

Annual Performance Report for the Year 2020

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

Expenditure Head No – 421

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Chapter 01

Institutional Profile/Executive Summary

The State Ministry of Skills Development, Vocational Education, Research and Innovation has been functioning as per the Extra Ordinary Gazette Notification No.2187/27 and dated 09.08.2020 of the Democratic socialist republic of Sri Lanka. Currently the Ministry operates as two sections, namely, Skills Development & Vocational Education Section and Research & Innovation Section. At the beginning of the year 2020, Skills Development and Vocational training section has been functioning under the Ministry of Skills Development, Employments and Labour Relation and Research and Innovation section has been functioning under the Ministry of Higher Education, Technology and Innovation. The Skills Development Fund, the National Intellectual Property Office (NIPO), Sri Lanka Accreditation Board (SLAB) and Technology Transfer Division (Vidatha) were removed from the Ministry by the above Gazette notification.

The annual performance of the Skills Development and Vocational Education Division and the Research and Innovation Division mentioned in the above paragraph are included separately in this report.

1.1. Skills Development and Vocational Education Section

1.1.1. Introduction

As per the Government National Policy framework of “Vistas of the Prosperity and Splendor” in the year 2020 and Gazette Notification No 2187/ 27 and dated 09.08.2020, prompt actions have been taken to implement the entrusted duties & responsibilities to this Ministry. Accordingly, vivid programmes have planned jointly with the Vocational Training Institutions purview under this Ministry to produce smart technocrats equipped with skills cater to the day to day changing demand of the local and foreign job market. The key strategy is opening the paths and broaden the opportunities for the Sri Lankan youth to transform as skilled technocrats with high salaries and respectable acceptance in the society. It is expected to minimize the adoption of untrained workers to the labour market through providing the opportunity to gain a vocational training to anyone who required, by ignoring the educational qualifications and preparing the courses with easy access. Further the allocation of the provisions from the budget proposal of this year to grant interim allowances for the students in order to avoid financial inconveniences which would be a hindrance for their vocational requirement is also an immense achievement.

All the island wide training centers relevant to vocational education have brought into a network under One TVET concept and the actions have taken to award certificates in National Vocational Qualification level (NVQ) for all the courses. It is also taken steps to conduct courses with high quality and to regulate the situation of the course by developing timely.

Moreover necessary actions have been taken to develop soft skills of the student in order to suit for the employments in the industry sector and place the trained trainees by strengthening the relationships with the private sector and the industries.

Furthermore actions have taken to enhance the physical resources in island wide technical colleges and technological training institutes, Colleges and to broad the network of the training institutions.

1.1.2. Vision and Mission

Vision

“A Skilled labor force”

Mission

Develop a human resource base through providing a high quality technical and vocational training for the world of work.

1.1.3. Key Functions

Skills Development and Vocational Education Section

- Formulate, follow up and evaluate the policies, programmes and the projects relevant to the Skills Development and Vocational Training sector.
- Prepare policies and provide facilities in order to expand the technical and vocational education opportunities based on effective job opportunities, for the students who are not qualified to enter the University education after school education.
- Renovate the technical, technological and vocational education and training to produce a labour force with competencies to meet the changing requirements of the job market.
- Take actions to promote apprenticeship training opportunities.
- Formulate and implement the methodologies to uplift the trend for vocational training.
- Supervise and follow up activities relevant to all the subjects assigned to statutory institutions
- Strengthen the public and private sector relationship.
- Develop the entrepreneurship skills.

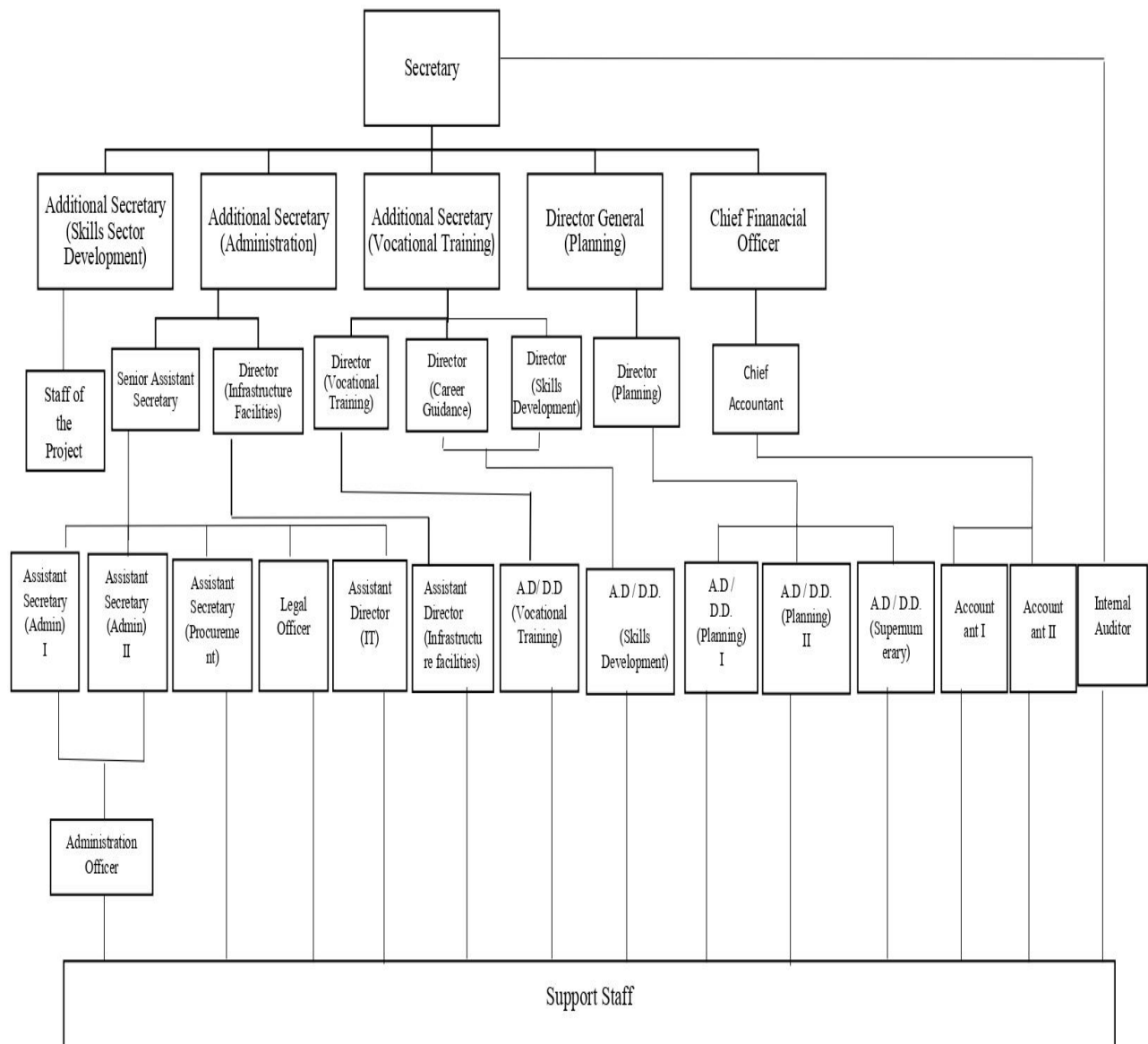
Special priorities as identified in the Gazette Notification

- Commencing a new programme to give technology and advanced vocational education disregarding educational qualifications.
- Conduct a systematic evaluation at all vocational training institutions, and commence physical and curriculum modification to suitable institutions, in order to network them

under “One TVET” concept and transfer them into Technology Degree Awarding Institutions.

- Establishing a new network of Technical and Technical University Colleges Island wide.
- Expanding the Ceylon German Technical Training Institute
- Increasing the present scheme of National Vocational Qualification (NVQ) from 7 to 10 and amending the Sri Lanka Qualification Framework (SLQF) accordingly
- Providing opportunities to pursue vocational education up to Postgraduate levels
- Amending the curricula related to vocational education by integrating vocational education and entrepreneurship by introducing Information Technology, English and other languages.
- Taking measures to provide vocational education mainly focused on domestic and foreign job markets by coordinating with the Ministry of Foreign Employment Promotion and market Diversification
- Establishing Information Technology (IT) Entrepreneurship

1.1.4. Organizational Chart



1.1.5 Department under the Skills Development and Vocational Education Section

- Department of Technical Education and Training (DTET)

1.1.6 Institutions under the Skills Development and Vocational Education Section

- Tertiary and Vocational Education Commission. (TVEC)
- Vocational Training Authority of Sri Lanka (VTA)
- National Apprentice & Industrial Training Authority (NAITA)
- Ceylon German Technical Training Institute (CGTTI)
- University of Vocational Technology (UNIVOTEC)
- Ocean University of Sri Lanka (OUSL)
- National Institute of Business Management (NIBM)
- National School of Business Management Ltd. (NSBM)
- Sri Lanka Institute of Printing (SLIOP)

1.1.7. Details of the Foreign Funded Projects

Name of the Project	Implementation Agency	Estimated cost of the project	Project Duration
Skills for Inclusive Economic Growth Program (S4G)	Australian Government	AUS \$15mn	2016 - December 2020
GIZ-Vocational Training in Sri Lanka Project	German Government	Euro 7 mn	July 2019-June 2022
USAID Youth Employment and Business Start-up (YouLead) Project Sri Lanka	United States	USD 18 mn	June 02, 2017 – May 31, 2024
Skills Sector Development Projects	ADB/WB/GOSL	USD 398.41mn	2014-2020
Establishment of Colombo Vocational Training Centre and Upgrading of Gampaha Technical College	EDCF of Exim Bank of Korea	USD 26.00 mn	2014-2020
Enhancement and Upgrading of Institute of Engineering Technology-Katunayake	Austria Government	Euro 9.5 mn	2018 - 2020

1.2. Research and Innovation Section

1.2.1. Introduction

Science, Technology and Innovation (STI) has been a core driver of the development process to date and addresses emerging national, regional and global developmental challenges across many sectors. In a knowledge-based society, Research & Development (R & D) and innovation in new and emerging areas of technology (e.g. biotechnology, nanotechnology, ICT, new and renewable energy) are critical for stimulating economic growth of countries. In the context of sustainable development, the new and emerging technology areas are being considered important for addressing many of our challenging technological, environmental and economic problems. These technologies possess immense potential to offer cost-effective and innovative solutions in critical areas of sustainable development such as climate change through renewable energy and energy storage technologies, clean water, waste water treatment, food safety, enhancing agricultural production, prevention of diseases and affordable health care.

Although Sri Lanka has relatively very low investment on R & D, which is 0.1 percent of GDP, Research and Innovation sector of the State Ministry of Skills Development, Vocational Education, Research and Innovation plays a significant role in contribution to National Development Goals through Research and Development, Innovations and Inventions and Product Design Engineering. Recognizing this, Research and Innovation sector is specially engaged in promoting demand driven research, innovation focused industry-research tie-ups and creating enabling environment through financially and technically supporting techno entrepreneurship. On the other hand, special focus is given on developing and adapting emerging technologies such as biotechnology, nanotechnology, space technologies, Robotics, artificial intelligence etc. Science popularization is being promoted through various initiatives such as promotion of Science, Technology, Engineering and Mathematics (STEM education), development of technology based curriculum in collaboration with relevant line Ministries.

