



Parliamentary Series No. 19

**The Ninth Parliament of
The Democratic Socialist Republic of Sri Lanka
(Fourth Session)**

**First Report of the Committee on Public Enterprises
(11.11.2021 – 08.12.2021)**

Presented on 24th day of March 2023 by

Hon. (Prof.) Ranjith Bandara, M.P.,

Chairman of the Committee on Public Enterprises

Ordered to be printed by Parliament of Sri Lanka

On 24th day of March 2023

Committee on Public Enterprises
Ninth Parliament (Fourth Session)

As per the announcement by the Hon. Speaker in Parliament on 22nd February 2023, the following 31 Members of Parliament were appointed to the Committee on Public Enterprises by the Committee of Selection for the Third Session of Ninth Parliament as per the resolution in Parliament adopted on 10th February 2023 in terms of the provisions of Standing Order 120 (1).

1. Hon. (Prof.) Ranjith Bandara, M.P., (Chair)
2. Hon. Jagath Pushpakumara, M.P.,
3. Hon. Janaka Wakkumbura, M.P.,
4. Hon. Lohan Ratwatte, M.P.,
5. Hon. Indika Anuruddha Herath, M.P.,
6. Hon. D. V. Chanaka, M.P.,
7. Hon. Shantha Bandara, M.P.,
8. Hon. Anura Dissanayaka, M.P.,
9. Hon. Rauff Hakeem, Attorney at Law, M.P.,
10. Hon. Anura Priyadharshana Yapa, Attorney at Law, M.P.,
11. Hon. Mahindananda Aluthgamage, M.P.,
12. Hon. Dayasiri Jayasekara, M.P.,
13. Hon. Rohitha Abegunawardhana, M.P.,
14. Hon. Eran Wickramaratne, M.P.,
15. Hon. Nimal Lanza, M.P.,
16. Hon. Jayantha Samaraweera, M.P.,
17. Hon. S. M. M. Muszhaaraff, M.P.,
18. Hon. Nalin Bandara Jayamaha, M.P.,
19. Hon. S. M. Marikkar, M.P.,
20. Hon. (Mrs.) Rohini Kumari Wijerathna, M.P.,
21. Hon. Chaminda Wijesiri, M.P.,
22. Hon. Sanjeeva Edirimanna, M.P.,
23. Hon. Jagath Kumara Sumithraarachchi, M.P.,
24. Hon. (Major) Sudarshana Denipitiya, M.P.,
25. Hon. Premnath C. Dolawatte, Attorney at Law, M.P.,
26. Hon. Upul Mahendra Rajapaksha, M.P.,
27. Hon. M. Rameshwaran, M.P.,
28. Hon. Shanakiyan Rajaputhiran Rasamanickam, M.P.,
29. Hon. (Mrs.) Rajika Wickramasinghe, M.P.,
30. Hon. Madhura Withanage, Attorney at Law, M.P.,
31. Hon. (Prof.) Charitha Herath, M.P.,

Committee on Public Enterprises
Ninth Parliament (Third Session)

As per the announcement by the Hon. Speaker in Parliament on 08th October 2022, the following 30 Members of Parliament were appointed to the Committee on Public Enterprises by the Committee of Selection for the Third Session of Ninth Parliament as per the resolution in Parliament adopted on 29th August 2022 in terms of the provisions of Standing Order 120 (1).

1. Hon. (Prof.) Ranjith Bandara, M.P., (Chair)
2. Hon. Jagath Pushpakumara, M.P.,
3. Hon. Janaka Wakkumbura, M.P.,
4. Hon. Lohan Ratwatte, M.P.,
5. Hon. Indika Anuruddha Herath, M.P.,
6. Hon. D.V. Chanaka, M.P.,
7. Hon. Shantha Bandara, M.P.,
8. Hon. Anura Dissanayake, M.P.,
9. Hon. Rauff Hakeem, Attorney at Law, M.P.,
10. Hon. Patali Champika Ranawaka, M.P.,
11. Hon. Mahindananda Aluthgamage, M.P.,
12. Hon. Dayasiri Jayasekara, M.P.,
13. Hon. Rohitha Abegunawardhana, M.P.
14. Hon. Eran Wickramaratne, M.P.
15. Hon. Nimal Lanza, M.P.,
16. Hon. S.M.M. Muszhaaraff, M.P.,
17. Hon. Nalin Bandara Jayamaha, M.P.,
18. Hon. S.M. Marikkar, M.P.,
19. Hon. Mujibur Rahuman, M.P.,
20. Hon. (Mrs.) Rohini Kumari Wijerathna, M.P.,
21. Hon. Sanjeeva Edirimanna, M.P.,
22. Hon. Jagath Kumara Sumithraarachchi, M.P.,
23. Hon. (Major) Sudarshana Denipitiya, M.P.,
24. Hon. Premnath C. Dolawatte, Attorney at Law, M.P.
25. Hon. Upul Mahandra Rajapaksha, M.P.,
26. Hon. M. Rameshwaran, M.P.,
27. Hon. Shanakiyan Rajaputhiran Rasamanickam, M.P.
28. Hon. (Mrs.) Rajika Wickramasinghe, M.P.,
29. Hon. Madhura Withanage, Attorney at Law, M.P.,
30. Hon. (Prof.) Charitha Herath, M.P.

Committee on Public Enterprises
Ninth Parliament (Second Session)

As per the announcement by the Hon. Speaker in Parliament on 08th February 2022, the following 22 Members of Parliament were appointed to the Committee on Public Enterprises by the Committee of Selection as per the resolution in Parliament adopted on 21st January 2022 in terms of the provisions of Standing Order 120 (1) to serve during the Second Session of Ninth Parliament.

1. Hon. (Prof.) Charitha Herath, M.P. (Chair)
2. Hon. (Dr.) Susil Premajayantha, M.P.
3. Hon. Mahinda Amaraweera, M.P.
4. Hon. Anura Dissanayaka, M.P.
5. Hon. Rauff Hakeem, M.P.
6. Hon. Patali Champika Ranawaka, M.P.
7. Hon. Jagath Pushpakumara, M.P.
8. Hon. Mahindananda Aluthgamage, M.P.
9. Hon. Rohitha Abegunawardhana, M.P.
10. Hon. (Dr.) Sarath Weerasekera, M.P.
11. Hon. (Dr.) Nalaka Godahewa, M.P.
12. Hon. (Dr.) Harsha de Silva, M.P.
13. Hon. Eran Wickramaratne, M.P.
14. Hon. Jayantha Samaraweera, M.P.
15. Hon. Indika Anuruddha Herath, M.P.
16. Hon. D. V. Chanaka, M.P.
17. Hon. Nalin Bandara Jayamaha, M.P.
18. Hon. S. M. Marikkar, M.P.
19. Hon. Premnath C. Dolawatte, M.P.
20. Hon. Shanakiyan Rajaputhiran Rasamanickam, M.P.
21. Hon. Madhura Withanage, M.P.
22. Hon. Sagara Kariyawasam, M.P.

Committee on Public Enterprises
Ninth Parliament (First Session)

As per the announcement by the Hon. Speaker in Parliament on 11th September 2020, the following 22 Members of Parliament were appointed to the Committee on Public Enterprises to serve during the First Session of Ninth Parliament by the Committee of Selections as per the resolution in Parliament adopted and 27th August 2020 in terms of Standing Order 120 (1).

1. Hon. (Prof.) Charitha Herath, M.P. (Chairman)
2. Hon. Mahinda Amaraweera, M.P.
3. Hon. Mahindananda Aluthgamage, M.P.
4. Hon. Rohitha Abeygunawardana, M.P.
5. Hon. Susil Premajayantha, M.P.
6. Hon. Jayantha Samaraweera, M.P.
7. Hon. Dilum Amunugama, M.P. (Resigned with effect from 02.09.2021)
8. Hon. Indika Anuruddha Herath, M.P.
9. Hon. (Dr.) Sarath Weerasekara, M.P.
10. Hon. D.V. Chanaka, M.P.
11. Hon. (Dr.) Nalaka Godahewa, M.P.
12. Hon. Ajith Niward Cabral, M.P. (Resigned with effect from 13.09.2021)
13. Hon. Rauff Hakeem, M.P.
14. Hon. Anura Dissanayake, M.P.
15. Hon. Patalee Champika Ranawaka, M.P.
16. Hon. Jagath Pushpakumara, M.P.
17. Hon. Dr. Harsha De Silva, M.P. (Appointed with effect from 04.05.2021)
18. Hon. Iran Wickramaratne, M.P.
19. Hon. Ranjan Ramanayake, M.P. (Ceased to be a member of Parliament
with effect from 07.04.2021)
20. Hon. Nalin Bandara Jayamaha, M.P.
21. Hon. S.M. Marikkar, M.P.
22. Hon. Premnath C. Dolawaththa, M.P.
23. Hon. Shanakkiyan Rajapuththiran Rasamanikkam, M.P.
24. Hon. Madhura Withanage, M.P. (Appointed with effect from
02.09.2021)

Staff of the Committee Secretariat

The present staff of the Committee on Public Enterprises are as follows.

- ❖ Assistant Director (Administration) – Mrs. Nishanthi S. Wickramaratne
- ❖ Principal Officer – Mrs. C.M. Subasingha
- ❖ Deputy Principal Officer – Mr. S.A.M. Shaheed
- ❖ Deputy Principal Officer – Mrs. D.R.U. Gamage
- ❖ Assistant Principal Officer – Mrs. W.L.S.D. De Alwis
- ❖ Assistant Principal Officer – Mrs. U.S. Prabhashini
- ❖ Parliamentary Officer – Mrs. R.C. Kulathilake
- ❖ Parliamentary Officer – Mrs. G.M.H.S. Gamlath
- ❖ Parliamentary Officer – Miss. G.V.S.K. Kumari
- ❖ Parliamentary Officer – Mrs. I.S. Gomas

Committee Reports

The Reports of the Committee on Public Enterprises could be downloaded through the following path.

www.parliament.lk → English → Publications → Committee Reports

CONTENTS

1. Chair's Note.....	13
2. First Report of the Committee on Public Enterprises for the Fourth Session.....	15
3. Opinion of the Auditor General Regarding Financial Statements.....	17
4. Institution Subjected to investigation by the Committee on Public Enterprises	
i. Sri Lanka Board of Investigation.....	19
ii. National Youth Services Council and Sri Lanka Youth Services (Pvt) Ltd.	29
iii. National Land Reforms Commission.....	49
iv. Galoya Plantations (Pvt) Ltd.	55
v. Sri Lanka Tourism Development Authority	59
vi. National Institute of Business Management	71
vii. Special audit on the performance of the Galoya Plantation (Pvt) Ltd. was established for the Operational activities of the Hingurana Sugar Factory	79
viii. University Grants Commission	87
5. Annexures	95 - 108
6. Pre-Tax Profit/(Loss) or Surplus/(Deficit) of the Institutions Mentioned in the Report	109

Chair's Note

This report, which consists of information about institutions that were investigated during the Second Session of the 9th Parliament, is being tabled today as the First Report of the Fourth Session of the 9th Parliament, as it was unable to be tabled due to the prorogation of that session.

Accordingly, this report contains information relating to 07 institutions that were monitored by the Committee on Public Enterprises (COPE) from 11.11.2021 to 08.12.2021 and the investigation of a Special Audit Report of the Auditor General.

This report includes the issues identified in the investigation, the recommendations provided based on them by the Committee, their current status and the progress of the implementation by the Institutions in accordance with the directives of the Committee. Furthermore, the opinion of the Auditor General regarding the financial statements of the relevant institutions, which may be important when referring to this report and relevant annexures are attached herewith.

Moreover, I hope that the recommendations presented in this report will be implemented by the relevant Chief Accounting Officers, Accounting Officers and other responsible officers.

I would also like to express my special thanks to the members of the Committee on Public Enterprises who contributed to this investigation during the relevant period and I respectfully recall the support provided to the Office of the Committee on Public Enterprises by the staff of the National Audit Office, including the Auditor General, in auditing the accounts of these institutions.

Moreover, my gratitude is extended to the staff of the Office of the Committee on Public Enterprises, including the Secretary of the COPE, who assisted in the preparation of this report, as well as the Translation Division of Parliament that conducted the translation and I appreciate the great support offered by the officers of the Department of Public Enterprises, the Department of National Budget and the Department of Management Services in making the tasks of the Committee successful.

Prof. Ranjith Bandara, M.P.,
Chairman
Committee on Public Enterprises

Fourth Session of the Ninth Parliament
First Report of the Committee on Public Enterprises

The Committee on Public Enterprises is pleased to present its First Report of the Fourth Session of the Ninth Parliament.

According to Article 154(1) of the Constitution of the Democratic Socialist Republic of Sri Lanka, the Auditor General investigates all state corporations under the purview of the government, business establishments and other enterprises assigned to the government under a specific law, and companies registered or deemed to have been registered under Companies Act No.7 of 2007, of which 50% or more of the shares are held by the government.

The observations and the recommendations concerning the institutions investigated by the Committee on Public Enterprises during the period from 11.11.2021 to 08.12.2021, and special audits are incorporated into this report.

The institutions investigated by the Committee on Public Enterprises during the period from 11.11.2021 to 08.12.2021 and the period of investigation

	<u>Institution</u>	<u>Date of Investigation</u>	<u>Matters Investigated</u>
01	Sri Lanka Board of Investigation	11.11.2021	Evaluation of the performance process of establishing new export processing zones
02	National Youth Services Council and Sri Lanka Youth Services (Pvt) Ltd.	16.11.2021	Auditor General's Report for the financial years from 2016 to 2020 and the current performance
03	National Land Reforms Commission	07.11.2021	Auditor General's Reports for the financial years 2017,2018 and 2019 and the current performance
04.	Galoya Plantations (Pvt) Ltd.	24.11.2021	Auditor General's Reports for the financial years 2018 and 2019 and the current performance
05.	Sri Lanka Tourism Development Authority	26.11.2021	Auditor General's Reports for the financial years 2018 and 2019 and the

			current performance
06.	National Institute of Business Management	02.12.2021	Auditor General's Reports for the financial years from 2015 to 2019 and the current performance
07	<ul style="list-style-type: none"> i. Ministry of Plantation ii. State Ministry of Development of Minor Crops Including Sugarcane, Maize, Cashew, Pepper, Cinnamon, Cloves, Betel Related Industries and Export Promotion iii. Galoya Plantation (Pvt) Lid. 	06.12.2021	Special audit on the performance of the Galoya Plantation (Pvt) Ltd. was established for the operational activities of the Hingurana sugar factory
08.	University Grants Commission	08.12.2021	Auditor General's Reports for the financial year 2019 and the current performance

Auditor's Opinion on Financial Statements

The Auditor General's opinion on the financial statements submitted by each institution for the years 2018, 2019 and 2020 is mentioned below.

1. Unqualified Opinion

That the Auditor-General is unable to detect any material irregularities or misrepresentations in the accounts of the Company.

2. Qualified Opinion

That the financial information presented by the entity is not reported in accordance with accounting standards or documentary evidence cannot be identified to support them.

3. Disclaimer of Opinion

That it is unable to express an opinion on the accounts because of the inability to identify sufficient or appropriate audit evidence.

4. Adverse Opinion

That significant material misstatements were found in the financial statements of the entity due to inaccurate or unreliable information.

	Institution	Auditor's Opinion		
		2018	2019	2020
01	Sri Lanka Board of Investment	Qualified	Qualified	Qualified
02	National Youth Services Council	Qualified	Qualified	Qualified
03	Land Reforms Commission	Disclaimer of Opinion	Disclaimer of Opinion	Disclaimer of Opinion
04	Galoya Plantations Private Limited	Qualified	Qualified	To be received
05	Sri Lanka Tourism Development Authority	Qualified	Qualified	Disclaimer of Opinion

06	National Institute of Business Management	Unqualified	Unqualified	Unqualified
07	University Grants Commission	Qualified	Qualified	Qualified

Sri Lanka Board of Investments

(Presidential Secretariat)

Date Investigated - 11.11.2021

Matters discussed

01. Submission of Annual Reports

Failure to present the annual report to Parliament for the year 2020.

Recommendations

Immediate submission of the 2020 Annual Report to Parliament.

Responsible Officers/ Institutions for implementing recommendations

Chairman - Sri Lanka Board of Investment

Reporting on Present Status and Progress

It has been planned to submit the Sri Lanka Board of Investment's annual report for the year 2020 for Cabinet approval, and the Committee on Public Enterprises has been informed that, through the letter No. MAEZD/EZD/1/ EZ-COPE7 of the Secretary to the State Ministry of Aviation and Export Zone Development dated 13.12.2021, action will be taken to submit the aforesaid report to Parliament immediately after Cabinet approval.

02. Corporate Plan

The Committee was concerned that the corporate plan for the year 2021 had not been prepared focusing on the state policies and in parallel with the said policies, despite the fact that the corporate plan should have been prepared in this manner.

The Chairman of the Sri Lanka Board of Investment stated that the corporate plan expected to be prepared for the next 05 years will be prepared keeping in mind the above criteria.

Reporting on Present Status and Progress

The Committee has also been informed through the previously mentioned letter that the interim corporate plan for the year 2021 has been prepared taking into account the uncertainty and instability of the investment climate caused by the global epidemic situation and the preparation of the corporate plan for the period 2022-2026 is being completed.

03. Millaniya Export Processing Zone

The attention of the Committee was drawn to the following matters.

3.1 Ownership of Millaniya Land

The attention of the Committee was drawn to the fact that the aforementioned Millaniya land selected for the establishment of the Export Processing Zone is currently owned by the Horana Plantation Company and the construction of the Export Processing Zone has been suspended due to objections raised during the acquisition of the land in question.

The Chairman of the Board of Investment stated at this point that this Millaniya land was selected for the establishment of an investment zone based on the evaluation reports of the Sri Lanka Board of Investment and the Prime Minister's Offices and that the said land has been transferred to the Horana Plantation Company on a lease basis by the State Plantation Corporation of Sri Lanka

03.2 Payments made to External Entities without Entering into Agreements

The attention of the committee was drawn to the following matters.

- i. In the year 2017, payments have been made to external agencies without entering into agreements for the provision of infrastructure for the Millaniya Export Processing Zone.
- ii. The Ministry of Development Strategy and International Trade has given an amount of 336.77, 948.76, 895.00 and 120.00 million rupees to the Sri Lanka Board of Investment for the years 2017, 2018, 2019 and 2020 respectively.
- iii. Payment of 52.7 million rupees to the Road Development Authority.

The Committee discussed this issue at length and expressed its displeasure over the fact that a huge amount of money has been spent improperly for setting up this processing zone and that such a cost has been incurred for a land that had not been properly transferred.

The Chairman of the Road Development Authority said that this amount had been paid to the Road Development Authority for the implementation of the access road project in the Millaniya Export Processing Zone, and due to the problem of acquisition of the land in question, it had not been possible to carry out the access road project in a proper manner. .

The Chairman of the Sri Lanka Board of Investment stated in this regard that a significant amount of the money allocated for the Millaniya Export Processing Zone has been used for the Wagawatta and Bingiriya Export Processing Zones and after a proper takeover, the work of the Millaniya Export Processing Zone is expected to be completed.

The opinion of the Secretary to the State Ministry of Aviation and Export Zone Development regarding this, was;

- that the work in this export processing zone cannot be started until the decision of the Court of Appeal,
- that it is expected to finish the Court of Appeal proceedings as soon as possible,
- that the Horana Plantation Company has expressed its willingness by now to complete this issue subject to conditions and that the said conditions are to be given in writing to the Sri Lanka Board of Investment in the future.

Pointing out the importance of having all the decisions regarding the Millaniya export processing zone in writing, the Committee emphasized that resuming the establishment of this export processing zone is a decision that should be taken very carefully and the responsibility for that should be taken by the State Ministry of Aviation and Export Zones Development.

Recommendations

Sending a complete report to the Committee within 03 months, on all the transactions made regarding the Millaniya Export Processing Zone project (from the date of Cabinet approval to the project) paying special attention on the following points.

