Ministry of Finance

Department of the Registrar of Companies

Performance Report- 2020

Expenditure Head - 297

Contents

01. Institutional Profile / Executive Summary

1.1 Introduction

Subsequent to the British colonization in Sri Lanka in the year 1815, British nationals had taken action to expand the scope of the Sri Lankan business sector by initiating cultivation of export agricultural crops such as coffee, tea and rubber. With a view to facilitate business activities, registration of companies in Sri Lanka was commenced in 1861 under the Joint Stock Companies Ordinance. During the British rule period up to 04th February 1948, companies were registered under the Joint Stock Banking Ordinance of 1897 and the Companies Ordinance No. 51 of 1938. The Department of the Registrar of Companies had been established under the said Ordinance and vested with the powers to execute Trade Mark Ordinance, Business Name Ordinance, Cheettu Ordinance and Societies Ordinance. In 1980, the Department of National Intellectual Property was established under the provisions of the Code of the Intellectual Property Act, No. 02 of 1979 and it had been entrusted with the mandate to execute the Trade mark Ordinance in 1981.

Whilst the business sector in Sri Lanka has been operated with its own identity after gaining independence, the Companies Act, No. 17 of 1982 had been enacted in 1982 facilitating the business sector. This Act had been in force for nearly 25 years and thereafter simplifying the said Act, the Companies Act, No.07 of 2007 has been implemented from 03rd May 2007 facilitating to attract large scale investors taken into consideration of the expansion of the Sri Lankan economy.

1.2 Vision and Mission of the Organization

Vision

Develop and foster a trusted business environment by making available an effective regulatory regime capable of instilling a culture of good governance covering the business sector in Sri Lanka.

Mission

The Department of the Registrar of Companies in accordance with the economic and trade policy of the Government of Sri Lanka endeavors to give a legal form to business and other institutions under the Acts administered by it and regulate their functions.