1.2.2. Vision and Mission

Vision

Be the apex organization in making Sri Lanka a developed nation by 2030 through Science, Technology & Innovation

Mission

To create an enabling environment (appropriate policies, strategies, programmes, standards, funding etc.) that promote and support an effective STI ecosystem (R&D, IPR, Quality Infrastructure etc) to reinforce the competitive strength of our economy in the region within the sustainable development framework

1.2.3. Key Functions

Functions of the Research and Innovation Section

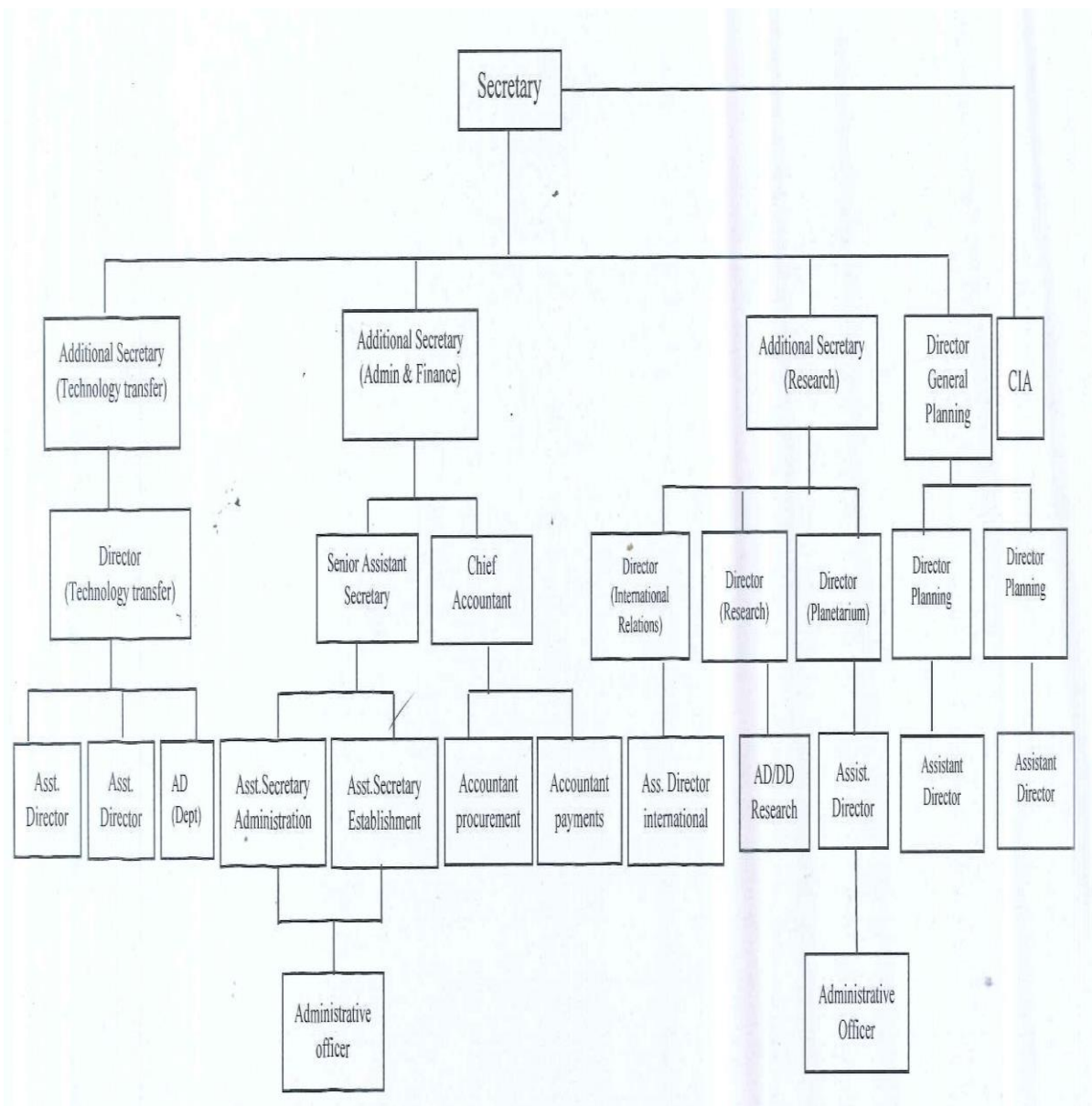
- Formulation of Policies, programmes and projects, monitoring and evaluation in regard to the subjects of Science, Technology and research and those subjects that come under the purview of Statutory Institutions and Public Corporations
- Provision of necessary facilities for local research and discoveries to fall in line with new discoveries made in research conducted in the fields of science and technology internationally
- Improving science, technology and innovations for a knowledge based economic development
- Adoption of measures to expand scientific, technical, social and economic research and development activities
- Provision of facilities to research and research institutes to plan and conduct research
- Provision of information on findings and knowledge from new research and discoveries, including nano and biotechnology, to relevant stakeholders including the business community
- Provision of technical assistance to research programmes conducted by research institutions under the purview of other Ministries
- Adoption of measures to guide and motivate the community towards new discoveries
- Introducing science, technology and innovations to the community and creating related entrepreneurs
- Actively contributing to achieving national development objectives through coordinating all research institutions functioning in Sri Lanka
- Co-ordinating with international science, technological and research institutions and implementing co-operative programmes
- Achieving economic progress by launching programmes of science, technology and research through bilateral and multilateral co-operation with various countries
- Implementation of research for the promotion and development of construction industry

Special priorities as identified in the Gazette Notification

- Establishing Sri Lanka as an Innovation Hub by maximizing the use of Internet of Things, Artificial Intelligence, Biotechnology, Robotics, Augmented Reality, Cloud Computing, Nanotechnology and 3D Printing
- Making efficient the system to issue patents to researches for their innovations and to secure ownership to their research designs
- Providing facilities to local research institutions to collaborate with the international research institutions
- Providing tax reliefs to private enterprises contributing to research

- Introducing domestic or foreign investors required for manufacturing under a domestic brand with innovation products
- Formulating an efficient mechanism to channel innovations and research results to investors and relevant users

1.2.4. Organizational Chart



1.2.5. Institutions under the Research and Innovation Section

- Arthur C. Clarke Institute for Modern Technologies (ACCIMT)
- Industrial Technology Institute (ITI)
- National Engineering Research and Development Centre (NERDC)
- National Institute of Fundamental Studies (NIFS)
- National Research Council (NRC)
- National Science Foundation (NSF)
- National Science and Technology Commission (NASTEC)
- Sri Lanka Inventors Commission (SLIC)
- Sri Lanka Planetarium
- Sri Lanka Institute of Nanotechnology (Pvt) Ltd (SLINTEC)

1.2.6. Details of the Foreign Funded Projects (if any)

Not Applicable

Chapter 02

Progress and Future Outlook

2.1. Skills Development and Vocational Education Section

2.1.1. Achievements of the technical and vocational training sector in year 2020

- The Third stage of the “13-year Continuous Education” programme was implemented in 311 schools. During this period 5,171 students have been adopted to the vocational training via Ministry of Education.
- Programmes launched with the aim of creating a Research Culture in technical and vocational education sector and arrangements have been made to conduct a Research Symposium on research findings in vocational training sector.
- Approval of the Director General of the Department of Management Services has received for the recruitment of staff for the National Vocational Training Institute (NVTI) Project office in Polonnaruwa and has planned to conduct the interviews to recruit the relevant staff.
- Actions have been taken to transfer a land in Matara to construct the German Technical College in Matara and initial steps were taken for sign the agreement of 15.7 Mn Euro loan provisions with the Government of Germany.
- Initial actions were taken to revise the Ceylon German Technical Training Institute (CGTTI) Act.
- An Implementation Agreement signed to obtain 7.0 Mn Euro grant for the implementation and promotion of vocational training programmes under “GIZ Vocational Training in Sri Lanka” project.
- Construction of the three storied building with lecture rooms and laboratory facilities completed under Institute of Engineering Technology (IET), Katunayake Project and laboratory equipment of Euro 1.6 Mn provided.
- Syllabuses of the subjects have been developed by the IET Katunayake Project to meet the modern industry requirements. The activities of the programme concluded in 2020.
- Initial steps have been taken to transfer 11 acres land of NARA at Crow Island to the Ocean University to construct the Ocean University of Sri Lanka under the funds of KOICA. A note to Cabinet has been submitted to inform the current situation of the project.

- Training Centers of vocational education sector were locked down during the Covid - 19 Pandemic situation and the Ministry instructed to conduct training through Online, WhatsApp, Google classroom, LMS and online programmes were commenced in all training centers. 659 trainees were connected for online training.
- An Action plan for Distance Learning and a report including proposals to reform the vocational training sector, had prepared and submitted to the President Task Force.
- The distance learning system was commenced in VTA, NAITA, DTET and CGTTI to conduct the vocational training continuously during the time of Covid – 19 pandemic in last few months.
- Rupavahini programmes were telecasted in two national channels of “Channel Eye” & “Nethra” to deliver the vocational training courses in the pandemic period.
- A special programme was planned on “Re-visit to the world of work with a novel approach during the Covid Pandemic” and the objective of the programme was to provide job opportunities to the jobs loses and other jobs seekers.
- With collaboration of president Task Force the activities were commenced on Multi Task Force Training programme for 100,000 recipients in less income families, via NAITA.

- Self-Employment Promotion Initiative (SEPI)

The training certificates are awarding for the participants who take part in entrepreneurship training under this programme and direct to the banks to obtain loans up to Rs.5 lakhs with the interest rate of 1%. Provisions of Rs.50 Mn has transferred to the central Bank in August 2020, to issue the loans to the recipients through relevant banks under this loan scheme.

- You Lead Project

You Lead Project is funding by USAID grant for increase youth employability skills in target sectors and increase prospect of successful self-employment. During first six months of 2020, 196 trainers received training (TOT) on Pedagogy, 496 instructors trained for Career guidance and Soft skills, 7739 youths trained in social/ leadership skills.

- Vocational Training in Sri Lanka (VTN)

GIZ of Germany has been granted 7.0 Mn Euro to support training centers in North and East and Matara. Supply of training materials and equipment for SLGTI in Kilinochchi, CGTTI and other selected NVTIs completed.

- Skills for Inclusive Growth Programme (S4IG)

Skills for Inclusive Growth Programme is an initiative of the Australian Government’s aid programme implemented with this Ministry. The program demonstrates how an integrated approach to skills development can support inclusive economic growth opportunities along the tourism value chain in the four districts of

Trincomalee, Ampara, Batticaloa (Eastern Province) and Polonnaruwa (North Central Province). The S4IG supports sustainable job creation and increased income and business growth for marginalized and disadvantaged youth, particularly women and people with disabilities. This program conducts 24 activities in four districts including Technology led inclusive Tourism Development, Skill development to become content providers in Tourism and Gateway to East- an Influencer programme “Supreme Chef- 2”.