- The manner in which these transactions have taken place
- Whether these cash payments have actually been made

Responsible Officers/ Institutions for implementing recommendations

Mr. H. M. B. P. Herath - Additional Secretary to the President

Secretary - Ministry of Tourism

Secretary – State Ministry State of Aviation and Export Zone Development

Chairman - Sri Lanka Board of Investment

Chairman - Road Development Authority

Reporting on Present Status and Progress

The recommended report has not been submitted and the following facts have been recorded in this regard.

- i. That the then Ministry of Development Strategy and International Trade has directly given money to the Road Development Authority, the Water Supply and Drainage Board and the Ceylon Electricity Board for the development of Millaniya, Bingiriya and Wagawatta zones, in the years 2017, 2018, 2019 and 2020,
- ii. That no money has been allocated/granted by the Treasury to the Board of Investment for such development activities.
- iii. That the Sri Lanka Board of Investment has not spent any money for such development activities.
- iv. That all the accounting functions were carried out by the Ministry of Development Strategy and International Trade.
- v. That the Ministry had given instructions to the above government agencies to use the rest of the money given for the development of the Millaniya region for the development of external infrastructure in Bingiriya and Bhagawata regions.

04. Bingiriya Export Processing Zone

The Committee paid special attention to the following points regarding Bingiriya Export Processing Zone.

(i) Expenditure incurred for Bingiriya Export Processing Zone

The Committee inquired about the expenditure of Rs. 154.54, 792.85, 895 and 105 million for Bingiriya export processing zone for the years 2018, 2019 and 2020 respectively, and its current status.

The Chairman of the Sri Lanka Board of Investment said that currently the infrastructure development activities are carried on in Bingiriya Export Processing Zone, the construction work of one factory has been completed and several other factories are under construction.

(ii) Present status of Bingiriya Export Processing Zone

The Committee inquired about the current status of the development activities in Bingiriya Export Processing Zone and the following facts were revealed.

- That the work on the first phase of the project has now been completed.
- That the work on the access road in the region is not yet complete.
- That the infrastructure service providers of the export processing zone have been engaged without entering into a contract with them.

- That the aforesaid affairs have been legalized by now by entering into Memoranda of Understanding with those institutions.

05. Environmental Impact of Export Processing Zones

The Committee inquired about this and the Chairman of the Sri Lanka Board of Investment mentioned the following points.

- That Environmental licenses have been obtained from the Central Environmental Authority for 7 of the 14 industrial estates owned by the Sri Lanka Board of Investment.
- That applications have been submitted for obtaining environmental licenses for 03 industrial estates.
- Several environmental problems have been identified in the 2 main industrial estates, Seethaka and Horana industrial estates, and are currently being addressed.

Furthermore, it was the opinion of the the Committee that the Sri Lanka Board of Investments is not paying attention to take necessary measures regarding the existing problem regarding the public water treatment plant in Seethawaka Industrial Park, which was revealed during the previous meeting of the Committee on Public Enterprises on the "Environmental audit report related to the water pollution of the Kelani River" and the Committee emphasized the importance of making arrangements to correct this situation.

Recommendations

Presenting a report to the Committee on the current status of the environmental compliance of the Export Processing Zones.

Responsible Officers/ Institutions for implementing recommendations

Secretary - Ministry of Tourism

Secretary - State Ministry of Aviation and Export Zone Development

Chairman - Sri Lanka Board of Investment

Reporting on Present Status and Progress

The recommended report has been submitted to the Committee. (**Annexure 01**)

06. Recruitment

The Committee questioned about the fact of creating 29 new positions by the Sri Lanka Board of Investment awarding very high salaries for them, and it was further revealed to the Committee that 07 people have been recruited to the institute out of those 29 positions and 22 more are to be recruited.

Commenting on these appointments, an officer of the Management Services Department stated that the salary scales related to these appointments are unacceptable.

Furthermore, the Committee pointed out that creating new positions at high salary levels is a reason for creating a backlash among the employees currently working in the institution and this situation may threaten the future existence of the organization.

The Committee discussed this matter at length and the opinion of the Committee was that the Sri Lanka Board of Investment had deceptively included the relevant salary scales and required qualifications in the last line of an annexure in the preparation of the above cabinet paper in order to avoid attention.

The Chairman of the Sri Lanka Board of Investment stated regarding this matter that he made these recruitments based on an instruction he received to obtain expert knowledge and to ensure the development of the institution through that knowledge and that he hopes to rectify this situation through discussion with the relevant parties in accordance with the guidance given by the Committee.

Commenting further on this, the Committee stated that it difficult for the Sri Lanka Board of Investment on its own to attract foreign investors, and the aforesaid situation can be overcome by the Sri Lanka Export Development Board, the Ministry of Foreign Affairs and the Department of Commerce by working in coordination with one another.

Recommendations

- i. Creating a report/plan to implement the relevant cabinet decision reducing the stress of the institution's internal employees by focusing on how the cabinet memorandum was approved and implemented, and informing the committee about it within a month.
- ii. Providing all the documents in the institution regarding these recruitments for preparing the aforesaid plan.
- iii. Including their ideas/solutions about these recruitments in this plan.
- iv. Postponement of recruitment for the 22 posts in question until the report/plan referred to in (i) above is submitted to the Committee.

Responsible Officers/ Institutions for implementing recommendations

Mr. H. M. B. P. Herath - Additional Secretary to the President

Secretary - State Ministry of for Aviation and Export Zone Development

Chairman - Sri Lanka Board of Investment

Reporting on Present Status and Progress

No progress reported.

07. Modernization of 24 and 27 floors

The Committee inquired about the steps taken to modernize the World Trade Center's (WTC) 24th and 27th floors, which are owned by the Sri Lanka Investment Board.

The Chairman of the Sri Lanka Board of Investment hat these floors are used to welcome the investors who come to the institution and to hold various discussions, and because they are currently in a dilapidated condition, they are working to modernize them, and due to objections raised from within the institution, these renovation works have been stalled on several occasions, the Sri Lanka Board of Investments said.

Recommendations

Reaching at a consensus with internal employees of the institution.

Responsible Officers/ Institutions for implementing recommendations

Chairman - Sri Lanka Board of Investment

Reporting on Present Status and Progress

The procurement committee has ordered to implement the relevant decisions subject to the approval of the new board of directors and the Committee has been informed that, until then, the procurement process for the renovation of the 24th and 27th floors of the World Trade Center has been suspended.

08. Unauthorized Allowances

(i) The following payments were made during the period 2015-2020 without obtaining the necessary approval as stated in the Public Enterprises Circular No. 95 dated 14th June 1994.

- Transport Allowances – Rs. 170, 028, 126/-
- Performance Payment – Rs. 2, 265, 728, 340/-
- Medical Leave Encashment Allowance - Rs. 413, 927, 180/-

Responding to the statement made by the Chairman of the Sri Lanka Board of Investment that all these payments were made under the approval of the board of directors, the Committee said that no board of directors has the ability to take decisions in violation of the Public Enterprises Circulars.

Recommendations

Rectifying this situation in consultation with the Ministry of Finance.

Responsible Officers/ Institutions for implementing recommendations

Chairman - Sri Lanka Board of Investment

Reporting on Present Status and Progress

Progress has been reported.

(ii) Despite the fact that the Public Enterprise Circular (No. PDE/1/2015(1) dated October 27, 2016) states that if an officer has an official vehicle, he or she is not entitled to a driver and driver allowance, the Sri Lanka Board of Investment has paid Rs. 8,950,064.- to 28 officers as driver allowance during the year 2020. The Committee paid special attention to this matter and expressed its strong displeasure with such allowances being made without proper approval by overriding public enterprise circulars.

(iii) The Committee inquired about the fact that the former Director General of the Sri Lanka Board of Investments was hired as a consultant there with the approval of the Board of Directors, and that she was paid Rs. 13,771,103 in salaries, fuel allowance, and driver allowance, along with an official vehicle, from May 2020 to April 2021.

It was revealed to the Committee that although the approval of the Cabinet of Ministers and the approval of the Department of Management Services is required to make such an appointment, such an approval has not been obtained for this appointment.

Recommendations

Conducting an internal inquiry into the recruitment in question and sending a complete report with terms of reference to the Committee within one month.

Responsible Officers/ Institutions for implementing recommendations

Mr. H. M. B. P. Herath - Additional Secretary to the President
Secretary - State Ministry of Aviation and Export Zone Development
Chairman - Sri Lanka Board of Investment

Reporting on Present Status and Progress

No progress reported.

09. Construction of the road in Mirijjawila Export Processing Zone

The Committee inquired about the fact that this road is currently in an unusable condition despite the fact that an amount of Rs. 516,964,785/- has been paid to the Road Development Authority for the construction of this road, which is 10.8 km long and 33 meters wide.

Recommendations

Investigating this situation and taking necessary steps to make the road usable.

Responsible Officers/ Institutions for implementing recommendations

Chairman - Sri Lanka Board of Investment

Chairman - Road Development Authority

Reporting on Present Status and Progress

Progress has been reported. (Annexure 02)

**National Youth Services Council and
Sri Lanka Youth Services (Pvt) Limited**

(Ministry of Youth and Sports)

Date of investigation – 16.11.2021

Matters discussed

01. The Board of Directors of the National Youth Services Council

The Committee observed that the Board of Directors of the National Youth Services Council is currently comprised of 24 members.

The Secretary to the Ministry said according to the National Youth Services Act No. 69 of 1979 and the regulations that were imposed by then Minister of Youth and Employment dated 10.03.1986, three (03) members can be appointed by virtue of ex officio and twenty (20) other members to the Board of Directors and accordingly there are 24 members in the Board of Directors including its Chairman.

02. Number of meetings of the Board of Directors

The Committee drew its attention on holding limited number of Board of Directors' meetings for the relevant fiscal year by the National Youth Services Council and Sri Lanka Youth Services (Pvt) Limited.

Recommendations

The Committee recommended that the meetings of the Board of Directors of the aforementioned two institutions should be held at least once a month.

Responsible Officers/ Institutions for implementing recommendations

Secretary – Ministry of Youth and Sports

Chairman – National Youth Services Council

Chairman - Sri Lanka Youth Services (Pvt) Limited

Reporting on Present Status and Progress

Reporting the progress on the matter the Secretary to the Ministry of Sports and Youth Affairs in his letter MOYS/ACC/A1/6/COPE-NYSC dated 27.10.2022 has stated that measures have been taken to hold the Board of Directors meetings with regard to year 2022 once a month and 07 Board of Directors meetings have been held to date for year 2022.

03. Corporate plan

Whereas the National Youth Services Council had prepared a corporate plan for the years 2017-2020, the Committee observed the Sri Lanka Youth Services (Pvt)

Limited has not submitted a corporate plan in terms of the circulars issued by the Department of Public Enterprises.

Chairman of the National Youth Services Council stated that the corporate plan of the National Youth Services Council for the years 2022-2026 has been drafted as well whereas the corporate plan of the Sri Lanka Youth Services (Pvt) Limited was not prepared owing to the flaws in the previous management.

Recommendations

- i. To submit the corporate plan of the National Youth Services Council for the years 2022-2026 to Parliament by January 2022.
- ii. To submit the corporate plan of the Sri Lanka Youth Services (Pvt) Limited to Parliament without further delay.

Responsible Officers/ Institutions for implementing recommendations

Secretary – Ministry of Youth and Sports

Chairman – National Youth Services Council

Chairman - Sri Lanka Youth Services (Pvt) Limited

Reporting on Present Status and Progress

- i. Progress has been reported with regard to recommendation number (i) above.
- ii. Progress has not been reported with regard to recommendation number (ii) above.

04. Tabling annual reports in the Parliament

Attention was drawn on the delay in submitting annual reports of the National Youth Services Council to the Parliament whereas the annual reports of the Sri Lanka Youth Services (Pvt) Limited not being submitted from year 2015.

Recommendations

To submit the annual reports of the National Youth Services Council and the Sri Lanka Youth Services (Pvt) Limited to Parliament within a month.

Responsible Officers/ Institutions for implementing recommendations

Secretary – Ministry of Youth and Sports

Chairman – National Youth Services Council

Chairman - Sri Lanka Youth Services (Pvt) Limited

Reporting on Present Status and Progress

Progress has not been reported.

05. Appointing Audit and Management Committees and holding meetings

The Committee observed that the National Youth Services Council had hold two meetings for the year 2020 whereas the Sri Lanka Youth Services (Pvt.) Limited has not taken measures to appoint Audit and Management Committees from year 2015 to 31.10.2021.

Recommendations

To hold the meetings of the Audit and Management Committees of the respective institutions at least once a quarter.

Responsible Officers/ Institutions for implementing recommendations

Secretary – Ministry of Youth and Sports

Chairman – National Youth Services Council

Chairman - Sri Lanka Youth Services (Pvt.) Limited

Reporting on Present Status and Progress

The progress in this regard has been reported from the letter MOYS/ACC/A1/6/COPE-NYSC dated 27.10.2022 sent by the Secretary to the Ministry of Sports and Youth Affairs and in that it has been mentioned that 03 committee meetings have been held with regard to year 2022.

06. Cadre information

While it was observed that the posts of Director (Administration), Director (Finance), Director (Technical and Vocational Training) as well as Internal Auditor of the National Youth Services Council have been vacated and no measure has been taken to fill them on a permanent basis, the Committee also noted the matters mentioned below.

- i. Acting Director (Administration) has also covered the duties of Director (Finance).
- ii. There are 06 staff grade vacancies and 13 non staff grade vacancies in Sri Lanka Youth Services (Pvt) Limited.

Recommendations

- i. To take expedited measures to fill the existing vacancies according to a proper method.
- ii. To submit the list of officers appointed in writing to the committee within three months.

Responsible Officers/ Institutions for implementing recommendations

Secretary – Ministry of Youth and Sports

Chairman – National Youth Services Council

Chairman - Sri Lanka Youth Services (Pvt) Limited

Reporting on Present Status and Progress

The report of the five member committee appointed by the Secretary to the Ministry of Youth and Sports Affairs to look into the issues / malpractices in the cadre of the National Youth Services Council has been submitted to committee along with letter MOYS/ADM/4/4/8 dated 28.03.2022 written by the Secretary and the Secretary has reported the progress in his letter MOYS/ACC/A1/6/COPE-NYSC dated 28.03.2022.

Implementation of the decisions taken at meeting the Committee on Public Enterprises on 03.12.2013

07. Paragraph number 07

Accounts of the Sri Lanka Youth Services (Pvt) Limited not being audited by the internal audit unit of the National Youth Services Council.

The Committee observed that it has become difficult to implement the decision taken at its previous meeting with regard to auditing the accounts of the company since there is no unanimity among the institutions.

Recommendations

To take measures to address the delays experienced when responding to the audit queries from year 2013 to date and reporting to the committee afresh.

Responsible Officers/ Institutions for implementing recommendations

Secretary – Ministry of Youth and Sports

Chairman – National Youth Services Council

Chairman - Sri Lanka Youth Services (Pvt) Limited

Reporting on Present Status and Progress

The progress has been reported.

08. Paragraph number 08

Subsidiaries of the National Youth Services Council namely, the Dancing Company (Pvt.) limited and the Music Company (Pvt.) limited becoming non-functional due to not registering them under the New Companies Act of 2007.

The Committee observed that the aforesaid subsidiary companies (the dancing company (Pvt.) limited and the music company (Pvt.) limited) have not been registered under the New Companies Act and an amount of Rs. 2,333,190/- had been invested in these companies on 10.07.2014 under the approval of the Board of Directors of the Council.

Recommendations

To report the progress to the Committee within three months after registering the aforesaid two companies according to a proper procedure.

Responsible Officers/ Institutions for implementing recommendations

Secretary – Ministry of Youth and Sports

Chairman – National Youth Services Council

Chairman - Sri Lanka Youth Services (Pvt) Limited

Reporting on Present Status and Progress

The progress has been reported.

09. Paragraph number 12

Not obtaining the approval of the treasury to write off 144 credit balances that amounts up to Rs.6,873,642/-.

Recommendations

To take measures to obtain the approval of the treasury to write off credit balances worth Rs.144 million.

Responsible Officers/ Institutions for implementing recommendations

Secretary – Ministry of Youth and Sports

Chairman – National Youth Services Council

Chairman - Sri Lanka Youth Services (Pvt) Limited

Reporting on Present Status and Progress

It has been reported to the Committee that recommended measures have been taken.

10. Paragraph number 14

A sum of Rs. 261.3 million have been spent by 31.12.2012 to construct buildings and for maintenance in a land that does not owned by the National Youth Services Council and measures should be taken to obtain a title deed for the aforesaid property.

Recommendations

Informing the aforementioned matter to the Auditor General in writing and taking measures to resolve it.

Responsible Officers/ Institutions for implementing recommendations

Secretary – Ministry of Youth and Sports

Chairman – National Youth Services Council

Chairman - Sri Lanka Youth Services (Pvt) Limited

Reporting on Present Status and Progress

Progress has been reported.

11. Paragraph number 17

Although a sum of Rs.2,432,464/- had been spent to modernize the indoor stadium at Heiyanthuduwa, the Committee observed the contractor is yet to complete the work.

Recommendations

To submit a report regarding the present status of the indoor stadium at Heiyanthuduwa to the Committee.

Responsible Officers/ Institutions for implementing recommendations

Secretary – Ministry of Youth and Sports

Chairman – National Youth Services Council

Chairman - Sri Lanka Youth Services (Pvt) Limited

Reporting on Present Status and Progress

The recommended report has been submitted to the Committee along with the letter MOYS/ACC/A1/6/COPE-NYSC dated 07.02.2022 of the Secretary to the Ministry of Sports.

12. Paragraph number 18

It was observed that although a sum of Rs.3,398,200/- had been spent for the land at Beruwala, which had been utilized for a turnover of Rs.3,300,000/- in June 2000 to construct a youth center, no development activity had taken place to date.

Chairman of the National Youth Services Association stated the aforesaid land at Beruwala has been identified as a submerged land.

Recommendations

To refer the matter to a new technical committee and to submit a report to the treasury via the Secretary to the Ministry on shutting down of the aforesaid project.

Responsible Officers/ Institutions for implementing recommendations

Secretary – Ministry of Youth and Sports

Chairman – National Youth Services Council

Chairman - Sri Lanka Youth Services (Pvt) Limited

Reporting on Present Status and Progress

In the letter MOYS/ACC/A1/6/COPE-NYSC dated 27.10.2022 submitted by the Secretary to the Ministry of Sports and Youth Affairs the Committee has been

informed that the plan and the engineer's estimates with regard to the aforesaid construction has been prepared and its estimated value is Rs.181 million whereas the construction work did not began since adequate allocations were not received and it will resume as soon as allocations are received.

13. Paragraph number 23

Although a sum of Rs.1,287,440/- had been spent to construct a handball ground within the Jayathilake stadium at Nawalapitiya in January 2011, the project was withdrawn after 07 months. The Committee observed that raw materials worth Rs.361,000/- had been underutilized and it had caused a non-economical expense of Rs.926,440/-

It was also revealed before the Committee that the items that had been utilized to construct volleyball court at the Jayathilake stadium at Nawalapitiya had been handed over to the Nawalapitiya Urban Council.

Recommendations

- i. To submit a report in this regard to the Committee and to the Auditor General.
- ii. In addition, responding to the queries made at the previous meeting of the Committee on Public Enterprises as soon as possible.

Responsible Officers/ Institutions for implementing recommendations

Secretary – Ministry of Youth and Sports

Chairman – National Youth Services Council

Chairman - Sri Lanka Youth Services (Pvt) Limited

Reporting on Present Status and Progress

The recommended report as per the aforementioned recommendation number (i) is yet to be submitted while the progress has been reported.

Matters arise from the audit reports from year 2016 to 2020

National Youth Services Council

14. The land at Gonahena which had been utilized to construct a vocational training center

The Committee observed that although a land had been obtained by the National Youth Services Council to construct a vocational training center on 09.10.1996,

measures are yet to be taken to commence the construction and the land remain unutilized for more than 25 years.

The Chairman told the Committee the construction of the vocational training center did not begin as there was a case pending before the courts regarding the ownership of the land and court ruling has been received in favor of the council.

Recommendations

To submit a report to the Committee on the particular matter and the progress of the project.

Responsible Officers/ Institutions for implementing recommendations

Secretary – Ministry of Youth and Sports

Chairman – National Youth Services Council

Chairman - Sri Lanka Youth Services (Pvt) Limited

Reporting on Present Status and Progress

Recommended report has been submitted.

