසන්න ප්‍රමාණයක් මතුගම දක්වා ධාවන කර ඇති අතර, එවකට සිටි ඩිපෝ කළමනාකාර පී.එම්.ගාන්ත මහතා දැනට, මධ්‍යම බස් රථ කාර්යාලයේ ජංගම අංශයේ සේවය කරනු ලබයි.

  
සී.කේ.එස්.සී. මාදොල  
ජ්‍යෙෂ්ඨ සහකාර ආරක්ෂක නිලධාරී

  
නිමල් ජේමසිරි  
ආරක්ෂක පරීක්ෂක



## **University of Sabaragamuwa**

(Ministry of Higher Education and Highways)

*(This institution belongs to the Ministry of City Planning, Water Supply and Higher Education  
from 28.12.2018)*

**Date of Examination : 09<sup>th</sup> August 2017**

The Committee took a decision to summon before it all the Universities in the University system of Sri Lanka, which is functioning under the purview of the Ministry of City Planning, Water Supply and Higher Education and discuss and identify the problems prevalent in each university and accordingly submit a special report to Parliament, which includes the recommendations and common actions to be taken in regard to the aforesaid problems that have been identified, in order to ensure the uplift of the whole university system.

Therefore the information related to the inquiry made by the Committee of Public Enterprises on 09<sup>th</sup> August 2017 having summoned the University of Sabaragamuwa before it will be included in the special report on the University system, which will be preferred by the Committee in the future.



## **Milco (Pvt) Company**

(Ministry of Rural Economic Affairs)

*(This institution has been brought under the purview of the Ministry of Agriculture, Rural Economic Affairs, Livestock Development, Irrigation and Fisheries & Aquatic Resources Development from 28.12.2018)*

**Date of Inquiry : 11<sup>th</sup> August 2017**

**22<sup>nd</sup> August 2017**

**06<sup>th</sup> September 2017**

### **Matters Discussed**

#### **01. Factory Modernization Project**

The Committee paid its serious attention to the fact of reducing the amount of the loan agreement which was entered into in the year 2009 between Milco Company and the Desmi Institution with the co-ordination of the Treasury and the HSBC Bank for the modernization of the Colombo Centre, renovation of 80 milk collecting centres and the establishment of 20 new centres, from 39.1 million Euros up to 33.78 million Euros by reducing the number of activities to be undertaken, through a new agreement entered into the year 2012.

The Chairman of the Milco Company stated that the Board of Directors had given its approval to this decision taken by the then Chairman and the Cabinet of Ministers had granted approval for it in the year 2011.

### **Recommendations**

Submission of the following reports within a period of two weeks.

- i. The Cabinet Memorandum that had been submitted to take this decision
- ii. The letter through which the approval of the Cabinet of Ministers was granted
- iii. The report which includes the decision of the Board of Directors.

### **Reporting the Current Situation and the Progress**

The Cabinet Paper was submitted to take this decision is included in **Annexure 09** and the Cabinet decision is included in **Annexure 10** respectively.

Furthermore the Report was requested under recommendation iii, has been submitted to the Committee through the letter No: MREA/03/03/11 dated 19.10.2017 sent by the Secretary to the Ministry of Rural Economic Affairs.

## **02. Agreement entered into with Desmi Institution**

The Committee discussed at length about the fact that action had not been taken to extend the contract period or charge agreed demurrage in a context in which the modernization activities of Digana and Ambewala factories had not been completed even by 31.07.2017 though the contract period should have ended on 12.07.2014 as per the agreement entered in to between the Milco Company and the Desmi institution. The Committee also observed the fact that retention fees had been released though the relevant activities had not been carried out. The Committee also inquired about the local representative of Desmi Institution, who deals with one company in carrying out the relevant activities.

The Chairman of the company stated that this project was suspended in the year 2010 and it was recommended in the year 2013 under a new agreement and the time limit by which the project should be completed is not specified in the agreement. He further mentioned that the local contributor of this project is the Milco Company and the weakness of its performance has caused these delays and retention fee has been paid upon a bank bond in accordance with a decision of the Boards of Directors.

### **Recommendations**

- i. Submitting the agreements entered in to between the Company and Desmi Institution to the Committee within two weeks.
- ii. Submitting a report of the following details to the Committee within two weeks.
  - The manner in which agreements and undertakings were made with Desmi Institution
  - The manner in which the background was prepared for it.
  - The manner in which the approval of the Treasury was granted for it.

### **Reporting the Current Situation and the Progress**

- i. The agreement entered in to between Milco Company and Desmi Institution for the modernization of the facilities in 04 milk processing factories and 20 milk collection centers on 31.12.2009 and the agreement entered in to on 12.01.2012 in addition to the original agreement have been submitted to the Committee through the letter dated 19.10.2017

It is clearly indicated in the agreement signed on 31.12.2009 that the relevant project shall be commenced on 01.01.2010 and completed by 30.06.2012

- ii. The following information has been submitted to the Committee through the letter No: MREA/03/03/11 dated 19.10.2017 sent by the Secretary to the Ministry of Rural Economic Affairs.
  - The report which explains the manner in which these agreements and undertakings were made with Desmi Institution is included in **Annexure 11**.
  - The report which explains the background of this project is included in **Annexure 12**
  - The Cabinet memorandum and the recommendations of the Ministry of Finance have been submitted to the Committee. **Annexure 13**

### **03. Badalgama Project**

The Committee stated that it is problematic that the Ministerial Evaluation Committee has provided the contract of the project for shifts the Narahenpita factory of the Company to Badalgama to Desmi Contracting Agencies on 05<sup>th</sup> June 2013 in the evaluation made by it in regard to Desmi Contractors Agencies and Bookard Food Furma Company even though it was advantageous to offer the contract to Bookard Food Furma Company. The Committee also stated that it is problematic that though action had been taken to reject this project on 04.03.2015 based on certain grounds, the approval of the Cabinet of Ministers has been taken to implement the aforesaid project again on 23.04.2015 and the Committee inquired about it at length.

The Chairman of the Committee stated that this loan agreement has been entered in to with the Treasury and only a counter loan agreement exists with the Company’

### **Recommendations**

- i. Submitting a business plan to the Treasury within a month, which includes the manner in which the Company earns profit and takes action to repay the loan due to the Treasury out of the profits earned
- ii. Submitting a business plan to the Committee within a month, which includes the factors that contributed to the rejection of this project along with the reasons which rationalizes the granting of approval for it again, within a period of one month

### **Reporting the Current Situation and the Progress**

- i. A copy of the business plan incorporated in the committee report related to the Badalgama project has been submitted to the Committee through the letter No: MREA/03/03/11 dated 19.10.2017 sent by the Secretary to the Ministry of Rural Economic Affairs.

- ii. It has been informed to the Committee through the letter No: MREA/03/03/11 dated 19.10.2017 sent by the Secretary to the Ministry of Rural Economic Affairs that this factory has to be removed from that place under a programme implemented with the intervention of the Urban Development Institute and the Milco Company has no involvement in the submission of the aforesaid Cabinet Memorandum and the Milco Company does not possess any information in this regard.

#### **04. Yoghurt Mixing Machine – Polonnaruwa**

The Committee required about the reason for not having been used yet the yoghurt mixing machine purchased in the year 2011 at a cost of Rs.104 million rupees against the procurement guidelines and fixed in the Polonnaruwa factory. The Committee also inquired about the officers who should be responsible for it and the action taken against them.

The Chairman of the company mentioned that this machine was purchased upon a decision taken by the former Board of Directors and the company from which this machine was brought has been blacklisted by now.

#### **Recommendations**

Submitting the following reports to the Committee within a period of one month

- i. Whether the Board of Directors has taken a decision to purchase this machine?
- ii. If not, who has taken the aforesaid decision?
- iii. Were quotations called to purchase the machine?
- iv. Whether a procurement process been followed? If so, How?
- v. If a proposal paper has been prepared to manufacture yoghurt using this machine, the aforesaid proposal paper
- vi. If a feasibility study report has been prepared about the necessity of the machine, the aforesaid feasibility report
- vii. The reason as to why the requirement of the aforesaid machine was lost by now

#### **Reporting the Current Situation and the Progress**

The following facts have been reported to the Committee through the letter No: MREA/03/03/11 dated 19.10.2017 sent by the Secretary to the Ministry of Rural Economic Affairs.

- i. Even though it has been reported to the Committee that approval has been granted for the upon a decision of the Board of Directors, the document

which the relevant decision of the Board of Directors is included has not been submitted to the Committee. The following details were detected when the documents submitted to the Committee in this regard were examined.

- A set of proposals dated 28.06.2010 in regard to the enhancement of the production capacity of the institution has been submitted by the manager of the Colombo factory to the Board of Directors – **Annexure 14**
- The aforesaid set of proposals has been discussed in the meeting of the Board of Directors held on 08.10.2010 and it has been decided in that meeting only to refer the aforesaid proposals to the Technical Committee and obtain the approval of the Ministry. (**Annexure 15**)
- According the aforesaid proposals have been submitted to the Ministry on 12.10.2010 for obtaining its approval and the Ministry has informed through the letter dated 15.10.2010 that it was understand that the institution has already taken action to purchase the relevant machines and the Ministry has no objection if the decision of the Board of Directors and the procurement guild lines were followed. – **Annexure 16**. According it was proved that even by the time the letter of request was sent to the Ministry, action had been taken to purchase the particular machine. This fact is proved even by the notice submitted to the bidders inviting them to submit their bids to purchase the machine concerned. The aforesaid notice has been published in July 2010. (**Annexure 17**)
- That matter has been discussed even at the meeting of the Board of Directors held on 30.11.2010
- It has been recommended through the Tender Board Report dated 30.11.2010 to purchase the aforesaid machine from M/S Industrial Stainless Steel Fabrications (Pvt) Ltd. At a cost of Rs. 90,814,499.99 (**Annexure 18**)

Though it has been mentioned that the approval of the Board of Directors was granted for it, no evidence could be observed for such a approval even though the aforesaid matter was discussed in the meetings of the Board of Directors.

- ii. It has not been reported.
- iii. The notice published for inviting bidders to submit their bids to purchase the machine is included in the Annexure 17.
- iv. It has been reported that procurement activities have been carried out by the procurement Committee of the Ministry.

- 
- v. A proposal paper has not been prepared to manufacture yoghurt using this machine
  - vi. A feasibility report has not been prepared regarding the requirement of this machine
  - vii. It has been reported that the aforesaid machine was not required as new machines with a higher capacity were installed after the modernization activities were recommended in the institution which had been closed down temporarily.

**03. Following the procurement guidelines in purchasing the yoghurt mixing machine**

Even though the contracts which exceed Rs. 50 million in value and are in the range of Rs. 100 -200 million should be implemented having called open quotations as per the provisions of the procurement guidelines of the government, this has been done by the procurement committee of company having called a limited number of quotations only from the registered suppliers without following the aforesaid procedure, causing losses to the company.

The Chairman of the company stated that any of the officers who were involved in these activities is not employed in the company at present and such type of irregular procurement activities are not carries out currently.

**Recommendations**

- i. Submitting the file related to the purchases concerned and the decisions of the Board of Directors to the Committee within two weeks

**Reporting the Current Situation and the Progress**

It has been informed to the Committee through the letter No: MREA/03/03/11 dated 19.10.2017 sent by the Secretary to the Ministry of Rural Economic Affairs that the activities related to the purchase were carried out by the procurement committee of the Ministry and the institution only submitted the recommendations of the Technical Evaluation Committee.

**04. Public Petitions**

**i. The Post of Engineering Superintendent**

The Committee paid its attention to the necessary qualifications for the recruitment to the Post of Engineering Superintendent

**ii. Acts of misconduct committed by Mr. Vimal Rajapaksha - The Human Resources and Personnel Manager**

The aforesaid matter was not discussed at length as the relevant officer participated in this meeting.

### **Recommendations**

- i. Referring these public petitions to the Secretary to the Ministry.
- ii. Making an inquiry into the public petitions and submitting a report to the Committee within a month

### **Reporting the Current Situation and the Progress**

Action has been taken in accordance with the aforesaid recommendations of the Committee and the following details were revealed by the documents submitted to the Committee through the letter No: MREA/03/03/11 dated 19.10.2017

- i. The Chairman of the Milco Company has informed through the letter No: MRE/02/09/12/COPE dated 14.09.2017 sent by the Secretary to the Ministry of Rural Economic Affairs that it was revealed in the inquiry conducted by the Ministry that the promotion given to Mr. W.A. Priyankara as Engineering Executive IV (Engineering Superintendent IV) is not legal. (**Annexure 19**)

According to the Chairman of the Milco Company has been further informed to inquire about this and sent a report of the immediate action taken to rectify this matter.

However any corrective action has not been taken in regard to this promotion and it has been reported to the committee that action will be taken not to grant promotions outside the accepted procedure in the future, having apologized regarding the aforesaid incident. (**Annexure 20**)

- ii. The Chairman of the Milco Company has informed that the Milco Company has also conducted a preliminary inquiry into the acts of misconduct alleged to have committed by the Human Resources and Personnel Manager, Mr. Vimal Rajapaksha, in addition to the Ministerial level investigation conducted in that regard and accordingly action has been taken to take disciplinary action in that regard. (**Annexure 21**)

*The committee emphasized that the 109% increase of the distribution cost is not justifiable although the sales income increased in 21% in the years 2012/2013 in comparison to the years 2011/2012, based on the facts presented in the committee meeting on 11<sup>th</sup> August 2017, and with relevance to the implementation of the directives given by COPE on 22<sup>nd</sup> July 2014. The CAO/AO had been directed to present a report on the distribution costs, which they have failed to submit up to date. The*

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*chairman of COPE explaining the objectives, stated that the officers who were held responsible for the implementation of the said directives then and those who are responsible for the same at present have been summoned for this COPE meeting to discuss about the reasons for the failure to submit the report.*

**01. Report on the Costs of Distribution**

This report submitted to COPE today, had been requested to be submitted in the year 2014. The committee inquired the reasons for the delay.

The chairman stated that the delay might have been resulted by certain shortcomings that prevailed with regard to the information considered by the committee, that the accuracy of the statistics included in the newly presented report is satisfactory, but certain shortcomings exist in this report as well and that a new report will be formulated rectifying the said shortcomings.

**02. Head office Free Issues & Free Issues for Sales Promotion Purpose.**

Sums of Rs. 8,662,295.32/- and Rs. 41,463,719/- have been separately indicated in annexure number 01 and 05 of this report on the Distribution Costs as Head office Free Issues and Free Issues for Sales Promotion Purpose respectively.

The Sales Manager of the company explained that the high standard UHT milk packets were introduced to the market in the year 2012, and it was decided to provide 02 free boxes as a discount offer when 25 boxes are purchased by the distribution centres and the regional managers with a view to popularize this product among the public. It was also stated that the relevant transactions have been indicated as above and that it has been done with the approval of the chairman of the company.

The committee inquired as to which type of expenses in the report on the costs of distribution have been noted down as expenditures on the Wesak festival.

The chairman of the company explained that the cost borne on the products provided for the wesak alms halls organized by the company in the year 2012 with the objective of production promotion of the company, has been indicated thus.

**03. Sales Promotion Expenses**

A sum of Rs.7407994.36 has been indicated as sales promotion expenses in annexure number 01 of the report on the costs of distribution.

The Sales manager of the Company explained, taking Head office Free Issues & Free Issues for Sales Promotion Purpose together, that promotional costs of Rs.8.2 million, 3.7 million, Rs.250000/- and Rs.2 million have been borne on UHT products, yoghurts, milk and ice creams respectively.

#### **04. Confirmation of facts**

The committee paid attention towards the confirmation of facts mentioned in the report on the costs of distribution since it is difficult to get all the facts confirmed in the committee itself.

Confirmation of the accuracy of the statistics based on which the report on the costs of distribution was formulated and inspecting whether the authorization for the relevant expenses, approval, certification and payments have been done in a formal manner and presenting a detailed report containing all the said relevant details to the Committee with a copy to the Auditor General. (with document proof on the director board decisions, directives of the chairman, etc.)

#### **Recommendations**

- i. Directing the secretary to the Ministry of rural economy and the chairman of Milco Private Company to present a final report to the committee having re-examined this detailed report already presented to the committee.
- ii. Directing the Auditor General to prepare a methodology to formalize this type of transactions in future.

#### **Reporting the current situation and the progress**

The report requested by the above recommendation I has not been presented to the committee even as at 31.03.2018.

#### **05. Absence of the former Financial Controller**

Mr. M.C. Madugalla, the then financial controller has not attended the committee meeting in spite of the fact that he has been summoned to the Committee on 22<sup>nd</sup> August 2017.

#### **Recommendations**

- i. Informing Mr.M.C.Madugalla to be present at the committee on 06<sup>th</sup> September 2017 at 2.00 p.m.

#### **Reporting the current situation and the progress**

The secretary of COPE has taken measures to follow the above recommendations of the Committee.

*The committee emphasized that the 109% increase of the distribution cost is not justifiable although the sales income increased in 21% in the years 2012/2013 in comparison to the years 2011/2012, based on the facts presented in the committee meeting on 11<sup>th</sup> August 2017, and with relevance to the implementation of the directives given by COPE on 22<sup>nd</sup> July 2014. The CAO/AO had been directed to present a report on the costs of distribution, which they have failed to submit up to date. It was decided to summon the officers who were held responsible for the implementation of the said directives then and those who are responsible for the same at present, to the COPE on 22<sup>nd</sup> August, 2017 at 2.00 p.m.*

*Mr. M.C. Madugalla, the then financial controller has not attended the committee meeting on 22-08-2017, although the secretary to the Ministry has summoned him to the meeting. Therefore, this officer was re-summoned to the Committee meeting on 06<sup>th</sup> September 2017 at 02.00 p.m. as per the directives of Hon. Sunil Handunnetti, the chairman of COPE. Accordingly, the Chairman of COPE explained the committee that the letter which was sent to his personal address has returned to the Committee Office due to the unavailability of such a person at the particular domicile.*

*The chairman of COPE has contacted Mr. M.C. Madugalla over the personal telephone number obtained from the Chairman of Milco Company through letter dated 31.08.2017 by the Committee office. There he has admitted himself as Madugalla and had stated that he currently resides in Kandy. Afterwards he has disconnected the telephone call and not attended the Committee even on 06<sup>th</sup> September 2017.*

### **Recommendations**

Since Mr. M.C. Madugalla, the former Financial Controller of Milco Company has circumvented the significant duty of reporting to Parliament,

- i. Reporting the matter to the IGP with the details of the personal address and the telephone number of Mr. M.C. Madugalla which are available with the Committee.
- ii. The chairman of the Committee directed the secretary to the committee to make the required arrangements to summon him to the Committee meeting to be held on 19<sup>th</sup> September 2017 at 2.00 p.m., having submitted the copies of the above letter to DIG (Western/South), Senior Police

Superintendent (Nugegoda) and Senior Police Superintendent (Parliament Division).

**Reporting the current situation and the progress**

The secretary of COPE has taken measures to follow the above recommendations of the Committee.

**Annexure 09**

No. MLRCD/03/05/2011-70

**Ministry of Livestock and Rural Community Development****CABINET MEMORANDUM****Modernization of Processing Factories of MILCO Pvt Ltd****Introduction**

Milk Industries Pvt Ltd (MILCO) is a fully government owned company coming under the purview of the Ministry of Livestock and Rural Community Development. This institute has involved in locally produced milk procurement, processing and marketing of various milk products such as milk powder, pasteurized milk, sterilized milk, yoghurt, ice cream, butter, ghee under the "Highland" and has become the leading brand in Sri Lanka since its operation. MILCO Pvt Ltd has four processing factories in Colombo, Ambewela, Digana and Polonnaruwa.

In achieving the target of self sufficiency in local milk production by the year 2015 under the "Mahinda Chintana" program Milco Pvt Ltd is expected to expand its operations to enhance the local dairy industry in Sri Lanka. In this context, it is necessary to increase the processing capacity in the above said processing factories, to handle the incremental milk production of the country and to meet the consumer demand as well. The machineries and equipments in said factories are more than 40 years old and due to this fact the efficiency of production is adversely affected. The strategy proposed to resolve this issue on earlier occasions was to replace these old machineries and equipments with more advanced modern technology.

Various attempts were made to receive funds to meet the cost of the modernization process of these factories. Meantime, a proposal has been made to the Ministry of Finance with a copy to the then Ministry of Livestock Development by DESMI Contracting, a Danish Company offering a financing package along with a project proposal for rehabilitation and modernization of these four factories and twenty collecting centers with a cost of € 36.97 Millions. (Annexure 01)

A Cabinet Paper was submitted by the Ministry of Livestock Development on 02.12.2008 (Annexure 02) to the Cabinet and requesting to appoint a Cabinet Appointed Negotiation Committee (CANC) and a Technical Evaluation Committee. (TEC which was later converted to Project Committee and hereafter referred as PC elsewhere in this paper). The approval for appointing of CANC and PC was granted on 03.12.2008 (Annexure 03). Meantime, the DESMI Contracting A/S informed through KFW- IPEX Bank to the Ministry of Finance and Planning that overall contract value has increased to € 48.6 Millions due to extra capacity and equipment. (Annexure 04) The CANC and PC had evaluated and negotiated this project proposal and recommended to amend the budget of the proposal to € 39.1 Millions. This was informed to the Chairman MILCO Pvt Ltd by the Secretary of Ministry of Livestock Development.

Accordingly, a Cabinet Paper (Annexure 05) was submitted for seeking an approval for,

1. Accept the revised proposal and offer the contract to the DESMI Contracting A/S,
2. Direct External Resources Department to negotiate the interest rate with the credit line (KFW, IPEX-Bank, Germany) and obtain loan facility,
3. Make provisions in the annual budgets in the years 2009 and 2010 to absorb the foreign funds,
4. Entrust the DESMI Contracting A/S to modernize four factories on 08.04.2009 and approval was granted on 06.05.2009. (Annexure 06).

On 11.11.2009 another Cabinet Paper was submitted to the Cabinet for the approval to,

1. Offer the contract to DESMI Contracting A/S and enter into a financial agreement,
2. Direct the Department of External Resources of the Ministry of Finance and Planning to enter into a credit agreement with the HSBC bank to finance this project.

An approval was granted for the above Cabinet Paper on 18.11.2009. (Annexure 07)

A Cabinet Paper produced on 23.11.2009 (Annexure 08) was sought approval to,

1. Direct the Ministry of Finance and Planning to enter into a contract with DESMI Contracting A/S,
2. Direct the Department of External Resources of the Ministry of Finance and Planning to enter into a credit agreement with the HSBC bank,
3. Give approval to the Ministry of Finance and Planning to release the loan amount to MILCO Pvt Ltd on long term concessional basis and sign an agreement between two parties.

Cabinet approval was granted for the above Cabinet Paper subjected to the amendment of the item number 1, on 25.11.2009 (Annexure 09).

Having received the Cabinet approval for the project, the contract agreement was signed between MILCO Pvt Ltd and DESMI on 31.12.2009 (Annexure 10).

However, there had been delays to commence the project until mid 2010 and when I assumed the office as Minister of Livestock and Rural Community Development; I have noted the following reasons for the delay of the commencement of the project. They are as follows,

1. Narahenpita factory has to be relocated as many hospitals are coming up to the surroundings
2. Shortage of locally produced milk and,
3. At this time another proposal has come to the MILCO Pvt Ltd, to have UHT plants

The cost for modernization was € 39.1 Millions and this sum of money was a huge investment. It would be a burden to MILCO Pvt Ltd in paying back. At the same time the milk for the factories when they get modernized is not sufficient to meet their capacities and therefore, there is a risk of idling of machines when they have been commissioned. Because of the introduction of UHT plants to MILCO Pvt Ltd, some of the requirements have been changed and the project has to be adjusted accordingly.

### Proposal

Subsequently, MILCO Pvt Ltd was requested to submit a proposal to ensure the required fresh milk available to meet the demand of the increased capacity of the newly refurbished facility. Accordingly, MILCO officials discussed with DESMI personnel for submission to this effect. The DESMI Contracting A/S would include a financial package to establish dairy farms to provide 120,000 liters of fresh milk per day to meet the demand. According to the new proposal the cost on refurbishing of Colombo plant, provision of UHT to Digana, milk collection centers had been deleted. As a result of these amendments the total cost of the project has been reduced from € 39.1 to € 33.7 Millions. (Annexure 11)

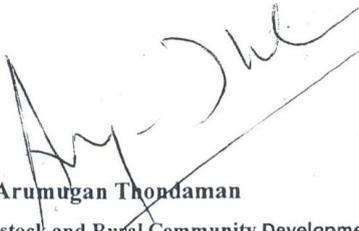
In view of these changes, that will fulfill our requirement to make our country self – sufficient in locally produced milk and dairy produce. The new proposal has enhanced the scope of undertaking this venture, with favourable results.

As the Minister of Livestock and Rural Community Development, I am in favour for this proposal.

### Recommendation

An approval of members of Cabinet is sought for,

1. Adhere to the revised project proposal submitted by the DESMI Contracting A/S,
2. Implement the project proposal by reducing the value of deleted items (UHT plants and collection centers) of the initial project proposal, and
3. Implement the project as it had undergone the CANC procedures and no change taken place except financial part in the project proposal.
4. To entrust the same CANC to proceed and finalize the revised project proposal.



**Arumugan Thondaman**  
Minister of Livestock and Rural Community Development

Ministry of Livestock and Rural Community Development  
45, St. Michael's Road  
Colombo 03  
3<sup>rd</sup> Day of August, 2011

**Annexure 10**

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පිටපත්: ජනාධිපති ලේකම්, මගේ අංකය: අමප/12/1141,  
 අග්‍රාමාත්‍ය ලේකම්, 2012 අගෝස්තු මස 23 දින,  
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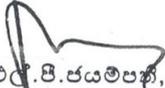


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**සීමාසහිත මිල්කෝ (පුද්ගලික) සමාගමේ පිරිසැකසුම් කර්මාන්තශාලා නවීකරණය කිරීම**

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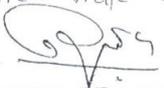
(ඇ) පරිපූරක න්‍යාය පත්‍රයේ විෂයයන්:

50. අමාත්‍ය මණ්ඩල පත්‍රිකා අංක 12/1141/504/104 වූ, “සීමාසහිත මිල්කෝ (පුද්ගලික) සමාගමේ පිරිසැකසුම් කර්මාන්තශාලා නවීකරණය කිරීම” යන මැයෙන් මුදල් හා ක්‍රමසම්පාදන ඇමතිතුමා ඉදිරිපත් කළ 2012-08-14 දිනැති සංදේශය - (අමප අංක 12/0375/511/007 පිළිබඳව වූ 2012-05-03 දිනැති අමාත්‍ය මණ්ඩල තීරණයට අදාළ) සංදේශයේ 6 වන ඡේදයේ සඳහන් (අ), (ආ) සහ (ඇ) යෝජනා සඳහා අනුමැතිය දෙන ලදී. මෙම ව්‍යාපෘතිය, පශු සම්පත් හා ග්‍රාමීය පුරා සංවර්ධන අමාත්‍යාංශයේ අධීක්ෂණය යටතේ, සීමාසහිත මිල්කෝ (පෞද්ගලික) සමාගම විසින් ක්‍රියාත්මක කරනු ලබන බැව් අමාත්‍ය මණ්ඩලය විසින් සැලකිල්ලට ගන්නා ලදී.