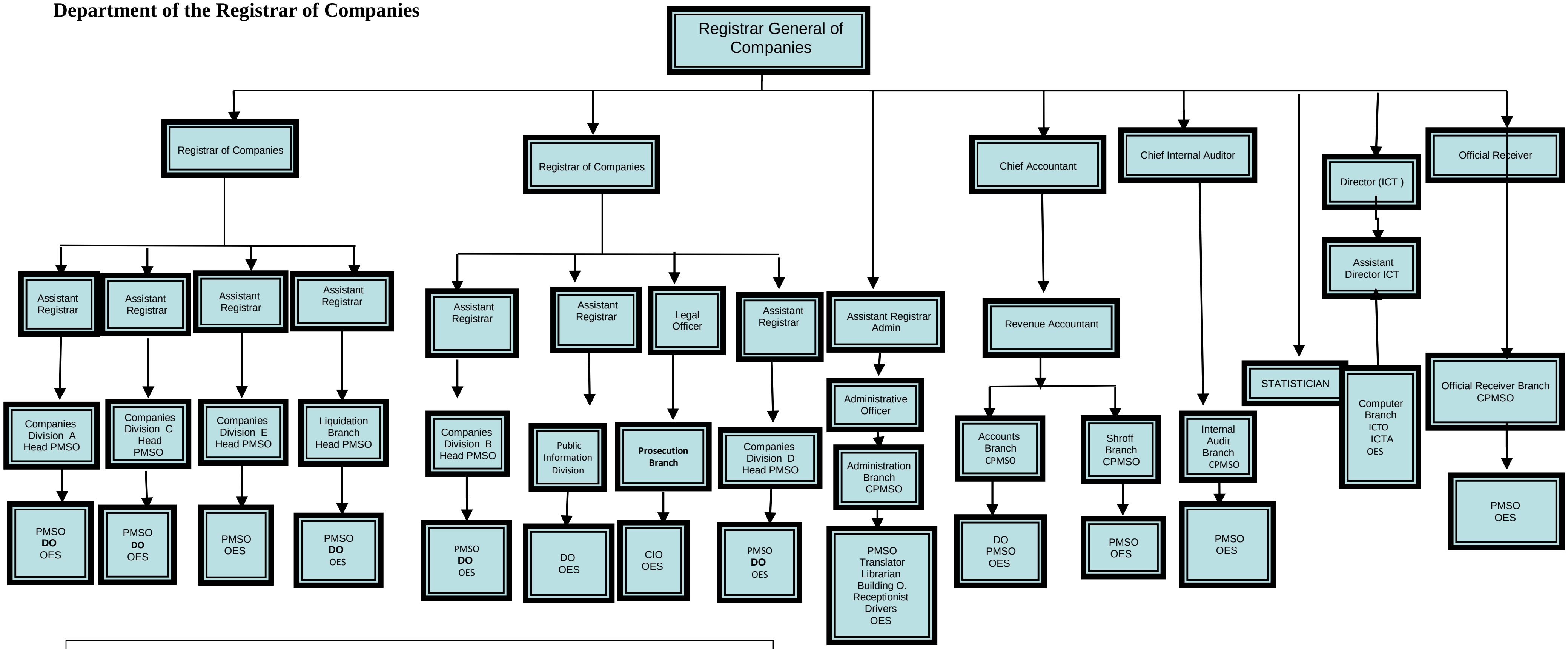
1.3 Objectives and Key Functions

The main function entrusted to the Department is to implement, administer and enforce the below mentioned Acts and Ordinances.

- The Companies Act, No. 07 of 2007
- The Societies Ordinance – Chapter 123
- The Cheettu Ordinance No. 61 of 1935
- The Public Contracts Act, No. 03 of 1987

1.4 **Organization Chart**

Department of the Registrar of Companies



1. CPMSO – Chief Public Management Service Officers
2. DO – Development Officers
3. PMSO – Public Management Service Officers
4. ITA – Information Technology Assistants
5. ICTA – Information & Communication Technology Assistants
6. ICTO – Information & Communication Technology Officers
7. CIO – Companies Inspector Officers
8. OES – Officer Employees Service
9. Building O. – Building Overseer
10. OR – Official Receiver

1.5 Main Divisions of the Department

i. Information Division
ii. Division for Name Approval and Incorporation of New Companies
iii. Divisions for Updating Information of Companies and Registration of Documents
iv. Liquidation Division
v. Re-Registration Division
vi. Division for Registration of Societies
vii. Division for Registration of Company Secretaries and Auditors
viii. Public Contracts Division
ix. Record Room and Reference Hall
x. Litigation Division
xi. Finance Division
xii. Establishment Division
xiii. Internal Audit Division
xiv. Information Technology Division
xv. Official Receiver Division

Details of the Divisions and their Functions

i. Information Division

Two well-trained and experienced Senior Officers who are conversant with giving replies to public enquires swiftly have been assigned to this division. All documents brought by public are subject to scrutinization by them before accepting the said documents to the department. This procedure ensures a minimum public inconvenience and avoids delays in issuing certified copies of registered documents.

ii. Division for Name Approval and Incorporation of New Companies

- **Companies Name Approval**

  After forwarding an application for a name reservation, the data system of the respective company is inspected in order to approve the company name as if it is in accordance with the Companies' Act and with the name approval requirements.

  Further, respective registration numbers are offered to individuals and to establishments relevant for their companies and intimations are made whether a company is already incorporated with a certain company name.

- **New Companies Incorporation Division**

  Following processes are functioned in this Division.

  The incorporation applications via online are checked for the accuracy and forwarded for the registration if the documents are accurate.