- **Comprehensive Reproductive Health Education**
Objective of this programme is to train instructors for conduct sessions on Reproductive Health in TVET institutes. Training module was developed and 50 Instructors were trained. Three online sessions were conducted this year
- The World Youth Skills Day – 2020 was celebrated with following activities.
- Launched “Skills Passport” as a digital card by the Hon. Prime Minister and awarded 16 Skills Passport for skilled craftsmen selected from various sectors.
- Conducted **International Webinars** under the topics of “Vocational Training towards Employment Opportunities, Soft Skills and Aesthetic Skills for the Youth Development Be the First – Youth Job Opportunities after the Covid Pandemic, Skills for a Resilient Youth” with the support of You Lead Project.
- The national programme was held in the Ministry Auditorium on 15.07.2020 at 2.00 p.m. and published via **“YouTube live stream”**. 10 students from the each training institutions and officers in all the institutions were participated in the event. Even though the capacity of the Auditorium of the Ministry is 190 persons, only 50% were participated under health guidelines. Lectures were delivered under the captions of “Be a Tech-Savvy Person to see the World Differently, Enhancing the Creativeness and Innovativeness to deal with the Problems occurred due the Pandemic, How to be a Culinary Genius in the Hotel Industry, Would you like to Confront Challenges? It is Time to Start Your Own Business”
- Programmes related to TVET sector were telecast in the few channels of the television and experts in the sectors were participated for these programs. The discussions were conducted relating to the “World Youth Skills Day, Skills passport, NVQ certificate and the changes & trends done in the vocational sectors during covid – 19 pandemic”.
- In addition to the above programmes , in view of creating changing attitudes towards vocational education and popularize the vocational education among youth, this action has taken to develop 20 video clips and release through social media.

- National Career Guidance and Counseling Center

Programmes conducted by the National Career Guidance and Counseling Center, since the month of January to 31st of August 2020.

Serial No	Date	Venue	Programme	Number participated
01	2020.01.30	Bandaranayake Vidyalaya Veyangoda	Education Motivation Programme	800
02	2020.02.13	Ministry of Education	Special lecture of progress review meeting on career guidance activities of all the provincial career guidance directors.	40
03	2020.07.06	Gothami Balika Vidyalaya	Educational programme for students who sit for the G.C.E. (O/L) in 2020.	500 students as two teams

- Other programmes conducted by the National Career Guidance and Counseling Center
 - Provided career guidance instructions and information to 84 clients who contact the hot line number 011-2081808 of the National Career Guidance and Counseling center and who visited the center and conducted personal sessions to assist to select G.C.E. A/L subject stream after issuing the examination results of G.C.E. O/L 2019.
 - Provided career guidance for island wide job seekers who need guidance. (through general line and on line telephone numbers) conducted personal Career Guidance sessions for school students, teachers, parents, youth, University students, public officers, private sector, retired persons and venerable parties.
 - Annual action plan has approved for the Skills Development Assistants. It has proposed to conduct 666 career guidance programmes for 22,916 school students, 431 awareness programmes for 7,728 unemployed youth, 28 job coordination programmes for 929 recipients in the industry sector, programmes to aware the public officers in

Divisional Secretary Divisions level and provide provisions for the programme and the progress has been revised.

2.1.2. Future Targets

- Obtain a report by evaluating the training centers as per the “Vistas of the Prosperity” policy statement.
- Take relevant actions to implement “One TVET” concept.
- Prepare strategic plan up to 2030.
- Provide assistance to the process of upgrading NVQ level 7 to 10.
- As per the Extra Ordinary Gazette Notification No 2209/14 and dated 04.01.2021, the “Special priorities” listed under the State Ministry of Skills Development, Vocational Education, Research & Innovation are as follows
 - Giving the priority to enhance the existing physical resources through studying the structures of the Technical Colleges, Colleges of Technology and institutions under them and developing the skills required for manufacturing sectors of the respective district, commence “City University Colleges” as higher educational institutions in degree level cater to the job opportunities.
 - Introduce and commence the “Mobile Technological Educational Services” in order to publish potentiality of the vocational technology as a successful enterprise and source to earn income and close it to the public and also to open the opportunities to access the vocational education for all the people in the Island.
- Implementation of proposals submitted to upgrade the vocational education through budgetary proposals of 2021.
- Double the student enrolments recruited at present
 - The bursary scheme of “NipunathaAbhisheka” to inspire the trainees for the courses which have less demand.
 - Provide the allowance based of the performance for academic staff and capacity development.
 - Allowances for the staff on external / contract basis to increase the student enrolments.
 - Provide a security kit for the trainees of vocational education.
 - In order to create youth attraction, develop 06 Technical Colleges / District Vocational Training centers as per a unique architectural plan, under the “Tech Arana” Programme.
 - Renovate the training center in order to increase student enrolments (classes, workshops, canteens, rest rooms, changing rooms, toilet facilities and students / teachers quarters) and provide training equipment & machineries for workshops and laboratories.
 - Establish new regional training centers.
 - Aware and enhance the skills education promotions.

- Propose to conduct television programmes on vocational education at least twice in a month and throughout the year continuously.
- As per the MOU signed between the Ministry and the Ministry of Power & Energy the OJT training of the apprentices recruited under second stage is scheduled to be concluded on January 2021 and award NVQ certificates for them.
- Increase the financial provisions required to expand the SEPI loan funds, conduct awareness programmes and monitor and assist for the program
- Increase the employability of skilled youth by development and revision of occupational curriculums, teachers training & entrepreneurship development through “YOULEAD” project.
- The fourth step of “Programme of directing students for vocational training” under the Ministry of Education is scheduled to be implemented and also scheduled to be attached the students for vocational training institutions of the Ministry from January 2021.
- Take future actions to construct new buildings to the Ocean University of Sri Lanka.
- Implementation of island wide training programmes with the participation of the students of Technical Colleges, Colleges of Technology and Vocational Training institutions under the Ministry, to mark the “World Youth Skills Day 2021” and conduct the national ceremony.
- Conduct a new skills competition and innovations exhibition.
- Take future actions to establish the National Vocational Training center – Matara under Rs. 15.7 Mn of funds of the Government of Germany.
- Take future actions to commence the constructions of the National Vocational Training center – Polonnaruwa.
- Take future actions to enter in to a agreements for IETI – Katubeddhha project.
- Implementation of training programmes for Skills Development Assistants.
- Implementation of programmes to enhance the technical education and vocational training sector through District Operations Committees.
- Take necessary actions to upgrade the quality of the vocational training and provide assistance and promote them.
- Line-up the career guidance with the close coordination with schools and take actions to spread the counseling activities.

2.2. Research and Innovation Section

2.2.1. Achievements of the Research and Innovation Sector in the Year 2020

- The Ministry organized the INNOTECH 2020 exhibition with the main objective of promoting science literacy at all levels of the society as well as to showcase the research and development outcomes of the institutes and universities. The first exhibition was held in Homagama in collaboration with National School of Business Management (NSBM) and Mahinda Rajapaksha College from March 9-11.

- A group of scientists from SLINTEC developed the means to produce COVID-19 testing swabs domestically; SLINTEC commenced the mass scale manufacturing of swabs in April 2020.
- The mass production of world's first ever graphene-applied lead-acid battery in Sri Lanka was announced with the commissioning of Ceylon Graphene Technologies' (CGT) latest plant to convert locally mined vein graphite into graphene.
- In June 2020, SLINTEC introduced a low-cost, ultra-thin and easily-attachable respiratory monitoring smart sensor that has been developed in collaboration with CirQ Labs, another high-tech innovation hub specializing in healthcare solutions.

The smart sensor can be attached to any face mask and it then captures and records the variations detected in exhaled breath characteristics.

- SLINTEC has successfully demonstrated the proof of concept and initial validation of the locally assembled LAMP-PCR kit.
- Sri Lanka's first ever antibacterial stationary range was introduced by Atlas. The antibacterial property of the stationary products was achieved using technologies developed at SLINTEC. The launch event was held on 18th September 2020.
- SLINTEC and Ceylon Graphene Technologies Pvt Ltd (CGT) has signed an agreement on 30th November 2020 to conduct research on Electrode based Graphene Biosensors for COVID-19 detection.

With the high demand for COVID-19 detection kits, CGTL has partnered with SLINTEC to develop this Innovative solution.

- The Sri Lanka Institute of Biotechnology (SLIBTEC) has been gazetted as the Sri Lanka Institute of Biotechnology (Pvt) Limited under the Ministry of Technology. The SLIBTEC (Pvt) Ltd is incorporated and operationalizing.
- NIFS is in the process of facilitating the application of Biofilm bio fertilizer in paddy culture in collaboration with the National Fertilizer Secretariat and the Department of Agriculture (DOA) of the Ministry of Agriculture under the government's free fertilizer distribution program.
- Science and Technology Popularization
 - Science film festival 2020 was organized under the theme of Climate change and the Environment collaboratively with Gothe Institute and Science & Technology officers of Vidatha Resource Centers Island wide.

- In collaborate with SLAAS a workshop was conducted for 283 school children and teachers to implement school STEM clubs and related activities island wide.
- Programmes have been conducted to Facilitate STEM education through inquiry based learning methods for school children in collaboration with the Ministry of Education to implement STEM education in Sri Lanka and Conducted “Inculcate STEM education through inquiry based learning” program for higher officials of the Education Ministry, teachers training collages and examination department and training programmes have been conducted for Teachers, Teachers Instructors and School Children.
- Implementation of National Research and Development Framework (NRDF) / programs aligned with SDG'S and programs aligned with National Objectives
 - Collaboratively organized the Cyril Ponnaperuma international memorial international Research conference with NIFS to facilitate the implementation of identified research development framework.
 - Programmes were conducted with institutes and Inter-Ministries for research commercialization and sharing Technology.

- Research facilitation

Evaluated 20 research proposals for Payment of Research Allowances and 44 research proposals received from NRC & NSF related to prevent Covid 19 pandemic were successfully evaluated by the Ministry.

- Indo-Sri Lanka Joint Research Programme

Under the said programme, the Ministry commenced yet another pogramme of cooperation with the Department of Science and Technology of India facilitating the provision of funds to scientists of both countries to engage in joint collaboration research and to conduct workshops.

Accordingly, 8 research projects have been finalized under the first cycle which commenced in 2012. 17 selected research projects are being funded under the second cycle currently in progress, which commenced in 2017, and 86 scientific publications have been published under the said research projects.

A joint call for proposals was made by both countries in 2019, for the commencement of the third cycle in 2019. Accordingly, the applications and research proposals thus received were checked via email by the Sri Lankan side and the Indian side.178 research proposals and 14 proposals for workshops agreed by both parties were received. The evaluation of the research proposals and proposals for workshops is currently in progress.

- Postgraduate Studies leading to PhD degrees in High Energy Physics in the European Organization for Nuclear Research (CERN)

Four PhD. Graduates empowered with the knowledge gained at the European Organization for Nuclear Research on High Energy Physics (CERN) have been created for Sri Lanka and plans have been made for the utilization and dissemination of their knowledge within the country.

19 research articles have been published by the Sri Lankan scientists pursuing PhD. Degree studies at CERN. Also 23 more research articles have been submitted to science journals for publication.

A two-episode video on particle physics for advance level students and teachers in Sinhala language was presented by Dr. S.R.D. Rosa.

A book on Fundamental Particles and Radiation was published by the physicists of the University of Ruhuna incorporating the knowledge of the Sri Lankan young scientists and researchers pursuing PhD. Degree studies on High Energy Physics at CERN.

- Working Group on the Use of Chrysotile Asbestos in Sri Lanka

As a result of the collaborations between the Ministry and the Ural Chamber of Commerce, Russia, a Working Group was appointed including Russian and Sri Lankan counterparts. On the request of the working group, 4 research teams are working on positive and negative aspects of asbestos, at industry, construction sites and end user levels in Sri Lanka.

Findings of the research are expected to contribute to the advancement of scientific knowledge of the subject area and particularly upon validation, to be used in national policy decisions in the future.