15. Nilwala Youth Park

The Committee observed that although a sum of Rs.100 million had been spent for the construction, a feasibility study has not been carried out regarding the project and also focused attention on premises being non-functional despite allocating Rs. 150 million for the construction and the compensation process.

The Chairman of the institute said the Nilwala Youth Park is currently functioning and it has been proposed to commence another project next year.

Recommendations

To submit a report on the present status on the matter to the Committee and the Auditor General.

Responsible Officers/ Institutions for implementing recommendations

Secretary – Ministry of Youth and Sports

Chairman – National Youth Services Council

Chairman - Sri Lanka Youth Services (Pvt) Limited

Reporting on Present Status and Progress

The recommended report has been submitted.

16. Constructing a hostel and a sports ground at Hedigama area

The Committee observed that although a payment of Rs.2,400,601/- had been made for the financial plan to construct a hostel and a sports ground at Madangahawatta, Hedigama, the construction was yet to commence.

The Chairman of the institute said the NYSCO Youth Cooperative has been re-established and it has been planned to utilize this premises as a NYSCO collection center.

Recommendations

- i. To submit a report regarding the matter to the Committee and the Auditor General.
- ii. Focusing attention on long term goals and plans when preparing such projects.

Responsible Officers/ Institutions for implementing recommendations

Secretary – Ministry of Youth and Sports

Chairman – National Youth Services Council

Chairman - Sri Lanka Youth Services (Pvt) Limited

Reporting on Present Status and Progress

The progress has been informed.

17. Modernization of Belwood Aesthetic Center and the new construction

Although approval for procurements from Rs.100 million to Rs. 200 million should be obtained based on the recommendations of the procurement committee of the ministry, the contract regarding the construction of the Belwood Aesthetic Center has been awarded to the same contractor dividing it to Rs.99.66 and Rs.97.79 with the approval of the procurement committee.

Recommendations

To take disciplinary action against the officers who are responsible.

Responsible Officers/ Institutions for implementing recommendations

Secretary – Ministry of Youth and Sports

Chairman – National Youth Services Council

Chairman - Sri Lanka Youth Services (Pvt) Limited

Reporting on Present Status and Progress

The Secretary to the Ministry of Youth and Sports Affairs has informed the Committee the attention of the Board of Directors will be drawn on the matters pointed out by the Committee on Public Enterprises and the assistance of an

external investigation officer will be obtained to identify the officers who are responsible.

18. The Yowunpura Programme

The Committee noted although the total estimated cost for the Yowunpura programme held in the years of 2018 and 2019 was Rs.350 million, an additional sum of Rs. 80,560,914/- had been spent and renting out two storage domes paying an additional sum of Rs.2,227,400/- as well as making a payment of Rs.1,953,500/- for 1773 T-shirts on the following day of the program without the recommendations of the technical evaluating committee.

The Secretary to the Ministry informed a committee headed by the additional secretary to the ministry was appointed on 30.12.2020 to look into the matter and based on the recommendations of the aforesaid committee the matter has been referred to the Criminal Investigation Department.

Recommendations

- i. To conduct an internal investigation regarding the process.
- ii. To continue police investigations.
- iii. To prevent making any request regarding payments of the Yowunpura program until the matters are resolved.

Responsible Officers/ Institutions for implementing recommendations

Secretary – Ministry of Youth and Sports

Chairman – National Youth Services Council

Chairman - Sri Lanka Youth Services (Pvt) Limited

Reporting on Present Status and Progress

The progress regarding the matter has been reported to the Committee. (Annexure 03)

19. Youth Information Handbills

The Committee observed that no measure has been taken to identify the officers who had misused public funds by printing 268,000 youth information handbills in year 2017 which amounted Rs.1,882,400/-.

Recommendations

- i. To appoint a committee to identify responsible officers and take disciplinary action against them.
- ii. Reporting the final decision to the Committee within three months.

Responsible Officers/ Institutions for implementing recommendations

Secretary – Ministry of Youth and Sports

Chairman – National Youth Services Council

Chairman - Sri Lanka Youth Services (Pvt) Limited

Reporting on Present Status and Progress

- i. It has been informed to the Committee that measures are being taken as per the recommendation number (i). (**Annexure 04**)
- ii. The expected progress has not been informed from recommendation number (ii).

20. Funds received from four external organizations

Non-utilization of funds worth Rs.4,959,409/- that were granted by four external organizations from year 2015 and out of them Rs.1,005,000/- being paid to a non-governmental organization which is inconsistent with the government's procurement guidelines.

Recommendations

- i. To conduct an investigation against the officers who were in charge of accounts at that time and taking disciplinary action against the responsible officers.
- ii. To inform the progress to the Committee.

Responsible Officers/ Institutions for implementing recommendations

Secretary – Ministry of Youth and Sports

Chairman – National Youth Services Council

Chairman - Sri Lanka Youth Services (Pvt) Limited

Reporting on Present Status and Progress

Progress has been informed. (**Annexure 05**)

21. Suspending two projects under Sectoral Skills Development program

Two projects worth Rs. 84,216,614/- implemented under the Sectoral Skills Development program had been suspended from August 2018 since the work was delayed by the contractor and they have not been resumed.

Recommendations

To submit a report regarding the matter to the Committee within a month.

Responsible Officers/ Institutions for implementing recommendations

Secretary – Ministry of Youth and Sports

Chairman – National Youth Services Council

Chairman - Sri Lanka Youth Services (Pvt) Limited

Reporting on Present Status and Progress

Recommended report has been submitted.

22. Additional payments pertaining to 16 construction contracts

Making an additional payment of Rs.1,147,245/- (Total amount of workmen's compensation insurance) ignoring the payment scheme mentioned in the bill with regard to 16 construction contracts and paying a sum of Rs.4,253,750/- (Total bid value) to the contractor.

The Chairman of the institution said the National Audit Office has been consulted in this regard and the payments will be made in a proper manner as instructed while measures will also be taken to recover the additional sum that had been paid.

Recommendations

To submit a report to the Committee within a month that includes the progress of the mechanism to rectify the issues.

Responsible Officers/ Institutions for implementing recommendations

Secretary – Ministry of Youth and Sports

Chairman – National Youth Services Council

Chairman - Sri Lanka Youth Services (Pvt) Limited

Reporting on Present Status and Progress

The recommended report has been submitted and the progress has also been reported.

Sri Lanka Youth Services (Pvt) Limited**23. Having need to buy 100 shares in order to become a Director of the Company**

None of the existing Directors not purchasing shares of the Company whereas section 66 of the Articles of Association of the Company clearly points out 100 shares should be bought in order to become a Director.

Recommendations

Taking measures to amend the sections of the Articles of Association of the Company omitting the requirement of needing to buy 100 shares in order to become a Director of the Company.

Responsible Officers/ Institutions for implementing recommendations

Secretary – Ministry of Youth and Sports

Chairman – National Youth Services Council

Chairman - Sri Lanka Youth Services (Pvt) Limited

Reporting on Present Status and Progress

Progress has not been reported.

24. Remitting a lesser amount as the contribution for the Employees Provident Fund and the Employees Trust Fund

A sum of Rs.8,509,233/- had been remitted less as the contribution for the Employees' Provident Fund and the Employees' Trust Fund for the year of assessment.

In response, the Chairman of the Institute told the Committee that an issue regarding the Working Capital had led to this situation and it has been planned to settle all the payments of contributions properly in the future.

Recommendations

Submitting a report to the Committee regarding this matter within one month.

Responsible Officers/ Institutions for implementing recommendations

Secretary- Ministry of Youth and Sports

Chairman- National Youth Services Council

Chairman- Sri Lanka Youth Services Private Limited

Reporting on Present Status and Progress

Progress has not been reported.

25. Annual General Meeting

The Committee observed that Annual General Meetings had not been held from 2016 up to 30th of October 2021.

Recommendations

Taking necessary steps to hold the Annual General Meetings of the Company annually.

Responsible Officers/ Institutions for implementing the recommendations

Secretary- Ministry of Youth and Sports

Chairman- National Youth Services Council

Chairman- Sri Lanka Youth Services Private Limited

Reporting on Present Status and Progress

Progress has not been reported.

26. Nonpayment of income tax

That income tax had not been paid by the company as per Section 113 of Inland Revenue Act, income tax reports had not been submitted for the year under review and the last 05 years and that Rs.10,981,533/- had been allocated by the end of the year under review despite that were noticed by the Committee.

Recommendations

Investigating this matter immediately and submitting a report to the Committee within three months regarding the measures taken in this regard.

Responsible Officers/ Institutions for implementing the recommendations

Secretary- Ministry of Youth and Sports

Chairman- National Youth Services Council

Chairman- Sri Lanka Youth Services Private Limited

Reporting on Present Status and Progress

Progress has not been reported.

27. Nonpayment of Economic Service Charge

Even though Economic Service Charge had to be paid as per Economic Service Charge (Amendment) Act No.13 of 2006 when the quarterly turnover of a company exceeded Rs.50 million, the quarterly turnover of this company had exceeded Rs.50 million and failure to register under the Act was also observed by the Committee.

28. Payment not relevant to the tenure of the Managing Director

The officers who formerly held the post of Managing Director had been paid Rs.336,740/- from 02.03.2019 to 07.11.2019, the period the said post was vacant.

Recommendations

Conducting an internal investigation with the intervention of the Ministry considering this as a special matter and taking necessary disciplinary measures accordingly.

Responsible Officers/ Institutions for implementing the recommendations

Secretary- Ministry of Youth and Sports

Chairman- National Youth Services Council

Chairman- Sri Lanka Youth Services Private Limited

Reporting on Present Status and Progress

Progress has not been reported.

29. Fixed deposits with a private bank

Fixed deposits amounting to Rs.1,463,856/- have been placed in a private commercial bank in contravention of the provisions of Public Enterprises Circular No.2/2018.

Recommendations

Keeping the Secretary to the Ministry properly informed about such matters.

Responsible Officers/ Institutions for implementing the recommendations

Secretary- Ministry of Youth and Sports

Chairman- National Youth Services Council

Chairman- Sri Lanka Youth Services Private Limited

30. Failure to ensure or accelerate the loan recovery process

Out of the total debtor balance of Rs.10,520,015/- of the printing department by 20.10.2020, 91.5% was outstanding loan balances for the period from 2015-2019 and the Committee observed that the necessary steps had not been taken to ensure or accelerate the loan recovery process.

Recommendations

Paying attention to this matter and making an effective decision.

Responsible Officers/ Institutions for implementing the recommendations

Secretary- Ministry of Youth and Sports

Chairman- National Youth Services Council

Chairman- Sri Lanka Youth Services Private Limited

Reporting on Present Status and Progress

Progress has not been reported.

31. Failure to adhere to the financial regulations

Failure to take action in line with financial regulations in relation to the total loss of Rs.1,644,253/- incurred to the company owing to the negligence of the officers of the company

Responsible Officers/ Institutions for implementing the recommendations

Secretary- Ministry of Youth and Sports

Chairman- National Youth Services Council

Chairman- Sri Lanka Youth Services Private Limited

Reporting on Present Status and Progress

Progress has not been reported.

Special matters to be paid attention by the Committee on Public Finance and the current performance of the institution

National Youth Services Council

32. Failure to prepare consolidated financial statements

Even though Sri Lanka Youth Services Private Limited had been established in 1981 with over 91% ownership of shares by the National Youth Services Council, consolidated financial statements had not been prepared and the Council had had work worth Rs.417 million done through the company for 2018, 2019 and 2020.

The Committee observed here that the company was not under the administration of the Council even though 98% of the shares were owned by the Council and that preparation of consolidated accounts had failed owing to the failure of the company in preparing financial statements.

Recommendations

The following instructions were given by the Committee.

- i. Taking necessary steps to safeguard the financial transparency of the company.
- ii. Evaluating the functioning of the company through the Ministry.
- iii. Strict adherence to the government procurement guidelines.
- iv. Submitting a quarterly report to the Directors of the Council regarding the activities and other functions of the company.
- v. Taking necessary steps to prepare consolidated financial statements.
- vi. Taking necessary measures to monitor the financial status of the company through the internal auditor of the Ministry.

Responsible Officers/ Institutions for implementing the recommendations

Secretary- Ministry of Youth and Sports

Chairman- National Youth Services Council

Chairman- Sri Lanka Youth Services Private Limited

Reporting on Present Status and Progress

In relation to this matter, a concise report of the audit conducted by the internal auditor of the Ministry of Sports and Youth Affairs on the financial status of the company has been submitted to Committee through the letter of the Secretary to the Ministry of Sports and Youth Affairs bearing No. MOYS/ACC/A1/6/COPE-NYSC and dated 15.07.2022.

33. Internal Circular No. DA/Office 10/08

Up to 01.11.2021 no department taking action to make files and information available until Chairman's permission was received because an order had been issued emphasizing that information relevant to the institution should not be made available to external parties through the internal Circular bearing No. DA/Office 10/08 issued by the Chairman to all the Heads of Departments on 08.10.2021.

The Committee emphasized that no public officer can avoid submitting the relevant information to the Auditor General.

Recommendations

Taking necessary action to correct the said Circular.

Responsible Officers/ Institutions for implementing the recommendations

Secretary- Ministry of Youth and Sports

Chairman- National Youth Services Council

Chairman- Sri Lanka Youth Services Private Limited

Reporting on Present Status and Progress

Progress has been reported.

34. “Be Happy with Youth” Programme

Payment of Rs. 847,000 for renting a video wall mounted on a truck for this programme without following the procurement guidelines and payment of Rs.1,500,000/= without approval of the Board of Directors for 28 artists who participate in that programme.

It was mentioned here by the Chairman of the institution that this programme had been implemented during the lockdown of the country owing the COVID 19 pandemic to uplift the mental health of youth living in flats and that approval of the Board of Directors had been obtained for that.

35. Misuse of funds for the “Smart Garden” programme

The Committee paid further attention to the spending of Rs. 764,000/- to purchase non-essential items for the inaugural programme of the said project, purchasing 900 extra T-shirts worth Rs. 643,500/- while a stock of 5453 T-shirts had been lying in the stores and paying an additional amount of R.225,050/- to a private institution as a result of not conducting the programme on the scheduled date.

Recommendations

- i. Providing guidelines specifying minimum spending that requires the approval of the Board of Directors.
- ii. Sending a copy of the said guidelines to the Auditor General.

Responsible Officers/ Institutions for implementing the recommendations

Secretary- Ministry of Youth and Sports

Reporting on Present Status and Progress

Progress has been reported.

36. CISCO computer networking course

Even before meeting the basic facilities required for commencing this computer networking course, equipment had been purchased for the said programme on 29.07.2021 by spending 15,708,178/- and they remained useless even by 29.10.2021.

It was stated here by the Chairman that the commencement of the course had been delayed owing to the delay in recruiting teachers and that plans were in place to commence the computer- networking course in January 2022.

Recommendations

Taking necessary steps to restructure the structure, business and financial accountability of Sri Lanka Youth Services Private Limited and reconsider the necessity of having an affiliated company.

Responsible Officers/ Institutions for implementing the recommendations

Secretary - Ministry of Youth and Sports

Chairman - National Youth Services Council

Reporting on Present Status and Progress

Progress has been reported.

Sri Lanka Youth Services Private Limited**37. The building of the Council being used by the company**

The second floor of the new building constructed at a cost of Rs.107,526,046/- as a warehouse and to provide accommodation for about 50 drivers had been provided for Sri Lanka Youth Services Private Limited by the Chairman of the Council without fulfilling the expected objectives and without approval of the Board of Directors.

38. Income and Expenditure

The Committee observed that even though a considerable expenditure had been entered under the category “Expenditure for youth development”, that classification was vague.

Recommendations

Drafting guidelines for special projects.

Responsible Officers/ Institutions for implementing the recommendations

Secretary- Ministry of Youth and Sports

Chairman- National Youth Services Council

Chairman- Sri Lanka Youth Services Private Limited

Reporting on Present Status and Progress

Even though the progress has been reported the recommended guidelines have not been submitted to the Committee.

Land Reform Commission

(Ministry of Lands)

Date of Investigation: 17.11.2021

Matters Discussed

01. Primary Duty of the Land Reform Commission

The Committee paid attention to the current situation of the Commission and its primary objectives.

It was mentioned by the Chairman of the institution that 50 years would be completed since the establishment of Land Reform Commission by 2022 and that the total extent of land acquired by the government by then was around 1,750,990 acres according to the existing sources even though clear statistics were not available regarding the total extent of land acquired up to date.

The necessity of a land register with comprehensive data for strengthening the operations of Land Reform Commission and identifying its primary assets was emphasized by the Committee here.

Here it was stated by the Chairman of the institution that updating a data base on land acquisitions was underway, 50% of the work of that document was complete and that it was difficult to find the actual extent of land with the documents in possession of the institution at present because information declared at the time of acquisition was in contradiction to the actual extent of land and the documents relevant to them.

However, it was the view of the Committee that a specific and trustworthy document regarding land acquisition should be in possession of the institution and that a plan to address the issue should be developed speedily by the Ministry and the Commission. The Committee observed here that new technology such as drone cameras were used for surveying of lands belonging to the Survey Department.

Recommendations

Taking prompt action to submit a comprehensive report in this regard to the Committee.

Responsible Officers/ Institutions for implementing the recommendations

Secretary-Ministry of Lands

Chairman- Land Reform Commission

Reporting on present status and progress

Progress has not been reported.

02. Composition of the Commission and submission of Annual Reports

The Committee paid its attention to the composition of the Commission, the current number of members and failure to submit to Parliament the performance reports and annual reports of the Commission within the period from 2015- 2019.

Recommendations

Taking action to submit the performance reports and annual reports to Parliament promptly.

Responsible Officers/ Institutions for implementing the recommendations

Secretary-Ministry of Lands

Chairman- Land Reform Commission

Reporting on present status and progress

Progress has not been reported.

03. Absorbing the additional cadre into the permanent cadre

The issue of 214 additional cadre absorbed into the institution in 2018 who had been recruited for a special project without proper approval of the Management Services Department was brought to the notice of the Commission by the Committee.

Here it was disclosed that these employees had been recruited for the project called “Oppu Dasalaksaya” and that the absorption of these employees into the permanent cadre had been approved by the former Chairman of the Commission.

However, the Committee expressed its strong displeasure about the procedure adopted in this regard.

Recommendations

Conducting an internal investigation with the intervention of the Ministry, taking action to resolve this issue and reporting to the Committee within one month.

Responsible Officers/ Institutions for implementing the recommendations

Secretary-Ministry of Lands

Chairman- Land Reform Commission

Reporting on present status and progress

Progress has been reported.

04. Implementing the orders issued at the meeting of the Committee on Public Enterprises previously held on 23.08.2018

04.1 Preparing a permanent land register

Attention was paid to the recommendation made at the meeting of the Committee on Public Enterprises previously held on 23rd of August 2018 regarding the preparation of a comprehensive document about lands and the Committee proposed to commence a special project immediately for that and it was the view of the Committee that this document should be the basic document on lands in possession of the Commission.

It was observed by the Auditor General too that there should be a clear document on district basis regarding lands that were being developed, lands alienated by other parties and lands with potential to be developed.

04.2 Missing files

The Committee inquired about 200 files that had been misplaced and were claimed to have been misplaced.

Recommendations

Investigating this matter, taking necessary action and reporting the progress to the Committee within one month.

Responsible Officers/ Institutions for implementing the recommendations

Secretary-Ministry of Lands

Chairman- Land Reform Commission

Reporting on present status and progress

The current status regarding this matter has been reported to the Committee by the letter of the Secretary to the Ministry of Tourism and Lands bearing No.3/1/45 and dated 07.07.2022.

04.3 The issue of alienation of lands within the period from 2002 to 2004

The Committee paid its attention to item No.7 of Act No.1 of 1972 Land Reform Act in relation to 528 incidents of leasing and alienation of land without following the proper procedure within the period from 2002-2004. The Committee questioned what solution was available for such incidents of handling large extents of land without proper approval of the Commission.

After lengthy discussion, the Committee emphasized the necessity of inquiring about the lands declared under this Act and the land alienated for various purposes, developing a mechanism to identify those lands and engaging in field visits to further strengthen those operations.