ක්‍රියා කළයුතු: මුදල් හා ක්‍රමසම්පාදන අමාත්‍යාංශය

පිටපත්: පශු සම්පත් හා ග්‍රාමීය පුරා සංවර්ධන අමාත්‍යාංශය - සංදේශයේ පිටපතක් යාකොට ඇත.  
 ආර්ථික සංවර්ධන අමාත්‍යාංශය - සංදේශයේ පිටපතක් යාකොට ඇත.

*Certified True Copy*

  
 W.M.D.J.Fernando  
 Additional Secretary  
 Office of the Cabinet of Ministers  
 Sir Baron Jayathilake Mawatha  
 Colombo-01

*M. Fernando*

**Annexure 11**

**අභ්‍යන්තර මෑමය**

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සභාපතිතුමනි,

**පොදු ව්‍යාපාර පිළිබඳ කාරක සභාවේ විමසීම් - කර්මාන්තශාලා නවීකරණ ව්‍යාපෘතිය**

**ගිවිසුම හා එකඟතාවන් ඇති වූ ආකාරය:**

පසුගිය අගෝස්තු 11 දින පැවැති පොදු ව්‍යාපාර පිළිබඳ කාරක සභා රැස්වීමේදී අපගෙන් විමසන ලද කරුණු අතරින් උක්ත කරුණ සම්බන්ධව තොරතුරු මෙසේ ඉදිරිපත් කරමි.

බෙස්මි කන්ට්‍රාක්ටින් සමාගම විසින් ඉදිරිපත් කර ඇති “කර්මාන්තශාලා නවීකරණ යෝජනාව” අමාත්‍ය මණ්ඩලය විසින් අනුමත කර ඇති බැවින් එම යෝජනාවලිය ක්‍රියාත්මක කිරීම සඳහා එකී සමාගම සමග ඇටෝරීනි ජෙනරාල්වරයාගේ අනුමැතිය ඇතිව සකස් කර ඇති ගිවිසුමකට එළැඹෙන ලෙස අමාත්‍යාංශ ලේකම්වරයා විසින් දෙන ලද දැනුම් දීම අනුව සමාගමේ සභාපතිවරයා සහ නියෝජ්‍ය සභාපතිවරයා විසින් අදාළ ගිවිසුම 2009 දෙසැම්බර් 30 දින අත්සන් නබා ඇත.

එසේ වුවද, අත්සන් නබන ලද ගිවිසුම තවදුරටත් ක්‍රියාත්මක වී නැත. නැවත 2012 වර්ෂයේදී යෝජනාවලියෙන් ඇතැම් කොටස් ඉවත් කිරීමේ එකඟතාවකට අත්සන් කර තිබේ. එසේ ඉවත් කර ඇති කොටස් පහත පරිදි වේ.

- කොළඹ කිරි කර්මාන්තශාලාව නවීකරණය කිරීම
- දිගන කිරි කර්මාන්තශාලාවේ යූ.එච්.ටී. කිරි සැකසුම් යන්ත්‍රය ස්ථාපනය කිරීම
- කිරි ශීත කිරීමේ මධ්‍යස්ථාන සම්බන්ධයෙන් වූ සියලු නවීකරණ යෝජනා

මෙසේ කොටස් ඉවත් කිරීම නිසා මුලු ව්‍යාපෘතියේ වියදම් ඇස්තමේන්තුව යුරෝ මිලියන 6 කින් පමණ අඩු වී ඇත. එසේ වුවද, එම ඉවත්කිරීම සම්බන්ධ තාක්ෂණික විශ්ලේෂණයක් සිදු කර ඇති බවක් දක්නට නොලැබේ. තවද, ඉහත පරිදි කොටස් ඉවත් කිරීම නිසා ගිවිසුම ක්‍රියාත්මක කිරීමේ සැලසුම් අවුල් සහගත වී තිබුණු බව ද එය ක්‍රියාත්මක කිරීමේදී දක්නට ලැබිණි. (උදාහරණයක් වශයෙන් කොළඹ කිරි කර්මාන්තශාලාව නවීකරණය කරමින් එයින් ඉවත් කරන ඇතැම් උපකරණ වෙනත් කර්මාන්තශාලාවන්හි ඉදිකිරීම් සඳහා යොදාගැනීමට මුල් යෝජනාවේ කර තිබුණු සැලසුම් වාර්ථ වීම නිසා ඇතැම් උපකරණ මිල දී ගැනීමට මිලිකො සමාගමට සිදු විය.)



සුදන් මුණසිංහ  
සාමාන්‍යාධිකාරී

**Annexure 12**

**අභ්‍යන්තර මෑමය**

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සභාපතිතුමනි,

**පොදු ව්‍යාපාර පිළිබඳ කාරක සභාවේ විමසීම් - කර්මාන්තශාලා නවීකරණ ව්‍යාපෘතිය ඒ සඳහා පසුබිම සැකසුණු ආකාරය:**

පසුගිය අගෝස්තු 11 දින පැවැති පොදු ව්‍යාපාර පිළිබඳ කාරක සභා රැස්වීමේදී අපගෙන් විමසන ලද කරුණු අතරින් උක්ත කරුණ සම්බන්ධව තොරතුරු මෙසේ ඉදිරිපත් කරමි.

එවකට සමාගම සතුටු පැවැති කර්මාන්තශාලා හතර (කොළඹ, දිගන, අමේවෙල සහ පොළොන්නරුව) නවීකරණය කිරීම සඳහා ඩෙන්මාර්ක සමාගමක් වූ සීමාසහිත ඩෙස්මි කන්ට්‍රාක්ට් විසින් ඉදිරිපත් කර තිබුණු යෝජනාවලියක් ඇගයීම සඳහා තාක්ෂණික ඇගයීම් කමිටුවක් පත් කර ඇති බව අමාත්‍යාංශයේ ලේකම්වරයා විසින් මිලිකො සමාගමේ සභාපතිවරයා වෙත දන්වා ඇත.

මෙම කමිටුවේ සභාපතිත්වය ජාතික ජල සම්පාදන හා ජලාපවාහන මණ්ඩලයේ නියෝජ්‍ය සාමාන්‍යාධිකාරීවරයකු වූ එස්. ගාල්ලගේ නමැති අයකු වෙත පවරා ඇති අතර සාමාජිකයන් ලෙස මුදල් අමාත්‍යාංශයේ විදේශ සම්පත් දෙපාර්තමේන්තුවේ අධ්‍යක්ෂකවරයකු වූ ජේ. තල්පාවල මහතා, පශු සම්පත් අමාත්‍යාංශයේ අධ්‍යක්ෂකවරයකු වූ යූ. එස්. බණ්ඩාර මහතා, ශ්‍රී ජයවර්ධනපුර විශ්ව විද්‍යාලයේ ආහාර තාක්ෂණය පිළිබඳ කටීකාචාර්යවරයකු වූ මහාචාර්ය එ. බමුණුආරච්චි මහතා සහ මිලිකො සමාගමේ කර්මාන්තශාලා කළමනාකාරවරයකු වූ එම්.එ.එස්. මුණසිංහ මහතා යන නිලධාරීන් පත් කර තිබේ.

උක්ත කමිටුව විසින් එම යෝජනාවලියේ පලදායිතාවය පිළිබඳ ඇගයීමකට ලක් කරමින් සකස් කරන ලද වාර්තාවක් පශු සම්පත් අමාත්‍යාංශයේ ලේකම්වරයා වෙත භාර දී ඇත.

ඩෙස්මි කන්ට්‍රාක්ට් සමාගම උක්ත යෝජනාවලිය ඉදිරිපත් කොට ලද්දේ කවුරුන්ගේ ආරාධනයක් මතදැයි දැනගැනීමට තොරතුරු නැත.

සුදන් මුණසිංහ  
සාමාන්‍යාධිකාරී

**Annexure 13**



**පශු සම්පත් හා ග්‍රාමීය ප්‍රජා සංවර්ධන අමාත්‍යාංශය**  
**கால்நடை வள மற்றும் கிராமிய சமூக அபிவிருத்தி அமைச்சு**  
**Ministry of Livestock and Rural Community Development**

Our Ref: MLRCD/03/05/2011-70

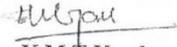
20/12/2011

**Mr.Sunil Wickramasinghe**  
**Chairman,**  
**Milco (Pvt) Ltd**  
**Colombo – 05**

**Cabinet Paper No: 11/1606/511/028 Memorandum dated 03.08.2011 by the Ministry of Livestock and Rural Community Development.**

Further to our letter dated 29<sup>th</sup> November 2011 on the above subject. Herewith once again I am forwarding a copy of the decision of the above Cabinet Memorandum.

Please make early arrangements to implement same.

  
**Dr. K.M.T.Kendaragama**  
**Secretary**

Copies to:

1. Additional Secretary (Livestock Development)
2. Chief Accountant - MLRCD

D:\Karthi 2\New Letters.doc

**P.O. Box No. 562, No. 45, St. Michael's Road, Colombo 3**  
**Tel: + 94 11 2541369 Fax: + 94 11 2328117**  
**E-mail - mlrcd@yahoo.com**

රහස්‍යයි.

පිටපත්: ජනාධිපති ලේකම්, මගේ අංකය: අමප/11/2128/511/028-I  
 අග්‍රාමාත්‍ය ලේකම්, 2011 දෙසැම්බර් මස 01 දින,  
 මුදල් හා ක්‍ර./ලේ. කොළඹ, අමාත්‍ය මණ්ඩල කාර්යාලයේදී ය.  
 විගණකාධිපති.

පඳු සම්පත් හා ග්‍රාමීය ප්‍රජා සංවර්ධන අමාත්‍යාංශයේ ලේකම්

මිලකෝ පුද්ගලික සමාගම සතු කිරි සැකසුම් කර්මාන්තශාලා නවීකරණය කිරීම මැයෙන් අංක 11/1606/511/028 හා 2011-08-03 දිනැති කැබිනට් පත්‍රිකාව



(පඳු සම්පත් හා ග්‍රාමීය ප්‍රජා සංවර්ධන ගරු ඇමතිතුමා ඉදිරිපත් කළ 2011-11-11 දිනැති සටහන)

2011 නොවැම්බර් මස 23 දින පැවැත්වුණු අමාත්‍ය මණ්ඩල රැස්වීමේදී එළඹී තීරණයක් අවශ්‍ය කටයුතු සඳහා මේ සමග එවා ඇත.

  
 එල්.පී.ජයසිංහ,  
 අතිරේක ලේකම්.

අ.කළේ/එස්.අබේසිංහ,  
 අමාත්‍ය මණ්ඩලයේ ලේකම්.

(අ) න්‍යාය පත්‍රයේ විෂයයන්:

(I) අමාත්‍ය මණ්ඩල පත්‍රිකා:

10. අමාත්‍ය මණ්ඩල පත්‍රිකා අංක 11/2128/511/028-I වූ, “මිලකෝ පුද්ගලික සමාගම සතු කිරි සැකසුම් කර්මාන්තශාලා නවීකරණය කිරීම මැයෙන් අංක 11/1606/511/028 හා 2011-08-03 දිනැති කැබිනට් පත්‍රිකාව” යන මැයෙන් පඳු සම්පත් හා ග්‍රාමීය ප්‍රජා සංවර්ධන ඇමතිතුමා ඉදිරිපත් කළ 2011-11-11 දිනැති සටහන - (2011-08-24 දිනැති අමාත්‍ය මණ්ඩල තීරණයට අදාළ) ඉහත සටහන මුදල් හා ක්‍රමසම්පාදන ඇමතිතුමාගේ නිරීක්ෂණ සමග සලකාබලන ලදුව, මෙකී නිරීක්ෂණවල අවසාන ඡේදයේ නියමකර ඇති (1), (2) සහ (3) කොන්දේසිවලට අනුව අමාත්‍යාංශ විසින් කටයුතු කිරීමට යටත්ව, අමාත්‍ය මණ්ඩලය විසින් පත්කරනු ලැබූ සාකච්ඡා සම්මුති කමිටුව විසින් නිර්දේශිත පරිදි, මිලකෝ පුද්ගලික සමාගම සතු කිරි සැකසුම් කර්මාන්තශාලා නවීකරණ ව්‍යාපෘතිය ක්‍රියාත්මක කිරීම සඳහා අනුමැතිය දෙන ලදී.

ක්‍රියා කළයුතු: පඳු සම්පත් හා ග්‍රාමීය ප්‍රජා සංවර්ධන අමාත්‍යාංශය - ඉහත නිරීක්ෂණ යාකොට ඇත.

පිටපත: මුදල් හා ක්‍රමසම්පාදන අමාත්‍යාංශය

(B) Agenda Items :

(I) Cabinet Papers:

10. Cabinet Paper No.11/2128/511/028-I, a Note to the Cabinet dated 2011-11-11 by the Minister of Livestock and Rural Community Development on "Cabinet Paper No.11/1606/511/028, a Memorandum dated 03.08.2011 by the Ministry of Livestock and Rural Community Development on Modernization of Processing Factories of MILCO (Pvt.) Ltd."- (Cabinet decision dated 2011-08-24 refers) the above Note was considered along with the observations of the Minister of Finance and Planning and subject to the conditions (1), (2) and (3) stipulated in the final paragraph of these observations, approval was granted to implement the project for modernization of Processing Factories of MILCO (Pvt.) Ltd. as recommended by the Cabinet Appointed Negotiating Committee (CANC).

Action by: My/Livestock and Rural Community Development -  
above observations annexed.

Copied to: My/Finance and Planning



**මුදල් හා ක්‍රමසම්පාදන අමාත්‍යාංශය**  
**நிதி, திட்டமிடல் அமைச்சு**  
**MINISTRY OF FINANCE AND PLANNING**

මහලේකම් කාර්යාලය, කොළඹ 01.  
 ශ්‍රී ලංකාව.

செயலகம், கொழும்பு 01.  
 இலங்கை

The Secretariat, Colombo 01  
 Sri Lanka

කාර්යාලය } 2484500  
 தொலைகம் } 2484600  
 Office } 2484700

ෆැක්ස් } (94)-11 - 2449823  
 பெக்ஸ் }  
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වෙබ් අඩවිය }  
 ලෙබ් සයිට් } www.treasury.gov.lk  
 Website }

මගේ අංකය } NPD/AG/CM/11/41  
 எனது இல. }  
 My No. }

ඔබේ අංකය } 1/2520/511/020  
 உமது இல. }  
 Your No. }

දිනය } 2011.11.  
 திகதி }  
 Date }

**අමාත්‍ය මණ්ඩල සටහන**

**මුදල් හා ක්‍රමසම්පාදන අමාත්‍යවරයාගේ නිරීක්ෂණ**

- අමාත්‍යාංශය** : පශු සම්පත් හා ශ්‍රාමීය පුරු සංවර්ධන
- ශීර්ෂය සහ දිනය** : මිලිකෝ පුද්ගලික සමාගම සතු කිරී සැකසුම් කර්මාන්තශාලා නවීකරණය කිරීම.  
 2011.11.11
- යෝජනාව/ඉල්ලීම** : 2009.11.11 දිනැති අංක 09/2455/352/005-1 දරණ අමාත්‍ය මණ්ඩල තීරණයට අනුව අමාත්‍ය මණ්ඩලය විසින් පත් කරනු ලැබූ සාකච්ඡා සම්මුති කමිටුව විසින් ඉදිරිපත් කරනු ලැබූ නිර්දේශයන් ඇතුළත් වාර්තාව අමාත්‍ය මණ්ඩලයේ අවධානය සඳහා ඉදිරිපත් කිරීම.
- නිරීක්ෂණ** : මිලිකෝ පුද්ගලික සමාගම සතු අපේටිල, කොළඹ, දිනන සහ පොලොන්නරුව යන කර්මාන්තශාලා හතර සහ කිරී එකතුවීමේ මධ්‍යස්ථාන නවීකරණය කිරීමට, HSBC බැංකුව මගින් පූර්ව මිලියන 39.1 ක ණය මුදලක් ලබාගෙන යෙදවීමේ කන්ට්‍රැක්ට්ස් ආයතනය සඳහා කොන්ත්‍රාත්තුවක් ලබාදීමට අංක 09/2455/352/005-1 සහ 2009.11.11 දිනැති අමාත්‍ය මණ්ඩල පත්‍රිකාව මගින් අනුමැතිය අපේක්ෂා කර තිබුණි. 2009.11.26 දිනැති අමාත්‍ය මණ්ඩල තීරණය මගින් පහත සඳහන් කොන්දේසි යටතේ අදාළ ව්‍යාපෘතිය අනුමත කරන ලදී.
- (1) ව්‍යාපෘතිය වාණිජමය ගණාකාවලෙන් පුද්ගල ක්‍රියාත්මක කිරීමේ හැකියාව තවදුරටත් අධ්‍යයනය කර සමස්ත ව්‍යාපෘතිය ප්‍රතිවිපුහගත කළ යුතුය.

- (2) ව්‍යාපෘතියෙන් උපරිම ඵලදායීකාවයක් ලබාගත හැකි වන පරිදි ණය මුදල ආයෝජනය කිරීමට සුදුසු අංශ තෝරා ඒ සඳහා මුදල් යෙදවිය යුතුය.

ඒ අනුව, මිලිකෝ ආයතනය වෙස්මි ආයතනය සමඟ සාකච්ඡා කර කොළඹ කිරි සැකසීමේ කර්මාන්ත ශාලාව, දිගත කර්මාන්තශාලාව සඳහා UHT උපකරණ සැපයීම, කිරි එකතු කිරීමේ මධ්‍යස්ථාන නාවිකරණය කිරීම යන කාර්යයන් ඉටුත් කර ව්‍යාපෘතියේ ඇස්තමේන්තුගත අගය යුරෝ මිලියන 33.8 දක්වා අඩු කරන ලදී.

අංක 11/1606/511/028 සහ 2011.08.03 දිනැති අමාත්‍ය මණ්ඩල පත්‍රිකාව මගින් සංශෝධිත ව්‍යාපෘතිය ක්‍රියාත්මක කිරීම සඳහා අමාත්‍ය මණ්ඩල අනුමැතිය අපේක්ෂා කර තිබුණු අතර මෙම ව්‍යාපෘති යෝජනාව පිළිබඳව පරීක්ෂා කිරීම සඳහා දැනටමත් පත්කර ඇති තාක්ෂණ ඇගයීම් කමිටුව සහ සාකච්ඡා සම්මුති කමිටුව විසින්ම නව සංශෝධන පිළිබඳවද අධ්‍යයනය කර අමාත්‍ය මණ්ඩලය වෙත වාර්තාවක් ඉදිරිපත් කළයුතු බවට 2011.09.08 වන දිනැති අමාත්‍ය මණ්ඩල තීරණය මගින් දැනුම් දෙන ලදී.

දැනට මිලිකෝ ආයතනය සතු කර්මාන්තශාලා සහ උපකරණ අවුරුදු 40 කට වඩා පැරණි බැවින් සහ ඉදිරි වසර කිහිපය තුලදී වැඩිවන කිරි නිෂ්පාදනයට සාපේක්ෂව කිරි සැකසීමේ ධාරිතාව වැඩිකළ යුතු බැවින් මිලිකෝ ආයතනය සතු කර්මාන්තශාලා නාවිකරණය කිරීම සුදුසු බවට සාකච්ඡා සම්මුති කමිටුව මගින් නිර්දේශ කර ඇත.

ඒ අනුව, පහත සඳහන් කොන්දේසි වලට යටත්ව යෝජිත ව්‍යාපෘතිය සඳහා අනුමැතිය ලබාදීම සුදුසු වේ.

- (1) ව්‍යාපෘතියේ වාණිජමය ශක්‍යතාවය කර්මාන්තශාලාවට ලැබෙන කිරි ප්‍රමාණය මත පදනම්වන බැවින්, නව කර්මාන්තශාලාවට ප්‍රමාණවත්වන පරිදි කිරි නිෂ්පාදනය වැඩි කිරීම සඳහා මිලිකෝ ආයතනය පියවර ගත යුතුය. මෙහිදී පශු සම්පත් සහ ග්‍රාමීය ප්‍රජා සංවර්ධන අමාත්‍යාංශය, පශු සම්පත් මණ්ඩලය සහ මිලිකෝ ආයතනය පෞද්ගලික අංශයද සමඟ එක්ව කිරි නිෂ්පාදනය වැඩි කිරීම සඳහා ක්‍රමවත් සැලැස්මක් පිළියෙල කළ යුතුය.

- (2) අදාළ ණය මුදලේ පොලී අනුපාතය 4.6% ක් පමණ වන ඉහළ අනුපාතයක් වන බැවින් අඩු පොලී අනුපාත ලබා ගැනීම සහ වඩාත් වාසිදායක කොන්දේසි යටතේ ණය හිච්ඡුමකට එළඹීමට, විදේශ සම්පත් දෙපාර්තමේන්තුව කටයුතු කළ යුතුය.
- (3) අපේක්ෂිත ණය මුදල මිලකෝ ආයතනය මගින් සෘජුවම ලබාගත යුතු අතර මෙය ගෙවීම රජයට හෝ මහා භාණ්ඩාගාරයට බරක් නොවිය යුතුය.

මහින්ද රාජපක්ෂ  
මුදල් හා ක්‍රමසම්පාදන අමාත්‍ය

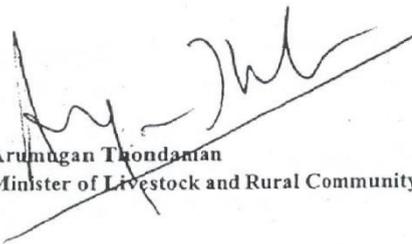
No:MLRCD/ 03/05/2011 - 70(1)

**MINISTRY OF LIVESTOCK AND RURAL COMMUNITY DEVELOPMENT**

**Note to the Cabinet**

**Cabinet Paper No 11/1605/511/028 Memorandum dated 3.8.2011 by  
the Ministry of Livestock and Rural Community Development on  
“Modernization of Processing Factories of MILCO (Pvt) Ltd”**

As per the Cabinet decision (Annexure I) dated 18.11.2009 on CP No 09/2455/352/005-1  
the recommendation (Annexure II) by the Cabinet Appointed Negotiating Committee is  
forwarded to be submitted to the Cabinet of Ministers for consideration

  
Arumagan Tuondanan  
Minister of Livestock and Rural Community Development

Ministry of Livestock and Rural Community Development  
No.45, St.Michael's Road, Colombo 03.

11<sup>th</sup> November 2011

*Certified true copy*

  
W.M.D.J.Fernando  
Additional Secretary  
Office of the Cabinet of Ministers  
Sir Baron Jayathilake Mawatha  
Colombo-01 13.11.2011

රහස්‍යතමයි.

පිටපත්: ජනාධිපති ලේකම්. මගේ අංක - 11/2128/511/028-1  
 අග්‍රාමාත්‍ය ලේකම්. 2011 දෙසැම්බර් මස 01 දින,  
 මුදල් හා ක්‍ර./ලේ. කොළඹ, අමාත්‍ය මණ්ඩල කාර්යාලයේදී  
 විගණකාධිපති.

පශු සම්පත් හා ග්‍රාමීය ප්‍රජා සංවර්ධන අමාත්‍යාංශයේ ලේකම්

මිලකෝ පුද්ගලික සමාගම සතු කිරී සැකසුම්  
 කර්මාන්තශාලා නවීකරණය කිරීම මැයෙන්  
 අංක 11/1606/511/028 හා 2011-08-03 දිනැති  
 කැබිනට් පත්‍රිකාව



(පශු සම්පත් හා ග්‍රාමීය ප්‍රජා සංවර්ධන ගරු ඇමතිතුමා ඉදිරිපත් කළ  
 2011-11-11 දිනැති සටහන)

2011 නොවැම්බර් මස 23 දින පැවැත්වුණු අමාත්‍ය මණ්ඩල රැස්වීමේදී  
 එළඹී තීරණයක් අවශ්‍ය කටයුතු සඳහා මේ සමග එවා ඇත.

එල්.පී.ජයවර්ධන,  
 අතිරේක ලේකම්.

අ.කළේ/එස්.අබේසිංහ,  
 අමාත්‍ය මණ්ඩලයේ ලේකම්.

(ආ) න්‍යාය පත්‍රයේ විෂයයන්:

(I) අමාත්‍ය මණ්ඩල පත්‍රිකා:

10. අමාත්‍ය මණ්ඩල පත්‍රිකා අංක 11/2128/511/028-1 වූ, “මිලකෝ පුද්ගලික සමාගම සතු කිරී සැකසුම් කර්මාන්තශාලා නවීකරණය කිරීම මැයෙන් අංක 11/1606/511/028 හා 2011-08-03 දිනැති කැබිනට් පත්‍රිකාව” යන මැයෙන් පශු සම්පත් හා ග්‍රාමීය ප්‍රජා සංවර්ධන ඇමතිතුමා ඉදිරිපත් කළ 2011-11-11 දිනැති සටහන - (2011-08-24 දිනැති අමාත්‍ය මණ්ඩල තීරණයට අදාළ) ඉහත සටහන මුදල් හා ක්‍රමසම්පාදන ඇමතිතුමාගේ නිරීක්ෂණ සමග සලකාබලන ලදුව, මෙකී නිරීක්ෂණවල අවසාන ඡේදයේ නියමකර ඇති (1), (2) සහ (3) කොන්දේසිවලට අනුව අමාත්‍යාංශය විසින් කටයුතු කිරීමට යටත්ව, අමාත්‍ය මණ්ඩලය විසින් පත්කරනු ලැබූ සාකච්ඡා සම්මුති කමිටුව විසින් නිර්දේශිත පරිදි, මිලකෝ පුද්ගලික සමාගම සතු කිරී සැකසුම් කර්මාන්තශාලා නවීකරණ ව්‍යාපෘතිය ක්‍රියාත්මක කිරීම සඳහා අනුමැතිය දෙන ලදී.

ක්‍රියා කළයුතු: පශු සම්පත් හා ග්‍රාමීය ප්‍රජා සංවර්ධන අමාත්‍යාංශය - ඉහත නිරීක්ෂණ යාකොට ඇත.

පිටපත: මුදල් හා ක්‍රමසම්පාදන අමාත්‍යාංශය

W.M.D.J. Fernando  
 Additional Secretary  
 Office of the Cabinet of Ministers  
 Sir Baron Jayathilake Mawatha

MINISTRY OF LIVESTOCK AND RURAL COMMUNITY DEVELOPMENT  
Report of the Cabinet Appointed Negotiating Committee

Nature of the procurement Committee	CANC	Name of the Procurement Entity	Ministry of Livestock & Rural Community Development
Title of Procurement	Proposal for "Modernization of Processing Factories of MILCO Pvt Ltd"		
Meeting Date:	04.11.2011	Time :	11.00am

**Present:**

Members of CANC			Others		
Mr. Udeni Wickramasinghe	Chairman CANC	Secretary Ministry of Agrarian Services Wildlife	Dr. C.N.Gamage "	Asst.Director MLRCD	Liaison Officer
Dr. K.M.T. Kendaragama	Member CANC	Secretary Ministry of Livestock & Rural Community Development			
Dr. B.M.S.Batagoda	Member CANC	Director General Department of National Planning			

**Decisions**

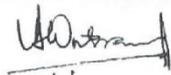
The CANC which met on 04.11.2011 arrived at the following decisions.