This research project is co-funded by the Russian Federation. The second installment of the research project was to be settled by the Russian Federation. The 7th meeting of the working group on the safe use of Chrysotile asbestos in Sri Lanka was held in Kandy and Colombo, Sri Lanka from 13th -15th January, 2020 where the progress of the research was taken up for discussion.

The Russian funds were made available to the researchers engaged in research affiliated to the National Research Council. Also 03 research publications have already been made in 2020 under the said programme.

- COMSAT Consultative Committee Meeting

The fourth consultative committee meeting of the Commission on Science and Technology for Sustainable Development in the South was held online on the 11th of November, 2020. At the meeting the Industrial Technology Institute's potential to collaboration in the continuation of the studies and research cooperation and activities was taken up for discussion.

- Establishment of the BIMSTEC Technology Transfer Facility

The Articles of Association was signed with the approval of the 7 BIMSTEC member countries to establish the BIMSTEC Technology Transfer Centre for the facilitation of effective exchange of technologies available to micro, medium and small scale entrepreneurs and initiating action for the setting up of the BIMSTEC Technology Transfer Centre in Colombo.

- Mechatronics enabled Economic Development Initiative (MEDI)

The Project has two major components: (a) Establishment of Long Term Loan Facility (LTLF); (b) Establishment of the Standard training, Prototyping & Testing Facility (SPTF)

In implementing the SPTF component, responsibilities were assigned to NERDC and a functioning with the NERD staff as a pilot project. Few equipment has already been procured and installed by the NERDC at the SPTF which has been located at the Technology Incubation Centre of Nanotechnology and Science Park, Pitipana, Homagama.

- Improving degraded soil through developing fertilizer and soil management

25 BFBF trials were done with the DOA in 5 districts, namely, Ampara, Kurunegala, Polonnaruwa, Kegalla and Anuradhapura to evaluate the efficacy of the BFBF. In Maha season, eight districts (8), Ampara, Monaragala, Hambanthota, Trinco, Batticaloa, Polonnaruwa, Galle and Kurunegala were selected to newly start/ expand Biofilm bio fertilizer application in paddy fields.

- Creating Global benchmark yields in paddy and minor crops

This project is to understand the fundamental mechanism of why yield potential is low in Sri Lankan rice by using physiological and biochemical techniques together with genome mapping and transcriptome analysis. The project has now initiated the work of genotyping and phenotyping of rice varieties of Sri Lanka.

- Project on Prototype Manufacturing of Solar Panels

This Project is being implemented by three Universities namely; University of Kelaniya, University of Peradeniya and University of Jaffna. Technical support is being provided by the National Institute of Fundamental Studies (NIFS) specially for related R&D.

Under this programme, three awareness programmes were conducted for 177 students of 03 schools in Gampaha and Gampola

The NVQ level 3 & 4 Solar Technicians Training Programme was commenced this year for around 130 candidates registered in November 2019, under National

Apprenticeship and Industries Training Authority (NAITA) at nine NAITA Training Centers island wide.

A programme has been initiated by the project to train 3000 candidates under NVQ Recognition of Prior Learning (RPL) method contributing towards the Country's development with the partnership of Sri Lanka Sustainable Energy Authority (SLSEA), NAITA and Tertiary and Vocational Education Commission (TVEC)

The Closed Space Sublimation (CSS) system which is the major equipment required to deposit thin film layers of solar cells was installed and officially commissioned at the Department of Physical Science, University of Peradeniya in August this year.

- Coordinating Secretariat for Science, Technology and Innovation (COSTI)
 - National Virtual patent drafting program 2020 was held from 31st August – 11th September 2020, organized by WIPO in cooperation with COSTI and Japan Patent Office. 47 participants from 15 institutes participated at the event. 4 World Intellectual Property Organization drafting experts from New Zealand, UK, USA and Singapore trained the participants.
 - Online Awareness program for the education scheme certification was jointly organized by National Biotechnology Industry Association (NBIA), United Nations Industrial Development Organization (UNIDO) and COSTI held from 2nd November to 9th November 2020. The coordination of the universities UNIDO and NBIA was carried out by the COSTI. 25 participants from five universities participated in the program.
 - A patent search workshop was held from 17th to 20th February, 2020, as an activity under the Enabling Innovation Environment (EIE) Project, Sri Lanka. The EIE project is collaborative project of World Intellectual Property Organization (WIPO) with National Intellectual Property Office of Sri Lanka (NIPO) and COSTI is implementing the project in Sri Lanka.

- Sri Lanka Planetarium

Science Popularization Program

Following activities were carried out to popularize science among school children as well as general public.

Method of Popularization	No. of Programs	No. of Beneficiaries
No. of Planetarium shows	98	22,653
No. of Out-Door program	6	1,755

No. of Members Astro Kids & Astro IT Classes Conducted	188	188
No of Members Astro Kids & Astro IT Classes Conducted		
Awareness Programmes	5	6,800
Exhibitions	3	6,300

- Sri Lanka Institute of Nanotechnology (SLINTEC)
 - The launching event of MagGenome DNA extraction kit was held on 30th January 2020 at the Institute of Policy Studies of Sri Lanka. The nanotechnology-based DNA extraction kit was co-developed by SLINTEC in collaboration with MagGenome Technologies Pvt. Ltd.
 - SLINTEC Sterile – a transparent antimicrobial coating in May 2020. To kill viruses and other microbes, SLINTEC Sterile relies on a chemical reaction called photocatalysis. This reaction attacks the molecules of the virus and other microbes both on the surface and in the surrounding air. SLINTEC has used the innovation to treat a number of local office spaces, helping companies to get back to work after the lockdown.
 - SLINTEC has entered into an agreement with Hirdaramani Group to develop and implement wearable sensors in their face masks that enable detecting and monitoring of respiratory behavior while wearing the masks.
 - SLINTEC became a member of Nanotechnology Industries Association (NIA) of Brussels, Belgium. NIA is the sector-independent, responsible voice for the industrial nanotechnologies supply chains. NIA supports the ongoing innovation and commercialization of the next generation of technologies and promotes their safe and reliable advancement.

2.2.2. Future Targets

- Facilitating R&D aligned with National policy Framework “Saubhagyaye Dekma” and SDGs.
- Achieving higher ranking the Global Innovation Index (GII) and Global Competitiveness Index (GCI)
- Improving state of the Art STI ecosystem and research institutes.
- Increasing No. of research institute/industry research collaboration projects.

2.2.3. Challenges in the Science Technology and Innovation Sector

- Inadequate state funding for Science, Technology and Innovation sector
 - Lack of private sector investment on R & D Patency –inefficient system –the process needs to be operated effectively
 - Research commercialization issues
 - Issues in retaining professionals in research institutes as a result of government salary scale
 - Brain drain of scientists and researchers
 - Weak industry -university-research institute tie-ups
 - Business cells/startups/parks/maker space for graduates to start S & T industry (small scale)-to be job providers than job seeker
- Less international collaborations –lengthy bureaucracy to commence foreign collaborations
 - Ineffective research culture in Universities and Research Institutes
 - Inadequate competitive research outcome (quality issue) to compete globally
 - Too many organizations which leads to duplicating and overlapping mandates


Chief Accounting Officer
Name:
Designation:
Date: 27/04/2021

Professor K. Kapila C.K. Perera
Secretary
Ministry of Education
"Isurupaya"
Pelawatte,
Battaramulla.

Chapter 03

Overall Financial Performance for the Year ended 31st December 2020

3.1 Statement of Financial Performance

Statement of Financial Performance for the period ended 31 st December 2020					ACA -F	
Budget 2020		Note	Actual		Rs.	
			2020	2019		
-	Revenue Receipts		-	-		
-	Income Tax	1	-	-		
-	Taxes on Domestic Goods & Services	2	-	-		
-	Taxes on International Trade	3	-	-		
-	Non Tax Revenue & Others	4	-	-		
-	Total Revenue Receipts (A)		-	-		
-	Non Revenue Receipts		-	-		
-	Treasury Imprests		3,036,934,739	3,800,334,000		
-	Deposits		68,298,457	76,288,364		
-	Advance Accounts		62,122,440	41,103,568		
-	Other Receipts		45,760,818	51,375,842		
-	Total Non Revenue Receipts (B)		3,213,116,455	3,969,101,773		
-	Total Revenue Receipts & Non Revenue Receipts C = (A)+(B)		3,213,116,455	3,969,101,773		
-	Less: Expenditure		-	-		
-	Recurrent Expenditure		-	-		
548,500,000	Wages, Salaries & Other Employment Benefits	5	510,418,222	946,146,666		
184,590,000	Other Goods & Services	6	172,685,557	293,839,670		
5,469,815,000	Subsidies, Grants and Transfers	7	5,273,552,280	5,219,360,552		
-	Interest Payments	8	-	-		
-	Other Recurrent Expenditure	9	-	12,000		
6,202,905,000	Total Recurrent Expenditure (D)		5,956,656,060	6,459,358,888		
-	Capital Expenditure		-	-		
110,758,000	Rehabilitation & Improvement of Capital Assets	10	107,666,400	169,021,497		
1,999,259,000	Acquisition of Capital Assets	11	1,855,656,014	2,519,248,841		
759,450,000	Capital Transfers	12	638,345,120	1,132,348,223		
87,000,000	Acquisition of Financial Assets	13	86,248,460	24,894,028		
172,298,000	Capacity Building	14	155,931,280	79,970,913		
1,530,690,000	Other Capital Expenditure	15	1,235,101,309	1,405,899,088		
4,659,455,000	Total Capital Expenditure (E)		4,078,948,582	5,331,382,589		
-	Main Ledger Expenditure (F)		33,161,746	44,207,702		
-	Deposit Payments		20,786,074	12,134,070		
-	Advance Payments		12,375,672	32,073,632		
-	Total Expenditure G = (D+E+F)		10,068,766,388	11,834,949,178		
10,862,360,000	Imprest Balance as at 31 st December 2020 H = (C-G)		(6,855,649,933)	(7,865,847,405)		

3.2 Statement of Financial Position

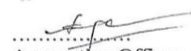
ACA-P

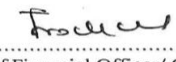
Statement of Financial Position As at 31st December 2020

	Note	Actual	
		2020	2019
		Rs	Rs
Non Financial Assets			
Property, Plant & Equipment	ACA-6	5,544,420,133	4,448,502,282.19
Financial Assets			
Advance Accounts	ACA-5/5(a)	72,597,303	122,344,071
Cash & Cash Equivalents	ACA-3	-	1,080,858
Total Assets		5,617,017,436	4,571,927,211
Net Assets / Equity			
Net Worth to Treasury		(86,300,628)	11,138,523
Property, Plant & Equipment Reserve		5,544,420,133	4,448,502,282
Rent and Work Advance Reserve	ACA-5(b)	-	-
Current Liabilities			
Deposits Accounts	ACA-4	158,897,931	111,205,548
Imprest Balance	ACA-3	-	1,080,858
Total Liabilities		5,617,017,436	4,571,927,211

Detail Accounting Statements in ACA format Nos. 1 to 6 presented in pages from 06 to 117 and Notes to accounts presented in pages from 118 to 135 form and integral parts of these Financial Statements. The Financial Statements have been prepared in complying with the Generally Accepted Accounting Principles whereas most appropriate Accounting Policies are used as disclosed in the Notes to the Financial Statements and hereby certify that figures in these Financial Statements, Notes to accounts and other relevant accounts were reconciled with the Treasury Books of Accounts and found to in agreement.