Recommendations

Taking action to classify those lands as appropriate and reporting to the Committee again within a month.

Responsible Officers/ Institutions for implementing the recommendations

Secretary-Ministry of Lands

Chairman- Land Reform Commission

Reporting on present status and progress

The recommended detailed report has been submitted to the Committee through the letter of the Secretary to the Ministry of Lands bearing No.3/1/45 and dated 09.02.2022.

04.4 Valuation of Lands

The Commission paid attention to the value of the lands owned by the Commission and it was the view of the Auditor General that even though this had been discussed in Committee several times over the last 15 years no productive solution was received.

Recommendations

Appointing a special committee in that regard, conducting a revaluation of the lands owned by the Commission and rectifying this issue immediately and reporting to the Committee within six months.

Responsible Officers/ Institutions for implementing the recommendations

Secretary-Ministry of Lands

Chairman- Land Reform Commission

Reporting on present status and progress

Progress has not been reported.

05. Matters in the Audit Reports called for by the Committee for discussion**(i). Project Division Income**

The Committee also paid attention to the resources available in the lands owned by the Commission and inquired whether such resources have been properly identified by the Commission.

Recommendations

Investigating about the irregularities relevant to the blocks of land in Ampara, Nuwara Eliya, Hynford Estate etc.

Responsible Officers/ Institutions for implementing the recommendations

Secretary-Ministry of Lands

Chairman- Land Reform Commission

Reporting on present status and progress

Progress has not been reported.

(ii). Legal Division of the Commission

The Committee paid attention to the legal incidents of the Commission and the issues and irregularities in relation to leasing and mortgaging of lands owned by the Commission.

Recommendations

- i. Empowering the legal division of the Commission so that the cases of the Commission could be handled in a productive manner.
- ii. Taking action to set up a special help desk to address the issues faced by those who had been aggrieved under land acquisition by the government during the period 1972-1974 and paying prompt attention the relevant issues.
- iii. Solving this issue within a period of six months and reporting to the Committee on the progress.

Responsible Officers/ Institutions for implementing the recommendations

Secretary-Ministry of Lands

Chairman- Land Reform Commission

Reporting on present status and progress

Progress has not been reported.

06. Issues related to certain lands that have been leased

The Committee paid attention to the issues related to the leasing of lands belonging to the Commission such as Pasikuda (269 acres, Batticaloa), Kohilawaguruwatta (320 acres, Galle), Olaboduwa, Yahalakale and Ingriyawatta (22 acres), Maddegedarawatta (4 acres) and Iranawilawatta (40 acres) and the huge loss incurred to the public revenue as a result of not receiving the huge amounts of lease payments due and arrears.

Recommendations

Submitting to the Committee a comprehensive document regarding the lands alienated for various purposes, remaining extent of land, extent of land to be provided to the original owners etc.

Responsible Officers/ Institutions for implementing the recommendations

Secretary-Ministry of Lands

Chairman- Land Reform Commission

Reporting on present status and progress

The recommended report has been submitted to the Committee.

07. Matters that were paid special attention by the Committee

The Committee paid special attention to the new organic fertilizer pilot project commenced to cover 29 Divisional Secretariat Divisions of North Central Province.

Recommendations

Taking action to submit a comprehensive report to the Committee regarding this within two weeks.

Responsible Officers/ Institutions for implementing the recommendations

Secretary-Ministry of Lands

Chairman- Land Reform Commission

Reporting on present status and progress

A comprehensive report has been submitted to the Committee through the letter of the Secretary to the Ministry of Lands bearing No.3/1/45 and dated 02.12.2021.

Special audit on the performance of the Galoya Plantation (Pvt) Ltd.
was established for the operational activities of the
Hingurana sugar factory

- Institutions Investigated:**
- i. Ministry of Plantation
 - ii. State Ministry of Development of Minor Crops including Sugarcane, Maize, Cashew, Pepper, Cinnamon, Cloves, Betel Related Industries and Export Promotion
 - iii. Galoya Plantation (Pvt) Ltd.

Date of investigation : 2021.11.24

Matters discussed

01. Absence of officers

As the committee observed Dr. A. Dissanayake, Director Board member of Galoya Plantation Pvt. Ltd. was not present at the Committee meeting and he has not obtained prior approval for leave from the Committee.

Recommendations

The committee recommended, Dr. A. Dissanayake, Director Board Member of Galoya Plantation Pvt. Ltd. to submit the reasons for absence to the committee within a period of one week.

Responsible Officers/ Institutions for implementing recommendations

Secretary- Ministry of Plantation

Reporting on present status and progress

The matter has been reported to the Committee.

2. Cabinet decisions

The committee's attention was drawn towards the following 04 cabinet decisions.

- i. The decision which has been taken by the cabinet on 19th July 2006 to transfer the Hingurana Sugar factory to a new investor.
- ii. 6th December, 2006 - the decision taken to hand over the management of the Galoya Company to an integrated enterprise consisting of Browns and LOLC companies as private partners with the corporation of the Sri Lankan Government
- iii. 11th October, 2006 - the decision to incorporate the Galoya Plantation Pvt. Ltd.

-
- iv. 18th March, 2009 - the decision taken to sign the shareholder agreement and the signing of the management agreement.

03. Public Private partnership

The attention of the committee was drawn towards the amount invested by both parties as per the partnership agreement. (Government Sector, Lanka Orix Leasing Company and Brown and Company Plc.)

There it was revealed that the land of 277.75 hectares including the buildings of the Hingurana Sugar Factory had been acquired at the value of Rs. 294 million for a period of 30 years and the other movable property had been assessed at a value of Rs. 222 million and 51% ownership has been transferred based on the public partnership for a value of Rs. 516 million. and the remaining amount of 49% has been acquired by Browns Company Ltd. and Orix Leasing Company Ltd. as an equal share of Rs. 495 million.

04. Galoya Holdings Pvt. Ltd.

It was disclosed in the committee that the above mentioned company has been established to undertake the management activities of the Galoya Plantation Pvt. Ltd.

Here the following matters were considered by the Committee.

- i. The management agreement has been signed for a period of 10 years on 2010 April 26.
- ii. The above agreement has been extended up to 2029.08.29, in the year 2014, five years in advance to the due date of termination of the contract period.
- iii. The letter permitting the above extension was not in the possession of either the Galoya Plantation Pvt. Ltd. or the Department of Public Enterprises.

The Director of the Department of Public Enterprises responding to this matter mentioned that the aforesaid extension of the agreement was done by the Director General of the Department and that it was done on the request made by the Galoya Plantation Pvt. Ltd. The Chairman of the Institution stated that the management agreement had to be extended due to an investment, which was done with the Galoya Plantation Pvt. Ltd. during the particular period.

Here, the attention was drawn towards the practicality of amending the agreements which have been approved by the Cabinet, without consulting the Auditor General and whether any authority is vested with the Treasury Secretary or the Director General of the Department of Public Enterprises to terminate such agreements.

Recommendations

To conduct an investigation to inquire as to who is vested with the authority to terminate such management agreements which have been entered into by the companies with public private partnership.

Responsible Officers/ Institutions for implementing recommendations

Auditor General- National Audit Office

Reporting on present status and progress

The progress has not been reported.

5. The composition of the Director Board

The Committee mentioned that the Director Board of the Galoya Plantations Pvt. Ltd. Consists of 9 Directors which includes 5 directors from the Public sector and 4 Directors from Lanka Orix Leasing Company and Brown and Company PLC.

6. The position of Company Secretary

The Committee focused attention on the position of Company Secretary and it was revealed that the above position was held by the Lanka Orix Leasing Company. And the committee expressed its displeasure over this matter as the position of Company Secretary, being an important position for the company has not been given to the Galoya Plantation Pvt. Ltd.

Recommendations

The committee emphasized the importance of retaining the position of Company Secretary of the institution and recommended to take measures to rectify the aforesaid situation.

Responsible Officers/ Institutions for implementing recommendations

Secretary - Ministry of Plantation

Secretary - State Ministry of Development of Minor Crops including Sugarcane, Maize, Cashew, Pepper, Cinnamon, Cloves, Betel Related Industries and Export Promotion

Reporting on present status and progress

The progress has not been reported.

7. Decisions taken by the Board of Directors

The Committee inquired about the current status of the Director Board of the Galoya Plantation Company Pvt. Ltd.

8. Re-summoning the Galoya plantation Pvt. Ltd.

The committee decided to re-summon the Galoya Plantation Pvt. Ltd. to consider the “Special Audit Report on the Operations of the Galoya Plantation Pvt. Ltd., established for the operations of the Hingurana Sugar Company” presented by the Auditor General.

Recommendations

To summon the institution to the committee to discuss about the report presented by the Auditor General and until then not to take any important financial decisions with respect to the Galoya Plantation Pvt. Ltd.

Responsible Officers/ Institutions for implementing recommendations

Secretary - Ministry of Plantation

Secretary - State Ministry of Development of Minor Crops including Sugarcane, Maize, Cashew, Pepper, Cinnamon, Cloves, Betel Related Industries and Export Promotion

Reporting on present status and progress

To summon the Galoya Plantation Pvt. Ltd. to the committee on Public Enterprises on 2021.12.26 to consider the “Special Audit Report on the Operations of the Galoya Plantation Pvt. Ltd. , established for the operations of the Hingurana Sugar Company” presented by the Auditor General.

Sri Lanka Tourism Development Authority
(Ministry of Tourism)

Date of Investigation: 2021.11.26

Matters discussed

01. To combine four institutions affiliated to the authority as one entity

The attention of the committee was drawn towards forming one single institution by integrating the following 4 institutions belonging to the Sri Lanka Tourism Development Authority.

- Sri Lanka Tourism Development Authority (SLTDA)
- Sri Lanka Convention Bureau (SLCB)
- Sri Lanka Tourism Promotion Bureau (SLTPB)
- Sri Lanka Institute of Tourism & Hotel Management (SLITHM)

The following views in this regard were expressed by the Secretary to the Ministry.

- That the above 4 institutions function under one single Chairman at the moment.
- That plans have been made to form one institution as Sri Lanka Tourism Development Authority including 3 institutions except the Sri Lanka Institute of Tourism and Hotel Management. (Hotel School)
- That cabinet approval has been received for this integration.
- That it is expected to make the required amendments in the relevant act.
- That it is expected to submit the amendment to Parliament by April 2022.
- That this has no impact on the property and human resources of the Institution.

Recommendations

- i. As certain objections have been observed among the Director Boards with regard to the integration of these four institutions, it is recommended to settle these matters as soon as possible.
- ii. It is recommended to take an expeditious decision on this integration as the Chief Accounting Officer of these four institutions.

-
- iii. To pay special attention towards this integration and present the amended act to Parliament by April 2022.

Responsible Officers/ Institutions for implementing recommendations

Secretary - Ministry of Tourism

Chairman - Sri Lanka Tourism Development Authority

Reporting on present status and progress

- i. It has been informed to the Committee through letter No. MT/IAI/1/4/COPE-SLTDA dated 10.01.2022 by the Secretary to the Ministry of Tourism that measures would be taken to present the amended act to Parliament in April 2022.
- ii. The time given for the amending of the relevant act and presenting it to Parliament has been extended until July 2022 on a request made by the Authority.
- iii. The progress has not been reported.

2. Presentation of Annual reports

The Attention of the committee was drawn towards the failure to present the Annual reports for the year 2019, to parliament.

Recommendations

To pay attention to this matter and to present Parliament with the annual report expeditiously.

Responsible Officers/ Institutions for implementing recommendations

Secretary - Ministry of Tourism

Chairman - Sri Lanka Tourism Development Authority

Reporting on present status and progress

Through letter No. MT /IAI/1/4/COPE-SLTDA and dated 29.08.2022 by the Secretary to the Ministry of Tourism and Lands, the Committee has been informed that the Annual report for the year 2019 has been presented in Parliament.

3. Corporate Plan

The Committee focused its attention on the delay in submitting the Corporate Plan.

Recommendations

To take expeditious measures to present the corporate plan to Parliament by deploying four groups from the following four institutions.

- Sri Lanka Tourism Development Authority
- Sri Lanka Convention Bureau
- Sri Lanka Tourism Promotion Bureau
- Sri Lanka Institute of Tourism & Hotel Management

Responsible Officers/ Institutions for implementing recommendations

Secretary - Ministry of Tourism

Chairman - Sri Lanka Tourism Development Authority

Reporting on present status and progress

The Committee has been informed that the formulation of the Corporate Plan has been completed.

04. Action Plan

The Committee's attention was drawn towards not formulating the Action Plan for the year 2021.

It was disclosed in the Committee that this plan has been formulated by now and submitted to the Ministry having obtained the Director Board approval.

Recommendations

It was mentioned that the Action plan should include as to how the activities are monitored and it was recommended to present the Action Plan to Parliament as soon as possible having drawn the attention towards the above matter.

Responsible Officers/ Institutions for implementing recommendations

Secretary - Ministry of Tourism

Chairman - Sri Lanka Tourism Development Authority

Reporting on present status and progress

The Committee has been informed that the formulation of the Action plan has been completed.

Implementation of the recommendations given by the Committee on Public Enterprises held on 09.09.2016

05. Recommendation No. 4

The Committee focused attention on the matter regarding the under-utilization of 12 islands of the Kalpitiya project.

Recommendations

To take expeditious measures to implement the plans formulated to develop the 12 islands of the Kalpitiya project considering it as a special project.

Responsible Officers/ Institutions for implementing recommendations

Secretary - Ministry of Tourism

Chairman - Sri Lanka Tourism Development Board

Reporting on present status and progress

The committee has been enlightened on the current progress related to this matter through letter no. MT/IAI/1/4/COPE-SLTDA and dated 29.08.2022 by the Secretary to the Ministry. (**Annexure 6**)

6. Recommendation No. 07(i)

The Committee's attention was directed towards the over payment of Rs. 4.8 million made on behalf of the renovation of 30 rooms in the circuit bungalow, kataragama belonging to the Authority and towards the officer / officers by whom the approval has been granted for the same.

It has been informed that a course of action has not arisen to file a civil case by the Attorney General and it has been advised to inquire about the possibility to take legal measures under the Public Property Act. However, no action has been taken to prosecute the relevant parties and only a warning letter had been issued to the particular officer.

Recommendations

- i. To conduct an internal investigation about the matter and to submit its report to the Committee.
- ii. To report the steps that have been hitherto taken and will be taken in future by the institution in this regard, to the committee within a period of 3 months.

Responsible Officers/ Institutions for implementing recommendations

Secretary - Ministry of Tourism

Chairman - Sri Lanka Tourism Development Board

Reporting on present status and progress

- i. The committee has been informed that the report recommended through recommendation no. 1 above has been sent to the Sri Lanka Tourism Development Authority on 2022.4.5 by the Secretary to the Ministry of Tourism and accordingly that recommendations have been made to take legal measures against the contractor and the relevant officers.

- ii. However the above report has not been presented to the committee so far.
- iii. An explanation regarding the matter has been given.

7. Recommendation No. 7 (ii)

Although Rs. 10 million has been paid for the construction of the road adjoining the Thoroiadi Jetty and Wannimundalama Lagoon in Kalpitiya, no evidence was found regarding the said money being physically accepted.

The committee was informed that the Director- legal affairs has not been enlightened on this matter and the Director General of the Institution disclosed that misleading information had been provided to him as well.

The Committee pointed out that the matters should be properly studied before attending to the Committee Meeting and also it was observed that a problematic situation prevails in the institution regarding its administration.

Recommendations

To conduct an investigation on this matter and to submit the observations obtained from the relevant institution / institutions to the Committee.

Responsible Officers/ Institutions for implementing recommendations

Secretary - Ministry of Tourism

Chairman - Sri Lanka Tourism Development Authority

Reporting on present status and progress

The progress has been reported.

8. The Special audit observations related to the years 2018, 2019 and the observations regarding the current situation considered by the Committee.

The attention of the committee was drawn towards the current situation of the projects belonging to the authority as tourism development areas located in Yala, Kalpitiya, Kuchchaweli and Dedduwa.

8.1 Yala Tourism Development Project

It was disclosed before the committee that 69 acres of land had been leased out to 8 institutions , out of an extent of 1106 acres and that operations are carried out by 4 companies currently.

8.2 Kuchchaweli Tourism Development Project

49 acres have been leased out to 3 companies, and one company out of that has not initiated its operations even as at 2021.10.31.

Recommendations

- i. To provide the auditor general with a report including satisfactory evidence on the Kuchchaweli Tourism Development Project.
- ii. To report the progress.

Responsible Officers/ Institutions for implementing recommendations

Secretary - Ministry of Tourism

Chairman - Sri Lanka Tourism Development Authority

Reporting on present status and progress

The current situation has been reported.

8.3 Dedduwa Tourism Development Project

The Committee inquired as to why the relevant Tourism Development Area has not been properly utilized and it was revealed in the Committee that the boundaries of this area have not been demarcated yet and that the extent of land that can be utilized for development purposes is 600 acres out of 1732 acres.

Recommendations

To demarcate and to conduct small or large scale development activities.

Responsible Officers/ Institutions for implementing recommendations

Secretary - Ministry of Tourism

Chairman - Sri Lanka Tourism Development Authority

Reporting on present status and progress

The committee has been informed that the development activities have been initiated in relation to this project.

9. Drafting regulations for the declared Tourism areas.

The attention of the committee was drawn towards this matter and the committee emphasized on the need to declare the regulations and guidelines which have been determined.

10. Yala Tourism Development Project

It was revealed in the Committee that a land extent of 7 acres related to D1 and D2 lot numbers in the Yala Palatupana wild life tourism zone has been leased out to a private company in the year 2014 that an injunction order had been given informing that the operations cannot be implemented there and that the service of

private lawyers had been obtained for the case proceedings and similarly that certain officers of the institution had expressed their dislike over obtaining services from the private lawyers. The committee drew its attention towards the current situation related to this matter.

The Committee inquired as to why the authority has spent a massive amount of money to get the legal assistance of private lawyers in relation to this case without getting the assistance of the Attorney General's Department.

It was observed that a serious financial crisis might come up in the Authority due to the payment of lawyer fees in this manner.

Measures have been taken to get the support of private lawyers in relation to two cases which had been filed against the institution by 2 officers of the authority stating that their fundamental rights have been violated.

The legal officer stated that the Attorney General refused to appear for this case stating that it would lead to a conflict of interest as the last company secretary of the institution had performed certain official duties with the Attorney General.

Recommendations

- i. To provide the committee with a report on the receipt of services of Private lawyers for the legal proceedings with a period of one month.
- ii. The need to abide by the government financial regulations.
- iii. To take measures to avoid the recurrence of the same situation in future.

Responsible Officers/ Institutions for implementing recommendations

Secretary - Ministry of Tourism

Chairman - Sri Lanka Tourism Development Board

Reporting on present status and progress

A report dated 2022.01.10 has been presented to the committee by the Secretary to the Ministry explaining the current situation related to the matter.

11. Land Register

The authority did not process a land register including all the lands which were entitled to the authority, in the form of acquisitions, transfers or government grants.

Recommendation

To pay special attention towards the formulation of this document.

Responsible Officers/ Institutions for implementing recommendations

Secretary - Ministry of Tourism

Chairman - Sri Lanka Tourism Development Authority

Reporting on present status and progress

Through letter No. MT/IAI/1/4/COPE-SLTDA and dated 29.08.2022 sent by the Secretary to the Ministry the relevant document has been presented to the Committee.

12. Calido beach parks

The Calido beach park project which was initiated in the year 2013, without a feasibility study had been suspended in the year 2016 and measures have been taken to write off the advance payment of Rs. 19,990,021/- paid, through a Director Board decision taken in 2020.

Recommendations

To get the Treasury approval in this regard and to report to the Committee and the Auditor General.

Responsible Officers/ Institutions for implementing recommendations

Secretary - Ministry of Tourism

Chairman - Sri Lanka Tourism Development Authority

Reporting on present status and progress

The committee has been informed that the matter would be reported to the committee once treasury approval has been received.

13. National Circuit Bungalows belonging to the Authority

The amount of loss incurred from the 4 national circuit bungalows belonging to the authority in the year 2019 was Rs. 27,003,697/- and the loss incurred for the year 2020 was Rs. 46,016,794/-. The year on year basis profit has increased in 70% and the committee's attention was focused on this matter.