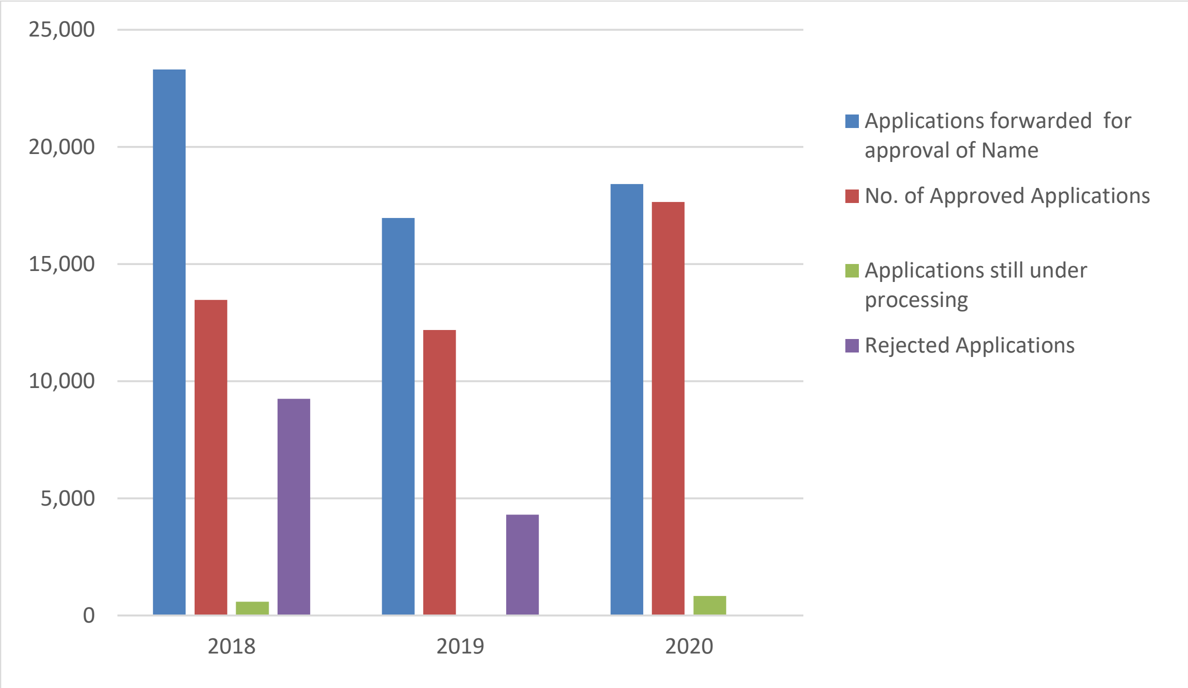
  ✓ An intimation is sent to the relevant parties regarding the errors.

  ✓ Customer issues are addressed.

  ✓ The corrected applications are rechecked and forwarded to the registration.

  ✓ Preparation of incorporation certificated and preparation of certified copies are performed by this division.

Description	Physical Progress		
	2018	2019	2020
Number of Applications forwarded for the Approval of Company Names	23,304	16,967	18,412
Number of Approved Applications	13,474	12,184	17,653
Number of Applications still under Processing	588	05	834
Number of Rejected Applications	9,245	4,308	4



iii. Divisions for Updating Information of Companies and Registration of Documents

Main functions entrusted to this department include the registration of documents and issuing of certified copies of the documents. The duties of these divisions are carried out with the assistance of 13 Development Officers and 28 Management Service Officers and 3 Graduate Trainees. Each division is functioning under the supervision of an Assistant Registrar of Companies. These divisions are performing the main function of this Department. As at the end of year 2020, five divisions were functioning in the Department to update details of Companies.

iv. Liquidation Division

- **Striking Off the name of the Company under Section 07 of the Act No. 394 of the Companies Act of 2007.**
- **Striking Off the Name of the Company without liabilities.**

Here, steps are taken to receive Affidavits and Letters of Demand from all Directors and Non-Directors, Share Holders and submit Affidavits for recommendations. Thereafter, Companies 09 format and consultation letters to the Commissioner General of Inland Revenue are prepared. The Companies 10 format and the Companies 04 format are prepared within a time frame of one month and 10 days from the date of such letters. The Gazette notification will be prepared in tri languages after receiving no objection letters for striking off the name of the company by the Commissioner General of Inland Revenue. After passing off three months from the date of publishing such a Gazette Notification and the name of the company is striked off.