 Chief Accounting Officer
 Name :
 Designation :
 Date : 24.02.2021
 නාමය : ඩී. ඩී. පෙරේරා
 තනතුර : මෙහෙයුම්
 අධ්‍යක්ෂක ජනරාල්,
 "පුනර්ජනන",
 මාවත මාලුගල,
 කොළඹ 05.


 Accounting Officer
 Name :
 Designation :
 Date : 24.02.2021
P.W. Rajapaksa
 Secretary
 State Ministry of Skills Development,
 Vocational Education, Research & Innovation
 354/2, "Nipunatha Piyasa", Elvitigala Mawatha,
 Colombo 05.


 Chief Financial Officer/ Chief Accountant/
 Director (Finance)/ Commissioner (Finance)
 Name : K. V. S De Silva
 Date : 24.02.2021
K. V. S. DE SILVA
 Chief Finance Officer
 State Ministry of Skills Development,
 Vocational Education, Research & Innovation
 Nipunatha Piyasa", 354/2, Elvitigala Mawatha,
 Narahenpita, Colombo 05.

3.3 Statement of Cash Flows

ACA-C

**Statement of Cash Flows
for the Period ended 31st December 2020**

	Actual 2020 Rs.	2019 Rs.
<u>Cash Flows from Operating Activities</u>		
Total Tax Receipts	-	-
Fees, Fines, Penalties and Licenses	-	-
Profit	-	-
Non Revenue Receipts	14,169,723	41,840,453
Revenue Collected for the Other Heads	-	-
Imprest Received	3,036,934,739	3,799,242,451
Total Cash generated from Operations (a)	3,051,104,462	3,841,082,903
<u>Less - Cash disbursed for:</u>		
Personal Emoluments & Operating Payments	635,510,925	1,183,064,884
Subsidies & Transfer Payments	26,251,260	11,878,758
Expenditure on Other Heads	81,250,369	193,379,897
Imprest Settlement to Treasury	51,601,212	-
Total Cash disbursed for Operations (b)	794,613,766	1,388,323,539
NET CASH FLOW FROM OPERATING ACTIVITIES(C)=(a)-(b)	2,256,490,697	2,452,759,364
<u>Cash Flows from Investing Activities</u>		
Interest	-	-
Dividends	-	-
Divestiture Proceeds & Sale of Physical Assets	-	118,640
Recoveries from On Lending	-	-
Recoveries from Advance	19,170,869	36,498,568
Total Cash generated from Investing Activities (d)	19,170,869	36,617,208
<u>Less - Cash disbursed for:</u>		
Purchase or Construction of Physical Assets & Acquisition of Other Investment	2,314,894,064	2,525,895,214
Advance Payments	8,279,885	27,635,653
Total Cash disbursed for Investing Activities (e)	2,323,173,950	2,553,530,867
NET CASH FLOW FROM INVESTING ACTIVITIES(F)=(d)-(e)	(2,304,003,080)	(2,516,913,658)
NET CASH FLOWS FROM OPERATING & INVESTMENT ACTIVITIES (g)=(c) + (f)	(47,512,384)	(64,154,294)
<u>Cash Flows from Financing Activities</u>		
Local Borrowings	-	-
Foreign Borrowings	-	-
Grants Received	-	-
Deposit Received	68,298,432	76,288,364
Total Cash generated from Financing Activities (h)	68,298,432	76,288,364
<u>Less - Cash disbursed for:</u>		
Repayment of Local Borrowings	-	-
Repayment of Foreign Borrowings	-	-
Deposit Payments	20,786,049	12,134,070
Total Cash disbursed for Financing Activities (i)	20,786,049	12,134,070
NET CASH FLOW FROM FINANCING ACTIVITIES (J)=(h)-(i)	47,512,383	64,154,294
Net Movement in Cash (k) = (g) -(i)	(0)	(0)
Opening Cash Balance as at 01st January	-	-
Closing Cash Balance as at 31st December	-	-

3.4 Notes to the Financial Statements

Basis of Reporting

1. Reporting Period

The reporting period for these Financial Statements is from 01st January to 31st December 2020.

2. Basis of Measurement

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

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

3. Recognition of Revenue

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

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

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

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

5. Property, Plant and Equipment Reserve

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

6. Cash and Cash Equivalents

Cash & cash equivalents include local currency notes and coins on hand as at 31st December 2020.

3.5 Performance of the Revenue Collection

Not applicable

3.6 Performance of the Utilization of Allocation

Type of Allocation	Allocation		Actual Expenditure	Allocation Utilization as a % final of Allocation
	Original	Final		
Recurrent	6,172,960,000	6,202,905,000	5,956,656,060	96%
Capital	4,656,050,000	4,659,455,000	4,078,948,582	88%
Total	10,829,010,000	10,862,360,000	10,035,604,642	92%

3.7 In terms of F.R.208 grant of allocations for expenditure to this Department/District Secretariat/Provincial Council as an agent of the other Ministries/ Departments

Serial no	Allocation Received from which Ministry / Department	Purpose of the Allocation	Allocation		Actual Expenditure	Allocation Utilization as a % Final of Allocation
			Original	Final		
1	Ministry of Education	13 years Guaranteed education	5,238,150	5,238,150	5,238,150	100%
2	Dep. Of Pension	Gov. Officers Advance B outstanding balance settlement of retired officer (Mrs. Samantha Dias)	185,000	185,000	185,000	100%
3	Election Commission	For Reimbursement of Election staff Payment	1,091,156	1,091,156	1,091,156	100%
4	State Ministry of Education Reforms, Open Universities and Distance Learning Promotion	13 years Guaranteed education	67,498,976	67,498,976	67,498,976	100%
5	Ministry of Public Services, Provincial Councils and Local Government	Payment of Monthly allowances to trainee graduates	7,286,666	7,286,666	7,286,666	100%

3.8 Performance of the Reporting of Non-Financial Assets

Assets Code	Code Description	Balance as per Board of Survey report as at 31.12.2020	Balance as per financial position Report as at 31.12.2020	Yet to be Accounted	Reporting Progress as a %
9151	Building & Structure	1,648,514,058	1,648,514,058		100%
9152	Machinery & equipment	598,908,884	598,966,701		99%
9153	Land	1,494,318,140	1,494,318,140		100%
9154	Intangible Assets				
9155	Biological assets				
9160	Work in progress	1,162,800,000	1,162,800,000		100%
9180	Lease Assets	-	-		

3.9 Auditor General's Report

VTY/B/MSDVT/FA/2020

June 22.2021

Accounting Officer

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

Concise Report of the Auditor General on the Financial Statements of the State Ministry of Skills Development, Vocational Education, Research and Innovation for the year ended 31st December 2020 in terms of Section 11(1) of the National Audit Act, No 19 of 2018

.....

1. Financial Statement

1.1 Opinion

The audit of financial statements of the State Ministry of Skills Development, Vocational Education, Research and Innovation for the year ended 31st December 2020 comprising the statement of financial position as at 31st December 2020, and the Statement of Financial Performance and the Cash flow Statement for the year then ended was carried out under my direction in pursuance of provisions in article 154(1) of the constitution of the Democratic Socialist Republic of Sri Lanka read in

conjunction with provisions of the National Audit Act No. 19 of 2018. My Comments and observations with regard to this financial statement, being forwarded to the State Ministry of Skills Development, Vocational Education, Research and Innovation in terms of section 11(1) of the National Audit Act No: 19 of 2018, appear in this report. The Auditor General's report due for submission in terms of section 10 of the National Audit Act No:19 of 2018 read in conjunction with the article 154(6) of the constitution of the Democratic Socialist Republic of Sri Lanka, will be tabled in Parliament in due course.

In my opinion, the accompanying financial statements give a true and fair view of the financial position of the State Ministry of Skills Development, Vocational Education, Research and Innovation as at 31st December 2020 and of its financial performance and its cash flows for the year then ended in accordance with the generally accepted accounting principles.

1.2 Basis for Qualified Opinion

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

1.3 Responsibilities of the Chief Accounting Officer and Accounting Officers

The Accounting Officer is responsible for the preparation of the financial statements that give a true and fair view in accordance with the generally accepted accounting principles and the provisions of the Section 38 of the National Audit Act No:19 of 2018, and to determine the internal control necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. As per Section 16(1) of the National Audit Act No:19 of 2018, the Ministry is required to maintain proper books and records of all its income, expenditure, assets and liabilities, to enable annual and periodic financial statements to be prepared of the Ministry.

In terms of the provisions of the sub section 38(1)(c) of the National Audit Act, the Chief Accounting Officer should provide assurance that an effective internal control system has been prepared and is in effect and the effectiveness of the said system should be reviewed from time to time in order to effect necessary changes for the effective maintenance of the system.

1.4 Auditor's Responsibilities for the Audit of the financial statements

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

individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risk of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Ministry's internal control.
- Evaluate the structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentations.
- Evaluate the overall presentation of the financial statements, that it represents the structure and the underlying transactions and events that made up the content, in a manner that achieves fair presentation.

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

1.5 Report on other legal and Regulatory Requirements

I wish to state the following facts as per the requirement of Section 6(1)(d) of the National Audit Act No:19 of 2018.

- (a) The Financial Statements is consistent with the preceding year.
- (b) The recommendations made by me in respect of the financial statements of the preceding year had been effected.

1.6 Comments on financial statements

1.6.1 Reporting of expenditures for the year 2020

The State Ministry of Skills Development, Vocational Education, Research and Innovation came into being subsequent to the gazette notification by H.E. the President in the Gazette Extraordinary of 08th August 2020 Head 421. As per the above instructions, the expenditure incurred under 60 vote subjects of the then Ministry of National Policies, Economic Affairs, Resettlement and Rehabilitation, Northern Province Development, Vocational Training and Skills Development and Youth Affairs, for the period from January 2020 to 31st August 2020, which totaled to Rs.(Mn) 3,144,126 was accounted as expenditures of this Ministry.

The receipt and settlement of treasury imprests by the Ministry was carried out under the imprest account number of the then Ministry. Even though it has been mentioned in the treasury imprest account statement that Rs.(Mn.) 817,128 was received, under the said imprest account number, as this Ministry functioned from September 1st, 2020, it had received Rs.(Mn.) 1,727,390 as imprests from the treasury up to the end of the year and no balance of funds remains.

2. Financial review

2.1 Management of expenditure

As estimates for securing necessary funds had not been prepared in terms of Financial Regulation 50, and conforming to the Action Plan which was prepared with the objective of achieving the goals and targets of the Ministry, following instances where allocations remained unspent were observed.

- (a) None of the funds provided for 10 vote subjects under annual estimates amounting to Rs. 184,850,000 had been utilized.
- (b) A total of Rs.12,260,000 allocated through supplementary estimates relevant to 03 vote subjects of the Research and Innovation Division, had remained totally unspent.
- (b) Rs.147,201,662 remained unspent out of provisions allocated on estimates, for 16 vote subjects which totaled to Rs.289,937,000, owing to funds not being utilized properly to achieve the relevant objectives and tasks, the amount of which ranged from 34% to 75%.

2.2 Advance account balances

The following observations were made in the audit.

An outstanding loan balance of Rs.522,270 as at 31st December 2020 was observed which had occurred due to officers vacating their posts and retiring with the outstanding period ranging from 02 years to 20 years.