01. After the examination of TEC and the revised proposal submitted by DESMI Contracting A/S , the CANC is principle agreed recommend the project specified in the revised proposal which is equivalent to € 33,779,210 ( without deleted items ( Colombo Dairy (P4-2)/ delete in its entirety, Digana Dairy (P4-3)/delete section 300-UHT plant & aseptic filling, Milk collection Centers(MCC)(P4-5)/delete in its entirety ).
02. The CANC decided to recommend the proposal made by DESMI Constructions A/S on following justifiable grounds.
  - a. Reduced estimation is reasonable and acceptable;

- b. Existing machinery are more than 40 years old there needs swishiest
- c. the machinery should be in order to meet the processing capacity requirement of the increasing supply of milk, during the peak period.

03. The CANC strongly recommends,

- a. the Department of external Resource (ERD) to negotiate with the credit line to have a recommend interest rates of the loan and,
- b. As the TEC emphasizes, it is necessary to have a comprehensive and realistic program to obtain adequate locally produced milk for full swing operation of the plants in order to ensure the realization of the project.

Members of CANC		Signature
Mr. Udeni Wickramasinghe	Chairman CANC	
Dr. K.M.T. Kendaragama	Member CANC	
Dr. B.M.S. Batagoda	Member CANC	

(02 pages only)

2 | Page

**Annexure 14****MILCO (PVT) LTD**

No. 45, Nawala Road,

Colombo 5;

**BOARD PAPER / INFORMATION SHEET** Ref. No.

Date: June 28, 2010

17 AUG 2010

1. Forwarded by: Factory Manager, Colombo Milk Factory.

2. Subject: Short Term Development Proposals

3. Purpose of the board paper: To obtain the consent of the Board of Directors for the investments proposed.

**4. Background:**

Milco produces milk-based value added products at Colombo, Digana and Polonnaruwa factories. The maximum capacities of all the factories are obviously less than the market demand of those products. Despite, the same products generate comparatively higher margins unlike milk powder and liquid milk, which are essential consumer products.

It has been identified that a higher turnover can be generated with the investments pointed out in this paper, with the expanded processing capacity.

**5. Proposals and recommendations:**

- ✓ 1. Repairing and re-tiling of production floor
 

Cost estimated	<b>Rs. 2.24 million</b>
Proposed project period:	From July 31, 2010 to Sep 30, 2010
Expected benefits:	To improve food safety and reduce wastages
  
2. Installation of a new yoghurt cup filler with inoculation vats at Polonnaruwa Factory.
 

Cost estimated	<b>Rs. 28.00 million</b>
Proposed project period:	From July 01, 2010 to Oct 31, 2010

Expected benefits: To increase monthly yoghurt production by 20% (current maximum 5,800,000)

Expected additional gross profit Rs. 2.2 million / month

3. Installation of a mix making and pasteurization plant for products section expanding production floor.

Cost estimated **Rs. 32.00 million**

Proposed project period: From July 01, 2010 to Dec 31, 2010

Expected benefits: To match the mix making capacity with proposed enhancements in ice cream production

4. Installation of blast freezer system for expansion of ice cream production and controlling the atmospheric moisture in ice cream filling area to improve the hardening process of ice cream.

Cost estimated **Rs. 33.60 million (In 3 stages)**

Proposed project period: From Aug 01, 2010 to March 21, 2011

Expected benefits: To increase the capacity of ice cream production by 75%. (From 10,800 to 18,000 litres per day)

Expected additional gross profit Rs. 2.8 million / month

  
Signature of presenter

Comments of Working Director



Seen by Chairman / Deputy Chairman

Annexure 15

CONFIDENTIAL

INTERNAL MEMO

③ TO : Actg. Manager - Purchasing

FROM : Chairman

SUBJECT : **MINUTES - BOARD MEETING - 08-10-2010**  
 - **Development Proposal Mix Pasteurization Plant**  
 - **500 KVA Generator at PMF**

DATE : 11<sup>th</sup> November 2010



Extracts of the Minutes of Board Meeting held on 8<sup>th</sup> October 2010 relating to your Department/ Unit or Section is enclosed herewith for necessary action please.

A handwritten signature in black ink, appearing to read "Sunil Wickramasinghe".

SUNIL WICKRAMASINGHE

~~35-09/10- Development proposal Mix Pasteurization Plant-~~

The Board of Directors decided that they have no power to approve this large amount project. Therefore they decided to submit this for technical committee and get ministry approval for this Board paper forwarded by Factory Manager Colombo Milk Factory

~~fm-cmf~~  
m/purch

**Annexure 16**

<p>දුරකථන / தொலைபேசி / phone</p> <p>ලේකම් / செயலாளர் / Secretary 2441849</p> <p>கාර්යாலய அலுவலகம் / Office 2541369</p> <p>Fax 2328100</p> <p>දුරකථන පණිවුඩා / විද්‍යුත් පණිවුඩා / Telegrams SECLIV</p>	 <p>ප. ස. ස. අංක 562, අංක 45, මිචිගන් මාවත          ත. ර. ප. අංක 562, අංක 45, මිචිගන් මාවත          P.O. Box No. 562, No. 45, St. Michael's Road, Colombo 7</p> <p>ර. ප. ස. ස. අංක 562, අංක 45, මිචිගන් මාවත          ත. ර. ප. අංක 562, අංක 45, මිචිගන් මාවත          P.O. Box No. 562, No. 45, St. Michael's Road, Colombo 7</p>	<p>මගේ අංකය / My No: MH.RCD/77</p> <p>ඔබේ අංකය / உமது இல. / Your No:</p> <p>දිනය / திகதி / Date: 2010.10.15</p> <p style="text-align: right;"><i>ce - cum - Tiru</i></p>
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**පශු සම්පත් හා ග්‍රාමීය ප්‍රජා සංවර්ධන අමාත්‍යාංශය**  
**கால்நடை மற்றும் கிராமிய சமூக அபிவிருத்தி அமைச்சு**  
**Ministry of Livestock and Rural Community Development**

සභාපති,  
 මිලිතේර ප්‍රධානියා ලිපිනය,  
 අංක 07, විජේරාජ පවුල,  
 කොළඹ 05

ලි. 4000 ධාරිතාවෙන් යුත් යෝග්‍යව පැදිවීමේ යන්ත්‍රයක් සැපයීම

උසස්ත කරුණ සම්බන්ධව ඔබගේ 2010.10.12 දිනැති ලිපිය හා බැඳේ.

02. එම ලිපියේ සඳහන් පරිදි දැනටමත් ඔබ ආයතනය විසින් අදාළ යන්ත්‍ර මිලදී ගැනීමට කටයුතු කර ඇති බව පෙනී යයි.
03. ප්‍රසම්පාදන මාර්ගෝපදේශ සංග්‍රහයට අනුව රජයට අනුබද්ධ ආයතනයක් ලෙස ඔබ ආයතනයේ අධ්‍යක්ෂ මණ්ඩල නිර්ණ අනුව ඉදිරි කටයුතු කරගෙන යාමට අපගේ විරුද්ධතාවක් නොමැත.
04. ඉදිරියේදී අදාළ සීමාව ඉක්මවන අවස්ථාවන් වලදී ඒ පිළිබඳ කටයුතු නිරීක්ෂණය කිරීමට හැකිවන පරිදි අමාත්‍යාංශය වෙත වාර්තා කිරීමට කටයුතු කරන ලෙස දන්වමි.

ජ.පී.වී. රේමන්  
 ලේකම්

o/l

**Annexure 17**

Forwarded to IT Division  
(mailed - 26th July 2010)

**SUPPLY, INSTALLATION, COMMISSIONING AND TESTING OF YOGHURT MIX PLANT AT COLOMBO MILK FACTORY (CAPACITY - 4000 LITRES PER HOUR)**

**TENDER NO: M/PUR/TEN/2010/07**

We are calling Tenders for the above and you may collect the Bid Document from Manager - Purchasing at his office No. 07, Vajira Lane, (Off Vajira Road), Colombo 05 from 02/08/2010 onwards until 16/08/2010

The Bid Document fee is Rs. 25,000/= which is to be paid in cash to Cashier at Colombo Milk Factory, No. 45, Nawala Road, Narahenpita.

Tenders will be closed on 07/09/2010 at 3.00 P.M. Bids should be submitted separately as Technical Bid (TB) and Price Bid (PB). Both the TB and PB to be forwarded in the same cover.

Duly completed Bid Documents could be placed in the Tender Box available at the office of Manager - Purchasing, No. 07, Vajira Lane (Off Vajira Road), Colombo 05.

CHAIRMAN - TENDER COMMITTEE  
MILCO (PRIVATE) LIMITED  
NO. 07, VAJIRA LANE (OFF VAJIRA ROAD)  
COLOMBO 05

Chairman

Forwarded for approval to publish in the web and to call for bids from the registered firms attached herewith under supp category No. 6.

*Highly*  
*ll*  
*1105*

## **Annexure 18**

30<sup>th</sup> NOVEMBER 2010

### **MILCO (PRIVATE) LIMITED**

#### **REPORT OF THE TENDER BOARD**

##### **SUPPLY, INSTALLATION, COMMISSIONING AND TESTING OF YOGHURT MIX PLANT AT COLOMBO MILK FACTORY – 4000L/ hr.**

The marketing / sales divisions of MILCO (Pvt) Ltd had been reporting to the Board of Directors and the Senior Management the need for the above plant based on demands. We are informed that the yoghurt mix plant at the Narahenpita factory is nearly 30 years old and has been used by repairing and replacing parts from time to time. We understand that the same plant is used for mixing Ice cream as well. According to the Technical Director and the Factory Management it is advisable to have separate "Mixing Plants" for yoghurt and Ice cream which will improve the quality of the products further. Installing and Commissioning a new "Product Mixing Plant" at Narahenpita will increase the production to a substantial level which in turn will contribute towards maximizing the profit of the company. These facts and information justify the purchase and installation of a new yoghurt mix plant.

Initial steps taken by the Factory Manager - Narahenpita had indicated the financial commitment for the above as being approximately Rs. 30 Million. Tenders had been called via web providing required information to registered suppliers to participate in the tender. Of the 10 Registered Suppliers, three (3) parties had collected the sets of documents by paying a non-refundable deposit of Rs. 25,000/= each. One party abstained from the Tender and finally tenders have been received only from.

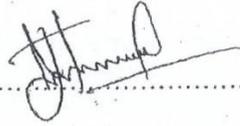
- a) Industrial Stainless Steel Fabrications (PVT) Ltd.
- b) Analytical Instruments (PVT) Ltd.

The Technical Evaluation Committee (TEC) has evaluated the proposals submitted by the above two parties and has recommended Proposal (b) of M/s. Industrial Stainless Steel Fabrications (Pvt) Ltd. with laser welded fabrication at a total cost of Rs. 90,814,499.99 – without Tax. The report of the TEC is attached. According to the TEC the pay back period of this investment is approximately six years based on the present demand in the market for MILCO yoghurt.

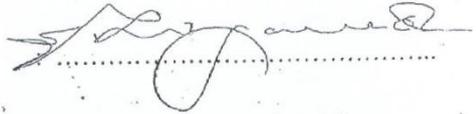
After examining the report submitted by the TEC and obtaining clarification and further information from the members of the TEC we are in agreement with the recommendation of the TEC.

Submitted for the approval of the Board of Directors to purchase, install and Commission a new yoghurt mix plant with laser welded fabrication from M/s Industrial Stainless Steel Fabrications (Pvt) Ltd at a total cost of Rs. 90,814,499/99 (without tax).

1. N. Junaideen  
**Working Director**  
MILCO (Private) Limited  
(Chairman of the Committee)



2. S. Loganathan  
**Director**  
MILCO (Private) Limited  
(Member)



3. K.M.H. Bandara  
**Engineer**  
Ministry of Livestock & Rural  
Community Development  
(Member)



**Annexure 19**



**ග්‍රාමීය ආර්ථිකය පිළිබඳ අමාත්‍යාංශය**

**கிராமிய பொருளாதாரம் பற்றிய அமைச்சு**

**Ministry of Rural Economy**

නො.492, ආර්.ඒ. ද මෙල් මාවත, කොළඹ 03.

இல.492, ஆர்.ஏ.இ மெல் மாவத்தை, கொழும்பு 03.

No.492, R.A. De Mel Mawatha, Colombo 03.

තැ.පෙ. අංකය }  
த.பெ.இல. } 560  
P. O. Box }

දුරකථන අංකය }  
தொலைபேசி இல } 011-2556724  
Telephone No. } 011-2556537

ෆැක්ස් }  
பெகஸ் } 011-2556486  
Fax }

ඊ මේල් }  
இ-தபால் } info@reco.gov.lk  
E -mail }

මගේ අංකය }  
எனது இல }  
My No. }

MRE/2/9/12/COPE

ඔබේ අංකය }  
உமது இல }  
Your No. }

දිනය }  
திகதி } 2017.09.14  
Date }

කීර්ති මිහිරිපාන මහතා,  
සභාපති,  
මිල්කො (පුද්ගලික) සමාගම.

සභාපතිතුමනි,

**පෙන්සම් ඉදිරිපත් කිරීම - මිල්කො (පුද්ගලික) සමාගම**

ඉහත කරුණ සම්බන්ධයෙන් වූ ඔබටද පිටපතක් සහිතව මා අමතන ලද පාර්ලිමේන්තුවේ පොදු ව්‍යාපාර පිළිබඳ කාරක සභාවේ ලේකම්ගේ අංක කෝප්/8/1/2017 හා 2017.08.15 දිනැති ලිපිය හා බැඳේ.

02. එම ලිපිය සමඟ යොමු කරන ලද පොදු ව්‍යාපාර පිළිබඳ කාරක සභාව වෙත ලැබී ඇති ඔබ ආයතනයේ තාරාගේන්පිට කර්මාන්තශාලාවේ සේවයේ නියුතු ඩබ්ලිව්.ඒ.ප්‍රියංකර යන අයට ඉංජිනේරු අධිකාරි වශයෙන් අයථා ලෙස උසස්වීමක් ලබා දීමට අදාළ පෙත්සමේ උධානනයෙහි සඳහන් කරුණු සම්බන්ධයෙන් මෙම අමාත්‍යාංශයේ අභ්‍යන්තර විගණන අංශය මගින් පරීක්ෂණයක් සිදුකරන ලද අතර, එකී පරීක්ෂණයේදී ඩබ්ලිව්.ඒ.ප්‍රියංකර මහතා වෙත ඉංජිනේරු විධායක IV ශ්‍රේණිය (අධිකාරි ඉංජිනේරු IV) ලෙසට ලබා දී ඇති උසස්වීම් නීත්‍යානුකූල නොවන බවට කරුණු අනාවරණය වී ඇත.

03. ඒ අනුව මෙම කරුණ ඔබගේ සහ ආයතනයේ අධ්‍යක්ෂ මණ්ඩලයේ විශේෂ අවධානයට යොමු කරවන අතර, ඔබ ආයතනයේ බඳවා ගැනීමේ හා උසස් කිරීමේ පරිපාටියෙහි සඳහන් නියමයන් අනුගමනය කිරීමකින් තොරව මෙම උසස්වීම ලබා දී ඇති බවට කරුණු නිරීක්ෂණය වී ඇති බැවින්, මේ පිළිබඳව විමර්ශනය කර මෙම කරුණ නිවැරදි කිරීමට කඩිනමින් කටයුතු කිරීමෙන් අනතුරුව ගනු ලැබූ ක්‍රියාමාර්ග සම්බන්ධයෙන් නොපමණ මිදි පිටපතක් සහිතව පාර්ලිමේන්තුවේ පොදු ව්‍යාපාර පිළිබඳ කාරක සභාව වෙත වාර්තා කරන මෙන් කරුණකට දන්වමි.

මෙයට - විශ්වාසී,

*(Signature)*  
මේනකා පී. අබේරත්න  
අතිරේක ලේකම් (පාලන හා මුදල්)

අ/කළේ : ඩී.කේ.ආර්. ඒකනායක  
ලේකම්  
ග්‍රාමීය ආර්ථිකය පිළිබඳ අමාත්‍යාංශය

පිටපත් :

1. ලේකම්, පොදු ව්‍යාපාර පිළිබඳ කාරක සභාව - කරු.දැ.ගැ.ස
2. ප්‍රධාන අභ්‍යන්තර විගණක - කරු.දැ.ගැ.ස
3. සාමාන්‍යාධිකාරි, මිල්කෝ (පුද්) සමාගම - කරු.දැ.ගැ.ස හා අ.ක.ස

5 වන මහල, නො. 492, ආර්.ඒ. ද මෙල් මාවත, කොළඹ 03.  
5 ஆம் மாள. இல. 492, ஆர்.ஏ.இ மெல் மாவத்தை, கொழும்பு 03.  
5<sup>th</sup> Floor, No.492, R.A. De Mel Mawatha, Colombo 03.  
5 වන මහල, නො. 492, ආර්.ඒ. ද මෙල් මාවත, කොළඹ 03.  
5 ஆம் மாள. இல. 492, ஆர்.ஏ.இ மெல் மாவத்தை, கொழும்பு 03.  
4<sup>th</sup> Floor, No.492, R.A. De Mel Mawatha, Colombo 03.  
Tel : 011-2556537, Fax : 011-2556591  
Hon. Deputy Minister  
Tel : 011-2556719, Fax : 011-2556849

**Annexure 20**

2017.10.16

ගරු සභාපතිතුමා  
පොදු ව්‍යාපාර පිළිබඳ කාරක සභාව  
ශ්‍රී ලංකා පාර්ලිමේන්තුව  
ශ්‍රී ජයවර්ධනපුර.

ගරු සභාපතිතුමණි,

**පෙත්සම් ඉදිරිපත් කිරීම - මිලකො (පුද්ගලික) සමාගම**

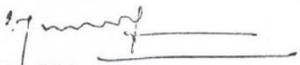
පාර්ලිමේන්තුවේ පොදු ව්‍යාපාර පිළිබඳ කාරක සභාවටද පිටපත් සහිතව ග්‍රාමීය ආර්ථිකය පිළිබඳ අමාත්‍යාංශයේ ලේකම් විසින් මා අමතන ලද අංක MRE/2/9/12/COPE දරණ හා 2017.09.14 දිනැති ලිපිය හා බැඳේ.

එම ලිපියෙහි නම සඳහන් ඩබ්.ඒ.පී. ප්‍රියංකර මහතා 1987 වසරේ සිට වසර 30 කට අධික කාලයක් මිලකො ආයතනයේ කොළඹ කිරි කර්මාන්තශාලාවට අනුයුක්තව ඉංජිනේරු අංශයේ සේවය කල අයෙකි. අවසන් වරට ඔහු උසස්වීම් ලබා ඇත්තේ 2002 වසරේ වන අතර, ඉන් වසර 14 කට පසු ඊළඟ ශ්‍රේණියට මෙම උසස්වීම් පිරිනමා ඇත. ඔහුට මෙම උසස්වීම ලබාදෙන අවස්ථාව වන විට කොළඹ කිරි කර්මාන්තශාලාවේ නඩත්තු කටයුතු සඳහා පළපුරුදු විධායක නිලධාරියෙකුගේ අවශ්‍යතාවයක් පැන නැගුන හෙයින් ඔහුගේ සේවා කාලය සලකා බලා ඉංජිනේරු කළමනාකරුගේ නිර්දේශයද සැලකිල්ලට ගෙන එම උසස්වීම් ලබාදෙන ලදී.

මිලකො ආයතනයේ අතින් උසස්වීම් ලබාදී ඇති ආකාරය විපරම් කර බැලීමේ දී වෘත්තීය සමිති වල ඉල්ලීම් ලැයිස්තු අනුව කිසිදු ක්‍රමවේදයකින් තොරව උසස්වීම් තොර වශයෙන් ලබාදී ඇති අයුරු මනාව පැහැදිලි වේ. එහෙත් වර්තමාන කළමනාකාරිත්වය විසින් ක්‍රමවේදයක් සකස් කොට ක්‍රමානුකූලව එකී ක්‍රමවේදයට සේවකයින් හුරුකරමින් බඳවා ගැනීම් හා උසස්වීම් ලබාදීමට අඩිතාලම දමා ඇත්තෙමු.

ඩබ්.ඒ.පී. ප්‍රියංකර මහතා වෙත උසස්වීම් ලබාදීමේදී වර්තමාන කළමනාකාරිත්වය විසින් අනුමත කරන ලද පරිපාටිය අනුනම්නය කිරීමට නොහැකිවීම පිළිබඳව කණගාටුවට පත්වන අතර, එම පරිපාටියෙන් පරිබාහිරව කිසිදු උසස්වීමක් ඉදිරියේදී ලබාහොදීමට වගබලා ගන්නෙමු.

මෙයට විශ්වාසී  
**මිලකො (පුද්ගලික) ලිමිටඩ්**

  
කිරිඟි මිහිරිපැන්න  
**සභාපති**

පිටපත : ලේකම් - ග්‍රාමීය ආර්ථිකය පිළිබඳ අමාත්‍යාංශය

**Annexure 21**

2017.10.13

ගරු සභාපතිතුමා  
පොදු ව්‍යාපාර පිළිබඳ කාරක සභාව  
ශ්‍රී ලංකා පාර්ලිමේන්තුව  
ශ්‍රී ජයවර්ධනපුර

ගරු සභාපතිතුමණි.

**පෙත්සම් ඉදිරිපත් කිරීම - මිල්කො පුද්ගලික සමාගම**

උක්ක කරුණ සම්බන්ධයෙන් මා වෙත ද පිටපත් සහිතව ග්‍රාමීය ආර්ථිකය පිළිබඳ අමාත්‍යාංශ ලේකම් වෙත යොමු කරන ලද අංක කෝප්/8/1/2017 දරණ හා 2017.08.15 දිනැති පොදු ව්‍යාපාර පිළිබඳ කාරක සභා ලේකම්ගේ ලිපිය හා බැඳේ.

එකී ලිපියෙහි සඳහන් දෙවන කරුණ වන “මානව සම්පත් හා පරිපාලන කළමනාකාර, විමල් රාජපක්ෂ මහතා විසින් සිදුකරන ලද විෂමාවාර” යන මැයෙන් ඉදිරිපත් කර ඇති පෙත්සමට අදාළව ග්‍රාමීය ආර්ථිකය පිළිබඳ අමාත්‍යාංශය විසින් සිදු කරන ලද විමර්ශන වාර්තාවේ පිටපතක් අප වෙත යොමු කර ඇත. එම වාර්තාව ග්‍රාමීය ආර්ථිකය පිළිබඳ අමාත්‍යාංශය විසින් පොදු ව්‍යාපාර පිළිබඳ කාරක සභාව වෙත ඉදිරිපත් කර ඇතැයි විශ්වාස කරනු ලබන අතර, විමල් රාජපක්ෂ මහතාට එරෙහිව ඉදිරිපත් කර ඇති විෂමාවාර චෝදනා එම වාර්තාව මගින් බැහැර කර ඇත.

තවද, එකී පෙත්සම සම්බන්ධයෙන් මිල්කො ආයතනය විසින් ද බාහිර විමර්ශන නිලධාරියෙකු පත්කර මූලික විමර්ශනයක් පවත්වන ලද අතර, එම විමර්ශන වාර්තාව මගින් ඉදිරිපත් වී ඇති නිර්දේශ අනුව පෙත්සම්කරුට එරෙහිව විනයානුකූල ක්‍රියාමාර්ග අනුගමනය කිරීමට කටයුතු කර ඇති බව කාරුණිකව දන්වමු. එම මූලික විමර්ශන වාර්තාවේ පිටපතක් ද ගරු සභාවේ දැනගැනීම සඳහා මේ සමඟ ඉදිරිපත් කරමි.

මෙයට විශ්වාසී,  
මිල්කො (ප්‍රයිවට්) ලිමිටඩ්

  
කීර්ති මිහිරිපැන්න  
සභාපති

පිටපත: ලේකම්, ග්‍රාමීය ආර්ථිකය පිළිබඳ අමාත්‍යාංශය



## **Sri Lanka Institute of Advanced Technological Education**

(Ministry of Higher Education and Highways)

*(This institution comes under the purview of the Ministry of City Planning, Water Supply and Higher Education with effect from 28.12.2018.)*

**Date of Examination: 22<sup>nd</sup> August 2017**

### **Matters Discussed**

#### **01. Staff vacancies**

The committee discussed about the 116 vacancies which existed in the institute including the 29 permanent cadre vacancies in the academic staff.

The director general stated that most of these vacancies have been filled by now and only the 09 vacancies relevant to the Engineering section, out of the 29 vacancies of the permanent academic cadre remain unfilled.

The director General further explained that there is a difficulty in filling these vacancies since the salary levels of this institute are low when compared with the salary levels of the sector, and that even though the treasury approval has been received for a proposal dated 2014/06/16 to increase the salary levels of the institution up to university salary levels and that even the relevant estimates had been prepared and submitted, it has not yet been materialized.

The Committee is of the view that the difficulty to fill the cadre vacancies due to low salary levels is a common issue in most of the state institutions and that the Ministry of Finance should intervene and take expeditious action to solve this kind of issues.

### **Recommendations**

- i. The Committee directed the state secretary to the Ministry who attended the Committee representing the secretary to the Ministry, to inquire and report the reasons for not implementing the proposal dated 16/06/2014 which was put forward to resolve this issue.

### **Reporting the current situation and the progress**

In the letter number IA/COPE/2017/01 and dated 26.10.2017 sent by the Director General of SLIATE in this regard, it has been informed that the documents pertaining to the salary increase have been forwarded to the State Minister of the Ministry of Higher Education on 22.08.2017.

However, the state secretary to the Ministry has not taken measures even as at 31.01.2018 to submit the Committee with the above report which has been requested to be submitted to the committee through its recommendations.

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**02. Under-utilization and lack of repair of the Laser printer with a value of approximately Rs.06 million**

The committee inquired about the above matter.

The director general stated that there is no experienced person to run this Laser printer which was a donation from Austrian and Netherlands projects, and that they have made inquiries to hand it over to the government press .

**Recommendations**

- i. Taking action either to use the Laser printer or to take any other suitable measures with regard to the printer and to inform the same to the Committee within 03 months.

**Reporting the current situation and the progress**

It was reported to the Committee that these four high technology laser printers which were received by SLIATE in the year 2009 as a donation from the Austrian and Netherlands projects, are out of order at the moment and that they could not be repaired owing to the lack of required technological expertise and the tools needed for the repair. Therefore, letters have been sent to the Sri Lanka Printing Corporation with a view to donating the machines to them.

Further, through letter number IA/COPE/2017/01 dated 26.10.2017 sent by the Director General of SLIATE, the committee has been informed that the Sri Lanka Printing Corporation has not responded to the said letters yet, and that action would be taken to auction the printers as per the recommendations of the Audit and Management Committee in case if there is no agreement from the part of the Printing Corporation.

**03. Two salaries received by one officer**

The salary of one officer who was recruited to SLIATE on Sabbatical leave has been mistakenly paid by SLIATE and by his original place of work too and the Director General stated that it would be rectified and that the overpayment will be recovered from the particular officer.