Recommendations

To conduct a special study in this regard and to report the decision to the committee.

Responsible Officers/ Institutions for implementing recommendations

Secretary - Ministry of Tourism

Chairman - Sri Lanka Tourism Development Authority

Reporting on present status and progress

Progress has been reported.

14. Rest houses belonging to the Authority

Out of the 37 rest houses transferred by the State Ministry of Public Administration, Home Affairs and Provincial Council, 9 circuits had not been issued for a period of 5 – 52 months as at 2021.10.31 and the attention of the Committee was focused on this matter.

The Committee was informed that it is expected to rent out the Hettipola rest house once the valuation report is received as the Director Board approval for this purpose has been received, and further that Ulankulama and Galgamuwa rest houses have been rented out in spite of the problematic situation prevailing with regard to them.

Recommendations

To conduct a special investigation in this regard and to report to the Committee.

Responsible Officers/ Institutions for implementing recommendations

Secretary - Ministry of Tourism

Chairman - Sri Lanka Tourism Development Authority

Reporting on present status and progress

The progress has been reported (**Annexure 7**)

15. Booking circuit bungalows or rest houses online

Facilities have not been arranged so far enabling the tourists to reserve the rooms of circuit bungalows and rest houses online.

Recommendations

To inquire about the possibility to ensure this facilitation and to report to the committee.

Responsible Officers/ Institutions for implementing recommendations

Secretary - Ministry of Tourism

Chairman - Sri Lanka Tourism Development Authority

Reporting on present status and progress

Progress has been reported.

16. The project to construct a tourism center in Madurankuliya and 20 sales outlet in the access road to Dunhinda falls

In the years 2016 and 2017, the project to construct a tourist information and facilitation center in Madurankuliya and the project to construct 20 sales outlets on the route leading to Dunhinda falls, have been suspended.

Recommendations

To report the progress to the committee.

Responsible Officers/ Institutions for implementing recommendations

Secretary - Ministry of Tourism

Chairman - Sri Lanka Tourism Development Authority

Reporting on present status and progress

Progress has been reported.

17. Investment of money without treasury approval

A sum of Rs. 1 billion has been invested in fixed accounts without obtaining the treasury approval.

The Treasury representative explained that this money had been deposited in a call deposit to be utilized for the day today activities of the institution and that later this amount was deposited in a fixed deposit as per the instructions given after the government audit.

Recommendations

To take measures to discuss with the treasury and to get the approval for this investment.

Responsible Officers/ Institutions for implementing recommendations

Secretary - Ministry of Tourism

Chairman - Sri Lanka Tourism Development Authority

Reporting on present status and progress

Progress has been reported.

18. The information required for the audit has not been furnished.

The detailed schedules related to certain transactions have not been presented to Audit and due to this reason, the accuracy of the transactions would not be confirmed.

In the Committee it was disclosed that the transactions have taken place many years ago and that the matter has been forwarded to the Treasury for rectification.

Recommendation

To discuss about these matters with the Treasury and to take measures to do the rectifications.

Responsible Officers/ Institutions for implementing recommendations

Secretary - Ministry of Tourism

Chairman - Sri Lanka Tourism Development Authority

Reporting on present status and progress

Progress has been reported.

19. Receivable deposits deposited on behalf of foreign offices obtained on rent basis have not been settled

Receivable deposits with a value of Rs. 36,661,031/- being the deposits made on behalf of the office rents for foreign offices for the period from 1989 to 2007 have not been settled until the end of 2021 and the committee focused its attention on this matter.

The committee was informed that the Treasury approval is due to be obtained in future as there is no evidence with regard to this matter.

20. Digital Nomads

It was mentioned that the income generated through the tourism sector of the country has rapidly gawn down after the Covid-19 pandemic and the concept of digital nomads is being globally utilized as an alternative and the committee questioned about the measures and plans made so far to implement this concept in Sri Lanka.

In the Committee, it was disclosed that the required cabinet approval has been obtained in this regard, that it is required to get the standards of the department of Immigration and Emigration in this regard and that a proposal would be submitted along with the required criteria for cabinet approval.

Recommendations

To take action to develop the vocational education sector of the tourism industry.

Responsible Officers/ Institutions for implementing recommendations

Secretary - Ministry of Tourism

Chairman - Sri Lanka Tourism Development Authority

Reporting on present status and progress

Progress has been reported. (Annexure 8)

21. Improving the vocational programmes of the Hotel School.

The committee's attention was drawn towards the inability of moving towards a public private partnership so far in order to develop the performance of the Hotel School as the hotel school is a degree awarding institution.

The Committee further stated that the Hotel school should produce professionals who can expose professional performance in the tourism sector and that the required and relevant programmes should be aligned to match with the need of the sector in the Hotel Schools.

Recommendations

To take the required measures in this regard as soon as possible.

Responsible Officers/ Institutions for implementing recommendations

Secretary - Ministry of Tourism

Chairman - Sri Lanka Tourism Development Authority

Reporting on present status and progress

Progress has been reported.

National Institute of Business Management

(Ministry of Education and State Ministry of Skills Development, Vocational Education, Research and Innovation)

Date of Investigation: 02.12.2021

Matters Discussed

01. Performance

The Committee paid its attention to the fact that almost all the regional offices of the National Institute of Business Management are located in the southern part of the country and they have not been spread to the Northern and the Eastern parts of the country and emphasized the importance of providing equal opportunities for all communities living in all parts of the country to receive vocational training and higher education.

The Chairman and the Director General of the Institute stated in response that although efforts were made to establish a new regional office in Jaffna area after the war had ended, it was not successful, and that, as the situation and the circumstances in the country have changed at present, this matter will be included in the corporate plan of the Institute for the next five years and it is expected to take action accordingly.

Recommendations

That attention be paid towards establishing regional offices of National Institute of Business Management throughout the country and an appropriate mechanism should be prepared for that.

Responsible Officers/ Institutions for implementing recommendations

Secretary – Ministry of Education

Secretary – State Ministry of Skills Development, Vocational Education,
Research and Innovation

Chairman – National Institute of Business Management

Reporting on present status and progress

The Committee has been informed through the letter of the Secretary to the State Ministry of Skills Development, Vocational Education, Research and Innovation dated 04.03.2022 bearing reference MSVRI/IA(SV)/03/04(2021) that the National Institute of Business Management has decided to carry out a feasibility study for establishing a regional center in the Northern Province and that it has been proposed to commence further action after the findings of the feasibility study has been studied.

02. Tabling of annual reports in Parliament

It was stated that the National Institute of Business Management (NIBM) has not presented its annual reports since 2014.

The Chief Executive Officer (CEO) of the State Ministry of Skills Development, Vocational Education, Research and Innovation stated that although a Cabinet Memorandum had been submitted on 08.08.2018 regarding presentation of the annual report for 2014, the annual report has not been prepared, and that it has not been prepared as per the instructions received. Necessary action is being taken to submit a new Cabinet Memorandum on 21.04.2021 to present that annual report.

The CEO further stated that Cabinet approval has already been received for presenting the annual reports for years 2015, 2016 and 2017, and that the Cabinet Memorandum for obtaining Cabinet approval to present the annual report for year 2018 was being drafted at the moment.

Recommendations

The Committee directed the CEO to take necessary steps within two weeks to present the annual reports for years 2015, 2016 and 2017 to Parliament, and also to make necessary arrangements to promptly present the annual reports for years 2018, 2019 and 2020 to Parliament.

Responsible Officers/ Institutions for implementing recommendations

Secretary – Ministry of Education

Secretary – State Ministry of Skills Development, Vocational Education,
Research and Innovation

Chairman – National Institute of Business Management

Reporting on present status and progress

i. Annual report – 2014

It has been reported to the Committee that it has been unable to table this annual report in Parliament as expected due to the change of subjects coming under the ministries on several occasions and that necessary action is being taken in this regard at the moment.

ii. Annual report – 2015, 2016 and 2017

It has been reported that those annual reports have been handed over to the Office of the Leader of the House of Parliament in order to be tabled in Parliament.

iii. Annual report – 2018

It has been reported that the Cabinet Memorandum for the relevant year had been submitted to the Cabinet of Ministers on 04.01.2022.

iv. **Annual report – 2019**

It has been reported that the annual report for the relevant year has been referred to the Ministry.

v. **Annual report – 2020**

It has been reported that preparing the draft report has been completed by now.

03. Staff details

The Committee observed that there are nine (09) surplus employees in the senior grade and that there are seven (07) vacancies.

The Director General of the Institute stated in response that the additional staff have been recruited consequent to the expansion of the scope of the Institute and the matters connected thereto and they have been recruited only on contract basis.

Recommendations

- i. That all recruitments be made following a proper recruitment procedure.
- ii. That action be taken to obtain the approval of the Department of Management Services if further staff is required.
- iii. That immediate steps be taken to fill the vacancies in the staff and the progress should be reported to the Committee within 03 months.

Responsible Officers/ Institutions for implementing recommendations

Secretary – Ministry of Education

Secretary – State Ministry of Skills Development, Vocational Education, Research and Innovation

Chairman – National Institute of Business Management

Reporting on present status and progress

It has been reported to the Committee that action is being taken in collaboration with the Department of Management Services in order to fill the vacancies in the staff of the Institute and to get the approval for increasing the carder of the Institute.

04. Meeting of the Committee on Public Enterprises held on 04.11.2014 – Paragraph 2.2.1

The Committee observed that action has been taken to write off a sum of Rs. 111,977/- from the accounts only on the approval of the Governing Council of the Institute, and the Committee was of the view that it would be more

appropriate to take action regarding such issues following proper procedures and under the final approval of the Ministry of Finance.

Recommendations

That action be taken to send the relevant documents relating to writing off, of the aforesaid amount of Rs. 111,977/- to the Ministry of Finance and that the progress should be reported to the Committee and to the Auditor General within three months.

Responsible Officers/ Institutions for implementing recommendations

Secretary – Ministry of Education

Secretary – State Ministry of Skills Development, Vocational Education, Research and Innovation

Chairman – National Institute of Business Management

Reporting on present status and progress

The progress has been reported.

Matters that arose from the reports of the Auditor General from years 2014 to 2019

05. Obtaining the NVQ Certificate

The Committee observed that, although the National Institute of Business Management had applied for accreditation for nearly 70 courses, certificates have been obtained from the Tertiary and Vocational Education Commission for 03 courses only.

The Secretary to the Ministry was of the view that there is some inconsistency between the contents of the courses conducted by the National Institute of Business Management and the National Vocational Qualification Standards.

Recommendations

- i. That the process of giving the NVQ certificate for the relevant courses be expedited.
- ii. That action be taken to hold a meeting with the participation of the following officers with the view to regularizing the objectives and the functions of the Institute and the progress should be reported to the Committee within 02 months:
 - Secretary to the Ministry of Education;
 - Secretary to the State Ministry of Skills Development, Vocational Education, Research and Innovation;

- Chairman of the University Grants Commission;
- Chairman of the National Institute of Business Management;
- Director General of the National Institute of Business Management;
and
- Vice Chancellor of the National School of Business Management (NSBM Green University).

Responsible Officers/ Institutions for implementing recommendations

Secretary – Ministry of Education

Secretary – State Ministry of Skills Development, Vocational Education,
Research and Innovation

Chairman – National Institute of Business Management

Reporting on present status and progress

Progress has been reported.

06. Legal ownership of the land located in Vidya Mawatha

The Committee observed that, although the Cabinet of Ministers has granted approval to award the land located at No. 120/5, Vidya Mawatha, Colombo 07, free of charge to the National Institute of Business Management as a donation, the land has not been legally awarded to that institute so far.

The Director General of the Institute stated that the required approval was not granted by the Divisional Secretariat despite Cabinet approval as the Institute had failed to submit to the Divisional Secretariat the relevant documents relating to payment of taxes since 1971.

Recommendations

That the relevant documents that are required for obtaining the legal ownership of the aforesaid land and its premises be referred to the Divisional Secretary in writing, and if the approval of the Cabinet is required action be taken accordingly.

Responsible Officers/ Institutions for implementing recommendations

Secretary – Ministry of Education

Secretary – State Ministry of Skills Development, Vocational Education,
Research and Innovation

Chairman – National Institute of Business Management

Reporting on present status and progress

Progress has been reported.

07. Legal ownership of the land located in Galle area

The Committee inquired about the construction of a permanent building spending a sum of over Rs. 321 million for the establishment of the National Institute of Business Management in Galle City without obtaining the legal ownership of the land.

The Director General of the Institute stated before the Committee that there was an issue related to the ownership of the land, which is considered to be owned by the Sri Lanka Transport Board, and therefore, there was a delay in the process of getting the ownership of the land transferred to the Institute.

Recommendations

That action be taken to take necessary steps to resolve this issue following an internal mechanism in collaboration with the relevant institutes and ministries and the progress be reported to the Committee.

Responsible Officers/ Institutions for implementing recommendations

Secretary – Ministry of Education

Secretary – State Ministry of Skills Development, Vocational Education,
Research and Innovation

Chairman – National Institute of Business Management

Reporting on present status and progress

It has been reported to the Committee that the District Secretary, Galle, has been directed as per the Cabinet decision to provide a report regarding the ownership of the Pettigalawaththa land in Galle in which the Galle office of the National Institute of Business Management is run, but the said report has not been provided so far, and therefore a reminder has been sent to the District Secretary, Galle, requesting that the report be provided.

08. Payment of gratuity

The Committee observed that the incentive has been calculated twice on the income as it has been calculated as 11% of the income and 5% of the profit.

Recommendations

That an acceptable methodology be prepared showing the basis for payment of gratuity by coordinating with the Department of Management Services and reviewing the observations of the Auditor General.

Responsible Officers/ Institutions for implementing recommendations

Secretary – Ministry of Education

Secretary – State Ministry of Skills Development, Vocational Education,
Research and Innovation

Chairman – National Institute of Business Management

Reporting the current status and progress

It has been reported to the Committee that necessary action is being taken by the Ministry regarding the aforesaid matter.

09. Leave encashment for unused medical leave

The Committee observed that, although the Secretary of the Salaries and Carder Commission had informed that there is no entitlement for leave encashment for unused leave, the Institute had paid a sum of Rs. 24,334,948/- during the period from 2016 – 2019 as leave encashment for unused leave.

The Director General of the Institute informed in response that the sole objective of paying an allowance of this nature is to encourage the employees to save their leave, and that this method had been in effect since early 1980s.

Recommendations

That this be considered as a special situation and this should not be taken as a precedence, and an appropriate circular be drafted in collaboration with the Department of Management Services regarding payment of leave encashment for unused leave.

Responsible Officers/ Institutions for implementing recommendations

Secretary – Ministry of Education

Secretary – State Ministry of Skills Development, Vocational Education,
Research and Innovation

Chairman – National Institute of Business Management

Reporting the current status and progress

It has been reported to the Committee that a ministerial-level study is being carried out regarding this matter, and it is due to be referred to the Department of Management Services together with the observations of the Ministry.

Matters that have arisen at present

**10. Acquiring the land belonging to the Hector Kobbekaduwa Agrarian
Research and Training Institute**

The Committee observed that, although the approval of the Cabinet of Ministers had been granted for this acquisition on 18.10.2017, the National Institute of Business Management had not acquired the aforesaid plot of land even by October 2021.

In response to this issue, the Director General of the Institute stated that, although several requests had been sent through the Minister to the Director of the Hector Kobbekaduwa Agrarian Research and Training Institute, he had refused to transfer the ownership of that land.

Recommendations

- i. That steps be taken to take further action as per the decision No. CP/17/0018/720/001 of the Cabinet of Ministers dated 18.10.2017
- ii. That, if it is impossible to take action accordingly, the Secretary to the Ministry of Agriculture be informed of regarding this requesting him to inform the Cabinet of Ministers of this issue.
- iii. That the Committee be informed of the progress of this matter within two months.

Responsible Officers/ Institutions for implementing recommendations

Secretary – Ministry of Education

Secretary – State Ministry of Skills Development, Vocational Education, Research and Innovation

Chairman – National Institute of Business Management

Reporting the current status and progress

The progress has been reported.

11. Non-payment of dividends

The Committee observed that the National School of Business Management (NSBM) had paid dividends to its parent institute, the National Institute of Business Management (NIBM), only from year 2013 to 2016, and despite that the NSBM had earned a net profit of Rs. 468,968,670/- in year 2020, dividends had not been paid to NIBM.

Recommendations

- i. That a final decision be reached regarding this matter.
- ii. That a panel of experts be appointed in order to monitor the behavior and the structure of these two institutes.

Responsible Officers/ Institutions for implementing recommendations

Secretary – Ministry of Education

Secretary – State Ministry of Skills Development, Vocational Education, Research and Innovation

Chairman – National Institute of Business Management

Reporting the current status and progress

Progress has been reported.

Special Audit Report on the Functioning of Gal-Oya Plantations Private Limited, which was established for the Operations of Hingurana Sugar Industries

Institutions Investigated: Gal-Oya Plantations Private Limited (GOPL)
Gal-Oya Holdings Private Limited (GOHL)

Date of Investigation: 06.12.2021

Matters Discussed

01. Establishment of the Gal-Oya Plantations (Pvt.) Limited and Gal-Oya Holdings (Pvt.) Limited

Hingurana Sugar Industries Limited (HSIL), which was established in 1960s with the view to developing the local sugar industry, was privatized in 1993, but as it was not successful, it was taken over again by the government and production activities were commenced. However, production activities had to be stopped in the same year.

Action had been taken to retire the employees of the Factory during the period of 2000 – 2001 on a voluntary retirement basis, and restructuring of the Factory had been commenced by year 2006. In 2006, the then government obtained the Cabinet approval to revive and restructure the management of Hingurana Sugar Industries through a company that was established jointly with two private companies, namely the Browns and Company (Browns) and Lanka Orix Leasing Company (LOLC).

Later, it was incorporated as a public-private partnership (PPP) named Gal-Oya Plantations (Pvt.) Limited under the operational management of a private company established in 11.10.2006.

Establishment of Gal Oya Plantations (GOPL) public company with the direct participation of the government

The agreement that had been entered into with the Government of Sri Lanka in 2009 basically contained the following points:

- Obtaining the ownership of 51% of the shares, i.e. the majority of the shares, of Gal-Oya Plantations Company to the government and transferring the remaining 49% of the shares to Browns & Company and LOLC.

- The management of Gal-Oya Plantations Company has been assigned to the management company through a management agreement for a period of 10 years.
- Using the current market value of the Government moveable property that is transferred to Gal-Oya Plantation Company as valued by the Chief Valuer and the net current value of the lease rental that is calculated for a period of 30 years for the government property that is transferred to Gal-Oya Plantations Company on leases basis as the 51% of the shares held by the Government.
- The Board of Directors of GOPL consists of the Chairman appointed by the government, 05 representatives of the government, and 04 representatives from the Browns & Company and LOLC.
- Two percent (2%) of the profit after tax of the Gal-Oya Plantations Company shall be paid to the management company as management fee.

02. The initial funds of the GOPL

The Committee also directed its attention to the following:

- Implementing the shareholders' agreement as per the Cabinet decision dated 18.03.2009;
- Implementing the management agreement;
- Leasing out to Gal-Oya Plantation Company for a period of 30 years the land in extent of about 277 hectares located in Hingurana where the manufactories, officers and other buildings belonging to Hingurana Sugar Company are located;
- Using the sum of Rs. 222 million which is the current market value of the Government moveable property that is transferred to Gal-Oya Plantation Company as valued by the Chief Valuer and the sum of Rs. 516 million which is the net current value of the lease rental that is calculated for a period of 30 years for the government property that is transferred to Gal-Oya Plantations Company on leases basis as the 51% of the shares held by the Government.
- Entering into an agreement on 28.08.2009 regarding the government contribution of 51% and the sum of Rs. 495 million, which is the contribution of 49% as a financial investment by Browns & Company and LOLC.