2.3 Entering into Liabilities and Commitments

- (a) Owing to noncompliance with the instructions stipulated by the Public Accounts Circular no.255/2017 dated 21st April 2017 and Financial Regulation 94(3), the total of the expenditure exceeding net provisions amounted to a total of Rs.584,400 following adjustments being made to liabilities relevant to 07 vote subjects and the remaining balance, at the end of the year.
- (b) Even though all liabilities should be entered as per Public Accounts Circular 255/2017, liabilities to the value of Rs.189,770 had not been entered in the register on liabilities for the year under review.

2.4 Noncompliance with rules and regulations

Instances where noncompliance with rules and regulations was observed in sample audit inspections are as follows.

Rules and Regulations Referred To	Noncompliance
(a) Financial Regulation 1646	Even though daily running charts of each month together with the original of the monthly summary on travel should be forwarded to the Auditor General before the 15 th of the succeeding month, the Ministry had failed to comply with the said requirement.
(b) Financial Regulations 756,757, and 1647 (b)	Even though annual surveys had to be conducted on vehicles and additional equipment of the Research and Innovation Division of the Ministry, the said task had not been performed.

- (c) Paragraph 3.1 of Public Administration Circular No.30/2016 dated 29th December 2016 Even though each fuel inspection should be followed by another fuel inspection which should be carried out after the lapse of 12 months or after running a total distance of 25,000 kilometres or following a major repair to the engine, whichever occurs first ,it had not been complied with.

2.5 Exceeding of Limits

Deposits older than 02 years to the value of Rs.301,312 relevant to the years 2017 and 2018 had been retained in the general deposit account up to the end of the year under review without crediting to the government revenue in terms of Financial regulations 571(2).

3. Operational Review

3.1 Performance

- (a) Even though the Ministry has been tasked with the formulation and implementation of strategies to increase the tendency to pursue vocational education, the student participation in certain courses conducted by the vocational training centres under the Ministry's purview remained low due to the lack of a proper programme to attract students. Accordingly, despite being provided with adequate capacities and all necessary facilities to admit a higher number of students it had failed to enroll a maximum number of students in order to effectively and efficiently make use of such resources.
- (b) It was observed that student turnout for highly demanded fields in the job market remains at a minimum level due to the students' dislike for certain courses, a significant percentage of students leaving courses and most students preferring only several courses of high popularity.
- (c) Vocational guidance plays a prime role in eliminating unemployment among youths in various areas of the island by directing them towards vocational and technical studies through proper vocational guidance. With a view to accomplishing this task, 259 Skills Development Assistants have been attached to 331 District Secretariats. However, it was revealed in the audit inspection on performance that the said officers showed poor progress.
- (d) In order to provide high standard vocational training, an academic staff with an adequate knowledge should be recruited and in order to improve their teaching standards they should be made to participate in training programmes as relevant to their subject fields, adequately. It was revealed that a shortage of experienced instructors had been created by not complying to the above requirement.

3.1.1 Delays in project implementation

- (a) Even though it had been planned to initiate and finalize 14 projects with a total value of Rs.(Mn)784.36, as per the progress report of the Research and Innovation Division for the year under review, the progress of the said projects ranged from 34% to 89% while it was observed in the audit that 11 of these projects recorded a progress below 75%.
- (b) The progress of the 02 projects 'Social Innovation Lab' being implemented at a cost of Rs.(Mn.) 80, and the project 'Improving Degraded Soil' being implemented at a cost of Rs.(Mn) 70 which were initiated in January 2018 and due for completion at the end of that year, stood at 70% and 64% respectively at the end of the year under review.
- (c) Even though Rs.(Mn.) 111 had been allocated for 03 projects to be implemented under the Research and Innovation Division during the year 2020, the total allocation remained unspent as the projects did not get underway.
- (d) Even though the Korea International Cooperation Agency (KOICA) had offered loan facilities, for the development of a new university with expanded premises with a view to conducting courses of a high standard for the Ocean University, the project had not started off even by the end of the year under review, due to the inability of finding a suitable land for the purpose, from 2017.

3.1.2 Projects which had not achieved any progress despite release of funds

The following observations are made.

Even though the Ministry had expended Rs.(Mn.)35 on the establishment of the Social Innovation Lab as per the cabinet approval received on 12th September 2017, on the Cabinet Memorandum submitted on 10th August 2017, adequate written evidence and progress reports to support the expenses of the project had not been submitted to the audit.

The Internal Audit Division of the Ministry had also pointed out that the said project had failed to comply with the Sri Lanka Financial Regulations 620 and 621 which stipulates that foreign funded projects should be recorded under the Department of External Resources and the foreign aid should be recorded under annual budget estimates.

3.2 Management of Assets

The following observations are made.

- (a) As per the reports of the survey on inventoried goods conducted in respect of the year under review , it was observed that the Skills Development and Vocational Education Division had 113 items in surplus and 85 items in shortage while the Research and Innovation Division had 221 items in surplus and 273 items in shortage and that this matter had not been handled in terms of Financial Regulations 752(2).

(b) Utilization of Vehicles

The following observations are made.

It was observed that 11 vehicles to the value of Rs.(Mn) 39.6 remain underutilized and non- running within a period of less than a year.

3.3 Management Inefficiencies

- (a) A sum of Rs.3,443,100 had been provided under the Skills Development Sectoral Project for pre-publicity and planning work relating to the organizing of the Skills Day celebrations and even though 22 videos have been made at a cost of Rs.1,705,000 , the expected outcome had not been met due to the delay in their publicization.
- (b) The following observations were made with regard to the establishment of a National Vocational Training Centre in the Hingurakgoda area under a loan aid of 42.5(Mn) euros.
 - (i) Even though preliminary work relating to the construction of a National Vocational Training Centre consisting of 05 training schools to conduct 20 courses with a dormitory to accommodate 450 students with 14 rooms reserved for foreign tourists,120 official quarters for employees and other infrastructure facilities, was commenced under the Sri Lanka Vocational Training Authority in 2017,no inquiries were made on the Authority's need for such a facility.
 - (ii) By the letter dated 16th March 2017pertaining to this matter issued by the Director General of the Department of National Planning which addressed the Director General of the Department of External Resources, the Ministry of Skills Development and Vocational Training was assigned this task with attention being paid to the demand for vocational education in the Polonnaruwa district, increase of expenses, issues relating to the academic and non- academic staff. Further, by the cabinet decision dated 18th September 2018 ,the

Secretary to the Ministry was assigned the task of conducting an extensive feasibility study on the recommendations made by the Minister of Finance and forwarding a report with comparisons being made with other projects of similar nature. However, the Secretary to the Ministry had entered into agreements for the said project with the contracting institution on February 21st, 2019 without the conduct of a feasibility study and a study on the cost and the outcome, overriding the cabinet decision.

- (iii) As per the contractual agreement, an amount equal to 3% of the average overall operational cost for the previous 4 years, of 226 centres including 07 National Vocational Training Institutions functioning under the Sri Lanka Vocational Training Authority, would have to be spent on the proposed National Vocational Training Centre and it was observed that these decisions were reached without due consideration being paid to the outcomes compared with the costs incurred.

3.4 Uneconomic Transactions

Even though the Budget Circular no.03/2020 of the Ministry of Finance, Economic and Policy Development stipulated that owing to the COVID – 19 pandemic and disasters which occurred as a result of adverse weather changes, expenses should be borne only in respect of priority requirements which have already been implemented and which needs to be further continued, for the duration from June to August 2020, with no new commitments being made pertaining to staff expenses, supplies and services, action had been taken to plan a skills and inventions competition (Touch Your Future) for students pursuing vocational training at provincial level to coincide with the World Youth Skills Day falling on the 15th of July for which paper advertisements were published at a cost of Rs.1,777,707. However, the said expenses had become an uneconomic expenditure due to the competition not being conducted.

3.5 Securities of Public Officers

<u>Type of register</u>	<u>Relevant Regulation</u>	<u>Observation</u>
Register on securities	Financial Regulation 891	A register on securities was not maintained by the Ministry.

3.6 Liabilities and Commitments

Type of Register -----	Relevant Regulation -----	Observations -----
Register on Liabilities	Financial Regulation 447(4) &(5)	The Register on Liabilities had not been maintained and updated in a manner that enabled the identification of balance liabilities and deferred liabilities at the end of each month including a reference to the documents such as the order relevant to the liability, etc.

W.M.P.A. Fonseka
Assistant Auditor General
For Auditor General

Copy to: Secretary-State Ministry of Skills Development, Vocational Education, Research
and Innovation

Chapter 04

Performance Indicators

4.1. Skills Development and Vocational Educational Section

4.1.1. Performance indicators of the Institute (Based on the Action Plan)

Specific Indicators	Actual output as a(%) of the expected output		
	100% - 90%	75% - 89%	50% -74%
1.Increased no of students intake in TVET programs		83%	
2.Lecturer Capacity			62%
3.Cost per trainee (LKR)	Rs. 82511.00		

4.2. Research and Innovation Section

4.2.1. Performance indicators of the Institute (Based on the Action Plan)

Specific Indicators	Actual output as a percentage (%) of the expected output		
	100%-90%	75%-89%	50%-74%
No. of research grants awarded			√
No. of joint researches/research-industry tie-ups established		√	
No. of local/international patents acquired			√
No. of programs conducted in relation to science popularization			√
Entrepreneurship driven research papers published		√	
No. of technology transfer agreements signed locally/internationally			√
Research products commercialized locally/internationally			√
No. of inventions financially supported for commercialization		√	
No of science related publications published in relation to science popularization		√	
No. of awareness programmes for the transfer of technologies to Small & Medium scale entrepreneurs		√	
No. of technology transfer programmes conducted for to Small & Medium scale entrepreneurs	√		
No. of STI policy reports formulated			√
No. Science, Technology & Innovation related institutions reviewed			√

Chapter 05

Performance of the achieving Sustainable Development Goals (SDG)

5.1. Skills development and Vocation Education Section

5.1.1. Indicate the Identified respective Sustainable Development Goals

Goal/objective	Targets	Indicators of the achievement	Progress of the Achievement to date		
			0% - 49%	50% - 74%	75% - 100%
4.Ensure inclusive and equitable quality education and promote life long learning opportunities for all	4.3 By 2030, ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university	4.3.1 Participation rate of youth and adults in formal and non-formal education and training in the previous 12 months by sex			83%
	4.4 By 2030, substantially increase the number of youth and adults who have relevant Skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship.	4.4.1Proportion of youth and adults with information and Communications technology (ICT) skills, by type of skills.			77%
	4.5 By 2030 eliminate gender disparities in education and ensure equal access to all levies of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples and children in vulnerable situation.	4.5.1Parity indices (Female/Male, Rural/Urban, Bottom/Top wealth quintile and others such as disability status indigenous peoples and conflict affected, as date become available) for all education indicators on this list that can be disaggregated.		55%	

5.1.2 Achievements and challenges of the Sustainable Development Goals

Achievements

- Obtain provision through Budget 2021 to acquire human and physical resources required to increase the annual intake amount in 50%.
- Conduct the courses in on - line website system to meet the challenges of Covid 19 epidemic.
- Provide a student bursary to vocational educational trainees.
- Provide the opportunity to disabled students to access the vocational education and provide the bursary to all the disabled students irrespectively their income standards.
- Sign MoUs with the private sector institutions to expand the job opportunities.

Challenges

- Direct only 48% students who completed the school education to vocational education.
- The rest of 52% students adopt to the local and international labour market as un-trained workers.
- Inability to increase the number of trainees with technological and vocational qualifications for smart employments and entrepreneurship.
- Minimum student number to follow courses in construction, tourism, welding technology sectors which have more job opportunities in the job market.
- Even though the opportunity has given to access for the courses to both male and female genders, less participation of the females can be seen for more job opportunities available courses and their participation for the beauty culture and computer courses in high level.
- Instructors are not update with the modern technology.
- Courses are not update to the job market.