**Recommendations**

- i. Submitting the documents with pertinence to the recovery of the overpayment, to the Auditor general

**Reporting the current situation and the progress**

It has been reported that the above documents have been submitted to the Committee.

#### **04. Under utilization of Funds**

A sum of around rupees 518 million that was available in 12 current accounts belonging to the Head office and Institutes of Higher Technology has been maintained as deposits and the said savings had not been utilized for any investment purpose.

It was pointed out by the Committee that it is more productive to deposit the said moneys in Savings accounts than maintaining current accounts belonging to the head office and the Institutes of Higher Education.

It was disclosed, as per the Act based on which the Institute was established, which states that the funds earned and the donations received by the institute shall be maintained as an own fund of the institute. Therefore, it is not possible to deposit the income generated by the Technological institutes in the Savings account of the Head office on the same day.

#### **Recommendations**

- i. To discuss about the possibility to deposit a certain amount of the earnings of the said institutions in the savings accounts having started separate savings accounts for the said institutes as an alternative to the above issue.

#### **Reporting the current situation and the progress**

It has been reported through the letter number IA/COPE/2017/01 dated 26.10.2017 of the Director General of SLIATE that a surplus balance will not remain again since the payments are being done for the relevant projects at the end of the financial year 2017 utilizing the surplus in the current account of the office, and that however the accountant of the Head Office has been instructed to invest in Treasury Bills without keeping the surplus money in the current accounts as per the recommendations of the committee.

#### **05. Calling Tenders for the Cleaning services of the Institute**

The committee inquired about the above matter and the Director General stated that the processes of Calling tenders and selecting proper institutes are handled separately by the relevant centers and not by the head office.

#### **Recommendations**

- i. The committee informed the Secretary to the ministry and the Director General to provide the following information to the Auditor General enabling to submit the relevant report to the committee having inquired the information received on the cleaning services.
  - What are the institutions from which bids were offered?
  - What are the bids offered?

- How were the appropriate institutes were selected to offer the tender?
- What are the institutions thus selected?

Several information have been received with pertinence to the purchase of home appliances and other items and these information have been submitted to the Auditor general to be further inquired and reported and the Director general has been instructed to extend support in this regard by providing the information further required.

### **Reporting the current situation and the progress**

The Director general of SLIATE reported to the committee that the relevant documents have been submitted to the Auditor general as per the recommendations of the Committee.

### **06. Availability of several institutions of the same level, similar programmes being conducted by different institutions and the productivity of these programmes not at a satisfactory level**

A member of the Director board stated that proposals to this effect have been forwarded to the Treasury.

### **Recommendations**

- i. The committee pointed out the importance of having the institutions of the same level under one institution and recommended that the proposals submitted by the particular director board member be submitted to the committee.
- ii. To make arrangements to summon the heads of the vocational training institutes coming under the Ministry of Higher Education and Highways, and the Ministry of Capacity Development and Vocational Training to discuss with the committee regarding the decisions to be taken for the enhancement of these institutes.

### **Reporting the current situation and the progress**

The proposals which have been requested by the committee under the above recommendation number (i) have not been submitted to the committee yet.

Under the above recommendation number (ii), the committee has directed the state secretary of the Ministry to make arrangements to discuss the decisions to be taken with pertinence to the development of the above institutes. However, the committee has not been informed of any measures taken to that effect.

## **Regional Development Bank**

(Ministry of Public Enterprise Development)

*(This Institution comes under the purview of the Ministry of Finance & Mass Media with effect from 28.12.2018)*

**Date of Examination: 23<sup>rd</sup> August 2017**

### **01. Misappropriation of funds from the Ruhunu Development Bank**

A sum of Rs. 6,181,409/- had been misappropriated from the Ruhunu Development Bank between January 2008 and March 2010 by 11 officers. Instructions had been issued to submit a comprehensive report on disciplinary action taken against the said officers. The Committee made inquiries regarding the determination of the case filed in this regard at the High Courts of Matara.

Chairman stated that a determination has not yet been given with regard to the aforementioned case; that disciplinary action was taken against the aforesaid 11 officers; that only one lady officer is involved in the aforementioned fraud and that her service has been terminated and a case has been filed in this regard at the Magistrate Court. He further stated that the aforesaid matter has been forwarded to the attention of the Attorney General and that they are awaiting instructions from the Attorney General.

### **Recommendations**

- i. Contacting the Attorney General's Department and expediting the process

### **Reporting Current Status and Progress**

Through the letter dated 07-11-2017 bearing reference MPED/IA-2/COPE/RDB, the Secretary to the Ministry of Public Enterprise Development has informed the Committee that the case filed before the courts regarding this matter is scheduled to be heard on 17-02-2018.

### **02. Loans granted by the Kandurata Development Bank**

Committee observed the following: In keeping with the budget proposals of year 2003, the Kandurata Development Bank had entered into an agreement with the Central Bank of Sri Lanka on 01 March 2014 in order to function as a partner agent of credit with the objective of resolving the housing problem faced by persons earning an income less than Rs. 20,000/-. Under the aforesaid 'Sahana Piyasa' loan scheme, the General Treasury had granted a loan of Rs. 67 million to the Bank at an interest rate of 6%. The Bank was supposed to issue loans to the public at an interest rate of 9.5% but the Bank had violated this condition. Between years 2003 and 2004, a sum of Rs. 21,515,000/- had been paid as loans granted to 56 members of staff.

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**Recommendations**

- i. Submitting a comprehensive report citing reasons behind the decision taken to grant the aforementioned loan to members of Bank staff.

**Reporting Current Status and Progress**

Report requested by the Committee has been submitted to the Committee through the letter of the Secretary to the Ministry of Public Enterprise Development dated 07-11-2017 bearing reference MPED/IA-2/COPE/RDB.

**03. Recruitments and Salaries**

It was enquired whether the process adopted to determine recruitments and salaries is in line with the Department of Public Administration and Treasury PED circulars.

Chairman explained the following: Salaries of staff up to the level of Assistant General Manager are based on the collective agreement. Salaries of staff above the level of Assistant General Manager are determined by the Board. Recruitments are made through competitive examinations and interviews. When a request was forwarded to the Department of Public Enterprises to grant approval to this process they have informed that a decision in this regard can be taken by the Board of Directors. The aforementioned letter can be produced if necessary.

**Recommendations**

- i. Producing the aforementioned letter.

**Reporting Current Status and Progress**

Letter bearing reference MPED/SEC/COM dated 30-09-2013, sent by the Secretary to the Ministry of Public Enterprise Development to all Chairpersons of banks coming under the purview of the Ministry, informing them that the authority to make new recruitments to state banks is vested in the Board of Directors of the respective bank has been submitted to the Committee (Annexure 22)

**04. Discussion held with the Secretary to the Ministry of Finance on 13-08-2013**

It was stated that as per the minutes of a meeting that took place with the participation of Mr. N. Godakanda, Director General of the Department of Public Enterprises and the Secretary to the Ministry of Finance, it is evident that an observation had been made that the Regional Development Bank is not in a position to make recruitments based only on the decisions taken by its Board of

Directors. Therefore it was mentioned that further clarifications in this regard are required from the Treasury.

### **Recommendations**

- i. The Treasury is to forward a report in this regard to the Committee and the Ministry.

### **Reporting Current Status and Progress**

Through the letter of the Additional Director General of the Department of Public Enterprise Development dated 24-10-2017 bearing reference PE/BN/RDB/COPE/2017, it has been reported that the Bank requested approval from the Department of Management Services for the recruitments made by the Bank and that in response they have been informed that decisions regarding recruitments can be made through the Board of Directors of the Bank.

#### **05. PED/12/9/7 Circular**

Committee enquired whether the decision of the Board is the only factor taken into consideration when salaries are arranged. It was observed that as per Department of Public Enterprise Circular PED/12/9/7, salary revisions cannot be made without obtaining approval from the Secretary to the Treasury. It was further observed that a decision had been taken to increase the salary of the General Manager by 45% with effect from January 2015 and that as at 01.01.2015 the basic monthly salary of the General Manager had been increased to Rs. 298,000/- from Rs. 206,000/- . Again in the month of April, it has been decided that the salary of the GM should be Rs.300,000/-. Afterwards, the 45% increase has been effected on the aforesaid salary which resulted in the salary being increased to Rs.435,000/-. The Committee enquired as to how this happened.

Chairman stated as follows: The post of General Manager does not come under the collective agreement. Decisions related to this post are taken by the Board of Directors. Collective agreement covers positions only up to the Regional General Manager while the salaries of all positions above that are revised according to appropriate percentages subject to approval from the Board. In state banks, salaries are increased once every three years in accordance with the collective agreement. In year 2015, it was decided to increase the salary of the General Manager by 45% and subject to the approval of the Board, the aforesaid salary increase was effected. There was an annual salary increment of 8.5%. Accordingly, the salary of the General Manager amounted to Rs.475,000/- with effect from 01-01-2017.

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## **Recommendations**

- i. A report is to be submitted to the Committee within two weeks, citing the basis on which the salary of the General Manager was increased and the Board decisions applicable to the same
- ii. A report is to be submitted to the Committee stating whether the Regional Development Bank can increase salaries based only on the decisions taken by the Board and whether the PED/12/9/7 Circular is not applicable to banks

## **Reporting Current Status and Progress**

Report on determining the salary of the General Manager requested under recommendation (i) has been submitted to the Committee and the same is attached as **Annexure 23**

Through the letter of the Additional Director General of the Department of Public Enterprises dated 24-10-2017 bearing reference PE/BN/RDB/COPE/2017, it has been informed that an enquiry was made from the Department of Management Services to obtain information necessary to submit the report mentioned in recommendation (ii) and that the aforementioned report will be submitted once the information is received.

### **06. Liya Isura' loan scheme**

Following observations were made: In keeping with the budget proposals, Rs. 2,443.93 million had been paid as 15,199 interest free loans granted under 'Liya Isura' loan scheme as at 31-12-2015. Cost of the aforementioned loans had not been reimbursed by the government. As at 31 July 2017, there was a recoverable sum of Rs. 422.6 million from 8,550 loans granted. Out of this amount Rs. 83 million belonged in the category of non-performing loans.

Chairman stated as follows: The loans in question were granted using funds of the institution. These loans were issued as per a provision in the 2014 budget which was presented in year 2013. Under this scheme, arrangements were made to grant loans of Rs. 250,000/- to women. Accordingly a total of Rs. 2,443.93 million was granted to 15,199 persons. Although it was requested from the Treasury to pay at least a percentage of this amount, no response has been received in this regard. By now the Bank has suffered a loss of Rs. 527 billion. 82% of the entire loan portfolio are loans less than Rs.500,000/-

**Annexure 22**



රාජ්‍ය ව්‍යවසාය සංවර්ධන අමාත්‍යාංශය  
 அரசு தொழில் முயற்சி அபிவிருத்தி அமைச்சு  
**MINISTRY OF PUBLIC ENTERPRISE DEVELOPMENT**

මගේ අංකය  
 எனது இல  
 My No. }

MPED/SEC/COM

ඔබේ අංකය  
 உமது இல  
 Your No. }

පිටු දිනය  
 நாள்  
 Date

30.09.2016

To: All Chairmen of State Banks under the purview of the  
 Ministry of Public Enterprise Development

*Handwritten:* 9/10/16  
 Forwarded for your information  
 10/10/16

**RE: CANCELLATION OF RECRUITMENT CIRCULAR FOR STATE BANKS DATED 26.09.2016**

I refer to the above letter sent by the Secretary to the Treasury on the above subject.

The Hon. Minister of Public Enterprise Development sought clarification from the Hon. Minister of Finance on 27.07.2016 on recruitment processes for State Banks. The Secretary to the Treasury by his letter dated 26.09.2016 responded, informing that the authority of recruitment is vested in the Board of Directors of the State Banks.

I kindly request you to adhere to the instructions given above.

Yours sincerely,

*Handwritten signature of Ravindra Hewavitharana*

Ravindra Hewavitharana  
 Secretary

*Handwritten:* Ho Hon AA  
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*Handwritten notes:*  
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 12/10

**Annexure 23**



**ප්‍රාදේශීය සංවර්ධන බැංකුව**  
**பிரதேசிய சங்கவர்த்தனை வங்கி**  
**Pradeshiya Sanwardhana Bank**

2017.08.31

ලේකම්තුමා

රාජ්‍ය පොදු ව්‍යාපාර පිළිබඳ කාරක සභාව,  
 ශ්‍රී ලංකා පාර්ලිමේන්තුව,  
 ශ්‍රී ජයවර්ධනපුර,  
 කෝට්ටේ.

ලේකම්තුමනි,

**පොදු ව්‍යාපාර පිළිබඳ කාරක සභාව 2017 අගෝස්තු මස 23**

2017.08.23 දින පැවති පොදු ව්‍යාපාර පිළිබඳ කාරක සභාවේදී බැංකුවේ සාමාන්‍යාධිකාරී / ප්‍රධාන විධායක නිලධාරී වී ඒ ආර්යපාල මහතාට වැටුප් ගෙවීම සම්බන්ධව ගරු කාරක සභා සභාපතිතුමා විසින් විමසන ලද කරුණු වලට අදාළව පහත සඳහන් තොරතුරු ඉදිරිපත් කරමි.

1. මහජන බැංකුවේ නියෝජ්‍ය සාමාන්‍යාධිකාරී ලෙස කටයුතු කළ වී ඒ ආර්යපාල මහතා ද්විතියික පදනම මත මුදාහර ප්‍රාදේශීය සංවර්ධන බැංකුවේ වැඩ බලන සාමාන්‍යාධිකාරී ලෙස 2014.10.02 දින සිට පත්කරනු ලැබීය. මෙම පත්වීම සඳහා ශ්‍රී ලංකා මහ බැංකුවේ අනුමැතිය 2014.10.27 දින ලැබී ඇත. එම අනුමැතිය අඛණ්ඩව වලංගු බව 2017.05.30 ලිපියෙන් තහවුරු කර ඇත. (ඇමුණුම 1 හා 2)
2. වී ඒ ආර්යපාල මහතා 2014.10.02 දින සිට 2015.09.30 දින දක්වා වැඩ බැලීමේ දීමනා ලෙස දළ වැටුපෙන් 1/3 ක් වන රු 60,414/- ක් හා සාමාන්‍යාධිකාරී විශේෂ දීමනා ලෙස රු 25,000/- ක්, සංග්‍රහ දීමනා ලෙස රු 35,000/- ක්ද, ගෙවල් කුළී දීමනා රු 50,000/- ක්ද ඇතුළුව මාසිකව රු 170,414/- ක පාරිශ්‍රමකයක් අදාළ තනතුරේ වැඩ බැලීමේ කාල සීමාව තුළ ගෙවීම් කර ඇත.
3. ද්විතියික පදනම මත මුදාහළ වී ඒ ආර්යපාල මහතාට මහජන බැංකුවේ නියෝජ්‍ය සාමාන්‍යාධිකාරී තනතුරට අදාළ වැටුප් ගෙවා ඇති අතර ඒ අනුව රු 331,862.12 ක මුදලක් මාසිකව ප්‍රාදේශීය සංවර්ධන බැංකුව විසින් ප්‍රතිපූර්ණය කර ඇත. (ඇමුණුම 3)
4. 2015 මාර්තු 25 දින පැවති අධ්‍යක්ෂ මණ්ඩලය විසින් වී ඒ ආර්යපාල මහතා ප්‍රාදේශීය සංවර්ධන බැංකුවේ ස්ථීර සාමාන්‍යාධිකාරී / ප්‍රධාන විධායක නිලධාරී ලෙස 2015.04.01 දින සිට 2019.01.31 දින දක්වා පත්කරනු ලැබුවද, මහජන බැංකුවෙන් ඉවත් වීම දැනුම් දිය යුතුව තිබූ බැවින් වී ඒ ආර්යපාල මහතා එම පත්වීම භාරගනු ලැබුවේ 2015.10.01 දින සිට වේ. ඒ අනුව වැටුප් ගෙවීම 2015.10.01 දින සිට ආරම්භ විය. ඊට පෙර වැටුප් ගෙවනු ලැබුවේ ඉහත 2 හා 3 යටතේ සඳහන් පරිදි වේ.
5. 2015.05.27 දින පැවති අධ්‍යක්ෂ මණ්ඩලය විසින් වී ඒ ආර්යපාල මහතාට සාමාන්‍යාධිකාරී / ප්‍රධාන විධායක නිලධාරී ලෙස ස්ථීර පත්වීමට අදාළ වැටුප් හා දීමනා 2015 වර්ෂයේ සාමුහික ගිවිසුම අනුව වැටුප් සංශෝධනයට පෙර රු 300,000/- ක් ලෙස තීරණය කරනු ලැබුවද, එම වැටුප් ගෙවීමක් සිදුකර නැත. (ස්ථීර පත්වීම භාරගනු ලැබුවේ 2015.10.01 දින බැවින්) එසේම සාමුහික ගිවිසුමට සමගාමීව වැඩිවන වැටුප් හා දීමනා ලබාදීමේ කොන්දේසියක් ඇතුළත්ව තිබුණි.

ප්‍රධාන කාර්යාලය, අංක 933, ඉවර පාර, වෙදාමුල්ල, කොළඹ. දුරකථන- 011-2035454 වෙබ්: www.rdb.lk  
 தலைமைய அலுவலகம், இல-933, கண்டி வீதி, வேடாமுல்லை, கொழும்பு. தொலைபேசி : 011-2035454 இணையத்தளம் : www.rdb.lk  
 Head Office, No. 933, Kandy Road, Wedamulla, Kelantya. Hotline : 011-2035454, Web : www.rdb.lk

6. රාජ්‍ය බැංකුවල සාමූහික ගිවිසුම මගින් වසර තුනකට වරක් සිදු කරන වැටුප් සංශෝධනය 2015 සැප්තැම්බර් 30 දින අධ්‍යක්ෂ මණ්ඩලය අනුමත කරන ලද අතර එය 2015.01.01 දින සිට බලපැවැත්වෙන පරිදි ක්‍රියාත්මක කරනු ලැබීය (ඇමුණුම 4 )  
 රාජ්‍ය බැංකු වල සාමාන්‍යාධිකාරී / ප්‍රධාන විධායක නිලධාරී තනතුර සඳහා දළ වැටුපෙන් 45% ක වැටුප් වැඩිවීමේ ප්‍රතිඵලය මෙම පත්වීම සඳහා ද අදාළ කරගෙන ඇති අතර, ඒ අනුව 2015.03.25 දින අනුමත කළ රු. 300,000/- ක දළ වැටුප සඳහා සංශෝධිත දළ වැටුප රු 435,000/- ක් වේ.
7. ටී. ඒ. ආර්යපාල මහතා 2015.09.30 දින දක්වා (එනම් 2014.10.02 දින සිට ස්ථිර පත්වීම් භාරගන්නා තෙක්) ගෙවනු ලැබුවේ වැඩබලන දීමනා හා අනෙකුත් දීමනා ඇතුළු රු 170,414/- ක් පමණි. ඊට අමතරව එම කාලයට අදාළ මහජන බැංකුව විසින් ගෙවා තිබූ වැටුප් හා දීමනා ප්‍රතිපූර්ණය කරන ලදී.
8. ටී. ඒ. ආර්යපාල මහතා 2015.09.30 දින මහජන බැංකු සේවයෙන් ඉවත් වී ප්‍රාදේශීය සංවර්ධන බැංකුවේ සාමාන්‍යාධිකාරී තනතුරේ ස්ථිර පත්වීම 2015.10.01 දින භාරගනු ලැබීය. ඒදින සිට මහුව ඉහත 6 හි සඳහන් පරිදි රු 435,000/- ක දළ වැටුපක් ගෙවා ඇති අතර එය සාමූහික ගිවිසුම මගින් වැඩි වූ 45% ක වැටුප් වැඩිවීම ද ගැලපීම් කළ පසු අදාළ වන වැටුප වේ. ඒදිනට පෙර 2015.09.30 දක්වා වැඩබලන දීමනාව පමණක් ගෙවීම් සිදුකර ඇත. ඒ අනුව පත්වීම් දිනය 2015.10.01 දින වේ. වාර්ෂික වැටුප් වර්ධක දිනය ඔක්තෝම්බර් 01 දින වේ.
9. අධ්‍යක්ෂ මණ්ඩලය වාර්ෂික වැටුප් වර්ධකයක් ලෙස 8.5% ක අනුපාතයක් අනුමත කර තිබුණු බැවින් ස්ථිර පත්වීම සඳහා වසරක කාල සීමාව සම්පූර්ණ වූ 2016.10.01 දින සිට රු 36,975/- ක වැටුප් වර්ධකය සමඟ රු 471,975/- ක දළ වැටුපක් ගෙවනු ලැබේ.
10. ඉහත පරිදි ටී. ඒ. ආර්යපාල මහතා අභ්‍යන්තර උසස්වීමක් නොවන බැවින්, බැංකු කේෂ්ත්‍රය තුළ ඔහු විසින් 1978.08.01 දින සිට වසර 37 ක් ලබා ඇති නිපුණත්වය, පළපුරුද්ද මහජන බැංකුවේ සේවයෙන් ඉවත් වන අවස්ථාවේ ඔහු ලැබූ වැටුප්, දීමනා හා අනෙකුත් වරප්‍රසාද අගිම් වීම සැලකිල්ලට ගෙන අධ්‍යක්ෂ මණ්ඩලය විසින් මෙම වැටුප් හා දීමනා තීරණය කර ඇති බවද කාරුණිකව දන්වමු. (2015.03.25 හා 2015.05.27 දිනැති අධ්‍යක්ෂ මණ්ඩල පත්‍රිකා උද්ධෘතය අමුණා ඇත - ඇමුණුම 5 හා 6 ).

මෙයට  
විශ්වාසී,



ප්‍රසන්න ප්‍රේමරත්න  
සභාපති  
ප්‍රාදේශීය සංවර්ධන බැංකුව



**Sri Lanka State Pharmaceutical Manufacturing Corporation**

(Ministry of Health, Nutrition and Indigenous Medicine)

**Date of Examination: 24<sup>th</sup> August 2017**

**01. Failure to attend Committee meetings**

Although it had been informed that the following two officers from the Medical Supplies Division will attend the Committee meeting, they had failed to do so.

- i. Mrs. R.A.K. Fonseca, Accountant
- ii. Mr. P.D.S. Cooray, Accountant (Supplies)

Chairman explained that the abovementioned officers were unable to attend the Committee meeting as they had to appear before the Commission to Investigate Allegations of Bribery and Corruption in order to give evidence.

**Recommendations**

- i. Clear explanations are to be submitted to the Committee citing the date on which notification to appear before the Commission was received, showing whether or not such notification was received prior to the date on which the Committee met.

**Reporting Current Status and Progress**

As at 31-03-2018, an explanation on the failure of the two aforementioned officers to attend the Committee meeting has not been submitted to the Committee although it was instructed to do so.

**02. Presenting annual reports to Parliament**

Annual report for year 2015 had not been presented to Parliament even by 11 August 2017.

Secretary to the Ministry stated that annual report of year 2015 was submitted to the Cabinet on 21-08-2017 and that it will be presented to Parliament once approval is received. The Secretary further stated that the 2016 report will be submitted as soon as possible.

**Reporting Current Status and Progress**

Annual report of 2015 was presented to Parliament on 25-11-2017.

**03. Cadre**

Attention of the Committee was drawn to the following:

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- i. Although there were 38 vacancies in the cadre approved as at 31 December 2016, recruitments have been made in excess to 01 executive post, 05 non executive posts and 11 minor staff posts. Out of these appointments, one person has been recruited on permanent basis while the 16 have been recruited on contract basis.

Out of the 16 recruited on contract basis, 06 minor staff members have not reported for duty at the Corporation while the aforesaid 06 were paid a total of Rs. 1,796,755/- as salaries for years 2015 and 2016.

- ii. In years 2015 and 2016, 24 persons have been recruited for the posts of Sales Promotion Officer, Project Coordinator and Consultant which are not part of the approved cadre.

These 24 officers have not reported for duty at the Corporation. They have not been assigned duties and they have not been given job descriptions. In years 2015 and 2016 they have been paid a total of Rs. 9,430,398/- as salaries.

### **Recommendations**

- i. A copy of the Cabinet approval received for the Joint Venture which was formulated for the staff that was recruited on contract basis is to be submitted to the Committee
- ii. Considering this as a matter that affects the public, the service of the aforementioned members of staff is to be suspended with immediate effect
- iii. Following documents related to the aforesaid recruitments are to be furnished to the Committee within two weeks:
  - Decisions of the Board of Directors
  - Nature of the project
  - The basis on which selections were made
  - Duties assigned
  - District offices to which the aforesaid officers were attached
  - Attestation by the Heads of the respective district offices and the activity report
- iv. Copies of all reports submitted by the Sales Promotion Officers at the end of every month to the Board of Directors are to be presented to the Committee.
- v. Once the aforementioned reports are received, the Auditor General is to examine them and report to the Committee.

## **Reporting Current Status and Progress**

- i. A copy of the Cabinet Paper mentioned in recommendation (i) above has been submitted to the Committee. (**Annexure 24**)
- ii. It has been reported to the Committee that in keeping with the recommendation made by the Committee, service of the aforementioned officer was suspended with effect from August 2017. (**Annexure 25**)

Since the aforesaid project was an accelerated project, recruitments had been made subject to Board approval without obtaining approval from the Department of Management Services. Later, when approval was sought from the Department of Public Services, full approval has not been given by the Department. The Department has given approval for only the posts of Management Assistant, Driver and Labourer. (**Annexure 26**)

- iii. The information regarding the project, requested by the Committee are as follows.

➤ **Nature of the project**

National level programme to publicize the national drug policy among the general public

➤ **Basis of selection**

Selections were made from among the residents of the Kaluthara District

➤ **Duties assigned**

Contributing to the publicizing of the national drug policy among the general public

➤ **District attached**

These officers carry out their duties in the field hence their attendance is not recorded in the register maintained at the Corporation. They have been deployed for field work in the Kaluthara District.

➤ **Attesting service**

Attestations from the District Officer and Activity Reports have not been submitted

➤ **Monthly reports**

These officers have not submitted such monthly reports at the end of every month.

## **04. Payment of Incentives and Transport Allowances**

Regardless of their travel distances, a monthly sum of Rs. 4,700/- and Rs.3,000/- has been paid to the executive and non-executive staff members respectively

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since the year 2009. A total production incentive amounting to Rs. 45,565,152/- has been paid to the staff from year 2012 to 2016 subject to a maximum payment of Rs.12,000/- per month.

**Recommendations**

- i. Approval for the above is to be obtained from the Department of Management Services

**Reporting Current Status and Progress**

Through the letter of the Chairman of the State Pharmaceutical Manufacturing Corporation dated 22.02.2018, it has been reported that in order to encourage employees the aforementioned incentive will be paid after obtaining Board approval.

However, the recommendation of the Committee was to obtain approval from the Department of Management Services. It does not appear as if the recommendation has been implemented.

**05. Failure of the E/H Gelatin Capsules raw material to pass the quality test**

E/H Gelatin Capsule raw material purchased on 05 August 2010 at a cost of Rs. 5,656,285/- has failed to pass the quality test. The Corporation has not been able to recover the loss from the responsible parties.

**Recommendations**

- i. Committee is to be informed of the action that has been taken to prevent such incidents from recurring in future.