In reply to that question, one of the directors of GOPL stated that –

- GOPL, which was incorporated in 2009, was initially established in 2009 with 49% of the shares belonging to LOLC and Browns & Company and 51% of the shares belonging to the Government of Sri Lanka.
- Due to the restructuring of Hingurana Sugar Industries in 2006, and due to the delay in valuation of its assets, there was a further delay in drafting the shareholders' agreement by the Attorney General.
- As a result, although the Attorney General had not mentioned such situations in his report, LOLC and Browns & Company had to invest funds for establishing the Gal-Oya Plantations Limited before the shareholders' agreement was signed in 2009.

The Secretary to the Ministry of Plantation pointed out at this point that, in terms of the requirements of the shareholders' agreement, 49% of the private shares should be invested as a financial investment, and that there had been no mention of funds before the shareholders agreement was signed.

Expressing his views regarding this matter the Auditor General stated that –

- The power to audit GOPL was vested in him in terms of the provisions of the 19th Amendment to the Constitution.
- As incorporation of GOPL was done in 2009, auditing of GOPL before year 2016 will be done by a private institute.

The Committee considered the past situations, too, that relate to the establishment of GOPL, and stated that the Board of Directors of GOHL had approved to consider the initial funds that had been provided by Browns & Company and LOLC as a loan that is repayable with interest.

A director of GOPL explained that LOLC and Browns & Company had invested approximately Rs.477 million in GOPL during the period from 2007 to 2009, and a sum of Rs.312 million has to be paid to those two companies as interest, which has been approved by the GOHL and the Department of Public Enterprises, that local interest rates were high during the period from 2007 to 2009, and that no other private or public institute was willing to give financial assistance.

03. Credit Financing

The Committee inquired about the payment of Rs.230 million in 2014 by GOPL for the loan of Rs.440 million.

A director of GOPL explained that, by 2014, interest had been calculated for Rs.293 million, Rs.157 million and Rs.217 million, and Rs.293 million had been paid as the total.

It was revealed that the net interest paid for the loans that had been obtained from Browns & Company and LOLC during the period from 2009 to 2014 was Rs.440 million, and the interest alone that was paid to Browns & Company and LOLC for the period from 2010 to 2020 was Rs.1 billion and Rs.768 million respectively (a total of Rs.1.7 billion) , and the loan amount that had been obtained by the Browns & Company and LOLC for the operations of GOPL up to then was Rs.335 million and Rs.338 million respectively. Further, a director from GOPL explained that such loans amount to approximately Rs.9 billion.

The Committee paid its attention to the fact that the state banks had recently refused to grant loans to this project, and consequently, the private parties of the project had to go to private lending institutes.

The Committee appreciated the current performance of GOPL as against the situation that existed at the beginning, and pointed out that the company had not earned profits until last year.

Expressing his views a director of GOPL pointed out that the profit of GOPL by October 2021 was Rs.1 billion and the profit for the 2020-2021 financial year was Rs.749 million, and after processing debts, it was Rs.49 million, and as at the date of this meeting, the loan amount of the Company at the interest rate of 16% was Rs.49 million.

As observed by the Committee, loans have been obtained mostly from several banks affiliated to the two private parties and it was approximately Rs.13.7 million.

Recommendations

That a report be submitted to the Committee regarding the observation of the Committee that the management of GOPL is handled by GOHL.

Responsible Officers/ Institutions for implementing recommendations

Secretary – Ministry of Plantation

Secretary - State Ministry of Development of Minor Crops including Sugarcane, Maize, Cashew, Pepper, Cinnamon, Cloves, Betel Related Industries and Export Promotion

Reporting the current status and progress

Progress has not been reported.

04. The management company

The Committee paid its attention to the composition of GOHL.

It was discovered by the Committee that the government representatives in the Board of Directors represent the opinion of the government and make decisions

accordingly, and therefore, there is no need for frequently obtaining cabinet approval for the decisions of the Board.

A director from GOPL pointed out that, as per the shareholders' agreement, financial management, salaries, recruitments and deciding on the prices of sugar are not the responsibilities of the Board of Directors of GOHL, and that the Board engages in matters such as new projects and development proposals, policy decisions and approval of loans.

It was further revealed that, a working manager who is not a director of GOPL had been selected disregarding the accepted prerequisites for appointment to the post of Chief Manager and to the post of Chief Executive Officer, and therefore, appointment of the Chief Manager of GOPL has become controversial, and that the Treasury has been informed of this issue in writing seeking advice.

The Committee paid its attention to the issue of the absence of a conflict resolution mechanism on such occasions at ministerial level or on the part of the Department of Public Enterprises, and it was proposed to establish such a mechanism in future as an arbitration board.

Further, the Committee paid its attention to the matter as to whether the former Director General of the Department of Public Enterprises was vested with powers to extend the 10-year shareholders' agreement that has been given to GOHL.

Recommendations

That action be paid to take the required qualifications into consideration when appointing members to the Board of Directors of the Management Company (GOHL).

Responsible Officers/ Institutions for implementing recommendations

Secretary – Ministry of Plantation

Secretary - State Ministry of Development of Minor Crops including Sugarcane, Maize, Cashew, Pepper, Cinnamon, Cloves, Betel Related Industries and Export Promotion

Director General – Department of Public Enterprises

Reporting the current status and progress

Progress has not been reported.

05. Future financial management and payment of dividends

The Committee paid its attention to the issue that, as pointed out by the Auditor General, the liabilities of GOPL is greater than its assets, and as per the shareholders' agreement, the Government is bound to pay 51% of the loans that have been obtained. The Auditor General further explained that, in the event of bankruptcy, the loan should be settled by the guarantors, and that, as there were

no lending institutions at the beginning that were willing to provide assistance to GOPL, the two companies, LOLC and Browns & Company, had to seek the assistance of financial institutes affiliated to them.

The Committee emphasized that care should be exercised in obtaining loans in future rather than going to parliamentary oversight committees to get their decisions revised in future and that they should be prepared to undertake the responsibility of the future plans.

06. Growth and profit

The Committee paid its attention to the fact that GOPL has earned unexpected profits since recent times although it had recorded a minus growth from the beginning.

A director of GOPL explained that, although it has been emphasized in the report of the Auditor General that the Company has recorded a minus growth, ultimately the value of the assets has increased and it had not been assessed up to that time, and that action will be taken to enter it in future.

07. Management strategies

The Committee emphasized that some of the private companies that have been acquired by the government have failed and that corruption is a major issue prevailing in those institutes, and it was the view of the Committee that a proper methodology is required to ensure the going concern of GOPL, and attention was directed towards the future plans that the Ministry has got in place with regard to restructuring of GOPL.

The Committee pointed out that all the parties, namely the state, private parties and the public should be benefited through a public-private partnership, and it was further discovered by the Committee that no party has properly studied the shareholders' agreement or the business plan of GOPL.

Recommendations

- i. That the issues relating to the management company be discussed based on the report of the Attorney General with the participation of all relevant parties and with the support of the Department of Public Enterprises, and a report be submitted to the Committee within 02 months proposing remedies that can be implemented at ministerial level to address those issues.
- ii. That assistance of experts be obtained in making future financial decisions.
- iii. That attention be drawn towards the following matters and a report be submitted to the Committee.

- The legal framework of the PPP as a government recognized public entity.
 - Issues affecting the financial framework and the profitability of the PPP.
 - Identifying the gaps in the PPP management company and corrections for review.
- iv. That steps be taken to address the conflict of interests that arise as the terms of the shareholders' agreement are breached because the company secretary of both these companies is the same person.
- v. That whether the legality of the extension of the shareholders' agreement be verified.

Responsible Officers/ Institutions for implementing recommendations

Secretary – Ministry of Plantation

Secretary - State Ministry of Development of Minor Crops including Sugarcane, Maize, Cashew, Pepper, Cinnamon, Cloves, Betel Related Industries and Export Promotion

Director General – Department of Public Enterprises

Reporting the current status and progress

Progress has not been reported.

University Grants Commission

(Ministry of Education)

Date of Investigation: 08th December 2021

Matters Discussed

01. The Role of University Grants Commission in University Education

The committee observed the role of the University Grants Commission with regard to the independency of the future administration and academic perspective of the National Universities.

The Chair of the University Grants Commission mentioned the following facts in this regard.

- The University Grants Commission has been established under the University Act.
- All the tasks including the academic, administrative activities pertaining to Universities are regulated and monitored by the University Grants Commission.
- All the operational affairs in the universities remain independent within their own control.
- Decisions taken by the Senate as the august council of the university are forwarded to the University Council for approval.
- Apart from that, more independency is there with the universities when a new faculty is established and a new programme is implemented.

The committee inquired whether a standing committee or a sub committee is available with the University Grants Commission to track the academic progress going on in the universities.

Having mentioned his stance here, the Chair of the University Grants Commission stated the following.

- There are 22 subject based standing committees in the universities.
- The above mentioned committees are represented by the Head of the relevant faculty.
- As per the provisions of the University Act, a member of the University Grants Commission holds the Chair of such a standing committee.
- All issues pertaining to academic matters such as new courses etc. are examined by the Quality assurance unit of the Senate and the council and sent to the University Grants Commission for approval.

02. International Grading of Universities

The committee observed on the existing position of Sri Lankan universities in the global university ranking and the committee paid its special attention to the fact that only two universities have been enlisted among the first 2000 universities in the world. The Chair of the University Grants Commission, making his comments stated that there are several grading systems and the said grading has been done through the web matrix system. Further, he mentioned that they have not considered about the grading process during the last decade.

It has been revealed that whereas the demand for any university depends on its grading, Sri Lankan students choose universities having ignored that grading.

When the Chair of the University Grants Commission was questioned on how to decide upon the resource allocation based on the grading system of universities or any other criteria, he stated that;

- Distribution of resources is decided on the number of students those who are enrolled into each university,
- The continuation of the particular university is decided at the grading process,
- Incentive packages are given to universities,
- A special consideration is not given upon the duration of establishing any university or the area.

03. The Strategic Plan, Action Plan and Annual Reports

The committee paid its attention on presenting the strategic plan of the University Grants Commission for the years 2019-2023, the action plan for the years 2015-2021 and the annual reports for the years 2019 and 2020. Having mentioned his stance here, the Chair of the University Grants Commission stated the following as well.

- A Presidential Task Force for Education was set up by the President in 2020.
- A special attention was drawn by that task force on the higher education sector.
- A separate sub committee was appointed targeting the higher education sector through that.
- A guideline report on the future perspective of the higher education had been published by all Vice Chancellors of the Universities with the recommendations of this sub committee.
- That report has been drafted based on 9 strategies and 64 key performance indexes and
- All these Key Performance Indexes (KPI) are reviewed once in 6 months.

Recommendations

- i. Submitting the annual reports for the years 2019 and 2020 to Parliament without delay.
- ii. Submitting the report containing the guidelines for the future perspective of higher education to the committee and the Ministerial Consultative Committee.

Responsible Officers/ Institutions for implementing recommendations

Secretary - Ministry of Education

Chairman - University Grants Commission

Reporting the current status and the progress

- i. The letter issued by the Secretary to the Ministry of Education numbered HE/FIN/02/COPE-UGC Vol.1 and dated on the 31st March 2022 has informed the committee that the annual report of the University Grants Commission for the year 2019 was presented to Parliament on 10-12-2021 as per the above mentioned recommendation no.(i). Further, it has stated that the annual report for the year 2020 has been submitted for approval of the Ministry.
- ii. The report containing the guidelines for the future of the higher education has been presented to the committee with the aforesaid letter.

04. Annual Allocations and Disbursements

The committee observed the process of allocating and distributing annual allocations among the universities. The A.O. elucidated that universities allocate funds according to the progress analysis and the annual estimates, the fact that these provisions are decided by the Capital Assessment Committee functioned under the UGC and he further stated that these provisions ought to be approved by the General Treasury as well. The Chairman of the commission further stated that the Ministry and the UGC would work collaboratively with the relevant universities.

05. Recommendations and the facts discussed at the meeting held on the 17th February 2017

Irregular Recruitments

The committee discussed about the issue pertaining to irregular appointments conferred for the low ranks of the non academic staff in detail and the committee arrived at a collective agreement that the recruitment process carried out through an open application process published in newspapers is the most suitable way to recruit the employees.

The Chair of the commission intimated that,

- these recruitments have been made as per the cabinet memorandum dated on the 15th November 1996 and the cabinet decision dated on the 28th December 1996 and
- this recruitment procedure has been functioning for a long time.

Recommendations

- i. Following a proper recruitment procedure to recruit non-staff officers to streamline the recruitment process.
- ii. Preparing a System of Recruitment (SOR) with the approval of the Department of Management Services to streamline the process of recruiting academic and non-academic staffs.

Responsible Officers/ Institutions for implementing recommendations

Secretary - Ministry of Education

Chairman - University Grants Commission

Reporting the current status and the progress

The progress has been reported.

06. Purchasing computers

The committee observed the issue of purchasing 7 committees to the committee in the year 2007.

Recommendations

To conduct an internal inquiry/investigation regarding this matter and refer a report to the committee within one month.

Responsible Officers/ Institutions for implementing recommendations

Secretary- Ministry of Education

Chairman- University Grants Commission

Reporting the current status and the progress

- i. The detailed report relevant to this fact has been submitted to the committee along with the letter no: HE/FIN/02/COPE-UGC Vol.1 dated on 13-01-2022 issued by the Secretary of the Education Ministry.
- ii. Institutions by which the assessments related to purchasing of computers were conducted, the amount of loss incurred due to prices and renting are mentioned below as mentioned in the report.
- iii. The observations of the aforementioned committee report are mentioned as **Annexure 09**.

Table 3: Institutions by which the assessments related to purchasing of computers were conducted, the amount of loss incurred due to prices and being hired.

වගු අංක 3: පරිගණක මිලදී ගැනීමේ ක්‍රියාවලියට අදාළ ඇගයීම් සිදුකල ආයතන, මිල ගණන් හා කුලියට ගැනීම නිසා රජයට සිදු වී ඇති අලාභය

අංකය	ලංසුකරුගේ නම	ඒකකයක් සඳහා ගෙවන ලද මුදල(රු.)	සම්පූර්ණ පරිගණක 4 සඳහා මුදල (රු.)	වගකීම් කාලය (අවු.)	පරිගණක කුලියට ගැනීම නිසා රජයට සිදු වී ඇති පාඩුව	වෙනත් කරුණු
01	M/S Office Network (Pvt.) Ltd	143,400.00	573,600.00	5	564,210.00	මෙම ලංසුව ප්‍රසම්පාදන කමිටුව මගින් ප්‍රතික්ෂේප කර ඇත (ඇමුණුම 6)
02	M/S Network Information Technologies (Pvt.) Ltd (Option I)	178,000.00	712,000.00	5	425,810.00	-
03	M/S Network Information Technologies (Pvt.) Ltd (Option II)	183,000.00	732,000.00	5	405,810.00	-
04	M/S Visual Techno Solutions (Pvt.) Ltd	189,500.00	758,000.00	5	379,810.00	-

07. Computer softwares

The committee observed the non payment of advanced payments that should be paid to three universities to install a software system for the university entrance and the contribution of the IT Faculty of the University of Colombo for the Unicode Addition System.

Recommendations

Making arrangements to resolve the documentation matters arisen with regard to the capitalization of the IT Faculty of the University of Colombo for the Unicode Addition System.

Responsible Officers/ Institutions for implementing recommendations

- Secretary- Ministry of Education
- Chairman- University Grants Commission

Reporting the current status and the progress

The progress has been reported.

08. Enrolling students through the Aptitude test

The committee observed the matter arisen with regard to student enrollments for 38 courses conducted in 13 higher education institutes without considering the Z-score. Further, the committee admitted the fact that it is unfair to conduct another aptitude test as the Z-score has already decided the eligibility and that matter was taken into a broad discussion by them.

The Chair of the UGC mentioned here as follows.

- i. The candidate who faces the Aptitude test must pass the first exam.
- ii. Then the candidates are sorted out based on the Z -score.
- iii. The commission has clearly decided to take maximum effort to minimize the number of courses based on the aptitude test, and
- iv. The committee agrees to completely cancel the aptitude test if possible.

The explanation of the Ministry Secretary regarding the above mentioned fact is as follows.

- i. The Committee of Vice Chancellors and Directors (CVCD) has decided not to conduct an aptitude test for university entrance hereafter.
- ii. The above mentioned decision has been approved by the UGC too.

This proposal has been approved by the committee too and the committee has paid its attention on the necessity of a new university act to get accustomed with modern changes and to enhance the quality of the current university education system.

09. Scholarships for Higher Education

The committee observed the following fact too.

- i. Non completion of post graduate studies by 15 university lecturers within the due time period after obtaining scholarships for post graduate studies.
- ii. A research grant valued Rs.34.3 Mn has been granted for 12 lecturers in the year 2017, but they have cancelled it without participating in those specific researches.

Recommendations

- i. Taking steps to charge the expenses incurred on the said post graduate courses from the lecturers who have given up the courses without completing them within the due time period or else from the guaranters of them.
- ii. Taking disciplinary actions against officers who have involved in the misappropriation of the research grant of Rs.34.3 Mn granted for 12 lecturers in the year 2017.
- iii. Submitting the above mentioned report to the committee within two months.

Responsible Officers/ Institutions for implementing recommendations

Secretary- Ministry of Education

Chairman- University Grants Commission

Reporting the current status and the progress

The Secretary of the Ministry of Education with his progress report has informed the committee regarding the fact that necessary legal actions have been taken against the aforementioned university lecturers.

10. Centre for Gender Based Equity and Equality

The committee observed the following.

- i. The active participation of the Centre for Gender Based Equity and Equality, its expenditure and the current status.
- ii. Not returning of the university lecturers after the period of seven year annual leave entitlement without a valid reason.

Recommendations

- i. Referring a detailed report to the committee on the progress of the project, Centre for Gender Based Equity and Equality.
- ii. Initiating legal actions against those who have not returned here after the period of seven year annual leave entitlement.
- iii. Submitting the list of names of the university lecturers those who have not returned after the period of seven year annual leave entitlement.

Responsible Officers/ Institutions for implementing recommendations

Secretary- Ministry of Education

Chairman- University Grants Commission

Reporting the current status and the progress

- i. The recommended report relevant to above recommendation no: (i) has submitted to the committee.
- ii. The progress relevant to above recommendation no: (ii) has not reported.
- iii. The progress relevant to above recommendation no: (iii) has not reported.

11. Appointment of Vice Chancellors

The committee paid its attention on the procedure followed in appointing Vice Chancellors for universities and observed whether it is against the University Act and the circular no. 03/2021.

The committee believe that this issue must be resolved in a dual approach and it further believes that initially, the UGC must seek whether there is any possibility to technically resolve this matter. Secondly, the committee suggested to open an internal dialog regarding this and to discuss the matter with the Minister to arrive at a conclusion which is acceptable to the commission. Moreover, the committee bring the fact that the presence of the Secretaries and former members in some commissions to the notice of the commission and recommended to streamline the procedure.

Recommendations

- i. Making the process of selecting an eligible person for the post of Vice Chancellor more transparent and democratic.
- ii. Conducting a separate session to examine the relevant circular and the provision pertaining to safeguard the national policy of the state, internal self control and the democratic nature included in the act.

Responsible Officers/ Institutions for implementing recommendations

Secretary- Ministry of Education

Chairman- University Grants Commission

Reporting the current status and the progress

The progress has been reported.

12. Boards of Appeal of the University Grants Commission

The committee inquired whether a separate unit is available to examine the appeals and complaints received by the UGC.

Recommendations

Maintaining an updated document related to appeals and complaints received by the university.

Responsible Officers/ Institutions for implementing recommendations

Secretary- Ministry of Education

Chairman- University Grants Commission

Reporting the current status and the progress

The progress has not been reported.

Annexure 01

5. අපනයන සැකසුම් කලාපවල පාරිසරික බලපෑම

අපනයන සැකසුම් කලාපවල පාරිසරික අනුකූලතාවයේ වත්මන් තත්ත්වය පහත දැක්වේ.