5.2. Research and Innovation Section

5.2.1. Indicate the Identified Respective Sustainable Developments Goals

Goal / Objective	Targets	Indicators of the achievement	Progress of the Achievement to date		
			0%-49%	50%-74%	75%-100%
Goal 8. Promote sustainable, inclusive and sustainable economic growth, full and productive employment and decent work for all	8.2 Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high -value added and labour -intensive sectors	8.2.1: Annual growth rate of real GDP per employed person			√
	8.3 Promote development - oriented policies that support productive activities, decent - Job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro -, small - and medium -sized enterprises, including through access to financial services	8.3.1: Proportion of informal employment in non-agriculture employment, by sex.	√		
Goal 9. Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation	9.2 Promote inclusive and sustainable industrialization and, by 2030, significantly raise industry's share of employment and gross domestic product, in line with national circumstances, and double its share in least developed countries	9.2.1. Manufacturing value added as a proportion of GDP and per capita".		√	
	9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource -use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities	9.4.1. "CO2" emissions per unit of value added". Achieved		√	
	9.5 Enhance scientific research, upgrade the technological	9.5.1.Research and		√	

	capabilities of industrial sectors in all countries, in particular developing countries, including, by 2030, encouraging innovation and substantially increasing the number of research and development workers per 1 million people and public and private research and development spending	development expenditure as a proportion of GDP 9.5.2 Researchers (in full-time equivalent) per million inhabitants			
	9.a Facilitate sustainable and resilient infrastructure development in developing countries through enhanced financial, technological and technical support to African countries, least developed countries, landlocked developing countries and small island developing States	9.a.1. Total official international support (official development assistance plus other official flows) to infrastructure	√		
	9.b Support domestic technology development, research and innovation in developing countries, including by ensuring a conducive policy environment for, inter alia, industrial diversification and value addition to commodities	9.b.1. Proportion of medium and high-tech industry value added in total value added			√

5.2.2. Achievements and challenges of the Sustainable Development Goals

Achievements

- Action has been taken to increase more research on demand side based on industry requirement. About 101 research projects completed and 48 patents filed by research institutes of the Ministry during 2020.
- Around 136 inventions were supported during 2020 specially in addressing COVID health issue.
- Technologies to minimize post-harvest losses specially in agriculture sector, value addition to our mineral resources and some of key research initiated in support of target 9.b

Challenges

- Low priority given to investments in science, Technology, research and development over the past several years
- Lack of robust network consisting of Government institutions, regulators, Research Institutions, Universities, Enterprises, Consultancy Firms and Professional / Business groups
- State dominance and the lack of Private Sector research
- Inadequate skilled human resources
- A shortage of policies and strategies to develop technology necessary for the manufacturing sector
- Lack of interest and awareness for R & D
- Less incentives for the Private sector to enter and invest
- Lack of baseline data

Chapter 06

Human Resource Profile

6.1. Skills Development and Vocational Education Section

6.1.1. Cadre Management

	Approved Cadre	Existing Cadre	Vacancies/(Excess)
Senior	28	23	05
Territory	03	01	02
Secondary	429	363	66
Primary	44	39	05

6.1.2. Human Resource Development

Name of the Programme	No of trained cadre	Duration of the programme	Overall investment		Nature of the Programme Local/ Foreign	Result/ obtained knowledge
			Local (Rs.)	Foreign		
Program on “Growing the Visitor’s Economy”	1 (staff grade)	On day (01) 2020.01.09	Free of charge	-	Local	Identify the areas to develop the work force
HR for Public Sector Promising Prospects	1 (staff grade)	2020.02.11	Free of charge	-	Local	Knowledge relevant to produce effective employees
Program on Organizational Performance through training & development	2 (staff grade)	2020.01.30	Free of charge	-	Local	Identify the skills required to fulfill the employees duties in well manner
Certificate course on Researches system	1 (staff grade)	03 months (Since June to August 2020)	30000.00	-	Local	Provide knowledge and practical realization required to fulfill the researches requirements

						in carrying out the duties by the officers
Government Payroll System	1 (Staff grade)	03 days 2020.09.09,10,11	18000.00	-	Local	Knowledge on payment of salaries
Strategic HRM for Organizational Excellence	1 (staff grade)	09 days 2020.02.09 – 17	-	USD 320 (Rs. 56000.00)	Foreign	Knowledge, skills on institutional human resources management
Training on “Disciplinary inquiries”	3 (non - staff grade)	03 days 2020.03.12	21000.00	-	Local	Knowledge on subject relevant duties
Diploma course on National Career Guidance	11 (non – staff grade)	One year (2020-2021)	667500.00	-	Local	Knowledge required for field duties
Diploma course on counseling	2 (non – staff grade)	One year (2020-2021)	120000.00	-	Local	Knowledge required for field duties
Diploma course on Counseling	3 (non – staff grade)	One year (2020-2021)	189750.00	-	Local	Knowledge required for field duties
Diploma course on psychological counseling	3 (non – staff grade)	One year (2020-2021)	180000.00	-	Local	
Certificate course on English	25 (non – staff grade)	06 months (Since January to June 2020)	500000.00	-	Local	Improve the language knowledge required to fulfill the duties effectively and efficiently

6.2. Research and Innovation Section

6.2.1. Cadre Management at 31.12.2020

	Approved Cadre	Existing Cadre	Vacancies / (Excess)**
Senior	24	16	08
Territory	04	03	01
Secondary	154	47	107
Primary	34	26	08
Contract/Casual	01	01	-

6.2.2. **Briefly state how the shortage or excess in human resources has been affected to the performance of the institute.

There was a Shortage of Human Resources; it was effectively managed with existing human resource without negative impact to the performance of the Institute.

6.2.3. Human Resource Development

Name of the Program	No. of staff trained	Duration of the program	Total Investment (Rs.)		Nature of the Program (Abroad/ Local)	Output/ Knowledge Gained*
			Local	Foreign		
HN-DIPPCA 2020/2021	01	One year	120,000.00	-	Local	Procurement related knowledge

Chapter 07

Compliance Report

7.1. Skills Development and Vocational Education Section

No.	Applicable Requirement	Compliance Status (Complied/ Not Complied)	Brief explanation For Non Compliance	Corrective actions proposed to avoid non-compliance in future
1	The following Financial statements/accounts have been			
1.1	Annual financial statements	Complied		
1.2	Advance to public officers account	Complied		
1.3	Trading and Manufacturing Advance Accounts (Commercial Advance Accounts)	Not Applicable		
1.4	Stores Advance Accounts	Not Applicable		
1.5	Special Advance Accounts	Not Applicable		
1.6	Others	Not Applicable		
2	Maintenance of books and registers			
2.1	Fixed assets register has been maintained and update in terms of Public Administration Circular 267/2018	Complied		
2.2	Personal emoluments register/Personal emoluments cards has been maintained and update	Complied		
2.3	Register of Audit queries has been maintained and	Complied		
2.4	Register of Internal Audit reports has been maintained and update	Complied		
2.5	All the monthly account summaries (CIGAS) are prepared and submitted to the Treasury on due date	Complied		
2.6	Register for cheques and money orders has been maintained and update	Complied		
2.7	Inventory register has been maintained and update	Complied		
2.8	Stocks Register has been maintained and update	Complied		
2.9	Register of Losses has been maintained and	Complied		
2.10	Commitment Register has been maintained and update	Complied		
2.11	Register of Counterfoil Books (GA —N20) has been maintained and update	Complied		

03	Delegation of functions for financial control (FR 135)			
3.1	The financial authority has been delegated within the institute	Complied		
3.2	The delegation of financial authority has been communicated within the institute	Complied		
3.3	The authority has been delegated in such manner so as to pass each transaction through two or more officers	Complied		
3.4	The controls have been adhered to by the Accountants in terms of State Account Circular 171/2004 dated 11.05.2014 in using the Government Payroll Software Package	Complied		
04	Preparation of Annual Plans			
4.1	The annual action plan has been	Complied		
4.2	The annual procurement plan has	Complied		
4.3	The annual Internal Audit plan has been prepared	Complied		
4.4	The annual estimate has been prepared and submitted to the NBD on due date	Complied		
4.5	The annual cash flow has been submitted to the Treasury Operations Department on time	Complied		
05	Audit queries			
5.1	All the audit queries have been replied within the specified time by the Auditor General	Complied		
06	Internal Audit			
6.1	The internal audit plan has been prepared at the beginning of the year after consulting the Auditor General in terms of Financial Regulation 134(2)) DMA/1-2019	Complied		
6.2	All the internal audit reports have been replied within one month	Complied		
6.3	Copies of all the internal audit reports have been submitted to the Management Audit Department in terms of Sub-section 40(4) of the National Audit Act No. 19 of	Complied		
6.4	All the copies of internal audit reports have been submitted to the Auditor General in terms of Financial Regulation 134(3)	Complied		
07	Audit and Management Committee			
7.1	Minimum 04 meetings of the Audit and Management Committee have been held during the year as per the DMA Circular 1-2019	Complied		
08	Asset Management			
8.1	The information about purchases of assets and disposals was submitted to the Comptroller General's Office in terms of Paragraph 07 of the Asset Management Circular No. 01/2017	Complied		

8.2	A suitable liaison officer was appointed to coordinate the implementation of the provisions of the circular and the details of the nominated officer was sent to the Comptroller General's Office in terms of Paragraph 13 of the aforesaid circular	Complied		
8.3	The boards of survey was conducted and the relevant reports submitted to the Auditor General on due date in terms of Public Finance Circular No. 05/2016	Complied		
8.4	The excesses and deficits that were disclosed through the board of survey and other relating recommendations, actions were carried out during the period specified in the circular	Complied		
8.5	The disposal of condemn articles had been carried out in terms of FR 772	Complied		
09	Vehicle Management			
9.1	The daily running charts and monthly summaries of the pool vehicles had been prepared and submitted to the Auditor General on due date	Complied		
9.2	The condemned vehicles had been disposed of within a period of less than 6 months after condemning	Complied		
9.3	The vehicle logbooks had been maintained and updated	Complied		
9.4	The action has been taken in terms of F.R. 103, 104, 109 and 110 with regard to every vehicle accident	Complied		
9.5	The fuel consumption of vehicles has been re-tested in terms of the provisions of Paragraph 3.1 of the Public Administration Circular No. 30/2016 of 29.12.2016	Complied		
9.6	The absolute ownership of the leased vehicle log books has been transferred after the lease term	Complied		
10	Management of Bank Accounts			
10.1	The bank reconciliation statements had been prepared, got certified and made ready for audit by the due date	Complied		
10.2	The dormant accounts that had existed in the year under review or since previous years settled	Complied		
10.3	The action had been taken in terms of Financial Regulations regarding balances that had been disclosed through bank reconciliation statements and for which adjustments had to be made, and had those balances been settled within one month.	Complied		
11	Utilization of Provisions			
11.1	The provisions allocated had been spent without exceeding the limit	Complied		
11.2	The liabilities not exceeding the provisions that remained at the end of the year as per the FR 94(1)	Complied		
12	Advances to Public Officers Account			
12.1	The limits had been complied with	Complied		
12.2	A time analysis had been carried out on the loans in	Complied		