**Reporting Current Status and Progress**

Information on action taken has been submitted to the Committee through the letter of the Secretary to the Ministry of Health, Nutrition and Indigenous Medicine dated 14-02-2018 bearing reference MH/FCC/02/COPA-SPMC/2017. (Annexure 27)

**06. Complaints from the public**

Committee discussed matters pertaining to a complaint made to the Committee by the public regarding the purchasing of a land in the Bulathsinhala area.

**Recommendations**

- i. A report is to be submitted to the Committee on the legal status of the land, purchasing of the land and the new building that will be erected on the land.

Current situation and progress is to be reported.

**Reporting Current Status and Progress**

A comprehensive report on the aforementioned building has been submitted to the Committee through the letter of the Secretary to the Ministry of Health, Nutrition and Indigenous Medicine dated 13-12-2017 bearing reference MH/FCC/02/COPA-SPMC/2017. **(Annexure 28)**



- (i) අමාත්‍ය මණ්ඩලය විසින් පත් කරන ලද සාකච්ඡා සම්මුති කමිටුව විසින් නිර්දේශ කරනු ලැබ ඇති පරිදි සහ සංදේශයේ අවසන් ඡේදයෙහි යෝජිත පරිදි, සංදේශයේ සඳහන් වගුවෙහි දක්වා ඇති අදාළ නිපැයුම් නිෂ්පාදනය කිරීම සඳහා බෙහෙවින් ප්‍රතිචාරාත්මක ආයෝජකයින් සහ රාජ්‍ය ඖෂධ නිෂ්පාදන සංස්ථාව අතර බද්ධ ව්‍යාපාර පිහිටුවීම සඳහා අනුමැතිය ලබා දීම; සහ
- (ii) ක්‍රියාත්මක කරනු ලැබීමට නියමිත සියලු බද්ධ ව්‍යාපාර කටයුතු, අමප අංක 16/2857/718/045-II පිළිබඳව අමාත්‍ය මණ්ඩලය විසින් 2016-11-15 දින අනුමැතිය ලබා දෙන ලද, භාණ්ඩාගාරයේ ලේකම් විසින් සභාපතිත්වය දරන ලද නිලධාරී කමිටුවේ නිර්දේශ හා අනුගත වන බවත්, අනාගත ආයෝජකයින් සමඟ අත්සන් කරනු ලැබීමට නියමිත අදාළ ගිවිසුම් තුළ එකී නිර්දේශ යෝග්‍ය පරිදි ඇතුළත් කරනු ලැබ ඇති බවත් තහවුරු කරගන්නා ලෙස සෞඛ්‍ය, පෝෂණ හා දේශීය වෛද්‍ය අමාත්‍යාංශයේ ලේකම්ට නියම කිරීම.

අසාර්ථක ආයෝජකයින් වෙතින් මේ සම්බන්ධයෙන් කිසිදු අභියාචනයක්, ප්‍රසම්පාදන අභියාචන මණ්ඩලය වෙත ලැබී නොමැති බව ද අමාත්‍ය මණ්ඩලය විසින් සැලකිල්ලට ගන්නා ලදී.

**ක්‍රියා කළ යුතු:** සෞඛ්‍ය, පෝෂණ හා දේශීය වෛද්‍ය අමාත්‍යාංශය - ඉහත නිරීක්ෂණ යා කොට ඇත.

**පිටපත්:** ජනාධිපති ලේකම් - සංදේශයේ පිටපතක් හා ඉහත නිරීක්ෂණ යා කොට ඇත.

අග්‍රාමාත්‍ය ලේකම් - සංදේශයේ පිටපතක් හා ඉහත නිරීක්ෂණ යා කොට ඇත.

ජාතික ප්‍රතිපත්ති හා ආර්ථික කටයුතු අමාත්‍යාංශය - සංදේශයේ පිටපතක් හා ඉහත නිරීක්ෂණ යා කොට ඇත.

මුදල් හා ජනමාධ්‍ය අමාත්‍යාංශය  
කර්මාන්ත හා වාණිජ කටයුතු අමාත්‍යාංශය - සංදේශයේ පිටපතක් හා ඉහත නිරීක්ෂණ යා කොට ඇත.

සභාපති, ප්‍රසම්පාදන අභියාචනා මණ්ඩලය

**Annexure 25**

2018.01.22

සාමාන්‍යාධිකාරීණී  
රාජ්‍ය ඖෂධ නිෂ්පාදන සංස්ථාව

පොදු ව්‍යාපාර පිළිබඳ කාරක සභාවේ නිර්දේශ - ශ්‍රී ලංකා රාජ්‍ය ඖෂධ නිෂ්පාදන සංස්ථාව

පොදු ව්‍යාපාර පිළිබඳ කාරක සභාවේ ලේකම් විසින් අංක - කෝප්/8/1/2017 හා 2017 සැප්තැම්බර් 14 දිනැතිව සෞඛ්‍ය අමාත්‍යාංශයේ ලේකම්තුමා අමතන ලද පොදු ව්‍යාපාර පිළිබඳ කාරක සභාවේ නිර්දේශ සම්බන්ධවයි.

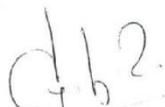
**04. කාර්ය මණ්ඩලය**

ඖෂධ ප්‍රතිපත්තිය ජනතාව අතර ප්‍රචලිත කිරීම ජාතික මට්ටමේ කඩිනම් ව්‍යාපෘතියක් වූ බැවින් එම නිලධාරීන් අධ්‍යක්ෂ මණ්ඩල අනුමැතියට යටත්ව බඳවා ගන්නා ලද අතර බඳවා ගැනීමට පෙර කළමනාකරණ සේවා දෙපාර්තමේන්තුවේ අනුමැතිය ලබා ගැනීමට නොහැකි වී ඇත.

කෙසේ වෙතත් මෙම තනතුරු අනුමැතිය සඳහා කළමනාකරණ සේවා දෙපාර්තමේන්තුව වෙත ඉදිරිපත් කල අතර අනුමැතිය ලැබී නොමැත.

එම නිලධාරීන්ගේ රාජකාරි කටයුතු ක්ෂේත්‍රගතව සිදු කල බැවින් සංස්ථාවේ පැමිණීමේ ලේඛණ වල වාර්තා කිරීම සිදු නොවී ඇත.

කෙසේ වුවත් 2017 අගෝස්තු මස 24 දින පැවති පොදු ව්‍යාපාර පිළිබඳ කාරක සභාවේ නිර්දේශය මත 2017 අගෝස්තු මස සිට මෙම නිලධාරීන්ගේ සේවය අත්හිටුවා ඇත.



නියෝජ්‍ය සාමාන්‍යාධිකාරී - මානව සම්පත්  
රාජ්‍ය ඖෂධ නිෂ්පාදන සංස්ථාව

**Annexure 26**

DMS/1754/Vol.ii

2017.10.16

ලේකම්

සෞඛ්‍ය, පෝෂණ හා දේශීය ජෛවදාම අමාත්‍යාංශය

ලේකම්තුමනි



සේවක සංඛ්‍යාව වැඩි කිරීම - ශ්‍රී ලංකා රාජ්‍ය ඖෂධ නිෂ්පාදන සංස්ථාව

ඉහත කරුණ සම්බන්ධව ඔබගේ අංක MH/AD/01/08/SPMC/Cadre හා 2017.09.13 දිනැති ලිපිය හා බැඳේ.

02. එම ලිපියේ සඳහන් කරුණු සහ 2017.10.03 දින මෙම දෙපාර්තමේන්තුවේදී පවත්වන ලද කාර්ය මණ්ඩල සමාලෝචන රැස්වීමේදී ඉදිරිපත් කළ කරුණු සැලකිල්ලට ගෙන රාජ්‍ය ඖෂධ නිෂ්පාදන සංස්ථාව සඳහා මීට පෙර ලබා දී තිබූ සියලු කාර්ය මණ්ඩල අනුමැතීන් අවලංගු කර ඇලුණුම 01 හී දක්වා ඇති කාර්ය මණ්ඩලය අනුමත කරන බව කාරුණිකව දන්වමි.

03. එම තනතුරු සඳහා බඳවා ගැනීම් අදාළ බඳවා ගැනීමේ පරිපාටිවලට අනුකූලව, විධිමත්ව හා විනිවිදභාවයකින් යුක්තව සිදු කළ යුතු අතර, අනුමත නව තනතුරු සඳහා බඳවා ගැනීම් පරිපාටි සකසා ජල දෙපාර්තමේන්තුවෙන් අනුමත කරවා ගැනීමෙන් අනතුරුව බඳවා ගැනීම් සිදු කරන ලෙසත් කාරුණිකව දන්වමි.

04. තවද පුරප්පාඩු පිරවීම හා නව තනතුරු ඇතිකිරීම සඳහා වූ අතිරේක පිරිවැය මහා භාණ්ඩාගාරයට වැය බරක් නොවිය යුතු අතර, එය ශ්‍රී ලංකා රාජ්‍ය ඖෂධ නිෂ්පාදන සංස්ථාවේ ආදායමින් දැරිය යුතු බව ද වැඩිදුරටත් කාරුණිකව දන්වමි.

මෙයට - විශ්වාසී

එච්.ඒ. සුමනසිංහ

අධ්‍යක්ෂ ජනරාල්

පිටපත්:

1. විගණකාධිපති
2. ලේකම්, ජාතික වැටුප් හා සේවක සංඛ්‍යා කොමිෂන් සභාව
3. අධ්‍යක්ෂ ජනරාල්, ජාතික අයවැය දෙපාර්තමේන්තුව
4. අධ්‍යක්ෂ ජනරාල්, රාජ්‍ය ව්‍යාපාර දෙපාර්තමේන්තුව
5. සභාපති, ශ්‍රී ලංකා රාජ්‍ය ඖෂධ නිෂ්පාදන සංස්ථාව
6. පොදු ගොනුව
7. දත්ත ගොනුව

	Book Keeper	පොත් බැලුම්කරු	02
	Computer Hardware Technician	පරිගණක දෘඩාංග තාක්ෂණික	01
	Information Technician (Multimedia)	තොරතුරු තාක්ෂණ ශිල්පී (බහු මාධ්‍ය)	01
<b>MA 1-1</b>	<b>Management Asst. (Non Tech)</b>		
	Management Assistant	කළමනාකරණ සහකාර	34
<b>PL - 3</b>	<b>Primary Level Skilled</b>		
	Driver	රියදුරු	18
<b>PL - 2</b>	<b>Primary Level Semi Skilled</b>		
	Pharmaceutical Complete Aide	ඖෂධ නිමා කිරීමේ සහයක	29
	Lab Assistant	රසායනාගාර සහයක	02
<b>PL - 1</b>	<b>Primary Level Unskilled</b>		
	Labourer	කම්කරු	39
<b>Total</b>		<b>එකතුව</b>	<b>353</b>

2.

**Annexure 27**

To : General Manager  
From : Deputy General Manager – Planning and Procurement  
Subject : Replies to cope report  
Date : 5.01.2018

**Rejected Empty Gelatin Capsules – quantity 35.56million) with the Value of Rs. 5.6mn –**

It has been following up matter continuously. the latest reply by High Commission of India, it was informed that the matter is referred to respective authorities in India after sending several reminders to them. In this situation, it is hard to expects positive answer due to left over 5 years' time period and response also very slow by High commission of India.

Further, in view of avoid this type of issues, SPMC speed up coordinating process with the suppliers if found any errors with the materials without getting delay.

As well, procurements of similar type of products are getting done through selected and recommended suppliers.

22/01/2018.  
Rohan Dharmadasa.

Deputy General Manager- Planning and Procurement.

**Annexure 28**

**පොදු ව්‍යාපාර පිළිබඳ කාරක සභා ( COPE ) විමසුම් සඳහා පිළි**

**බුලත්සිංහල ප්‍රදේශයේ ඉඩමක් මිලදී ගැනීම සම්බන්ධව**

**1. නීතිමය තත්වය**

සංස්ථාවේ නීතිය මණ්ඩලයේ නීතියකුගේ නිර්දේශ සැලකිල්ලට ගනු ලැබීමෙන් අනතුරුව රජයේ තක්සේරු වටිනාකමට මිලදී ගන්නා ලදී.

**2. මිලදී ගැනීම**

ඉඩම මිලදී ගැනීම සම්බන්ධයෙන් රාජ්‍ය ඖෂධ නිෂ්පාදන සංස්ථාව විසින් ලංසු කැඳවීමක් සිදුකරන ලදී. ඊට අදාළව ලංසු 02ක් ලැබුණු අතර, ඒවා දෙපාර්තමේන්තු තාක්ෂණික ඇගයීම් කමිටුව විසින් ඇගයීමෙන් අනතුරුව එම කමිටුවේ නිර්දේශය මත ප්‍රසම්පාසන කමිටුව විසින් අවම ලංසුව ඉදිරිපත් කර තිබූ බුලත්සිංහල ප්‍රදේශයේ පිහිටි ගොඩනැගිල්ලක් සහිත ඉඩම මිලදී ගැනීමට අනුමැතිය ලබාදුන් අතර එය රජයේ තක්සේරු වටිනාකමට එනම් ලංසුකරු ඉදිරිපත් කළ මිලට වඩා අඩු මිලකට මිලදී ගන්නා ලදී.

**3. මිලදී ගැනීමේ අරමුණු**

❖ ඖෂධ නිෂ්පාදන කර්මාන්තශාලා සඳහා පුහුණු ශ්‍රමය ලබා ගැනීම ගැටලුකාරී තත්වයකි. එනම් ඖෂධ නිෂ්පාදන ක්ෂේත්‍රයේ පුහුණු ශ්‍රමිකයින්ගේ හිඟයක් පවතින බැවිනි.

මෙම ගැටලුවට පිළියමක් ලෙස රාජ්‍ය ඖෂධ නිෂ්පාදන සංස්ථාව විසින් දැනටමත් පුහුණු ඖෂධ තාක්ෂණඥයින් බිහිකිරීමට පුහුණු පාසලක් ආරම්භ කර ඇත. එම පුහුණු කිරීමේ පාසල මෙම බුලත්සිංහල ගොඩනැගිල්ලේ පවත්වාගෙන යාමට කටයුතු කරනු ලැබේ.

❖ සෞඛ්‍ය අමාත්‍යාංශයේ "2020 නව දැක්ම" අනුව ඖෂධ නිෂ්පාදන කර්මාන්ත ක්ෂේත්‍රයේ නව ඖෂධ නිෂ්පාදන කර්මාන්තශාලා 14ක් අලුතින් ඇරඹීමට නියමිතය. මෙම කර්මාන්තශාලා භාරණ සහ වැලිපැන්ත ප්‍රදේශ ආශ්‍රතව ඇරඹීමට සැලසුම්කර ඇත. දැනටමත් භාරණ ප්‍රදේශයේ කර්මාන්තශාලා 03ක් ආරම්භ කර ඇත.

තවද ගරු අග්‍රාමාත්‍යතුමාගේ සංකල්පයක් යටතේ කර්මාන්තශාලා 1000ක් අපනයන ප්‍රවර්ධන කලාප තුළ ආරම්භ කිරීමට නියමිතය. ඒ අනුව භාරණ, කොරගල අදී ප්‍රදේශවල මේ කර්මාන්තශාලා ඇරඹීමට සැලසුම්කර ඇති අතර ඖෂධ නිෂ්පාදන කර්මාන්තශාලාද ඊට ඇතුළත්ය.

මෙම ඖෂධ නිෂ්පාදන කර්මාන්තශාලා මගින් නිෂ්පාදනය කෙරෙන ඖෂධවල ගුණත්වය පරීක්ෂා කිරීම සඳහා තත්ව පාලන රසායනාගාරයක් පිහිටුවීමද අවශ්‍යතාවයකි. බුලත්සිංහල ප්‍රදේශයෙන් මිලදී ගත් ගොඩනැගිල්ල මෙම තත්ව පාලන රසායනාගාරය ස්ථාපිත කිරීම සඳහා ද යොදා ගැනේ.

**4. අලුතින් ඉදිකරන ගොඩනැගිලි**

පවත්නා ගොඩනැගිල්ල අවශ්‍යතාවයන්ට ගැලපෙන පරිදි නවීකරණය කර ප්‍රයෝජනයට ගැනීමට නියමිතය. එම නිසා එහි නව ගොඩනැගිල්ලක් ඉදිකිරීමේ අවශ්‍යතාවයක් නොමැත.

## **National Livestock Development Board**

Ministry of Rural Economic Affairs

*(This institution has been brought under the purview of the Ministry of Agriculture, Rural Economic Affairs, Livestock Development, Irrigation and Fisheries & Aquatic Resources Development from 28.12.2018)*

**Date of Examination: 25<sup>th</sup> August 2017**

### **Matters Discussed**

#### **01. Purchasing a vehicle at a price exceeding the valuation**

Although approval has been granted by the Department of Public Enterprises to purchase 03 cabs on lease basis, the institution has taken action to purchase a vehicle at a price exceeding the valuation. This matter was raised at the COPE meeting held on 25-10-2013 and by now, it has been revealed to the Committee that the information furnished by the officers of the Institution at the aforementioned meeting is false.

### **Recommendations**

Action is to be taken to look into this matter at Ministerial level and a report is to be submitted to the Committee within a month

### **Reporting Current Status and Progress**

The report requested by the Committee had not been submitted even as at 31.03.2018.

#### **02. Failure to recover loans**

Committee enquired about the failure to recover the sum of Rs. 8,489,772/- which is due from the Mahaweli Livestock Company.

The Chairman explained that the said loan was granted in connection to the distribution of chicks and the erecting of a pandol and that the Mahaweli Livestock Company has agreed to pay back the amount due for the distribution of chicks but they are not willing to pay back the expenses made for erecting the pandol.

### **Recommendations**

- i. Necessary steps are to be taken after looking into this matter
- ii. A report that includes the following information is to be submitted regarding the pandol in question:
  - Who gave approval for the pandol?
  - Who bore the expenses for the pandol?

- Is there a Board decision in this regard?
- Has the then Minister made a request in this regard?

### **Reporting Current Status and Progress**

Even as at 31-03-2018, the report requested by the Committee, had not been submitted to the Committee.

#### **03. Amount recoverable from the Bank of Ceylon, Kanthale Branch**

Committee enquired about the overdue balance of Rs. 2,092,150/- which has been due from the Bank of Ceylon, Kanthale Branch since 2009.

The General Manager stated that loans were granted to farmers by the BoC Kanthale Branch in order to cultivate maize under the condition that the harvest is to be purchased by the Livestock Development Board. However, the farmers have not settled the loans obtained. As a result the Bank has put on hold the funds in the account of the Institution.

### **Recommendations**

- i. Information on the aforementioned bank account is to be submitted to the Committee

### **Reporting Current Status and Progress**

Even as at 31-03-2018, the report requested by the Committee, had not been submitted to the Committee.

#### **04. Wellard Project**

Committee enquired about the following: Failure of the project which was implemented under an agreement that was made between Wellard Rural Exports Pvt. (Ltd.) and the Institution; exorbitant expenses that had to be borne to implement the project; the fact that a considerable number of animals which were imported under this project were unable to get conceived; and the measures that the Institution can take under the agreement at a situation of this nature.

The Chairman stated as follows: Animals which were imported were already conceived but after arriving in Sri Lanka some of them suffered miscarriages. First born calves of the animals which were imported, were distributed among the farms free of charge. To some extent, the free distribution of calves born of the animals which were imported under the project contributed to the failure of the project.

Secretary to the Ministry stated that as per the agreement, concessions can be sought only if the miscarriages took place during transportation of the animals and that concessions cannot be sought for miscarriages that occurred after the animals arrived in Sri Lanka.

### **Recommendations**

- i. Submitting to the Committee the background report currently available with the Ministry regarding the Wellard Project;
- ii. Submitting a comprehensive report describing the manner in which the said Project was implemented from the beginning to the end; and
- iii. Submitting to the Committee a report containing details of all the animals that had been imported.

### **Reporting the current situation and the progress**

The report that had been called for by the Committee under recommendation (i) above has been submitted to the Committee through the letter of the Secretary to the Ministry of Rural Economic Affairs bearing reference MER/3-1/2017/NLDB/COPE dated 15.11.2017.

The report that had been called for under recommendation (ii) above has been submitted to the Committee through the letter of the Secretary to the Ministry of Rural Economic Affairs bearing reference MER/3-1/2017/NLDB/COPE dated 10.11.2017, and it has been further informed that the report containing details of all the animals that had been imported would be submitted to the Committee without delay once it has been received by the Ministry from the Chairman of the National Livestock Development Board. However, the said report had not been submitted to the Committee even by 31.03.2018.

### **05. Payments that had been made with regard to Wellard Project**

The committee directed its special attention towards the payments that had been made with regard to Wellard Project.

### **Recommendations**

- i. Submitting to the Committee a complete report including the following information:
  - details of the persons who coordinated this Project on behalf of the National Livestock Development Board;
  - whether National Livestock Development Board is a stakeholder of this Project in terms of the agreement; and
  - whether there is an internal control in effect at farms belonging to the National Livestock Development Board for certifying the expenses of the Project, and if so, details of the steps of implementation of such mechanism;

- ii. Submitting to the Committee a report describing the responsibilities assigned to the Ministry and National Livestock Development Board in implementing this Project.
- iii. Director General of the Department of Public Enterprises was directed to submit to the Committee a report describing the responsibilities of the officers who represented the Treasury in implementing the agreement and stating whether the relevant specifications have been provided in terms of the agreement.

**Reporting the current situation and the progress**

The aforesaid report that had been requested by the Committee had not been submitted to the Committee even by 31.03.2018.

Even though the report that has been submitted with regard to question No.05 above contains information about the Wellard Project, it does not cover all of the abovementioned details that have been requested by the Committee.

**06. Discrepancies existing in some of the accounts of the farms – Menikpalama Farm**

The Committee directed its attention towards the discrepancies existing in the statistics in the accounts of some of the farms belonging to the Board, particularly in those of the Menikpalama Farm, and the Committee enquired as to how the Farm that incurred losses over a few years earned a profit of Rs. 26,608,362/- in 2015 and once again incurred a loss of Rs. 135,613,497/- in 2016.

**Recommendations**

- i. Submitting in collaboration with the Ministry a report of the breakdown of the loss of Rs. 135,613,497/-.

**Reporting the current situation and the progress**

The aforesaid report that had been requested by the Committee had not been submitted to the Committee even by 31.03.2018.

## **Sri Lankan Airlines Limited**

(Ministry of Public Enterprise Development)

*(This institution has not been placed under the purview of the any ministry in accordance with the Extraordinary Gazette No. 2103/33 dated 28.12.2018)*

**Date of Examination: 06<sup>th</sup> September 2017**

**20<sup>th</sup> September 2017**

### **Matters Discussed**

#### **01. Present financial situation of the institute**

As the situation of this institute that existed at the time when this institute appeared before the Committee on Public Enterprises on 12.02.2016 has further deteriorated at present, the Committee enquired as to what measures could be taken to cope with this situation.

The Chairman stated that the institute had implemented the following measures to cope with this situation:

- i. A proposal had been submitted to the government to grant a sum of Rs. 150 million as a capital for the institute, but the it has not been successful;
- ii. The government is engaged in discussions at present to transfer 49% of the shares of the institute to a foreign party; and
- iii. A restructuring plan has been submitted.

### **Recommendations**

- i. Submitting a copy of the restructuring plan to the Committee

### **Reporting the current situation and the progress**

The restructuring plan approved by the Cabinet of Ministers in 2015 and the new restructuring proposal referred to the Ministry of Public Enterprise Development in August 2017 have been submitted to the Committee through the letter of the Chairman of Sri Lankan Airlines dated 14.09.2017.

#### **02. Purchase of new aircrafts for the Company**

The Committee enquired as to why a copy of the report of the technical evaluation committee of these purchases, and a copy of the letter of approval given by the Cabinet have not been submitted to the Committee so far despite that the Committee at its meeting held on 12.02.2016 had recommended that copies of those documents be submitted to the Committee.

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### **Recommendations**

Sending the following information to the Committee within a period of one week:

- i. A copy of the Cabinet memorandum and all observations relating to that;
- ii. If a Cabinet memorandum had not been submitted, letters/documents/information which contain the decision that such memorandum was not needed;
- iii. If it was a decision of the Board of Directors, the report relating to such decision; and
- iv. The final decision made by the Board of Directors regarding this.

### **Reporting the current situation and the progress**

A copy of the Cabinet Memorandum dated 27.03.2013 that had been submitted on behalf of Sri Lankan Airlines regarding replacement of the fleet of wide-body aircrafts, that has been submitted to the Committee through the letter of the Chairman of the Company dated 14.09.2017, and observations of the Minister of Finance and Planning regarding the same are included in **Annexure 29**.

### **03. Cancellation of lease agreement**

The institute had paid a sum of Rs. 16,924.36 million as compensation for cancelling the financial lease agreements of 4 of the 8, A-350 aircrafts, and the Committee enquired as to whether Cabinet approval had been granted for that.

The Chairman stated that approval had been granted for that through the Cabinet paper dated 15.08.2017, and then the following facts were disclosed by the Committee:

- i. That this Cabinet paper had been submitted after the said payment had been made, i.e. after 15.08.2017;
- ii. That making this payment had not been directly approved through that Cabinet paper, and only the observations of the then Minister of Finance had been given through that Cabinet paper; and
- iii. That the Cabinet paper had not been signed.

### **Recommendations**

- i. Submitting to the Committee the relevant Cabinet memorandum, all the observations that had been presented for that, and the final decision.

### **Reporting the current situation and the progress**

The relevant Cabinet memorandum and all the observations presented for that have been submitted to the Committee through the letter of the Chairman of Sri Lankan Airlines dated 14.09.2017. (**Annexure 30**)

#### **04. Payment of compensation when terminating the agreement**

The institute had agreed to make a payment as compensation when terminating the agreement, but the following issues arose with regard to determining the relevant amount:

- i. What was the basis for determining this amount?
- ii. Who determined the amount of the payment?
- iii. How was that decision reached?

The Chairman had presented the following facts with regard these issues:

- i. That this amount was calculated by the relevant leasing company;
- ii. That a sum of \$ 90.5 million had been paid in cash for 03 aircrafts;
- iii. That a sum of \$ 7.5 million had been retained by the institute as the deposit rental for 03 aircrafts; and
- iv. That a sum of \$ 17 million had been paid for one aircraft.

#### **05. Lack of termination clauses in the agreement on A350 aircrafts**

The Committee drew its attention towards the lack of a termination clause in the agreement in question.

The Chairman stated that agreements on purchasing aircrafts do not usually contain termination clauses and that is the standard method, and that such practices cannot be seen in agreements on purchasing aircrafts even in other countries.

### **Recommendations**

- i. Submitting to the Committee as early as possible examples and evidence on whether such a tradition exists in other countries, and whether there is a practice that the total amount should be paid in case an agreement is cancelled halfway.

### **Reporting the current situation and the progress**

Explanations have been submitted regarding that, but examples and evidence have not been submitted to the Committee as requested by the Committee.

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**06. Cabinet paper dated 19.04.2017**

It was disclosed by the Committee that the effort that had been made through this Cabinet paper was to get powers granted to the Secretary to the Treasury and to the Secretary to the Ministry of Public Enterprise Development to take action regarding this agreement.