අනු අංක	කලාපය/උද්‍යානය	පාරිසරික ආරක්ෂණ බලපත්‍රය (EPL) සතුකරගැනීමේ වත්මන් තත්ත්වය
1.	කටුනායක අපනයන සැකසුම් කලාපය	<p style="text-align: center;">පරිසර ආරක්ෂණ බලපත්‍රය (EPL) ලබාගෙන ඇත.</p>
2.	මීරිගම අපනයන සැකසුම් කලාපය	
3.	මීරිප්පවිල අපනයන සැකසුම් කලාපය	
4.	චතුපිට්ටල අපනයන සැකසුම් කලාපය	
5.	මල්වත්ත අපනයන සැකසුම් උද්‍යානය	
6.	මහනුවර කර්මාන්ත උද්‍යානය	
7.	මාවතගම අපනයන සැකසුම් කලාපය	
8.	පොල්ගහවෙල අපනයන සැකසුම් කලාපය	
9.	බියගම අපනයන සැකසුම් කලාපය	<p>පිරිපහදු කළ අපජලයේ සහ රොන්මඩවල ගුණාත්මක භාවයේ අනුකූලතාව සටහන් වූවද, මධ්‍යම පරිසර අධිකාරියට ආයෝජන මණ්ඩලය විසින් පරිනත පොකුණෙහි (maturation pond) රොන්මඩ ඉවත් කිරීම සිදුකිරීම අවශ්‍ය වේ (විටින් විට පොකුණෙන් රොන් මඩ පිටවන බැවින්).</p> <p>කෙසේ වෙතත්, පිටවන ස්ථානයේ වානේ ව්‍යුහයක් සවි කිරීම මගින් මෙය දැන් නතර කර ඇත. දැන් බැහැර කරන පිරිපහදු කළ අපජලයෙන් බලපෑමක් නැත.</p> <p>තවදුරටත් වැඩිදියුණු කිරීම සඳහා පහත සඳහන් විධිවිධාන ක්‍රියාත්මක කිරීමට නියමිතය.</p> <p>(අ) කලාපයෙන් පිරිපහදු කළ අපජලය මුදා හැරීම සඳහා පරිණත පොකුණ (maturation pond)</p>

අනු අංක	කලාපය/උද්‍යානය	පාරිසරික ආරක්ෂණ බලපත්‍රය (EPL) සතුකරගැනීමේ වත්මන් තත්ත්වය
		<p>මහ හැර පොදු අපජල පවිත්‍රාගාරයේ (CWTP) පිටවන ස්ථානයේ සිට නල මාර්ගයක් එළඹු ඇත. නල පද්ධතිය සැලසුම් කිරීම ජාතික ජල සම්පාදන හා ජලාපවහන මණ්ඩලය (NWS&DB) වෙත භාර දී ඇති අතර එය මූලික අදියරේ පවතින අතර සැලසුම් ඉදිරිපත් කිරීමට නියමිතව ඇත.</p> <p>මෙම ක්‍රමය මත පදනම්ව, BOI විසින් EPL නිකුත් කරන ලෙස මධ්‍යම පරිසර අධිකාරියෙන් ඉල්ලා සිටිනු ඇත.</p> <p>(ආ) ප්‍රදේශවාසීන් විසින් මතු කරන ලද විරෝධය සමථයකට පත් කිරීමට, පිරිපහදු කළ අපජලය අඹිතලේ ජල ඇතුළු-ගැනුමේ සිට තවදුරටත් පහළට මුදා හැරීමට හැකි වන පරිදි ආසන්න වශයෙන් මීටර් 75 ක ඉතිරි නල මාර්ගය එළීමෙන් අන්තර්වාරක අපවහන මාර්ගය අවසන් කිරීමට උත්සාහ කිරීම.</p>
10.	කොග්ගල අපනයන සැකසුම් කලාපය	<p>EPL නිකුත් කිරීම සඳහා සහ ද්‍රව්‍ය රැස්කිරීමේ මධ්‍යස්ථානය (MRC) සහ මඩිති ගබඩා මඩුව සම්පූර්ණ කිරීම, මධ්‍යම පරිසර අධිකාරියට අවශ්‍ය වේ. ඒවා පිහිටුවීමට මේ වන විට කටයුතු සුදානම් කරමින් පවතී.</p> <p>මඩිති ගබඩා මඩුව පිහිටුවීමේ කොන්ත්‍රාත්තුව ප්‍රදානය කර ඇති අතර MRC හි ප්‍රසම්පාදන ක්‍රියාවලිය සිදු වෙමින් පවතී.</p>
11.	හොරණ අපනයන සැකසුම් කලාපය	<p>මේ වන විට පිරිපහදු කළ අපජලයේ ගුණාත්මක භාවයේ අනුකූලතාව සටහන් කර ඇති අතර පරිසර ආරක්ෂණ බලපත්‍රය නිකුත් කරන ලෙස මධ්‍යම පරිසර අධිකාරියෙන් ඉල්ලා තිබේ. මෙම කලාපය තුළද පොදු අපජල පවිත්‍රාගාරය (CWTP) වැඩි දියුණු කිරීම අවශ්‍ය වේ.</p> <p>පෙර ඇස්තමේන්තුගත පිරිවැය රුපියල් මිලියන 378ක් වුවද, සියලුම ලංසු මිල ගණන් ඉංජිනේරු ඇස්තමේන්තුවෙන් 15% ඉක්මවා ඇත. එබැවින්, අදාළ වත්මන් වෙළඳපල මිල ගණන් සමඟ ඉංජිනේරු ඇස්තමේන්තුව නැවත බැලීමට සහ BOI හි අධ්‍යක්ෂ මණ්ඩලයේ සහ අදාළ ප්‍රසම්පාදන කමිටුවේ අනුමැතියෙන් පසුව නැවත ලංසු කැඳවීමට අමාත්‍යාංශ ප්‍රසම්පාදන කමිටුව තීරණය කර ඇත.</p>

අනු අංක	කලාපය/උද්‍යානය	පාරිසරික ආරක්ෂණ බලපත්‍රය (EPL) සතුකරගැනීමේ වත්මන් තත්ත්වය
12.	සීතාවක අපනයන සැකසුම් කලාපය	රු. මිලියන 900/-ක CWTP වැඩිදියුණු කිරීමේ කොන්ත්‍රාත්තුව අමාත්‍ය මණ්ඩල අනුමැතිය ඇතිව ප්‍රදානය කර, මේ වන විට ආරම්භ කිරීමට වාර්තා කර ඇත (mobilized).
13.	වගවන්ත කර්මාන්ත කලාපය	} මූලික මෙහෙයුම් අදියර යටතේ පවතී. සැලකිය යුතු මට්ටමකට ළඟා වූ පසු, EPL සඳහා අයදුම් කරනු ඇත.
14.	බිංගිරිය කර්මාන්ත කලාපය	

Annexure 02

මිරිප්පවල අපනයන සැකසුම් කලාපයේ මාර්ගය ඉදිකිරීම

එම මාර්ගයේ ඉදිකිරීම් 2012 - 2017 කාලය තුළ මාර්ග සංවර්ධන අධිකාරිය (RDA) විසින් නිම කරන ලදී. මේ වන විට රු. මිලියන 516.9 ක් RDA වෙත ගෙවා ඇති අතර, රු. මිලියන 113.3 ක හිඟ මුදලක් තිබේ.

මෙම මාර්ගවල මීටර් 160ක් සංවර්ධනය කිරීමට 2021 ප්‍රාග්ධන අයවැයෙන් මුදල් වෙන් කර ඇත. කෙසේ වෙතත්, ආසන්න වශයෙන් කිලෝමීටර් 10ක් නැවත සංවර්ධනය/භාවිතා කළ හැකි තත්ත්වයේ නොතිබූ අතර, එයින් කිලෝමීටර් 5.7ක් ABC යොදා ද, කිලෝමීටර 4.3ක් පමණ බොරළු යොදා ද, නිම කර ඇත. කිලෝමීටර් 10.8 ක මාර්ග දිගුව 2012 වසරේ දී කලාපයේ ඉඩම් කට්ටි කිරීමකට අදාළව සිදු කර ඇති අතර, මේ වන විට මෙම ඉඩම්, විශාල කැබලි ලෙස ආයෝජකයන් වෙත මහා පරිමාණ කර්මාන්ත සඳහා ආයෝජනය කිරීමට ලබා දීමට සැලසුම් කරමින් ඇත.

ඒ අනුව හඳුනාගත් මහා පරිමාණ කර්මාන්ත සඳහා ඉඩම් ලබාදීමේදී එවැනි ඉඩම් කට්ටිවලට අයත් වන කොටස් අත්හැර, එම ඉඩම් කැබලිවලට ප්‍රවේශය සැපයීමට අවශ්‍ය මාර්ගවල කොටස් පමණක් සම්පූර්ණයෙන් සංවර්ධනය කරනු ඇත.

කිලෝමීටර් 10.8 ක මාර්ගයේ හිඟ මුදල් ගෙවීමට පෙර ඉදිකරන ලද මාර්ගවල උප පාදම (sub base) සඳහා භාවිතා කරන බොරළුවල (gravel) ගුණාත්මකභාවය පරීක්ෂා කිරීමට මාර්ග සංවර්ධන අධිකාරිය එකඟ වී තිබේ.

Annexure 03

<p>21</p>	<p>යොවුන්පුර වැඩසටහන</p> <p>කමිටුව නිරීක්ෂණය කළ පරිදි 2018 සහ 2019 වර්ෂයේ යොවුන් පුර වැඩසටහන සඳහා රුපියල් මිලියන 350 ක ඇස්තමේන්තු කළ පිරිවැය ඉක්මවා රු. 80,560,914/= ප්‍රමාණයක් වියදම් කර ඇත. මෙහි දී රුපියල් 2,227,400/= ක ප්‍රමාණයක් ප්‍රසම්පාදන ක්‍රියාවලියට පරිබාහිරව ගබඩා නේවාසිකාගාර දෙකක් කුලියට ගැනීම සඳහා කළ වැඩිපුර ගෙවීම, තාක්ෂණ ඇගයීම් කමිටුවෙහි අනුමැතිය ලබා ගැනීමෙන් තොරව වී ෂර්ට් ඇණවුමක් සඳහා රු. 1,932,500/= මුදලක් ගෙවීම ආදිය මීට ඇතුළත් වේ.</p> <p>මෙම කරුණ පිළිබඳ පරීක්ෂණ පැවැත්වීමට 2020.12.30 වන දින අමාත්‍යාංශ අතිරේක ලේකම්වරයා ප්‍රධාන කමිටුවක් පත් කර ඇති බවත් මේ වන විට කමිටුවේ නිර්දේශ පදනම් කරගෙන මෙම ගැටලුව අපරාධ පරීක්ෂණ දෙපාර්තමේන්තුවට යොමුකර ඇති බව ප්‍රධාන ගණන් දීමේ නිලධාරියා සහ ගණන් දීමේ නිලධාරියා විසින් කමිටුවට දැනුම් දෙන ලදී.</p> <p>මෙම කරුණ සඳහා අභ්‍යන්තර පරීක්ෂණයක් ආරම්භ කර පොලීස් පරීක්ෂණ සමඟ ඉදිරියට කරගෙන යන ලෙස කමිටුව විසින් ප්‍රධාන ගණන් දීමේ නිලධාරියා/ගණන් දීමේ නිලධාරියා වෙත උපදෙස් ලබා දෙන ලදී. මෙම ගැටලුව විසඳෙන තෙක් යොවුන්පුර වැඩසටහනට අදාළව ගෙවීම් සම්බන්ධව ඉල්ලීම් නොකරන මෙන් කමිටුව විසින් ප්‍රධාන ගණන් දීමේ නිලධාරියා/ගණන් දීමේ නිලධාරියා වෙත උපදෙස් ලබා දෙන ලදී.</p>	<p>යොවුන්පුර වැඩසටහනට අදාළව වී ෂර්ට් මිලදී ගැනීම ප්‍රසම්පාදන මාර්ගෝපදේශයට අනුව කටයුතු කර ඇති අතර තාක්ෂණික ඇගයීම් කමිටුව විසින් පරීක්ෂා කර ඔවුන්ගේ නිර්දේශ ප්‍රසම්පාදන මණ්ඩලය විසින් ලබා දී මෙන් අනතුරුව ප්‍රසම්පාදන මණ්ඩලය විසින් ලබා දී ඇති අනුමැතිය ප්‍රකාරව සඳරුවන් ලැෂන් ආයතනය වෙතින් රු.8,823,000 වී ෂර්ට් මිලදී ගෙන ඇත. එසේ මිලදී ගත් වී ෂර්ට් ප්‍රමාණය ප්‍රමාණවත් නොවන බවට අදාළ විෂය භාර නිලධාරීන් විසින් අධ්‍යක්ෂ ජනරාල් වෙත කරන ලද ඉල්ලීමකට අනුව තිබූ හදිසි අවශ්‍යතාවය සැලකිල්ලට ගෙන අතිරේක වශයෙන් රු. 1,401,300 ඇණවුම උක්ත ආයතනය සඳහා මි ලබා දීමට ප්‍රසම්පාදන මණ්ඩලය අනුමැතිය මත ලබා දීමට කටයුතු කර ඇත. මෙහිදී ප්‍රසම්පාදන මණ්ඩලය විසින් නැවත ඇණවුමක් නිසා පිරිවිතරයන්ගේ සංශෝධන නොමැති නිසා තාක්ෂණික කමිටු නිර්දේශ ලබා ගැනීමට කටයුතු කර නැත.</p> <p>ඒ අනුව මෙම කාරක සභා නිර්දේශයේ සටහන පරිදි තාක්ෂණික ඇගයීම් කමිටු අනුමැතියක් (නිර්දේශ) ලබා නොගෙන කටයුතු කිරීම පිළිබඳව පෙන්නවා දුන්නද මෙම ගනුදෙනුවේදී නැවත ඇණවුමක් බැවින් (Reorder) තාක්ෂණික කමිටු අනුමැතියක් (නිර්දේශයක්) අවශ්‍ය නොවන බව පෙන්නවා දෙමි. ප්‍රසම්පාදන මාර්ගෝපදේශ සංග්‍රහයේ 3.6 වගන්තිය ප්‍රකාරව නැවත ඇණවුම් කිරීම සිදු කල හැකි බව පෙන්නවා දී ඇති අතර එම වගන්තියේ 3.6.1 (ඇ) අනුව මුල් කොන්ත්‍රාත් වටිනාකමින් 50% ක සීමාවක් දක්වා නැවත ඇණවුම් කිරීම සිදු කල හැකි බව දක්වා ඇති හෙයින් ඒ අනුව කටයුතු කර ඇති බැවින් මෙම ගනුදෙනුවේ නිවැරදිතාවය තහවුරු වන බව කාරුණිකව දන්වා සිටී.</p> <p>මෙම ඡේදයේ දක්වා ඇති පරිදි යොවුන්පුර වැඩසටහනට අදාළව ඩෝම් කුලී පදනම මත ලබා ගැනීම සඳහා විසීමක් ප්‍රසම්පාදන ක්‍රියාපාටියට අනුගමනය කරමින් southern rentals ආයතනය වෙත කොන්ත්‍රාත් ප්‍රදානය කර ඇත. එම කොන්ත්‍රාත්තුව ප්‍රදානය කිරීමේදී එක් එක් ඩෝම් හි වර්ග අඩි ප්‍රමාණය මත පදනම්ව ගෙවීම් කිරීමට පෙර එක් එක් ඩෝම් හි ප්‍රමාණයන් මැන ගෙවීම් කිරීම සිදු කර ඇත. (measure and pay)</p> <p>නමුත් යොවුන්පුර වැඩසටහන කරගෙන යෑමේදී මෙහෙයුම් කමිටුව විසින් හා තාක්ෂණිකව හදිසි අවශ්‍යතා සේ සලකා බලා තවදුරටත් අභ්‍යාවශ්‍ය යැයි සලකා වර්ග අඩි 40 x 120 ඩෝම් 01 ක්ද 30 x 100 ඩෝම් 01 ක්ද අමතර දින ගණනක් සඳහා අවශ්‍යතාවය මත අමතර දින 10 ක් හා දින 08 ක් සඳහා ඉල්ලීම් කර ඇත. එම ඉල්ලීම සලකා බලා ප්‍රසම්පාදන මණ්ඩලය විසින් නැවත ප්‍රසම්පාදන කමිටු තීරණයක් 2019.05.14 දින ප්‍රසම්පාදන තීරණ 128 යටතේ අනුමැතිය ලබා දී ඇත.</p>
-----------	---	--

	<p>ඒ අනුව ඉහත ප්‍රසම්පාදන කාර්යයන් දෙකම ඇති වූ විට අවශ්‍යතා මත සිදු කර ඇති අතර ඒවා ප්‍රසම්පාදන මාර්ගෝපදේශ සංග්‍රහයට අනුකූලව සිදු කර ඇති බව තවදුරටත් දන්වා සිටිමි. ඒ කෙසේ වුවද කාරක සභාව පෙන්වා දී ඇති පරිදි මේ පිළිබඳව විමර්ශනය කිරීම සඳහා අපරාධ පරීක්ෂණ දෙපාර්තමේන්තුව වෙත යොමු කරන ලෙස කර ඇති නිර්දේශ පරිදි දැනටමත් ලිඛිත පැමිණිල්ලක් අමතරාංශය විසින් සිදු කර ඇත. මීට අමතරව අභ්‍යන්තර විමර්ශනයක් සිදු කිරීම සම්බන්ධව ගත යුතු පියවර සම්බන්ධව සාකච්ඡා කල අතර සභාවේ නිලධාරීන්ගෙන් සමන්විත කමිටුවක් මගින් විමර්ශනය සිදු කිරීම ප්‍රායෝගික හා ලබාදියාවන් පිළිබඳ ගැටළුවක් ඇති වන බැවින් (conflicts of interest) විනිවිදභාවයෙන් මෙම කටයුතු සිදු කිරීමට අමාත්‍යාංශය වෙත දැන්වීමටත් කටයුතු කර ඇත.</p> <p>ඒ පිළිබඳ ප්‍රගතිය ඉදිරියේදී විගණකාධිපතිවරයා වෙත යොමු කරන බව කාරුණිකව දන්වමි. එතෙක් මීට අදාල ගෙවීම් නවතා ඇති බවද කාරුණිකව දන්වමි.</p>
--	--

Annexure 04

<p>තරුණ තොරතුරු පත්‍රිකා</p> <p>2017 වර්ෂයේ දී රු. 1,822,400/= පිරිවැයක් දරා දැනට ඉවත දැමීමට සිදුව ඇති 268, 000 ප්‍රමාණයක තරුණ තොරතුරු පත්‍රිකා රැසක් මුද්‍රණය කරමින් මහජන මුදල් අවහාචිත කළ නිලධාරීන් හඳුනා ගැනීමට කිසිදු පියවරක් ගෙන නැති බව කමිටුව විසින් නිරීක්ෂණය කරන ලදී.</p> <p>මෙම කාරණාවට අදාළව වගකිව යුතු නිලධාරීන් හඳුනා ගැනීමට කමිටුවක් පත්කර ඔවුන්ට එරෙහිව විනය ක්‍රියාමාර්ග ගෙන , අවසාන තීරණය පිළිබඳ මාස 03 ක් ඇතුළත කමිටුවට නැවත දන්වන ලෙස ප්‍රධාන ගණන් තැබීමේ නිලධාරී/ගණන් තැබීමේ නිලධාරී වෙත කමිටුව මගින් උපදෙස් ලබා දෙන ලදී.</p>	<p>මෙම වියදම සම්බන්ධව සභාවේ නීති අංශය මගින් විධිමත් පරීක්ෂණයක් සිදු කිරීමට උපදෙස් ලබා දී ඇති අතර එම අංශය මගින් දැනටමත් මේ සම්බන්ධයෙන් මූලික කටයුතු සිදු කරමින් පවතී . ඒ අනුව මූලික විමර්ශනය හා විනය පරීක්ෂණය පැවැත්වීම සඳහා බාහිර විනය පරීක්ෂණ නිලධාරියෙකු වෙත යොමු කිරීමට පියවර ගෙන ඇත. මෙම වියදම සම්බන්ධයෙන් සලකා බලන විට බැඳු බැල්මට මෙම තරුණ පිළිබඳව සිදු කරන ලද සන්නිරීක්ෂණ පරීක්ෂාවේදී මුදල් අවහාචිතාවක් සිදු වී ඇති බවට කරුණු පෙනී යන හෙයින් මූලික විමර්ශනය හා විධිමත් විනය පරීක්ෂණය පැවැත්වීම සඳහා බාහිර නිලධාරියෙකු වෙත පැවරීමට මෙවන විට කටයුතු කර ඇත. (ඇමුණුම 13)</p>
--	---