12.3	The loan balances in arrears for over one year had been settled	Not Complied	Loan should be recovered from 2 persons and one is not alive (Legal actions have	Loan balance will be Managed properly and recovered
13	General Deposit Account			
13.1	The action had been taken as per F.R.571 in relation to disposal of lapsed deposits	Complied		
13.2	The control register for general deposits had been updated and maintained	Complied		
14	Imprest Account			
14.1	The balance in the cash book at the end of the year under review remitted to TOD	Complied		
14.2	The ad-hoc sub imprests issued as per F.R. 371 settled within one month from the completion of the task	Complied		
14.3	The ad-hoc sub imprests had been issued exceeding the limit approved as per F.R. 371	Complied		
14.4	The balance of the imprest account had been reconciled with the Treasury books monthly	Complied		
15	Revenue Account			
15.1	The refunds from the revenue had been made in terms of the regulations	Complied		
15.2	The revenue collection had been directly credited to the revenue account without credited to the deposit account without credited to the deposit account	Complied		
15.3	Returns of arrears of revenue forward to the Auditor General in terms of FR 176	Complied		
16	Human Resource Management			
16.1	The staff had been paid within the approved cadre	Complied		
16.2	All members of the staff have been issued a duty list in writing	Complied		
16.3	All reports have been submitted to MSD in terms of their circular no.04/2017 dated 20.09.2017	Complied		
17	Provision of information to the public			
17.1	An information officer has been appointed and a proper register of information is maintained and updated in terms of Right To Information Act and Regulation	Complied		
17.2	Information about the institution to the public have been provided by Website or alternative measures and has it been facilitated to appreciate / allegation to public against the public authority by this website or alternative measures	Complied		

17.3	Bi- Annual and Annual reports have been submitted as per section 08 and 10 of the RTI Act	Not Complied	Necessary actions will be taken	
18	Implementing citizens charter	Complied		
18.1	A citizens charter/ Citizens client's charter has been formulated and implemented by the Institution in terms of the circular number 05/2008 and 05/2018(1) of Ministry of Public Administration and Management	Not Complied	Draft document has been prepaid	
18.2	A methodology has been devised by the Institution in order to monitor and assess the formulation and the implementation of Citizens Charter / Citizens client's charter as per paragraph 2.3 of the circular	Complied		
19	Preparation of the Human Resource Plan	Complied		
19.1	A human resource plan has been prepared in terms of the format in Annexure 02 of Public Administration Circular No.02/2018 dated 24.01.2018.	Complied		
19.2	A minimum training opportunity of not less than 12 hours per year for each member of the staff has been ensured in the aforesaid Human Resource Plan	Complied		
19.3	Annual performance agreements have been signed for the entire staff based on the format in Annexure 01 of the aforesaid Circular	Not Complied	Necessary actions have been	
19.4	A senior officer was appointed and Assigned the responsibility of Preparing the human resource development plan, organizing capacity building programs and conducting skill development programs as per paragraph No.6.5 of the aforesaid Circular	Not Complied	Will be appointed in future	
20	Responses Audit Paras			
20.1	The shortcomings pointed out in the audit paragraphs issued by the Auditor General for the previous years have been rectified	Complied		

7.2. Research and Innovation Section

	Applicable Requirement	Compliance Status (Complied/ Not Complied)	Brief explanation for Non-Compliance	Corrective actions proposed to avoid non-compliance
01	The following Financial statements/accounts have been submitted on due date			
1.1	Annual financial statements	Complied		
1.2	Advance to public officers account	Complied		
1.3	Trading and Manufacturing Advance Accounts (Commercial Advance Accounts)	Not Applicable		
1.4	Stores Advance Accounts	Not Applicable		
1.5	Special Advance Accounts	Not Applicable		

1.6	Others	Not Applicable		
02	Maintenance of books and registers (FR445)/			
2.1	Fixed assets register has been maintained and update in terms of Public Administration Circular 267/2018	Complied		
2.2	Personal emoluments register/ Personal emoluments cards have been maintained and update	Complied		
2.3	Register of Audit queries has been maintained and update	Complied		
2.4	Register of Internal Audit reports has been maintained and update	Complied		
2.5	All the monthly account summaries (CIGAS) are prepared and submitted to the Treasury on due date	Complied		
2.6	Register for cheques and money orders has been maintained and update	Complied		
2.7	Inventory register has been maintained and update	Complied		
2.8	Stocks Register has been maintained and update	Complied		
2.9	Register of Losses has been maintained and update	Complied		
2.10	Commitment Register has been maintained and update	Complied		
2.11	Register of Counterfoil Books (GA — N20) has been maintained and update	Complied		
03	Delegation of functions for financial control (FR 135)			
3.1	The financial authority has been delegated within the institute	Complied		
3.2	The delegation of financial authority has been communicated within the institute	Complied		
3.3	The authority has been delegated in such manner so as to pass each transaction through two or more officers	Complied		
3.4	The controls has been adhered to by the Accountants in terms of State Account Circular 171/2004 dated 11.05.2014 in using the Government Payroll Software Package	Complied		
04	Preparation of Annual Plans			
4.1	The annual action plan has been prepared	Complied		
4.2	The annual procurement plan has been prepared	Complied		
4.3	The annual Internal Audit plan has been prepared	Complied		
4.4	The annual estimate has been prepared and submitted to the NBD on due date	Complied		
4.5	The annual cash flow has been submitted to the Treasury Operations Department on time	Complied		
05	Audit queries			
5.1	All the audit queries has been replied within the specified time by the Auditor General	Complied		
06	Internal Audit			
6.1	The internal audit plan has been prepared at the beginning of the year after consulting the Auditor General in terms of Financial Regulation 134(2)) DMA/I-2019	Complied		

6.2	All the internal audit reports has been replied within one month	Not Complied	Delays in providing answers audit queries occurred due to the prevailing COVID pandemic situation	Informed all institutional and sectional heads to immediate reply
6.3	Copies of all the internal audit reports has been submitted to the Management Audit Department in terms of Sub-section 40(4) of the National Audit Act No. 19 of 2018	Complied		
6.4	All the copies of internal audit reports has been submitted to the Auditor General in terms of Financial Regulation 134(3)	Complied		
07	Audit and Management Committee			
7.1	Minimum 04 meetings of the Audit and Management Committee has been held during the year as per the DMA Circular 1-2019	Not Complied	Only one Audi & Managemen t meeting was held during the year because of the prevailing the COVID pandemic Situation	Advised to follow audit circulars
08	Asset Management			
8.1	The information about purchases of assets and disposals was submitted to the Comptroller General's Office in terms of Paragraph 07 of the Asset Management Circular No. 01/2017	Complied	.	
8.2	A suitable liaison officer was appointed to coordinate the implementation of the provisions of the circular and the details of the nominated officer was sent to the Comptroller General's Office in terms of Paragraph 13 of the aforesaid circular	Complied		
8.3	The boards of survey was conducted and the relevant reports submitted to the Auditor General on due date in terms of Public Finance Circular No. 05/2016	Complied		
8.4	The excesses and deficits that were disclosed through the board of survey and other relating recommendations, actions were carried out during the period specified in the circular	Complied		
8.5	The disposal of condemn articles had been carried out in terms of FR 772	Complied		

09	Vehicle Management			
9.1	The daily running charts and monthly summaries of the pool vehicles had been prepared and submitted to the Auditor General on due date	Complied		
9.2	The condemned vehicles had been disposed of within a period of less than 6 months after condemning	Complied		
9.3	The vehicle logbooks had been maintained and u dated	Complied		
9.4	The action has been taken in terms of FR. 103, 104, 109 and 110 with regard to every vehicle accident	Complied		
9.5	The fuel consumption of vehicles has been re-tested in terms of the provisions of Paragraph 3.1 of the Public Administration Circular No. 30/2016 of 29.12.2016	Complied		
9.6	The absolute ownership of the leased vehicle log books has been transferred after the lease term	Complied		
10	Management of Bank Accounts			
10.1	The bank reconciliation statements had been prepared, got certified and made read for audit by the due date	Complied		
10.2	The dormant accounts that had existed in the year under review or since previous ears settled	Complied		
10.3	The action had been taken in terms of Financial Regulations regarding balances that had been disclosed through bank reconciliation statements and for which adjustments had to be made, and had those balances been settled within one month	Complied		
11	Utilization of Provisions			
1 1.1	The provisions allocated had been spent without exceeding the limit	Complied		
1 1.2	The liabilities not exceeding the provisions that remained at the end of the year as per the FR 1)	Complied		
12	Advances to Public Officers Account			
12.1	The limits had been complied with	Complied		
12.2	A time analysis had been carried out on the loans in arrears	Complied		
12.3	The loan balances in arrears for over one year had been settled	Complied		
13	General Deposit Account			
13.1	The action had been taken as per F.R.571 in relation to disposal of lapsed de deposits	Complied		
13.2	The control register for general deposits had been updated and maintained	Complied		
14	Imprest Account			
14.1	The balance in the cash book at the end of the year under review remitted to TOD	Complied		
14.2	The ad-hoc sub imprests issued as per F R. 371 settled within one month from the completion of the task	Complied		
14.3	The ad-hoc sub imprests had been issued exceeding the limit approved as per F R. 371	Complied		
14.4	The balance of the imprest account had been reconciled with the Treasury books monthly	Complied		
15	Revenue Account			
15.1	The refunds from the revenue had been made in terms of	Complied		

	the re Illations			
15.2	The revenue collection had been directly credited to the revenue account without credited to the deposit account	Complied		
15.3	Returns of arrears of revenue forward to the Auditor General in terms of FR 176	Complied		
16	Human Resource Management			
16.1	The staff had been paid within the approved cadre	Complied		
16.2	All members of the staff have been issued a due list in writing	Complied		
16.3	All reports have been submitted to MSD in terms of their circular no.04/2017 dated 20.09.2017	Complied		
17	Provision of information to the public			
17.1	An information officer has been appointed and a proper register of information is maintained and updated in terms of Right To Information Act and Re Illation	Complied		
17.2	Information about the institution to the public have been provided by Website or alternative measures and has it been facilitated to appreciate / allegation to public against the public authority by this website or alternative measures	Complied		
17.3	Bi- Annual and Annual reports have been submitted as per section 08 and 10 of the RTI Act	Complied		
18	Implementing citizens charter			
18.1	A citizens charter/ Citizens client's charter has been formulated and implemented by the Institution in terms of the circular number 05/2008 and 05/20180) of Ministry of Public Administration and Management	Complied		
18.2	A methodology has been devised by the Institution in order to monitor and assess the formulation and the implementation of Citizens Charter / Citizens client's charter as per paragraph 2.3 of the circular	Complied		
19	Preparation of the Human Resource Plan			
19.1	A human resource plan has been prepared in terms of the format in Annexure 02 of Public Administration Circular No.02/2018 dated 24.01.2018.	Complied		
19.2	A minimum training opportunity of not less than 12 hours per year for each member of the staff has been ensured in the aforesaid Human Resource Plan	Complied		
19.3	Annual performance agreements have been signed for the entire staff based on the format in Annexure 01 of the aforesaid Circular	Complied		
19.4	A senior officer was appointed and assigned the responsibility of preparing the human resource development plan, organizing capacity building programs and conducting skill development programs as per paragraph No.6.5 of the aforesaid Circular	Complied		
20	Responses Audit Paras			
20.1	The shortcomings pointed out in the audit paragraphs issued by the Auditor General for the previous ears have been rectified	Complied		