The Chairman stated that the approval requested through the Cabinet paper dated 19.04.2017 was not granted, and that a Cabinet paper was submitted again on 14.06.2017 referring to the Cabinet paper dated 19.04.2017.

**Recommendations**

Submitting to the Committee a report including the following information:

- i. Cabinet paper dated 19.04.2017;
- ii. The period of time during which payments will be made; and
- iii. Submitting to the Committee the two decisions of the Cabinet relating to this matter.

**Reporting the current situation and the progress**

2017.04.19 dated Cabinet Paper, Period of payment and relevant 02 Cabinet decisions which are the documents were requested by the Committee have been submitted to the Committee, and they are given **Annexure 31**, **Annexure 32** and **Annexure 33** respectively

**07. CCAM Annexure 01 – Option – 15**

It was disclosed by the Committee that approval had been granted through a Cabinet paper submitted in October 2016 for the payment relating to the termination of the agreement, and that the said approval had been granted only relating to the other matters except for CCAM Annexure 01 – Option 15 of the Cabinet paper.

Accordingly, the Committee decided that this document should be called for by the Committee in order to find out whether this task had been carried out under proper approval.

**Recommendations**

- i. Submitting the relevant document to the Committee

**Reporting the current situation and the progress**

The aforesaid documents that have been submitted to the Committee through the letter of the Chairman of Sri Lankan Airlines dated 14.09.2017 are given in the **Annexure 34**.

**08. Officers who draw a monthly salary of over one million**

It was disclosed through audit reports that there are 190 officers at the Institute who draw a monthly salary of over one million rupees as at present.

The Committee expressed its dissatisfaction over the fact that, despite the recommendation that had been issued by the Committee to send information on their educational qualifications, age, and the tasks assigned to them, a report containing such information has not been submitted to the Committee so far.

**Recommendations**

- i. Sending to the Committee a report containing the following information about those employees.
  - Educational qualifications;
  - Age; and
  - Tasks assigned to them.

**Reporting the current situation and the progress**

The aforesaid documents that have been submitted to the Committee through the letter of the Chairman of Sri Lanka Airlines dated 14.09.2017.

*After this Institution had been called before the Committee on Public Enterprises on 06.09.2017, the Committee decided to call the Institute before the Committee once again on 20.09.2017. The following matters were discussed at this meeting:*

**01. Not obtaining approval of the Cabinet of Ministers for purchase of aircrafts**

The following facts were disclosed about purchasing of the 08 aircrafts as per the Cabinet Memorandum dated 27.03.2013:

- i. Having no Cabinet approval for that;
- ii. It has been noted down as “postponed” according to Cabinet meeting; **(Annexure 35)**
- iii. The then Minister of Finance had signed the said Cabinet memorandum; and
- iv. That the right to make decisions regarding the said transaction has not been given to the Institute.

The Committee enquired whether a discussion had taken place among the Cabinet of Ministers regarding this transaction after postponing the Cabinet meeting of 16.04.2014 in which the Cabinet memorandum dated 27.03.2013 had been discussed.

Secretary to the Ministry stated that the Secretary to the Cabinet, when he was enquired about this, had confirmed that no cabinet paper or note had been submitted to the cabinet relating to purchase of these aircrafts after 16.04.2013.

### **Recommendations**

- i. Sending a copy of that confirmation letter to the Committee

### **Reporting the current situation and the progress**

The document that had been requested by the Committee has been submitted to the Committee through the letter of the Secretary to the Ministry of Public Enterprise Development bearing reference MPED/IA-1/COPE/SLAL(V-II) dated 11.10.2007. (Annexure 34)

### **02. The report submitted by Seabury**

The Committee enquired whether the report that has been submitted to the Committee on this day is the same report that had been submitted to the Committee on 06.09.2017.

The Committee paid attention towards whether a technical evaluation committee had functioned at institutional level regarding the said transaction.

The Chairman stated the following:

- that it was the same report that had been submitted earlier;
- that Seabury company had not signed the report that had been presented on 06.09.2017, and therefore the report was returned to Seabury company to get it signed by them;
- that the report that has been presented on this day is the report that contains the signature;
- that there has be no change in the content of the report; and
- That such a committee had not functioned at institutional level, and that a working committee had been appointed to work with Seabury Company.

### **03. Termination of the agreement**

The Committee directed its attention towards the fact that, despite that the Cabinet Committee on Economic Management had set a limit of about \$ 75 – 85 million for termination, efforts had been made to terminate it incurring a cost that

exceeds the said limit, and the Committee enquired about the steps of the increase of that amount up to \$ 98 million from the aforesaid minimum limit.

The following matters came to light from the explanations that the Chairman of Sri Lankan Airlines made regarding this issue:

- i. that AerCap company has proposed a sum of \$115 million for termination of the agreement for 03 aircrafts;
- ii. that AerCap company had not agreed to the amount that had been proposed by the Cabinet Committee on Economic Management.
- iii. that the proposed amount of \$115 million could be reduced to \$ 98 million.
- iv. that for reducing that amount (to \$ 98 million) other conditions had to be agreed to as follows:
  - to pay every installment on the agreed date;
  - extending the lease period of A330-200 MSN 627 aircraft by 10 years;
  - implementing a lease agreement for A330-200 MSN 1008 aircraft;
  - transferring to Sri Lankan Airlines 02 narrow-body aircrafts belonging to AerCap company that have been leased to Mihin Lanka;
- v. that the Board of Directors agreed to pay the said amount;
- vi. that the Board of Directors was assigned the task of obtaining approval for that; and
- vii. that the said amount could not be further reduced, but an opportunity was given to pay the amount in 2017.

The Committee inquired whether a technical evaluation committee was appointed to negotiate with AerCap company in determining this amount, and the following facts came to light:

- i. that a technical evaluation committee had not been appointed;
- ii. that the Board of Directors had vested power in the Chief Executive Officer to take action in that regard;
- iii. that this has been stated in the Board decisions;
- iv. that, despite of the instructions given by CCEM, the involvement of the Ministry was obtained only for the first round of negotiations; and
- v. that involvement of the Ministry had not been obtained for the negotiations held thereafter.

The Chairman stated that, Rs. 98 million, which was amount decided to be paid for termination of the agreement, was approved by the Board of Directors.

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#### **04. Agreement for termination of the aircraft deal**

The Committee enquired whether legal clearance had been obtained from the Attorney General for the agreement for termination of aircraft deal.

The Chairman stated that advice was taken from an institute named Aviation Legal Experts in England, and that this termination agreement was prepared under their guidance.

It was disclosed that the Institute had not consulted the Attorney General regarding this matter, and that the Attorney General would be consulted only if the Cabinet of Ministers issued directions to do so.

The Secretary to the Ministry stated that the Attorney General was consulted at Ministry level, and then the Attorney General had pointed out the following:

- that the Attorney General had not been consulted when the decision to purchase the aircrafts was taken, and therefore, consulting him at this stage was not needed;
- that making decision by the Board of Directors as a business decision is adequate; and
- that intervention in this matter as the Government is not needed.

#### **05. Persons who participated in the negotiations for terminating the agreement**

The Committee inquired about the persons who participated in the negotiations for terminating the agreement, and the committee directed its attention towards the participation of Dr Rajan Sarah, an advisor to the then Minister of Finance, in those negotiations.

The Committee pointed out that it is problematic that only the Ministry of Finance and the Institute had participated in these negotiations and the Ministry of Public Enterprise Development, which is the subject Ministry, had not participated.

#### **Recommendation**

- i. Department of Public Enterprises was directed by the Committee to report to the Committee as to whether Dr Rajan Sarah was an Advisor to the then Minister of Finance or an Advisor to the Ministry of Finance.
- ii. Submitting to the Committee the minutes of the negotiations that were held.

#### **Reporting the current situations and the progress**

It has been reported through the letter of the Secretary to the Ministry of Public Enterprise Development bearing reference PE/AV/SLA/COPE & Audit/2017

dated 08.11.2017 that Dr Rajan Sarah had been the Advisor – Financial Management and Foreign Investment to Hon. Ravi Karunanayake, the then Minister of Finance, and in addition he had also served as the Head of the Performance Efficiency Unit on honorary basis.

The Copy of the relevant appointment letter is included in **Annexure 37** and the copy of cabinet decision is included in **Annexure 38** respectively.

#### **06. Comprehensive reports**

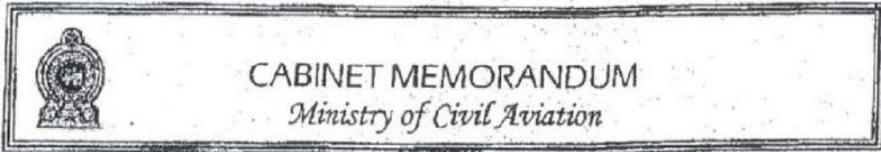
It was the opinion of the Committee that it would be appropriate to obtain from the Department of the Auditor General two reports regarding purchase of aircrafts and regarding cancellation of that agreement, and to present to the Parliament a report that is prepared based on those two reports.

#### **Recommendations**

- i. Preparing two comprehensive reports including the relevant details and submitting them to the Committee.
- ii. Presenting to the Parliament a report that is prepared based on those two reports.

#### **Reporting the current situation and the progress**

The aforesaid report has been prepared by the Department of the Auditor General and has been submitted to the Committee, the Committee has planned to submit a special report regarding this to Parliament.

**Annexure 29**

Cabinet Paper No: 2013/ 07  
Reference No:MCA/AV/04/100

Date: 27/03/2013

### WIDE-BODY FLEET REPLACEMENT

#### 1. Background

1.1 The wide-body fleet of SriLankan Airlines (SLA) which consist of 13 Aircraft (6-A 340-300 and 7-A 330-200) need to be replaced at the end of their respective lease terms which fall between 2014 and 2019. The age of the wide body fleet at present ranges from 13to 18 years for the A 340s' and from 9 to 13 for the A 330 aircraft.

1.2 The A 340 aircraft has 4 engines and its operating cost is 10% higher than that of a twin engine A 330 – 300 aircraft and is at least 24% higher than a new generation twin engine aircraft. Furthermore, the average age of the wide body fleet being 13.5 years, it is not only uneconomical to maintain, but makes SLA unattractive to customers vis a vis competition who have modern aircraft fleets.

1.3 SLA hence requires new aircraft to replace the current wide body fleet and this can be timed with the return of all existing wide body aircraft to lessors upon expiry of lease terms.

#### 2. Rationale

##### 2.1 Aircraft Selection Process

The Board of Directors appointed an internal team led by the Director/CEO (and includes the Chief Operations Officer, Head of Finance and the Head of Engineering) and an External Consultant to assist and provide expert advice to the internal team in the selection process.

Offers were called by way of an RFP/RFI in August 2012 from the two aircraft manufactures (Boeing and Airbus) and two engine manufactures (namely Rolls Royce (RR) and GE Aviation). Available Aircraft models that meet the Operational Requirements are:

- Boeing 787 (new generation) with RR or GE engine
- Airbus A 350 (new generation) with RR engine
- Airbus A 330 with RR or GE engines

The RFP specifically targeted the above models and offers were received from all the manufacturers as requested. The manufacturers were afforded several rounds for clarifications and opportunities to submit revised offers and a final round of meetings/negotiations with all the manufactures was held in February 2013.

## 2.2 Aircraft/Engine selection criteria

- 1) Availability of aircraft to match the return of the leased wide body fleet which commences in the last quarter of 2014.
- 2) Operating cost of aircraft
- 3) Overhaul cost of engines
- 4) Commonality benefits (spares, training, crew utilization)
- 5) Availability of lease aircraft to fill gaps
- 6) Aircraft/Engine purchase price and overall benefits measures in terms of Net Present Value (NPV)
- 7) Other benefits offered by the manufacturer for the development of the aviation industry in Sri Lanka – facilitation of maintenance, technical training, technology transfer.

## 2.3. Replacement of 6A 340 Aircraft

The aging fleet of A 340 aircraft needs to be replaced in the year 2014/2015 as the leases of these aircraft expire during this time frame and these aircraft are also approaching the end of their useful design life, thus there been no other option than replace them with a suitable available aircraft type. The new generation wide body aircraft were not available with the manufactures until 2019, and with Lessors until 2017. Therefore, also considering the commonality with the current fleet, the Airbus A 330 was selected as the most suitable option to replace the A 340 fleet. ~~The A 330-300 variant is a larger aircraft compared to the current~~ A 330-200 variant used by SLA and has 299 seats compared with the 269 at present and the range and payload is also more aligned to the mission requirements of the airline and is therefore the preferred option. Airbus offered aggressive discounts for the aircraft whilst the RR engine is preferred as it is the engine used in the current fleet and also as considerable discounts in both price and maintenance cost have been offered by RR. The final pricing of the aircraft is given in the Annexure 1.

## 2.4. Replacement of 7A 330-200 Aircraft

The A 330 – 200 Fleet of SLA needs to be replaced commencing 2017, upon lease expiry, and both the Boeing 787 and Airbus A 350 new generation aircraft were considered as suitable options.

Following a through selection process and negotiations with the manufacturers, the A 350-900 has been chosen as the preferred option to replace the A 330 – 200 fleet.

## 2.5. Rationale for choosing Airbus A 350- 900 aircraft compared to Boeing 787

### More room for growth

Favoured more strongly over the B 787 in an high growth scenario as the A 350 has 338 seats compared to the B 787 which has 300 seats in a typical two class configuration. Considering that these aircraft will enter service only in 2017, it is considered prudent to have a larger size aircraft in order to harness the envisaged growth potential, both in Sri Lanka, and the Asian Region.

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- Allows greater cargo capacity on long routes, including ample cargo capacity on all European services year-round.
- Wider fuselage enables more flexibility in offering innovative premium cabin seats.

#### 2.6 Lower Cost per Available Seat Kilometre

- Critical for competing with the large Middle Eastern Carriers, which all have low cost per kilometer due to their scale. The A 350-900 aircraft offers the least cost per kilometer (refer Annexure 2) compared to all the evaluated aircraft.

#### 2.7 Commonality Benefits

Pilot training requirements will be simplified by continuing to operate an all – Airbus wide body fleet and Airbus expects that airlines will be able to cross-utilise pilots between the A 330 and A 350 whilst the selection of Boeing will necessitate a separate set of pilots.

**Airbus has been far more engaged in the negotiation process and currently offers a better financial deal**

- Airbus has negotiated aggressively throughout, offering multiple rounds of discounts and concessions worth more than \$ 100 million during the final round of negotiations.
- The offered A 350-900 purchase price is lower than the currently offered B 787-9 purchase price, despite the A 350 being a larger aircraft.
- The total NPV of the A 330 – 300 /A 350-900 combination is \$40 million better than the A330 300/B787-9 combination (refer Annexure 3).
- Airbus will provide a VIP kit for installation in the aircraft valued at USD 15 million which can be used for official visits by the Head of State.

The final negotiated prices are provided in the Annexure 1.

#### 2.8 Engine Selection

RR engines are available in both types of aircraft selected by SLA (A 350 and A 330) whilst GE is available on the A 330. RR has offered a very attractive deal for both types taken together and on a net present value basis (considering purchase price and maintenance cost), is USD 5.5 million more attractive than if the GE engines were considered for A 330 (refer Annexure 4). As the current fleet of A 330 aircraft are operating with RR engines, SLA will not be required to train engineers, no investment in tooling will be required and additional spare engine requirement will be minimal.

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### 2.9. Benefits offered to the Country

Airbus has offered a USD 25.0 million credit towards purchases made from Airbus to develop aircraft maintenance (MRO) capability in Sri Lanka. Additionally, Airbus has offered USD 6 million in credits to help set up an advance aircraft technical training centre. Sri Lanka intends to utilize a major part of these credits to develop a modern training facility at the HRI airport.

Boeing has not offered any specific benefits in monetary value.

#### Funding Requirement

~~It is proposed that the 6 nos A 330 - 300 aircraft be funded through a sale and lease back method. However, USD 45 million will be required for initial pre-delivery payments and rent deposit for the Lessor. Being a current generation aircraft it is not proposed to own any of these aircraft due to the downside risk of accelerated depreciation in the future.~~

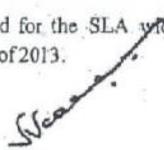
The A 350 aircraft is required in 2017, and as it is not available through the manufacturer. We will have to be leased initially (3 aircraft). It is proposed that SL purchase four A 350 aircraft in 2012/21 to be funded by both Sale and Lease back and/or purchase. The exact number of aircraft to purchase outright need not be decided now as there is sufficient time to make that decision. However the initial payments at the time of ordering amounting to USD 15 million will have to be made immediately.

The total cash required within the next six month period, for the complete wide body re-fleeting plan consisting of 10 aircraft to be procured through the manufactures, will amount to approximately USD 80 million.

### 3. Recommendation

Based on the above approval of Cabinet of Ministers is sought:-

1. To purchase of six (6) A330-300 aircraft powered by Rolls Royce Trent 700 engines for delivery commencing in the last quarter of 2014 to 2015.
2. To purchase of four (4) A350 - 900 aircraft powered by Rolls Royce XWB engines delivery to commence in 2020/2021 as replacement for A330-200 aircraft.
3. To lease aircraft for an additional three (3) A350-900 aircraft to be delivered in 2017 as replacement for A330-200 aircraft.
4. To fund for (1) above on sale and lease back method for all six (6) A330 -300 aircraft. As these are current generation aircraft, it is not proposed to own any of them due to the risk of falling value in the future.
5. To make funding available for USD 80 million required for the SLA wide body re-fleeting programme during the second and third quarter of 2013.

  
Piyankara Jayarathna  
Minister of Civil Aviation

**Annexure 30**



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**MINISTRY OF FINANCE AND PLANNING**

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The Secretariat, Colombo  
 Sri Lanka

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**අමාත්‍ය මණ්ඩල සංදේශය**

**මුදල් හා ක්‍රමසම්පාදන අමාත්‍යවරයාගේ නිරීක්ෂණ**

- අමාත්‍යාංශය : සිවිල් ගුවන්සේවා
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- යෝජනාව/ඉල්ලීම : පහත සඳහන් යෝජනා සඳහා අමාත්‍ය මණ්ඩලයේ අනුමැතිය අපේක්ෂා කෙරේ.

01. A330-300 ගුවන් යානා 06ක් (Rolls Royce Trent 700 එන්ජින් වලින් බල ගැන්වෙන) 2014 වසරේ අවසන් කාර්තුවේ සිට 2015 වසර දක්වා එයාර් බස් සමාගමෙන් මිල දී ගැනීමට
02. 2020/2021 වසර වලදී A330-200 ගුවන් යානා ප්‍රතිස්ථාපනය කිරීම සඳහා A350-900 ගුවන් යානා 04ක් (Rolls Royce XWB එන්ජින් වලින් බල ගැන්වෙන) මිල දී ගැනීමට
03. 2017 වසරේ දී A330-200 ගුවන් යානා ප්‍රතිස්ථාපනය කිරීම සඳහා අතිරේක A350-900 ගුවන් යානා 03ක් කල්බදු ක්‍රමයට ලබා ගැනීමට

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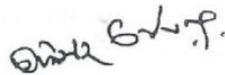
04. මෙලෙස නව මාදිලියේ ගුවන් යානා මිල දී ගැනීමට සැලසුම් කරන්නේ වර්තමාන පරම්පරාවේ ගුවන් යානා මිල දී ගැනීමෙන් අනාගතයේ දී කඩිනමින් ඇති වන ක්ෂය වීමේ අවදානමට මුහුණ දීමෙන් වැළකීම සඳහාය. එම නිසා ඉහත 01 හි සඳහන් ගුවන් යානා 06ක් කල්බදු හිමියාට ලබා දී ශ්‍රී ලංකන් ගුවන් සේවය විසින් කල්බදු ක්‍රමයට ආපසු ලබා ගැනීමේ ක්‍රමවේදය ක්‍රියාත්මක කිරීමට

05. ඉහත දක්වා ඇති පරිදි ශ්‍රී ලංකන් ගුවන් සේවයේ පළල් බඳු සහිත ගුවන් යානා ඇණිය ප්‍රතිස්ථාපනය කිරීමේ ව්‍යාපෘතිය සඳහා අවශ්‍ය වන ඇමෙරිකානු ඩොලර් මිලියන 80ක මුදල 2013 දෙවන හා තුන්වන කාර්තු වලදී ලබා ගැනීමට

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Ministry of Public Enterprise Development

OFFICE OF THE CABINET OF MINISTERS

CABINET DECISION

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அமைச்சரவைத் தீர்மானம்

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මගේ අංකය: අමප/17/1757/733/006  
2017 අගෝස්තු මස 23 දින.

ක්‍රියා කළ යුතු : මුදල් හා ජනමාධ්‍ය අමාත්‍යාංශයේ ලේකම්.  
රාජ්‍ය ව්‍යවසාය සංවර්ධන අමාත්‍යාංශයේ ලේකම්.

ශ්‍රී ලංකන් ගුවන් සේවය - A350 - 900 පුළුල් බඳ ගුවන් යානා  
තූනක් ලබා ගැනීමේ කල්බදු ගිවිසුම අවලංගු කිරීම

(රාජ්‍ය ව්‍යවසාය සංවර්ධන ගරු ඇමතිතුමා ඉදිරිපත් කළ 2017-08-09 දිනැති  
සංදේශය)

2017 අගෝස්තු මස 15 දින පැවැත්වුණු අමාත්‍ය මණ්ඩල රැස්වීමේදී එළඹී  
තීරණයක් අවශ්‍ය කටයුතු සඳහා මේ සමඟ එවා ඇත.

ඩබ්ලිව්.එම්.ඩී.ඉප්.ප්‍රනාන්දු  
අතිරේක ලේකම්.

අ.කලේ/එස්.අබේසිංහ  
අමාත්‍ය මණ්ඩලයේ ලේකම්.

(ආ) ත්‍යාග පත්‍රයේ විෂයයන්:

(I) අමාත්‍ය මණ්ඩල පත්‍රිකා - සාමාන්‍ය:

26. අමාත්‍ය මණ්ඩල පත්‍රිකා අංක 17/1757/733/006-V වූ, “ශ්‍රී ලංකන් ගුවන්  
සේවය - A350 - 900 පුළුල් බඳ ගුවන් යානා තූනක් ලබා ගැනීමේ කල්බදු  
ගිවිසුම අවලංගු කිරීම” යන මැයෙන් රාජ්‍ය ව්‍යවසාය සංවර්ධන ඇමතිතුමා  
ඉදිරිපත් කළ 2017-08-09 දිනැති සංදේශය - (අමප අංක 17/1535/733/006-  
IV පිළිබඳව වූ 2017-07-25 දිනැති අමාත්‍ය මණ්ඩල තීරණයට අදාළව) ඉහත  
සඳහන් සංදේශය මුදල් හා ජනමාධ්‍ය ඇමතිතුමාගේ නිරීක්ෂණ සමඟ  
සලකා බලන ලදී. මේ පිළිබඳව සාකච්ඡා කිරීමෙන් අනතුරුව, පහත  
සඳහන් පරිදි තීරණය කරන ලදී:

→ 2

මෙම තීරණය සම්බන්ධයෙන් වැඩිදුර පැහැදිලි කර ගැනීමට අවශ්‍ය වේ නම් කුරුණෑකර 2329621  
දුරකථන අංකය මගින් අතිරේක ලේකම් වීම්බ මැනවි.

(i) 2017-04-19 දිනැති ඒකාබද්ධ අමාත්‍ය මණ්ඩල සංදේශයේ සඳහන් පරිදි, අදාළ ගිවිසුමේ කොන්දේසි හා අනුකූල වන බව තහවුරු කරගැනීම පිණිස, එකී ගිවිසුමෙහි අන්තර්ගත කරුණු සැලකිල්ලට ගෙන, මුදල් හා ජනමාධ්‍ය ඇමතිතුමා සහ රාජ්‍ය ව්‍යවසාය සංවර්ධන ඇමතිතුමා විසින් ගනු ලැබිය යුතුව ඇති කුමන හෝ ක්‍රියාමාර්ග සඳහා අවශ්‍ය පහසුකම් සැලසීම සඳහා භාණ්ඩාගාරයේ ලේකම්ට සහ රාජ්‍ය ව්‍යවසාය සංවර්ධන අමාත්‍යාංශයේ ලේකම්ට බලය පැවරීම සඳහා අනුමැතිය ලබා දීම;

(ii) ශ්‍රී ලංකන් ගුවන් සේවය විසින් සිදු කරනු ලැබ ඇති පහත සඳහන් ගනුදෙනුවලට අදාළ සිදුවීම් දාමය හා ඒ සම්බන්ධයෙන් වන මූල්‍ය වගකීම් පිළිබඳ තොරතුරු දක්වමින් විස්තරාත්මක වාර්තාවක්, සති දෙකක් (02) තුළ, අමාත්‍ය මණ්ඩලය වෙත ඉදිරිපත් කරන ලෙස රාජ්‍ය ව්‍යවසාය සංවර්ධන ඇමතිතුමාගෙන් ඉල්ලා සිටීම:

- (අ) A350 - 900 පුළුල් බඳු ගුවන් යානා තුනක් (03) සම්බන්ධයෙන් කල්බදු ගිවිසුමකට එළඹීම; සහ
- (ආ) A350 - 900 ගුවන් යානා හතරක් (04) සම්බන්ධයෙන් මිල දී ගැනීමේ ගිවිසුමකට එළඹීම.

ක්‍රියා කළ යුතු: මුදල් හා ජනමාධ්‍ය අමාත්‍යාංශය  
 රාජ්‍ය ව්‍යවසාය සංවර්ධන අමාත්‍යාංශය - ගරු  
 ඇමතිතුමාගේ අවධානයට යොමු කිරීම පිණිස - ඉහත  
 නිරීක්ෂණ යා කොට ඇත.

පිටපත්: ජනාධිපති ලේකම් - සංදේශයේ පිටපතක් හා ඉහත  
 නිරීක්ෂණ යා කොට ඇත.  
 නීතිපතිතුමා - සංදේශයේ පිටපතක් හා ඉහත නිරීක්ෂණ  
 යා කොට ඇත.  
 අග්‍රාමාත්‍ය ලේකම් - සංදේශයේ පිටපතක් හා ඉහත  
 නිරීක්ෂණ යා කොට ඇත.  
 ජාතික ප්‍රතිපත්ති හා ආර්ථික කටයුතු අමාත්‍යාංශය -  
 සංදේශයේ පිටපතක් හා ඉහත නිරීක්ෂණ යා කොට  
 ඇත.  
 අධිකරණ අමාත්‍යාංශය - සංදේශයේ පිටපතක් හා ඉහත  
 නිරීක්ෂණ යා කොට ඇත.  
 සංවර්ධන උපායමාර්ග හා ජාත්‍යන්තර වෙළඳ  
 අමාත්‍යාංශය - සංදේශයේ පිටපතක් හා ඉහත නිරීක්ෂණ  
 යා කොට ඇත.