Annexure 05

<p><u>ආයතන හතරකින් අරමුදල් ලැබීම.</u></p> <p>බාහිර ආයතන 04 කින් 2015 වර්ෂයේ ලද රු. 4,959,409/= මුදල අදාළ කාර්යයන් සඳහා උපයෝජනය කර නොමැති බවත් රාජ්‍ය ප්‍රසම්පාදන මාර්ගෝපදේශයන්ට අනුකූල නොවන පරිදි රාජ්‍ය නොවන සංවිධානයකට එකතුව රු. 1005,000/= මුදලක් ගෙවා ඇති බව ද කමිටුව නිරීක්ෂණය කරන ලදී.</p> <p>එම කාල සීමාව තුළ ගිණුම් සම්බන්ධව කටයුතු කළ නිලධාරියාට එරෙහිව</p>	<p>මෙම අරමුදල් භාවිතා කිරීම සම්බන්ධයෙන් අධ්‍යක්ෂ (මුදල්) විසින් පසුගිය වර්ෂ වලට අදාළ මුදල් පොත් හා බැංකු ප්‍රකාශ දීර්ඝ වශයෙන් පරීක්ෂා කර ඇති අතර එහිදී භාණ්ඩාගාරයේ අක් මුදල් ලැබීම් වල ප්‍රමාද වීම් හා සීමාවන් හේතුවෙන් සභාවේ හදිසි අවශ්‍යතා සඳහා වියදම් දැරීමට එම අරමුදල් භාවිතා කර ඇති බව සොයාගෙන ඇත. මෙහිදී එම හදිසි අවශ්‍යතා වියදම් දැරීම අනිවාර්ය හා කල් දැමිය නොහැකි තත්ත්වයන් මත සභාවේ කාර්යයන් කාර්යක්ෂමව පවත්වාගෙන යාම සඳහා කටයුතු කර ඇති බව පෙනේ.</p> <p>තවද මෙම කාල වකවානුව තුළ නිසි පරිදි භාණ්ඩාගාර අක් මුදල් ලැබීම් සිදු වී නොමැති බවට වාර්තා වී ඇති</p>
--	---

<p>පරීක්ෂණයක් පැවැත්වීමට සහ මසක් තුළ මොවුන්ට එරෙහිව ගනු ලබන ක්‍රියාමාර්ග පිළිබඳව කමිටුවට දැනුම් දෙන ලෙස ප්‍රධාන ගණන් දීමේ නිලධාරියා/ ගණන් දීමේ නිලධාරියා වෙත දැනුම් දෙන ලදී.</p>	<p>අතර ඒ නිසා උක්ත බාහිර පාර්ශවයන්ගේ ලැබීම් වලින් කරන ලද වියදම් ප්‍රතිපූර්ණය කර ගැනීමට නොහැකි වී ඇති බව වාර්තා කරමි.</p> <p>තවදුරටත් මේ සම්බන්ධයෙන් විෂය භාරව කටයුතු කල නිලධාරිනිය කොවිඩ් වසංගත තත්ත්වය හේතුවෙන් මිය ගොස් ඇත. එම නිසා මේ පිළිබඳව ක්‍රියා මාර්ග ගැනීමට අපහසු තත්ත්වයක් මතු වී ඇත . නමුත් මේ සම්බන්ධව දීර්ඝ වශයෙන් සාකච්ඡා කර ඉදිරියේදී මෙවැනි සිදු වීම් සිදු නොවීමට වගබලා ගනු වස් අවශ්‍ය අභ්‍යන්තර පාලන ක්‍රමවේදයන් දැනටමත් ගිණුම් අංශයේ ගිණුම් නිලධාරීන් වෙත හඳුන්වා දීමට පියවර ගෙන ඇත. ඒ අනුව ඉදිරියේදී මෙවැනි දුර්වලතා නැති කර ගැනීමට හැකි බව පෙන්වා දෙමි.</p> <p>අභ්‍යන්තර විගණන අංශය විසින් මෙම කරුණ සම්බන්ධයෙන් සිදු කරන ලද විමර්ශනයේදී මෙම ප්‍රසම්පාදන කටයුතු රජයේ ප්‍රසම්පාදන මාර්ගෝපදේශ වලට අනුකූලව සිදු කර ඇද්ද යන්න පරීක්ෂා කර ඇති අතර කරන ලද දීර්ඝ විමර්ශනයට අනුව ඉදිරිපත් කර ඇති එම වාර්තාවේ නිර්දේශ සලකා බලා ඉදිරි පියවර ගැනීම සඳහා නීති අංශය වෙත යොමු කර ඇති අතර ඉදිරි කටයුතු මේ වන විට සිදු කරමින් පවතී.</p>
--	---

දුරකථන } 011-2381798
 බැරවාහන } 011-2321222

කාර්යාල } 011-2321222
 அலுவலகம் }
 Office }

ෆැක්ස් } 011-2436672
 பெக்ஸ் } 011-2324131
 Fax }



සමාරක හා ඉඩම් අමාත්‍යාංශය
சுற்றுலாத்துறைமற்றும் காணிஅமைச்சு
MINISTRY OF TOURISM AND LANDS
 සමාරක අංශය
 சுற்றுலாத்துறைபிரிவு
Tourism Section

දෙවන මහල, ඇසට් ආර්කේඩ් ගොඩනැගිල්ල, 51/2/1, යෝර්ක් වීදිය, කොළඹ 01.
 2 ஆம்மாடி, எஸ்ட.ஆர୍କேட் கட்டிடம், 51/2/1, யோர்க் வீதி, கொழும்பு 01.
 2nd Floor, Asset Arcade Building, 51/2/1, York Street, Colombo 01.

විද්‍යුත් තැපෑල } secretary@tourismmin.gov.lk
 மின்னஞ்சல் }
 E-mail }

වෙබ් අඩවිය } www.tourismmin.gov.lk
 இணையம் }
 Web Site }

මගේ අංකය } MT/IAI/1/4/COPE-SLTDA
 எனது இல }
 My No.

ඔබේ අංකය }
 உமது இல }
 Your No

දිනය } 29.08.2022
 திகதி }
 Date }



Secretary
Committee on Public Enterprises
Parliament of Sri Lanka
Sri Jayawardenepura Kotte

Responses for the Minutes of COPE Meeting held on 26th November 2021

With reference to the minutes date on 10th December 2021, the necessary actions taken on the recommendations made by the minutes are submitting for your perusal as update 1 to the reply submitted with reference no MT/IAI/1/4COPE/-SLTDA on 10.02.2022.

1. Minutes No. 1 - NEW TOURISM ACT 2022

Update 1: Since the preparation work of the Tourism Act is still being done, it was requested an extra time period of three months to submit the same to the Parliament from May to July 2022.

2. Minutes No. 02 - Submission of annual reports 2019 to the parliament

Update 1: Annual report 2019 has been submitted to the Parliament.

3. Minutes No.03 - Comprehensive plan

Update 1: Comprehensive plan has been submitted.

4. Minutes No.04 - Action plan

Update 1: The Action Plan has been submitted.

5. Minutes No. 5 KALPITIYA ISLAND RESORT

Update 1 : Current progress status of the 12 islands as at June 2022 are as follows:

Island 1 - Ippanthivu (Tourist Resort)

Agreement was signed on 2 September, 2010 with the investor Qube Lanka Leisure Proprieties (Pvt) Ltd. The investor demands relocating the fishermen. Since this is not possible, as a solution, the SLTDA suggested making use of fishermen's activities as tourist attractions. As the investor is keeping rejecting the solution, discussions are being

held to solve out the solution and SLTDA had a zoom meeting with the investor and subsequently they have informed the SLTDA in writing that as per the current circumstances, moving ahead with the Ippantivu island project is not feasible for them and thus requested SLTDA to consider exchanging it for a more suitable land somewhere else in the country. We have asked them for their interested areas/locations and the required land extent in order to check with Ministry of Tourism and Lands for any possibility of the same.

Island 2 – Vellai I (water banglow)

Island 3 – Vellai II (water banglow)

Island 4 - Vellai II (water banglow)

Agreements were signed on 13 July, 2011 with the investor Sun Resort Investment Lanka (Pvt) Ltd. Cabinet approval has been given and the contractors have been shortlisted. Construction work will be commenced as soon as the fuel crises ended.

Island 5 – Sinna Iramative (star hotel)

Update-1: Agreements were signed on 14 December, 2020 with the investor Samagi Hotels and Travels (Pvt) Ltd and they confirmed the design and documentation work is ongoing for submitting the IRU application for approvals.

Island 6 – Eramative West (star hotel)

Update-1: Agreements were signed on 7 March, 2022 with the investor Samagi Hotels and Travels (Pvt) Ltd and they confirmed the design and documentation work is ongoing for submitting the IRU application for approvals

Island 7 – Sinnarachchal (star hotel)

Update-1: Agreements were signed on 20 April, 2022 with the investor Nucleus International (Pvt) Ltd and there is a delay in finalizing documents for IRU application submission due to travel limitation/fuel crisis.

Island 8 – Uchchamunai (Integrated Resort Development Project)

Update-1: Agreements were signed on 11 May, 2022 with the investor Blue Ocean Island Resort and although the lease documents were signed on 11th May 2022, since the investor failed to make the relevant stamp duty and rental payments within the given time period, the signed document became null and void as it was not registered. We have got instructions from the Secretary, Ministry of Tourism to cancel this project and look for new investors for this island.

Island 9 – Eramative (Kalpitiya Integrated Tourism Resort Project)

Update 1: The lease agreement was signed and the design work/documentation is in process for submitting IRU application for approvals.

Island 10 – Periyaachchal (Kalang Water Villa)

Update 1: The lease agreement signing got delayed due to fuel crisis and now it is expected to be completed by September week 1 with the investor 365 Construction (Pvt) Ltd.

Island 11 – Kakative – (Semi Luxury Adventure Camping)

Update 1: Following up with investor and the signing of the lease agreement is expected to be completed by September 2022 with the investor Capital Corp International (Pvt) Ltd.

Island 12 – Baththalanguduwa

Update 1: Available for potential investors.

Annexure 07

Minutes No.14 –Rest houses owned by SLTDA

Update-1 :The explanations for not being able to lease the same are as follows:

- i. Nalanda Rest House –In 2008, lease agreements were terminated due to long overdue lease arrears and possession was taken over. Bids were called again with lease rentals mentioned in the paper advertisements, but no bid was received. By now the SLTDA has unsuccessfully called for bids several times and one key reason for this could be the current political and economic situation in the country.
- ii. Bibila Rest House –Previous lease agreement started in 2016 and it failed its continuation due to encroachment issues created by the Bilila Pradeshiya Sabha. To handle the Bibila Pradeshiya Sabha encroachment issue, the SLTDA requested the Bibila Divisional Secretary (DS) to assist us in preparing a survey plan to clearly demarcate the encroached land areas. Once this is done, SLTDA intends to hand over the encroached land area to the Bibila DS and take necessary action to find an investor to develop the remaining property. Accordingly, the DS of Bibila has issued a survey order and initiated the survey, which is expected to be carried out soon.
- iii. Baththuluoya Rest House –Previous agreement was in 2016 and the investor has handed back the property due to reservation and community issues. Bids were called

again with lease rentals mentioned in the paper advertisements, but no bid was received. By now the SLTDA has unsuccessfully called for bids several times and one key reason for this could be the current political and economic situation in the country.

- iv. Anamaduwa Rest House – Possession was handed over back to SLTDA and Bids were called again with lease rentals mentioned in the paper advertisements, but ONLY one bid was received and that too was rejected by the TEC stating it was not upto the required standard. By now the SLTDA has unsuccessfully called for bids several times and one key reason for this could be the current political and economic situation in the country.
- v. Ragala Rest House – After the possession was handed over in 2010, an encroachment issue was found and a court case has been filed to evacuate the encroacher. In the court proceedings so far, the SLTDA had filed objections and the court decision can be expected after the illegal occupant completes his submissions to court.
- vi. Weeraketiya Rest House –The property was taken back and the legal action is underway to recover long overdue lease arrears. Since suitable investors were not found, SLTDA re-called with lease rental details but not receive any tender due to current political and economic situation in the country.
- vii. Hettipola Rest House –New investor was found and Lease agreement is ready and is expected to be signed during August 2022.

-
- viii. Galgamuwa Rest House –Two court cases were going on against the former lessee and the encroacher and it was obtained from earlier lessee through court procedure. The alternative land proposed by the DS was not suitable and acceptable to the SLTDA. Meanwhile, the Galgamuwa Pradeshiya Sabha who had encroached part of the property, where they operate a library, playground and a pre-school initiated discussions with SLTDA and agreed to lease out the said encroached area from SLTDA as per government valuation. The SLTDA is in the process of obtaining the board approval for this request to proceed
- ix. Ulankulama Rest House –Since the rest house occupant did not pay past arrears as discussed and mutually agreed, the SLTDA decided not to extend the lease and issued quit notice to them to handover the legal possession of the rest house back to SLTDA on or before 25th June 2022. Since this was not done, the SLTDA’s legal division had started and will continue legal proceedings to get back the property.

Minutes No.20 - Digital Nomads

Minutes of the COPE MEETING HELD ON 26TH November 2021 Minutes No.20 – Digital Nomads

Update- 1:

Progress 2020-21

Sri Lanka Tourism identified the potential in digital nomads. In this regard a cabinet paper MT/2021/41 was submitted and cabinet approval number අමස /21 /1160 /327/037 dated 20th July 2021 is attached.

Thereafter, together Ministry of Technology a joined Cabinet paper has been submitted to the Ministry of Tourism which is being finalized with the department of immigration and Emigration.

Digital Nomads

Sri Lanka was recently recognized as one of the top destinations for digital Nomads. Emerging second in Club Med's index of the best places and countries around the world to become Digital Nomad. Club Med collected at assessed data in line with growing demand for the nomadic lifestyle enables travelers to escape to picturesque locations where they can work remotely from. This recognition comes just as Sri Lanka Tourism is charting a new part and offers yet another avenue to market the island in a bid to boost Tourism.

Sri Lanka is positioned well to promote the “work from your own tropical paradise ”concept and Sri Lanka Tourism recognizing is facilitating the expansion of the digital Nomad market part of its sustainable strategies.

This strategy has received prominence globally with inclusions listings such as the Club Med listing with cabinet paper being approved by the government, Sri Lanka Tourism is currently working on securing the necessary framework to support the expansion of this market and accordingly the introduction of the special visa category for one year was approved for digital nomads which is essential to secure segment.

Way forward 2022/23

ENABLERS TO ATTRACT DIGITAL NOMADS

- Facilitate to grant long visa category to applicant and partner? Spouse/family
- Facilitate strong and stable WIFI connectivity and technical supported by ICTA and TRC
- Support of the Department of Immigration and Emigration
- Launch a Promotional Campaign
- Double taxation arrangement

Annexure 09

නිරීක්ෂණ

තාක්ෂණික ඇගයීම් කමිටුව විසින් නිර්දේශිත අවම මිල ගණන් සහිත සැපයුම්කරු ප්‍රසම්පාදන කමිටුව මගින් ප්‍රතික්ෂේප කිරීම පිළිබඳව සාධාරණ හේතුවක් දක්නට නොමැත.

එසේම එලෙස අවම මිල ගණන් සහිත ලංසුව ප්‍රතික්ෂේප කළේ නම් තාක්ෂණික ඇගයීම් කමිටුව මගින් නිර්දේශිත ඊළඟට සුදුසුකම් ලත් ආයතනයට මෙම ටෙන්ඩරය ප්‍රදානය නොකර, අලුතින් මිල ගණන් කැඳවීමට තීරණය කිරීමේ ක්‍රියාවලියට කිසිදු සාධාරණ හේතුවක් දක්වා නොමැත.

අවම ලංසුකරුගේ සේවා ප්‍රශ්නයක් තිබේ නම් එය ප්‍රතික්ෂේප කිරීම වෙනුවට අමතරව බැඳුම්කරයක් තබාගැනීම වැනි විකල්ප ක්‍රමවේදයක් භාවිතා කර ලංසුව ප්‍රදානය කිරීමට අවස්ථාව තිබුණි.

තවද, ප්‍රසම්පාදන කමිටුවේ තීරණය වූයේ නැවත ලංසු කැඳවීම වන බැවින් පරිගණක කුලියට ගැනීම වෙනුවට ආයතනයේ භෞතිකව පවතින පරිගණක ලබාගත හැකිව තිබූ බව නිරීක්ෂණය කරමු. එසේම පළමු ප්‍රසම්පාදන කමිටුව 2018 ජනවාරි 25 වන දින කැඳවන ලද අතර මෙහි සාමාජිකයකු වූ මානව සම්පත් අංශයේ ප්‍රධානී විසින් 2018.01.24 දින එහි පවතින අඩුපාඩු සම්බන්ධයෙන් ලිඛිත ලියවිල්ලක් (ඇමුණුම 6) ලබාදීම සඳහා රාජ්‍ය මණ්ඩල සුදුසු නොවන බවද නිරීක්ෂණය කරමු.

තවද, තාක්ෂණික ඇගයීම් කමිටුව ලංසු පරීක්ෂා කර 2017.12.28 දින ලබාදුන් නිර්දේශ අනුව පරිගණක මිලදී ගත්තේ නම් එම පරිගණක සඳහා අවුරුදු 5 ක පූර්ණ වගකීම් කාලසීමාවක් පවතින හෙයින් (ඇමුණුම 5) 2018.02.01 දින පරිගණක මිලදී ගත්තේ නම් 2023.02.01 දින දක්වා එම පූර්ණ වගකීම් කාල සීමාව වලංගුවේ. 2018.10.19 දින ඇණවුම් කළ (ඇමුණුම 19), 2018.12.31 දින විශ්වවිද්‍යාල ප්‍රතිපාදන කොමිෂන් සභාව වෙත ලබා දුන් (ඇමුණුම 20) පරිගණක

සඳහා අවුරුදු 3 ක පූර්ණ වගකීම් කාල සීමාවක් පවතින හෙයින් 2021.12.31 දක්වා එම පූර්ණ වගකීම් කාල සීමාව වලංගුවේ.

වගු අංක 1 හි අංක 1 යටතේ සඳහන්, පරිගණක 7ක් මිලදී ගැනීමේ ක්‍රියාවලියට අදාළව පරිගණක මිලදී ගත්තේ නම් එම පරිගණක තවමත් පූර්ණ වගකීම් කාලසීමාවක් සහිතව භාවිත කළ හැකිව තිබුණි.

ඉහත කරුණු විධිමත් ලෙස විශ්ලේෂණය කිරීමේදී, ප්‍රසම්පාදන මූලධර්ම විධිමත් ආකාරයට අනුගමනය නොකිරීම, නොසැලකිලිමත්කම හා විධිමත් ප්‍රසම්පාදන සැලැස්මක් නොමැතිවීම නිසා රජයට මූල්‍යමය පාඩුවක් සිදුවී ඇති බව නිරීක්ෂණය කරමු.

එබැවින් රජයට සිදුවූ මූල්‍යමය පාඩු හඳුනා ගැනීම සඳහා මු. රේ. 104 ප්‍රකාරව පරීක්ෂණයක් සිදු කිරීම සුදුසු බව නිර්දේශ කරමු.

Profit/ (Loss) – Before Tax or Surplus/ (Deficit)

In. No	Institute	Profit/ (Loss) – Before Tax (Rs.)		
		2018	2019	2020
1	Galoya Plantations Private Limited	(1,814,145,920)	(1,430,139,698)	749,367,009
2	Sri Lanka Tourism Development Authority	294,903,720	133,531,433	(101,499,213)
3	National Institute of Business Management	30,259,836	79,270,675	161,112,102
		Surplus/ (Deficit) (Rs.)		
		2018	2019	2020
7	Sri Lanka Board of Investigation	851,416,121	1,273,511,883	968,139,227
8	National Youth Services Council	(109,356,000)	(330,627,000)	(198,007,000)
9	National Land Reforms Commission	121,635,246	1,291,127	285,236,301
10	University Grants Commission	74,704,144	12,267,136	29,882,647