**Annexure 31**

CABINET MEMO (C)



**CABINET MEMORENDOM**

000367

**Ministry of Public Enterprise Development**

Cabinet Memorandum No. : 2017/16  
 Reference No : MPED/01/02/CM 2017 Date : 19.04.2017

**SriLankan Airlines-Termination of lease Agreement to purchase three A350-900 Airbus wide bodied aircraft**

Overview

01. This refers to the Cabinet Memorandum no: අමස අංක 2017/02 and dated 08/02/2017 submitted by Hon. Minister of Public Enterprise Development, the cabinet decision no: අමස අංක 17/0336/733/006 and dated 21/02/2017 and Cabinet Decision on note to the Cabinet submitted by Hon. Minister of Public Enterprise Development, no: අමස අංක 17/0432/733/006-I and dated 28.02.2017 on the captioned matter.

02. SriLankan Airlines had entered into an agreement in 2013 to lease four Airbus A350-900 aircrafts at an approximate cost of US\$1.45 million per month per aircraft over a 12 year period. The total cost of this arrangement was to be US\$ 835.2 million.

03. With the proposed network optimization initiatives and the review of the airline operations undertaken by the Government of Sri Lanka (GoSL) in early 2015, it became apparent that the four Airbus A350-900 aircrafts were not suitable as new additions to the fleet.

04. International Aviation Specialists Consultants were engaged by SriLankan Airlines to advise the company on restructuring the operations and lead them towards an improvement in their operations. In the course of their analysis, they confirmed that operating the Airbus A350-900 wide bodied aircrafts that were on order would affect the profitability of the airline operations adversely. The Ministries of Finance and Public Enterprise Development were advised accordingly by the consultants.

05. SriLankan Airlines also calculated the revenue and costs associated with the operation of the Airbus aircrafts, which substantiated the findings of the consultants:

06. Consequently, the restructuring plan that was prepared for SriLankan Airlines did not include the operation of these (A350-900) aircrafts.

07. In June 2015, Cabinet approved the Restructuring Plan for SriLankan Airlines.

000368

08. According to SriLankan Airlines, International aviation lawyers were then engaged by Sri Lankan Airlines to advise the company on handling negotiations for the termination of the leases to the 3 airbus A350-900 aircrafts.

#### Methodology - Negotiations to terminate lease

09. Negotiations with the lessor (AerCap) commenced at the end of October 2015 while other avenues of placing the A350-900 aircraft were also explored.

10. SriLankan Airlines managed to negotiate a termination of the lease on the 4<sup>th</sup> aircraft, due for delivery in November 2017 for a termination fee of US\$17.7 million.

11. The Cabinet Committee on Economic Management (CCEM) was given a detailed update on the status of the negotiations on 24 August 2016 by SriLankan Airlines.

12. SriLankan Airlines was subsequently authorized by CCEM to negotiate a Termination Fee for the 3 aircrafts within the range of US\$ 75-US\$85 million.

13. After further negotiations, SriLankan Airlines reported to CCEM on 21<sup>st</sup> September 2016 that,

- a) The Termination Fee had been renegotiated;
- b) The Termination Fee had been reduced from US\$ 154 million to US\$ 98 million
- c) The reduction in the Termination Fee was conditional upon
- d) Leasing of a used Airbus 330-200 aircraft and
- e) The extension of a lease on an aircraft already leased.
- f) SriLankan Air Lines take over the lease on 2 narrow bodied aircrafts owned by AerCap and leased to Mihin Lanka.

14. At the CCEM on 21 September 2016, the Hon Ministers of Finance and Public Enterprise Development agreed to contact the lessor and negotiate directly with them.

15. The CCEM was briefed by SriLankan Airlines on the termination offers at the meeting held on 28 September 2016.

16. The CCEM instructed the Hon. Minister of Finance to obtain a written statement from the lessor stating these conditions. CCEM also instructed the Hon. Minister of Finance to verify with the IMF on whether these payment terms were compliant with IMF conditions. If they were in accordance with the conditions, the agreement was to be accepted. If however the payments terms were incongruent with the IMF conditions. The lessor was to be so informed and the matter was to be negotiated further.

000369

**Outcome**

17. in view of the imminent delivery of the aircraft, based on the discussion and agreement reached at the Finance Ministry on 1 October 2016, the "No Objection" received from the Ministry of Finance and approval from the Hon Prime Ministers, SriLankan Airlines signed the Termination Agreement in line with the terms agreed by the Ministry of Finance as follows, (for a payment of US\$ 154 million which would be reduced to US\$98 million on SriLankan Airlines meeting the terms and conditions as stipulated below).

	US\$M
• Termination Fee for 3 Airbus A350-900 aircrafts	154.0
• Reduced Termination Fee for 3 Airbus A350-900 aircrafts	98.0
• Forfeit Security Deposit( already paid)	<u>(7.5)</u>
Cash Payment from SLA	<u>90.5</u>

**Schedule of Payments**

○ Immediate	10.5
○ 2 January 2017	13.5
○ 2 February 2017	13.3
○ 2 March 2017	13.3
○ 3 April 2017	13.3
○ 2 May 2017	13.3
○ 2 June 2017	13.3
○ 30 June 2017	56.0 *

\* If following conditions are satisfied in full, Lessor agreed to waive the final installment.

Conditions to be satisfied by SriLankan Airlines as part of the settlement Package:

- Pay each instalment of the Termination Fee by the agreed date:
- Extend the current lease on A330-200 MSN 627 aircraft for 10 years by 30 November 2016
- Execute the lease agreement the A330-200 MSN 1008 Aircraft by 30 November 2016
- SriLankan Airlines take over the leases on 2 narrow bodied aircrafts owned by AerCap and leased to Mihin Lanka.

If SriLankan Airlines fails to fulfil any or all of the above conditions, the Terminations fee will not be reduced to US\$ 98 million (termination fee US\$146.5 + security deposit 7.5). In addition, any delay in payments to accrue an annual interest rate of 3% plus JP Morgan Chase, NY published interest rate.

**Recommendation**

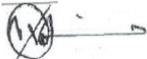
18. To note and place on record accurately, the sequence of events as they occurred that SriLankan Airlines Ltd confirm the AerCap settlement reached for the termination of the lease relating to three Airbus A350-900 aircrafts was the best possible outcome at the time.

000370

**Approval**

To seek approval of the Cabinet of Ministers for the following:

- a) To authorize the Secretary of Treasury and the Secretary of Public Enterprise Development, to note the contents of the agreement and facilitate any actions that may be required by the Ministry of Finance and the Ministry of Public Enterprise Development to ensure compliance with the terms of the agreement.



**Kabir Hashim (M.P.),**  
Minister of Public Enterprise Development



**Ravi Karunanayake (M.P.),**  
Minister of Finance.

**Annexure 32**

447-1

Pre-Delivery Payment Schedule -	
Payment Value - USD Mn	Settlement Date
10.5	Oct-16
13.5	Jan-17
13.3	Feb-17
13.3	Mar-17
13.3	Apr-17
13.3	May-17
13.3	Jun-17
90.5	

**Annexure 33**

Plan/Ans./Adm.  
 රහස්‍යකමි *සමහරකමි* *කුරුම*

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 Secretary's Office  
 04 AUG 2017  
 Ministry of Public Enterprises Development

අමාත්‍ය මණ්ඩල කාර්යාලය  
 අගමාලා මහල  
 OFFICE OF THE CABINET OF MINISTERS

CABINET DECISION      අමාත්‍ය මණ්ඩල තීරණය      අගමාලා මහල තීරණය

පිටපත් : ජනාධිපති ලේකම්.      මගේ අංකය: අමප/17/1535/733/006-IV  
 ජාතික ප්‍රතිපත්ති හා      2017 අගෝස්තු මස 02 දින.  
 ආර්.ක.ලේකම්.  
 මුදල් හා ජනමාධ්‍ය ලේකම්.  
 සංවර්ධන උ.හා ජාත්‍යන්තර වෙ.ලේකම්.  
 විගණකාධිපති.

ක්‍රියා කළ යුතු : අග්‍රාමාත්‍ය ලේකම්.  
 රාජ්‍ය ව්‍යවසාය සංවර්ධන අමාත්‍යාංශයේ ලේකම්.

ශ්‍රී ලංකන් ගුවන් සේවයේ A350 - 900 පුළුල් බඳ  
 ගුවන් යානා 03 ක් මිල දී ගැනීමේ කල්බදු  
ශිවිසුම අවලංගු කිරීම

(රාජ්‍ය ව්‍යවසාය සංවර්ධන ගරු ඇමතිතුමා ඉදිරිපත් කළ 2017-07-12 දිනැති  
 අමාත්‍ය මණ්ඩල සටහන)

2017 ජූලි මස 25 දින පැවැත්වුණු අමාත්‍ය මණ්ඩල රැස්වීමේදී එළඹී  
 තීරණයක් අවශ්‍ය කටයුතු සඳහා මේ සමඟ එවා ඇත.

බබලිව.එම්.ඩී.එස්.ප්‍රනාන්දු      අ.කලේ/එස්.අබේගිහ  
 අතිරේක ලේකම්.      අමාත්‍ය මණ්ඩලයේ ලේකම්.

(අ) න්‍යාය පත්‍රයේ විෂයයන්:

(I) අමාත්‍ය මණ්ඩල පත්‍රිකා - සාමාන්‍ය:

27. අමාත්‍ය මණ්ඩල පත්‍රිකා අංක 17/1535/733/006-IV වූ, “ශ්‍රී ලංකන් ගුවන්  
 සේවයේ A350 - 900 පුළුල් බඳ ගුවන් යානා 03 ක් මිල දී ගැනීමේ කල්බදු  
 ශිවිසුම අවලංගු කිරීම” යන මැයෙන් රාජ්‍ය ව්‍යවසාය සංවර්ධන ඇමතිතුමා  
 ඉදිරිපත් කළ 2017-07-12 දිනැති අමාත්‍ය මණ්ඩල සටහන - (අමප අංක  
 17/1210/733/006-III පිළිබඳව වූ 2017-06-27 දිනැති අමාත්‍ය මණ්ඩල  
 තීරණයට අදාළව) ඉහත සඳහන් සටහන, අමප අංක 17/1124/733/006-II  
 වූ, මුදල් ඇමතිතුමා සහ රාජ්‍ය ව්‍යවසාය සංවර්ධන ඇමතිතුමා විසින් මෙම  
 විෂය පිළිබඳවම ඉදිරිපත් කරන ලද 2017-04-19 දිනැති ඒකාබද්ධ සංදේශය  
 සහ මුදල් හා ජනමාධ්‍ය ඇමතිතුමාගේ නිරීක්ෂණ සමඟ සලකා බලන ලදී.  
 මේ පිළිබඳව සාකච්ඡා කිරීමෙන් අනතුරුව, පහත සඳහන් පරිදි තීරණය  
 කරන ලදී:      → 2

මෙම තීරණය සම්බන්ධයෙන් වැඩිදුර පැහැදිලි කර ගැනීමට අවශ්‍ය වේ නම් කරුණකර 2329621  
 රජයේ සේවයේ සිටින අධිකාරීන්ගෙන් විමසිය යුතුය.

1431

- 2 -

- (i) මුදල් හා ජනමාධ්‍ය ඇමතිතුමා විසින් මෙ සම්බන්ධයෙන් සිදු කරන ලද නිරීක්ෂණවල අවධාරණය කරනු ලැබ ඇති කරුණු සැලකිල්ලට ගනිමින්, සිය නිර්දේශ ඉදිරිපත් කිරීම පිණිස, මෙම කරුණ, ගරු අග්‍රාමාත්‍යතුමා විසින් සභාපතිත්වය දරනු ලබන ආර්ථික කළමනාකරණය පිළිබඳ අමාත්‍ය මණ්ඩල කාරක සභාව වෙත යොමු කිරීම; සහ
- (ii) ඉහත (i)හි පරිදි, ආර්ථික කළමනාකරණය පිළිබඳ අමාත්‍ය මණ්ඩල කාරක සභාව විසින් සිදු කරනු ලබන නිර්දේශ, සලකා බැලීම පිණිස, ඇමතිතුමා මගින් සංදේශයක් ලෙස, අමාත්‍ය මණ්ඩලය වෙත ඉදිරිපත් කරන මෙන් රාජ්‍ය ව්‍යවසාය සංවර්ධන අමාත්‍යාංශයේ ලේකම්ව නියම කිරීම.

තවද, මෙම තීරණය සම්මත කරනු ලැබූ යේ සැලකීමටත්, ඒ අනුව අවශ්‍ය කටයුතු සඳහා අදාළ බලධාරීන් වෙත මෙම තීරණය දන්වා යැවීම සඳහා අමාත්‍ය මණ්ඩලයේ ලේකම්ව බලය පැවරීමටත් තීරණය කරන ලදී.

**ක්‍රියා කළ යුතු:** අග්‍රාමාත්‍ය ලේකම් - ආර්ථික කළමනාකරණය පිළිබඳ අමාත්‍ය මණ්ඩල කාරක සභාව වෙත ඉදිරිපත් කිරීම පිණිස - අදාළ ලියවිලිවල පිටපත බැගින් යා කොට ඇත.  
 රාජ්‍ය ව්‍යවසාය සංවර්ධන අමාත්‍යාංශය - ඉහත නිරීක්ෂණ යා කොට ඇත.

**පිටපත්:** ජනාධිපති ලේකම් - අදාළ ලියවිලිවල පිටපත බැගින් යා කොට ඇත.  
 ජාතික ප්‍රතිපත්ති හා ආර්ථික කටයුතු අමාත්‍යාංශය - අදාළ ලියවිලිවල පිටපත බැගින් යා කොට ඇත.  
 මුදල් හා ජනමාධ්‍ය අමාත්‍යාංශය  
 සංවර්ධන උපායමාර්ග හා ජාත්‍යන්තර වෙළඳ අමාත්‍යාංශය - අදාළ ලියවිලිවල පිටපත බැගින් යා කොට ඇත.

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**මුදල් හා ජනමාධ්‍ය අමාත්‍යාංශය**  
**நிதி மற்றும் வெகுசன ஊடக அமைச்சு**  
**MINISTRY OF FINANCE AND MASS MEDIA**

මහලේගම් කාර්යාලය, කොළඹ 01.  
 ශ්‍රී ලංකාව

செயலகம், கொழும்பு 01.  
 இலங்கை

The Secretariat, Colombo 01.  
 Sri Lanka

සාර්යාලය - මුදල් } (+94)-11-2484500  
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 Office - Finance } (+94)-11-2484700  
 සාමාන්‍ය මාධ්‍ය - ප්‍රවේශය } (+94)-11-2513458  
 මාධ්‍ය සාමාන්‍ය - මාධ්‍ය මාස } (+94)-11-2513498  
 Office - Mass Media } (+94)-11-2512324

ලැයිස්තුව - මුදල් } (+94)-11-2440823  
 ලැයිස්තුව - நிதி } (+94)-11-2440823  
 ලැයිස්තුව - Finance } (+94)-11-2440823  
 ලැයිස්තුව - ප්‍රවේශය } (+94)-11-2513458  
 ලැයිස්තුව - මාධ්‍ය මාස } (+94)-11-2513498  
 ලැයිස්තුව - Mass Media } (+94)-11-2512324

වෙබ් අඩවි } www.treasury.gov.lk  
 ලැයිස්තුව } www.media.gov.lk  
 Websites }

මගේ අංකය } MF/PE/CM/2017/104 } වෙබ් අංකය } CP 17/1535/733/006-IV } දිනය } 2017.07.2  
 எனது இல. } } Your No. } } திகதி }

**අමාත්‍ය මණ්ඩල සටහන**  
**මුදල් හා ජනමාධ්‍ය අමාත්‍යවරයාගේ නිරීක්ෂණ**

- අමාත්‍යාංශය : රාජ්‍ය ව්‍යවසාය සංවර්ධන
- ශීර්ෂය සහ දිනය : ශ්‍රී ලංකන් ගුවන් මණ්ඩලය A 350- 900 පුළුල් බඳු ගුවන් යානා 03 ක් මිලදී ගැනීමේ කල්බදු ගිවිසුම අවලංගු කිරීම  
 2017.07.12
- යෝජනාව/ඉල්ලීම : මුදල් අමාත්‍යවරයා සහ රාජ්‍ය ව්‍යවසාය සංවර්ධන අමාත්‍යවරයා විසින් අංක 17/1124/733/006-II දරණ 2017.04.19 දිනැති අමාත්‍ය මණ්ඩල සමුඛාවෙන් කරන ලද ඉල්ලීමට අනුමැතිය ලබාදීම සඳහා රාජ්‍ය ව්‍යවසාය සංවර්ධන අමාත්‍යාංශය විසින් අමාත්‍ය මණ්ඩලයේ අවධානය අපේක්ෂා කිරීම
- නිරීක්ෂණ : අ) සටහන් කර ගනිමි.  
 ආ) අංක 17/1124/733/006-II සහ 2017.04.19 දිනැති අමාත්‍ය මණ්ඩල සංදේශයේ පොරොතුරු අනුව A 350-900 ගුවන් යානා 03 ක් මිලදී ගැනීමේ ගිවිසුම දැනටමත් අවලංගු කර ඇති අතර අමාත්‍ය මණ්ඩලයේ විධිමත් අනුමැතියකින් තොරව ශ්‍රී ලංකන් ගුවන් සමාගම එකඟ වූ සියළුම මිලදී ගැනීම් සඳහාම මිලදී ගැනීමේ කල්බදු ගිවිසුම අවලංගු කිරීමට පෙර නීතිපතිතුමාගේ උපදෙස් ලබා ගෙන තිබේද යන්න පිළිබඳ සැඟවීමක් සඳහාම මානවීය.



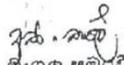
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ආ) එසේම මෙම ගිවිසුම් අවලංගු කිරීමේදී පහත සඳහන් කොන්දේසි පිළිබඳව ආර්ථික කළමනාකරණ අමාත්‍ය මණ්ඩල කමිටුවේ අනුමැතිය ලබා ගෙන තිබේද යන්න පැහැදිලිව සඳහන් කර නොමැත.

1. වාරික ගෙවීම් පිළිබඳ එකඟ වූ සැලැස්ම
2. AerCap විසින් මිණි ලංකා සමාගමට කල්බදු ක්‍රමය මත ලබා දී තිබූ පවු බඳු සහිත ගුවන් යානා දෙකක් ශ්‍රී ලංකන් ගුවන් සමාගම විසින් පවරාගැනීම

ඉ) එබැවින් මේ යම්බන්ධව සවිස්තරාත්මක වාර්තාවක් අමාත්‍ය මණ්ඩලයේ සලකා බැලීම සඳහා ඉදිරිපත් කළ යුතුය.

  
ම.ගල සමරවීර, ප.ම.  
මුදල් හා ජනමාධ්‍ය අමාත්‍ය

Annexure 34

රාජ්‍ය සේවය



000443 18 NOV 2016  
පාර්ලිමේන්තු කටයුතු අංශය  
ද්‍රෝණික කාර්යාලය

අමාත්‍ය මණ්ඩල කාර්යාලය  
අமைසරභව අලුවෙහෙය  
OFFICE OF THE CABINET OF MINISTERS

CABINET DECISION අමාත්‍ය මණ්ඩල තීරණය අமைසරභව තීරණය

පිටපත් : ජනාධිපති ලේකම්. මගේ අංකය: අමප/16/2301/702/003-XXXV  
ජාතික ප්‍රතිපත්ති හා ආර්. 2016 නොවැම්බර් මස 16 දින.  
ක.ලේකම්.  
මුදල් ලේකම්.  
විගණකාධිපති.

ක්‍රියා කළ යුතු : අග්‍රාමාත්‍ය ලේකම්.  
අනෙකුත් සියලුම අමාත්‍යාංශ ලේකම්වරුන්.

2016 ඔක්තෝබර් 26 දින පැවති ආර්ථික කළමනාකරණය  
පිළිබඳ අමාත්‍ය මණ්ඩල කාරක සභා රැස්වීමේ වාර්තාව

(ගරු අග්‍රාමාත්‍යතුමා ඉදිරිපත් කළ 2016-10-31 දිනැති සංදේශය)

2016 නොවැම්බර් මස 08 දින පැවැත්වුණු අමාත්‍ය මණ්ඩල රැස්වීමේදී එළඹී තීරණයක් අවශ්‍ය කටයුතු සඳහා මේ සමඟ එවා ඇත.

බබලිව.එම්.ඒ.එස්.ප්‍රනාන්දු අතිරේක ලේකම්. අ.කළේ/එස්.අබේසිංහ අමාත්‍ය මණ්ඩලයේ ලේකම්.

(අ) න්‍යාය පත්‍රයේ විෂයයන්:

(I) අමාත්‍ය මණ්ඩල පත්‍රිකා - සාමාන්‍ය:

06. අමාත්‍ය මණ්ඩල පත්‍රිකා අංක 16/2301/702/003-XXXV වූ, “2016 ඔක්තෝබර් 26 දින පැවති ආර්ථික කළමනාකරණය පිළිබඳ අමාත්‍ය මණ්ඩල කාරක සභා රැස්වීමේ වාර්තාව” යන මැගෙත් අග්‍රාමාත්‍යතුමා ඉදිරිපත් කළ 2016-10-31 දිනැති සංදේශය - ඉහත සඳහන් සංදේශය, අතිගරු ජනාධිපතිතුමාගේ සහ මුදල් ඇමතිතුමාගේ නිරීක්ෂණ සමඟ සලකා බලන ලදුව, අමාත්‍ය මණ්ඩලය විසින් පහත සඳහන් පරිදි තීරණය කරන ලදී:

- (I) සංදේශයේ ඇමුණුම - 1හි සඳහන් විෂය අංක 15 හැර, ආර්ථික කළමනාකරණය පිළිබඳ අමාත්‍ය මණ්ඩල කාරක සභාව විසින් තීරණය කරන ලද, එහි සඳහන් ක්‍රියාමාර්ග සඳහා සිය එකඟතාව ලබා දීම;

→2

මෙම තීරණය සම්බන්ධයෙන් වැඩිදුර පැහැදිලි කර ගැනීමට අවශ්‍ය වේ නම් කාර්යාලංකර 2329621 දුරකථන අංකය මගින් අතිරේක ලේකම් විභව මැනවි.

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(II) පහත සඳහන් පරිදි ක්‍රියා කරන ලෙස අමාත්‍යාංශ ලේකම්වරයාට දැනුම් දීම;

(i) සංදේශයේ ඇමුණුම - 1හි සඳහන් විෂය අංක 03, 04, 05 සහ 15 පිළිබඳ ආර්ථික කළමනාකරණය පිළිබඳ අමාත්‍ය මණ්ඩල කාරක සභාවේ නිර්දේශ/කිරණ සම්බන්ධයෙන් අතිගරු ජනාධිපතිතුමාගේ නිරීක්ෂණ සැලකිල්ලට ගෙන, ඒ අනුව ක්‍රියා කිරීම;

(ii) අතිගරු ජනාධිපතිතුමාගේ නිරීක්ෂණවල අවසන් ඡේදයේ දක්වා ඇති පරිදි, පහත සඳහන් කරුණුවලට අදාළව, එනම්:

(අ) රජයේ ප්‍රතිපත්තිමය කරුණු හා සම්බන්ධ වෙනස්වීම්වලට අදාළ කරුණු;

(ආ) රජයේ අරමුදල් සැලකිය යුතු අන්දමින් වැය වන ආකාරයේ යෝජනා; සහ

(ඇ) විශේෂයෙන්ම පාරිසරික බලපෑම් සහිත මහා පරිමාණ ව්‍යාපෘති;

සම්බන්ධයෙන්, ආර්ථික කළමනාකරණය පිළිබඳ අමාත්‍ය මණ්ඩල කාරක සභාවේ නිර්දේශ/කිරණ ද සමඟින් වෙන් වෙන් වශයෙන්, අමාත්‍ය මණ්ඩල සංදේශ, සලකා බැලීම පිණිස, සිය අමාත්‍යවරුන් මඟින් අමාත්‍ය මණ්ඩලය වෙත ඉදිරිපත් කරන ලෙස අමාත්‍යාංශ ලේකම්වරුන්ට නියම කිරීම.

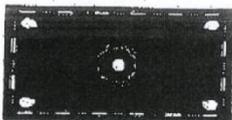
ක්‍රියා කළ යුතු: අමාත්‍යාංශ ලේකම් - ඉහත නිරීක්ෂණ යා කොට ඇත.  
අනෙකුත් සියලුම අමාත්‍යාංශ - ඉහත (II) (ii) හි පරිදි ක්‍රියා කිරීම පිණිස - අතිගරු ජනාධිපතිතුමාගේ නිරීක්ෂණ යා කොට ඇත.

පිටපත්: ජනාධිපති ලේකම් - මුදල් ඇමතිතුමාගේ නිරීක්ෂණ යා කොට ඇත.

ජාතික ප්‍රතිපත්ති හා ආර්ථික කටයුතු අමාත්‍යාංශය - සංදේශයේ පිටපතක් හා ඉහත නිරීක්ෂණ යා කොට ඇත.

මුදල් අමාත්‍යාංශය - අතිගරු ජනාධිපතිතුමාගේ නිරීක්ෂණ යා කොට ඇත.

000452



ශ්‍රී ලංකා ජනාධිපති  
இலங்கை சனாதிபதி  
President of Sri Lanka

**නිරීක්ෂණ**

අමාත්‍ය මණ්ඩල සංදේශ අංක : 16/2301/702/003-XXXV

**2016 ඔක්තෝබර් මස 26 වන දින පැවැති ආර්ථික කළමනාකරණය පිළිබඳ අමාත්‍ය මණ්ඩල කාරක සභා රැස්වීමේ (CCEM) වාර්තාව**

ගරු අග්‍රාමාත්‍යතුමා විසින් ඉදිරිපත් කර ඇති උක්ත සංදේශයේ පහත උප ගීර්ෂ පිළිබඳව මාගේ නිරීක්ෂණ දක්වනු කැමැත්තෙමි.

**26/10/2016/03 - බදු සමාව**

යෝජිත බදු සමාවන් ප්‍රකාශයට පත් කරන අවස්ථා වලදී ඒ පිළිබඳව අමාත්‍ය මණ්ඩලය දැනුවත් කිරීම සුදුසු යයි යෝජනා කරමි.

**26/10/2016/04 - යූ ඩී ඊතාන්ස් සමාගම විසින් කරන ලද ඉල්ලීම (2016/09/14 දිනැති CCEM තීරණය ප්‍රකාරව)**

කොළඹ කොටස් වෙළඳපොළ සහ ශ්‍රී ලංකා මහ බැංකුව, යූ. ඩී. ඊතාන්ස් සමාගම කොටස් වෙළඳපොළේ ලියාපදිංචි වීමට යෝග්‍යතාවයක් නොමැති බවට නිර්දේශ ලබාදී ඇති අවස්ථාවක ආර්ථික කළමනාකරණය පිළිබඳ අමාත්‍ය මණ්ඩල කාරක සභාව මේ සම්බන්ධව මැදිහත් වී ක්‍රියා කරන්නේ මන්ද යන්න පැහැදිලි නොමැත.

**26/10/2016/05 - පුත්තලම දිස්ත්‍රික්කයේ සනීපාරක්ෂක කසල රඳවනයක් ඉදි කිරීම**

යෝජිත සනීපාරක්ෂක කසල රඳවනය ඉදිකිරීමට නියමිත ස්ථාන පිළිබඳ අවසන් වගාමයන් එළඹෙන තීරණය, අමාත්‍ය මණ්ඩලයේ දැන ගැනීම පිණිස ඉදිරිපත් කිරීම සුදුසු යයි නිර්දේශ කරමි.

**26/10/2016/15 - ශ්‍රී ලංකන් ගුවන් සේවය සතු ගුවන් යානා (A330) තිත්වයක් අවලංගු කිරීම**

මේ කරුණ වෙනම අමාත්‍ය මණ්ඩල සංදේශයක් මගින් අමාත්‍ය මණ්ඩලයේ අවධානය පිණිස යොමු කිරීම මැනවි.



ශ්‍රී ලංකා ජනරජාධිපති සමාජවාදී ජනරජය  
இலங்கை சனநாயக சோசலிசக் குடியரசு  
Democratic Socialist Republic of Sri Lanka

000453

ආර්ථික කළමනාකරණය පිළිබඳ අමාත්‍ය මණ්ඩල කාරක සභාව විසින්, ප්‍රතිපත්තිය කෙරුණු සම්බන්ධ වෙනස්වීම්, විශාල වශයෙන් මහජන අරමුදල් වැය කරන ව්‍යාපෘති හා විශේෂයෙන්ම, පරිසරයට බලපෑම් ඇති කළ හැකි විශාල ව්‍යාපෘතීන් අදාළ අමාත්‍යාංශ මගින් වෙන වෙනම සංදේශ මගින් අමාත්‍ය මණ්ඩලය වෙත ඉදිරිපත් කළ යුතු යයි තීරණය කිරීම සුදුසුය.

  
මෛත්‍රීපාල සිරිසේන  
ජනාධිපති

2016 නොවැම්බර් මස 07 වන දින



ශ්‍රී ලංකා ප්‍රජාතාන්ත්‍රික සමාජවාදී ජනරජය  
இலங்கைக் சனநாயக சோசலிசக் குடியரசு  
Democratic Socialist Republic of Sri Lanka

**Annexure 35**

**රහසිගතයි.**

පිටපත්: ජනාධිපති ලේකම්.  
අග්‍රාමාත්‍ය ලේකම්.  
මුදල් හා කු./ලේ.  
උපාය මාර්ගික ව්‍ය.කළ.  
ආය.සභාපති/ප්‍ර.වි.නි.  
විගණකාධිපති.

මගේ අංකය: අමප/13/0407/545/007  
2013 අප්‍රේල් මස 26 දින,  
කොළඹ, අමාත්‍ය මණ්ඩල කාර්යාලයේදී ය.

ක්‍රියා කළයුතු: සිවිල් ගුවන් සේවා අමාත්‍යාංශයේ ලේකම්.

**ශ්‍රී ලංකන් ගුවන් සේවයේ පළල් බඳ සහිත  
ගුවන් යානා ඇණිය ප්‍රතිස්ථාපනය කිරීම**

(සිවිල් ගුවන් සේවා ගරු ඇමතිතුමා ඉදිරිපත් කළ 2013-03-27 දිනැති  
සංදේශය)

2013 අප්‍රේල් මස 18 දින පැවැත්වුණු අමාත්‍ය මණ්ඩල රැස්වීමේදී එළඹී  
කීරණයක් අවශ්‍ය කටයුතු සඳහා මේ සමග එවා ඇත.

එල්.පී.ජයම්පති,  
අතිරේක ලේකම්.

අ.කළේ/එස්.අබේසිංහ,  
අමාත්‍ය මණ්ඩලයේ ලේකම්.

(ආ) න්‍යාය පත්‍රයේ විෂයයන්:

(I) අමාත්‍ය මණ්ඩල පත්‍රිකා - සාමාන්‍ය

27. අමාත්‍ය මණ්ඩල පත්‍රිකා අංක 13/0407/545/007 වූ, “ශ්‍රී ලංකන් ගුවන්  
සේවයේ පළල් බඳ සහිත ගුවන් යානා ඇණිය ප්‍රතිස්ථාපනය කිරීම”  
යන මැයෙන් සිවිල් ගුවන් සේවා ඇමතිතුමා ඉදිරිපත් කළ  
2013-03-27 දිනැති සංදේශය - දැනට කල් තබන ලදී.

ක්‍රියා කළයුතු: අමාත්‍ය මණ්ඩලයේ ලේකම්  
සිවිල් ගුවන් සේවා අමාත්‍යාංශය

පිටපත්: මුදල් හා ක්‍රමසම්පාදන අමාත්‍යාංශය  
සභාපති/ප්‍රධාන විධායක නිලධාරී, උපාය මාර්ගික  
ව්‍යවසාය කළමනාකරණ ආයතනය

**(B) Agenda Items:**

**(I) Cabinet Papers - General**

27. Cabinet Paper No.13/0407/545/007, a Memorandum dated 2013-03-27 by the Minister of Civil Aviation on "Wide - Body Fleet Replacement of Sri Lankan Airline" - was deferred for the time-being.

Action by: **Secretary to the Cabinet**  
**My/Civil Aviation**

Copied to: **My/Finance and Planning**  
**Chairman/CEO, SEMA**

Checked by : 1  .....  
2  .....

**Annexure 36**

Add: secy / D. Ari. Urgent

දුරකථන අංකය 2329620  
 දුරකථන අංකය 2329620  
 Fax No. 2329620

**RECEIVED**  
 Secretary's Office

14 SEP 2017

Ministry of Public Enterprise Development



**අමාත්‍ය මණ්ඩල කාර්යාලය**  
**அமைச்சரவை அலுவலகம்**

**OFFICE OF THE CABINET OF MINISTERS**

වෙබ් අඩවිය } www.cabinetoffice.gov.lk  
 වෙබ් අඩවිය }  
 Web Site }  
 ඊ-මේල් } info@cabinetoffice.gov.lk  
 ඊ-මේල් }  
 E-mail }

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ජනරජ මහා විද්‍යාලය, මුලින් විශ්‍රාමය ජනරජ මාවත, කොළඹ 01.      ඉංග්‍රීසි භාෂාවේ දෙපාර්තමේන්තුව, ජනරජ මහා විද්‍යාලය, මුලින් විශ්‍රාමය ජනරජ මාවත, කොළඹ 01.      Republic Building, Sir Baron Jayathilaka Mawatha, Colombo 01, Sri Lanka.

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මගේ අංකය } My No. }	13/0407/545/007-I	ඔබේ අංකය } உமது இல. } Your No. }	MPED/AH/01/01/Vol-II	දිනය } திகதி } Date }	2017-09-13
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Mr. Ravindra Hewavitharana  
 Secretary,  
 Ministry of Public Enterprise Development,  
 Level 7, West Tower, Echelon Square,  
 Colombo - 01.

**Re-fleeting SriLankan Airlines with wide bodied Aircraft**

Reference is requested to your letter dated 2017-09-11 on the above matter.

02. When the Cabinet Memorandum on "Wide-Body Fleet Replacement", by then Minister of Civil Aviation, dated 2013-03-27 was taken up for discussion at the Cabinet Meeting held on 2013-04-18, the Cabinet decided to defer the matter for the time being, and the Cabinet decision was sent to the relevant line Ministry at the time. I presume that the observation of then Minister of Finance and Planning pertaining to the said Memorandum, which is referred in para 03. I of your letter is the one that should have been transmitted to the then line Ministry, via fax, with the draft decision on the same.

03. On a perusal of the documents attached to your letter, I observe that the said Cabinet Memorandum and the relevant Cabinet decision (draft) are already in your possession. Therefore, in response to your request in para 03. A, I attach herewith a copy of the 'official Cabinet decision' dated 2013-04-18 (Annexure I), which was issued after the confirmation of that decision at the subsequent Cabinet Meeting, and the following observations pertaining to the above-mentioned Cabinet Memorandum.

- (i) A signed copy of the observations submitted by the then Minister of Finance and Planning (Annexure II).
- (ii) Observations submitted by the then Minister of National Languages and Social Integration, dated 2013-04-17 (Annexure III).
- (iii) Observations submitted by the Central Bank of Sri Lanka, dated 2013-04-18 (Annexure IV).
- (iv) Observations submitted by Strategic Enterprise Management Agency (SEMA), dated 2013-04-10 (Annexure V).

මාහි } 2329620 යොහාන් } Secretary }	අතිරේක ලේකම් } 2325279 අතිරේක ලේකම් } 2329621 Additional Secretary }	වෛස්වික සහකාර ලේකම් } 2431004 ජ්‍යෙෂ්ඨ උප-ලේකම් } Senior Assistant Secretary }
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05. I wish to state that further Cabinet decisions or observations are not available according to the records at this office, pertaining to lease or purchase of A350-900 wide bodied aircraft except the one, which has been mentioned in para 03.V of your letter.



**S. Abeyasinghe**  
Secretary to the Cabinet of Ministers

Annexure 37



**මුදල් අමාත්‍යාංශය**  
**நிதி அமைச்சு**  
**MINISTRY OF FINANCE**

මහලේකම් කාර්යාලය, කොළඹ 01,  
ශ්‍රී ලංකාව.

செயலகம், கொழும்பு 01.  
இலங்கை

The Secretariat, Colombo 01.  
Sri Lanka

කාර්යාලය } (94)-11-2484500  
அலுவலகம் } (94)-11-2484600  
Office } (94)-11-2484700

ෆැක්ස් }  
பெக்ஸ் } (94)-11-2449823  
Fax }

වෙබ් අඩවිය }  
වෙබ් සයිට් } www.treasury.gov.lk  
Website }

මගේ අංකය } MF 1 / 01/04/01/47  
எனது இல. }  
My No. }

ඔබේ අංකය }  
உமது இல. }  
Your No. }

දිනය } 2016.03 10  
திகதி }  
Date }

ආචාර්ය රාජන් සාරා මහතා

466/5,7-3

කොල්ලුපිටිය පාර

සී ඇලෙනිවි, කොළඹ 03

මහත්මයාණෙනි,

ගරු මුදල් අමාත්‍යාංශයෙන් මූල්‍ය කළමනාකරණ හා විදේශීය ආයෝජන කළමනාකරණ දිප්තේශක තනතුරට කොන්ත්‍රාත් පදනම මත පත්කිරීම

2016.03.09 දිනැති අමාත්‍ය මණ්ඩල තීරණය අනුව ඔබ, ගරු මුදල් අමාත්‍යාංශයෙන් මූල්‍ය කළමනාකරණ හා විදේශීය ආයෝජන කළමනාකරණ උපදේශක තනතුරට 2016.01.01 දින සිට වසරක කාලයක් සඳහා කොන්ත්‍රාත් පදනම මත පත්කර ඇති බව සතුටින් දන්වමි.

02. මෙම තනතුර සඳහා ඔබට මසකට රුපියල් 250,000/-ක දීමනාවක් හා අතිරේක ලේකම්වරයෙකුට තිම් අනෙකුත් වරප්‍රසාද ලබාදෙනු ඇත.

03. නව තනතුරේ රාජකාරි භාරගෙන ඒ බව මා වෙත දැන්වීමට කටයුතු කරන්න.

මෙයට විශ්වාසී

  
ආර්. එච්. එස්. සමරතුංග

ලේකම්

පිටපත්

- |  |   |              |
|--|---|--------------|
| 1. ජනාධිපති ලේකම්                        | - | කරු දැ.ගැ.ස. |
| 2. අග්‍රාමාත්‍ය ලේකම්                    | - | කරු දැ.ගැ.ස. |
| 3. අමාත්‍ය මණ්ඩල ලේකම්                   | - | කරු දැ.ගැ.ස. |
| 4. ගරු මුදල් අමාත්‍යාංශයේ පෞද්ගලික ලේකම් | - | කරු දැ.ගැ.ස. |
| 5. ප්‍රධාන ගණකාධිකාරී, මුදල් අමාත්‍යාංශය | - | කරු දැ.ගැ.ස. |
| 6. විගණකාධිපති                           | - | කරු දැ.ගැ.ස. |

Annexure 38

හසිගතයි



1. Adela Sec.  
SAS  
30-

අමාත්‍ය මණ්ඩල කාර්යාලය  
அமைச்சரவை அலுவலகம்  
OFFICE OF THE CABINET OF MINISTERS

CABINET DECISION      අමාත්‍ය මණ්ඩල තීරණය      அமைச்சரவைத் தீர்மானம்

පිටපත් : ජනාධිපති ලේකම්.      මගේ අංකය: අමප/17/0342/719/033  
අග්‍රාමාත්‍ය ලේකම්.      2017 මාර්තු මස 01 දින.  
ජාතික ප්‍රතිපත්ති හා  
ආර්.ක.ලේකම්.  
රාජ්‍ය ව්‍යවසාය සං.ලේකම්.  
රාජ්‍ය පරිපාලන හා කළ.ලේකම්.  
විගණකාධිපති.

Kishor  
P. Spencer  
13

ක්‍රියා කළ යුතු : මුදල් අමාත්‍යාංශයේ ලේකම්.  
කාර්යසාධන හා කාර්යක්ෂමතා  
කළමනාකරණ ඒකකය (PEM Unit)

(මුදල් ගරු ඇමතිතුමා ඉදිරිපත් කළ 2017-02-13 දිනැති සංදේශය)

2017 පෙබරවාරි මස 21 දින පැවැත්වුණු අමාත්‍ය මණ්ඩල රැස්වීමේදී එළඹී තිබූ තීරණයක් අවශ්‍ය කටයුතු සඳහා මේ සමඟ එවා ඇත.

බලිච්.එම්.ඩී.ජේ.ප්‍රනාන්දු  
තිරේක ලේකම්:

අ.කළේ/එස්.අබේසිංහ  
අමාත්‍ය මණ්ඩලයේ ලේකම්.

ආ) න්‍යාය පත්‍රයේ විෂයයන්:

(I) අමාත්‍ය මණ්ඩල පත්‍රිකා - සාමාන්‍ය:

23. අමාත්‍ය මණ්ඩල පත්‍රිකා අංක 17/0342/719/033 වූ, “කාර්යසාධන හා කාර්යක්ෂමතා කළමනාකරණ ඒකකය (PEM Unit)” යන මැයෙන් මුදල් ඇමතිතුමා ඉදිරිපත් කළ 2017-02-13 දිනැති සංදේශය - (අමප අංක 16/2045/719/088-I පිළිබඳව වූ 2016-10-25 දිනැති අමාත්‍ය මණ්ඩල තීරණයට අදාළව) මේ පිළිබඳව සාකච්ඡා කිරීමෙන් අනතුරුව, සංදේශයේ හතරවන ඡේදයේ සඳහන් (අ) සහ (ආ) යෝජනා සඳහා අනුමැතිය ලබා දීමට තීරණය කරන ලදී.

මුදල් ඇමතිතුමාගේ මූල්‍ය කළමනාකරණ හා විදේශීය ආයෝජන කළමනාකරණ උපදේශක ආචාර්ය රාජන් සාරා මහතා නිර්වේනනික පදනම මත, කාර්යසාධන හා කාර්යක්ෂමතා කළමනාකරණ ඒකකයේ ප්‍රධානී වශයෙන් කටයුතු කරන බවද අමාත්‍ය මණ්ඩලය විසින් සැලකිල්ලට ගන්නා ලදී.



## **Road Development Authority**

(Ministry of Higher Education and Highways)

*(This institution comes under the purview of the Ministry of Highways & Road Development and Petroleum Resources Development from 28.12.2018)*

**The Date Examination : 19<sup>th</sup> September 2017**

### **Matters Discussed**

#### **01. Annual action plan and the progress**

The chairman of the committee stated that following facts have been revealed on the annual action plan of the institution as per the report of the Auditor General's Department.

Non completion of 342 contracts to the value of Rs. 16,771.37 Million which had been scheduled to be completed by the end of the year 2016 and no causes of delay has been mentioned in the annual progress report .

Non commencement of 114 projects within the reviewed year, amounting to an estimated cost of Rs. 7,778. 44 Million by 31.12 2016 and 39 projects out of 114 are the projects outside the purview of the Road Development Authority.

The Director, Public Enterprises Department stated that the allocations are made to the Road Development Authority by the treasury to develop rural roads in addition for the roads that are coming under the purview of Road Development Authority

### **Recommendations**

- i. The chairman RDA was directed to submit a report to the committee within 2 weeks time, with the causes of delays of the constructions of aforesaid roads and copy same to the Auditor General.
- ii. The Auditor General's Department was directed to submit a report on the district basis distribution of the 114 projects.
- iii. Setting up a legal framework, having power to construct Non RDA roads.

### **Current situation and the progress report**

The report that has been requested as per aforesaid recommendation i has not been submitted to the committee even by 31.03.2018

## **02. Procurement Plan**

Following matters were considered by the committee.

- i. No procurement plan has been prepared by the Authority pertaining to the selection of contractors for road widening improvements and maintenance , purchasing road construction materials , purchasing capital assets and consumer items .
- ii. The committee considered following data with regard to the performance of the authority and emphasized the fact that the issues have arisen due to the absence of a Central Procurement Plan.
  - Rs 126,000 Million has been spent out of treasury allocation of Rs. 135,706 Million for year 2014 .
  - Rs 173,000 Million has been spent out of treasure allocation of Rs. 191,214 Million for year 2015.
  - Rs 145,000 Million has been pent out of treasure allocation of Rs. 171,988 Million for year 2016 .

The chairman stated that a procurement plan has been made in regard to the rural constructions that were carried out with the treasury allocations and no Central Procurement Plan has been made as there are issues pertaining to the manner in which such allocations have been made . He further stated that without further delay a plan will be prepared.

The secretary to the Ministry stated that the most part of the allocations that are made for RDA are for projects and the Ministry undertakes the procurements in connection with all purchases done by the RDA for RDA projects , in accordance with the Action plan.

### **Recommendations**

- i. Submit the Ministry procurement plan to the committee and copy the same to the Auditor General .

### **Current situation and the progress**

The procurement plan that has been requested by the committee has not been submitted even by 31.03.2018

## **03. Appointment of advisors and public relation officers**

In compliance with the directives that were issued by the committee that was held on 08.07.2016, the committee considered following facts that were observed within the report which was submitted by RDA on the Appointment of Advisors and Public Relation Officers.

- i. The service of the advisors and the public relation officers, employed since 2006 has been terminated by the date of 12.01.2015
- ii. The service of 43 new advisers and public relation officers have been obtained from 31.12.2016 without the approval of the Board of directors of the institution .

The chairman of the authority submitted following details to the committee.

- i. The service of 43 advisers who were employed in the projects of the Authority has been terminated and such advisors have been employed paying maximum monthly allowance of Rs. 65,000/- as per the requirements of the projects and that it doesn't amount to a recruitment
- ii. The new recruitment procedures should be formulated within 3 months and the director board has decided not to recruit and promote officers until such time.
- iii. No director board approval to promote officers of the permanent service on contract basis and an error has occurred due to the unawareness of managing section and the chairman of the Authority has admitted the same. And the measures have been taken to set it right.

### **Recommendations**

- i. Submission of the report including the following details pertaining to aforesaid Advisors and Public Relation Officers
  - Name and address
  - The allowance, paid
  - The project ,attached to
  - The mode of recruitment
  - Educational and other qualifications
  - Date of appointment

### **Current situation and the progress**

The name list of Advisors and the Public Relation Officers who were appointed by the letter MPH/HWY/ACC/13/2017/28 dated 10.11.2017 has been submitted to the committee.

#### **04. The Southern Highway extension**

The chairman of the committee requested to explain following basic facts pertaining to the Southern Highway extension from Matara to Hambanthota.

- i. As to how the area of this extension was identified

- ii. The feasibility report in that regard
- iii. As to how the estimates were made

Following views were expressed by the Project Director of the Integrated Highway Investment programme .

- i. That a feasibility study was conducted in this regard by RDA in 2013
- ii. That the assistance of the other institutions like Measurement Department was obtained in this regard
- iii. This is a design and Build nature of a project
- iv. Hydraulic test was conducted in 2013 by an institution called Hydraulic Institute in relation to the Highway Project
- v. The measures were taken to recertify the defects which were revealed in aforesaid report by the Moratuwa University
- vi. Borehole Investigation was done
- vii. The preliminary designs were done after aforesaid studies

### **Recommendations**

Submit following reports to the committee within 2 weeks

- i. The feasibility report of highway extension of Southern express way
- ii. Environmental Impact Assessment Report of the project

### **Current situation and the progress**

The requested report has not been submitted to the committee at least by 31.03.2018

#### **05. The feasibility study report**

The chairman demonstrated a feasibility study report and inquired the RDA officials as to whether it is the accurate report on Southern express way extension. He further inquired that as to who is responsible for the report and whether it has been as approved by the Director Board.

The project director stated that it is the correct report and the planning section of RDA has prepared that.

Following facts were submitted by the Director (Planning) pertaining to this matter,

- i. The planning section of RDA did not prepare a feasibility report with regard to the said road extension in 2013

- ii. Only a single chapter on financial matters of the report was formulated by planning section
- iii. Former Director (Planning) has formulated the final feasibility study report, combining each chapter that was prepared by each section.

It was revealed that in the feasibility study conducted by the Moratuwa University it has considered “not feasible “. And also this feasibility study has not been submitted for the approval of the Director Board. And the Senior Project Director confirmed that the approval of the Director General has been obtained.

### **Recommendations**

- i. Submitting the written evidence to the committee to prove that the approval of the director general was obtained.

### **Current situation and the progress**

The requested report has not been submitted to the committee even by 31.03.2018

## **06. Estimation and grant of contracts on Southern highway extension**

The committee considered following matters

- i. Existence of a considerable difference between engineering estimate and the contracted value.
- ii. 40% increase of the agreed cost with the contractor in terms of the estimated amount in section 1
- iii. In determining the rates whether a comparison was drawn with the rates of the previous highways projects and whether there is an raise in the cost .
- iv. The factors leading to the difference between engineering estimate and the contractors estimates.
- v. Whether a final estimate has been formulated .

Following explanations were given by the Chairman of the Authority and the Directors of each project

- i. The engineering estimate is based on the amounts identified by the BOQ and HSR.
- ii. The estimate of the contractor is based on the HSR of the current market value and not on the HSR of RDA
- iii. A cost evaluation was done with previously built Highways .

- 
- iv. There had been an increase in the new amounts than the engineers estimate in cost evaluation. (Increase of the new amount sec 1 -20% /sec.2 -19% / sec-3 32% / sec-4 17 %)
  - v. Forecasted final estimation for section 1. Rs. 111 Billion
  - vi. Forecasted final estimation for section 2. Rs. 55.1 Billion other costs Rs 9 Billion
  - vii. Forecasted final estimation for section 3. Rs. 33.5 Billion
  - viii. Forecasted final estimation for section 4. Rs. 52.1 Billion

### **07. The Central Highway**

Following issues were unfolded before the committee with regard to the constructions of Central Highway

- i. the number of lanes of the Central Highway
- ii. the Engineers estimates of the each section of the Highway
- iii. of the contracted value on which the contracts were awarded for each section
- iv. Even though the directions have been issued that these projects have to be insured with the government institutions most of the projects have been insured with private institutions. the reasons for that

The Authority had following explanations

- i. the Central Highway is of 4 lanes
- ii. the Engineers estimate for the section 1 is Rs 129 Billion and the contracted value ws at Rs. 158 Billion
- iii. the engineering estimate for the section 2 is Rs 126.89 Billion and the contracted value was at Rs. 137.1 Billion
- iv. the engineering estimate for the section is Rs 123.5 Billion and the contract has still not been awarded
- v. The project insurance is done by the contractor himself and not by the RDA.

### **Recommendations**

- i. submit a detailed report on the procurement process that has been undertaken awarding of contracts for the Central Highway projects to the committee and copy the same with the Auditor General

- ii. the Auditor General's Department was directed to conduct an audit based on aforementioned report and submit the same report to the committee

**Current situation and the progress**

The report that has been requested by aforesaid recommendation I, has not been submitted to the committee even by 31.03.2018



## **University of Ruhuna**

(Ministry of Higher Education and Highways)

*(This institution comes under the purview of the Ministry of City Planning, Water Supply and  
Higher Education from 28.12.2018)*

**The date investigated – 21<sup>st</sup> September 2017**

The committee decided to summon all the Universities of the University system of Sri Lanka that are coming under the purview of the Ministry of City Planning, Water Supply and Higher Education, before the committee, separately and to have discussion on the issues pertaining to each university so as to get acquainted with them. And also, a special report including the recommendations and the measures that should be taken for the betterment of the entire university system, will be submitted to the Parliament.

Therefore, the details pertaining to the investigation, conducted on University of Ruhuna on the date of 21.09.2017, will be included in the special report on the University System that is to be presented by the committee in time to come



## **University of Kelaniya**

(Ministry of Higher education and Highways)

*(This institution comes under the purview of the Ministry of City Planning, Water Supply and Higher Education from 28.12.2018)*

### **The date investigated – 22<sup>nd</sup> September 2017**

The committee decided to summon all the Universities of the university system of Sri Lanka that are coming under the purview of the Ministry of City Planning, Water Supply and Higher Education, before the committee, separately and to have discussion on the issues pertaining to each university so as to get acquainted with them. And also, a special report including the recommendations and the measures that should be taken for the betterment of the entire university system, will be submitted to the Parliament.

Therefore, the details pertaining to the investigation conducted on University of Kelaniya on the date of 22.09.2017, will be included in the special report on the University System that is to be presented by the committee in time to come.



**Profit/ (Loss) and Net Surplus/ (Deficit) before Tax of aforesaid institutions**

**Profit/ (Loss) before Tax (COPE – 2017)**

N o	Entity	Profit / (Loss) before Tax for the year ended 31 <sup>st</sup> December (Rs.)		
		2016	2015	2014
1	State Pharmasuiticals Corporation	1,867,608,521	1,230,137,320	741,553,839
2	Sri Lanka Telecom	2,643,000,000	2,795,000,000	4,859,000,000
3	Sri Lanka Transport Board	(632,619,173)	(751,260,744)	(1,228,021,529)
4	Milco (Pvt) Ltd.	339,331,549	3,817,741	248,159,134
5	State Pharmasuitical Coropration	441,164,887	414,501,247	266,481,394
6	Sri Lankan Airlines Ltd.	(12,621,690,000)	(16,433,030,000)	(32,357,980,000)
7	Regional Development Bank	1,255,599,863	971,914,920	928,668,064
8	Paddy Marketing Board	(5,894,325,856)	(1,771,072,410)	(1,126,977,106)
9	National Livestock Development Board	9487,130	35,095,663	60505,358

**Net Surplus/ (Deficit) before Tax (COPE – 2017)**

No	Entity	Surplus / (Deficit) before Tax for the year ended 31 <sup>st</sup> December (Rs.)		
		2016	2015	2014
1	University of Colombo	176,157,091	326,038,151	372,221,037
2	Sri Lanka Institute of Advanced Technological Education	81,198,533	16,516,167	54,087,414
3	Road Development Authority	7,872,136,608	1,794,773,606	(4,962,677,696)
4	University of ruhuna	(76,040,206)	29,901,759	(70,332,415)
5	University of Kelaniya	495,212,649	474,804,754	122,261,416
6	Sabaragamuwa University	26,902,016	(22,927,315)	(59,919,196)
7	National Apprentice & Industrial Training Authority	21,878,483	(84,748,374)	(19,566,476)
8	Hector kobbekaduwa Agrigarian Research & Training Institute	10,547,296	(15,718,659)	(10,364,363)