Further, letters of intimation are also prepared and bring into the knowledge of the companies which have objections from the Department of Inland Revenue.

- Letters regarding matters pertaining to non-filing of annual reports will be served after receiving recommendations for striking off the name of the company.

1. Appointment of a Liquidator for the Companies which have Assets and Liabilities.
    - Voluntary Liquidation by members.
    - Voluntary Liquidation by Creditors.
    - Liquidation by a Court Order.

    One of the above three methods will be implemented for the Liquidation Process.

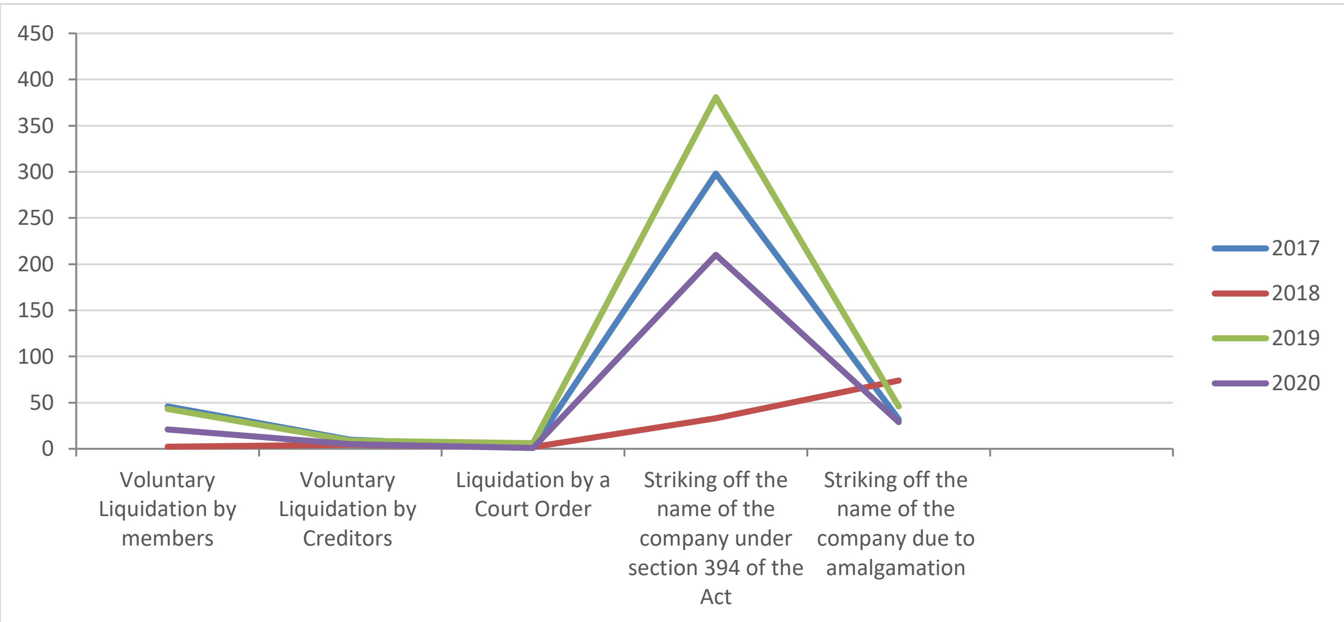
    Letters regarding Liquidation Process are registered and the Company can be dissolved within three months from the date of the receiving of final letters.

2. Striking off the name of the Company due to Amalgamation.

3. Providing facilities such as Ledger Checking, Letter Demand and issuance of relevant letters to the clients who come to the office daily to inspect possibilities for striking off names.
4. At this present stage, striking off names are done by the online system.
5. Though letter of Affidavits submitted for striking off names but continue business latter on, Action will be taken to cancel Striking Off process and preparation of the letters in this regard.

(No of the Companies subject to dissolution and cancellation (up to 31.12.2020)

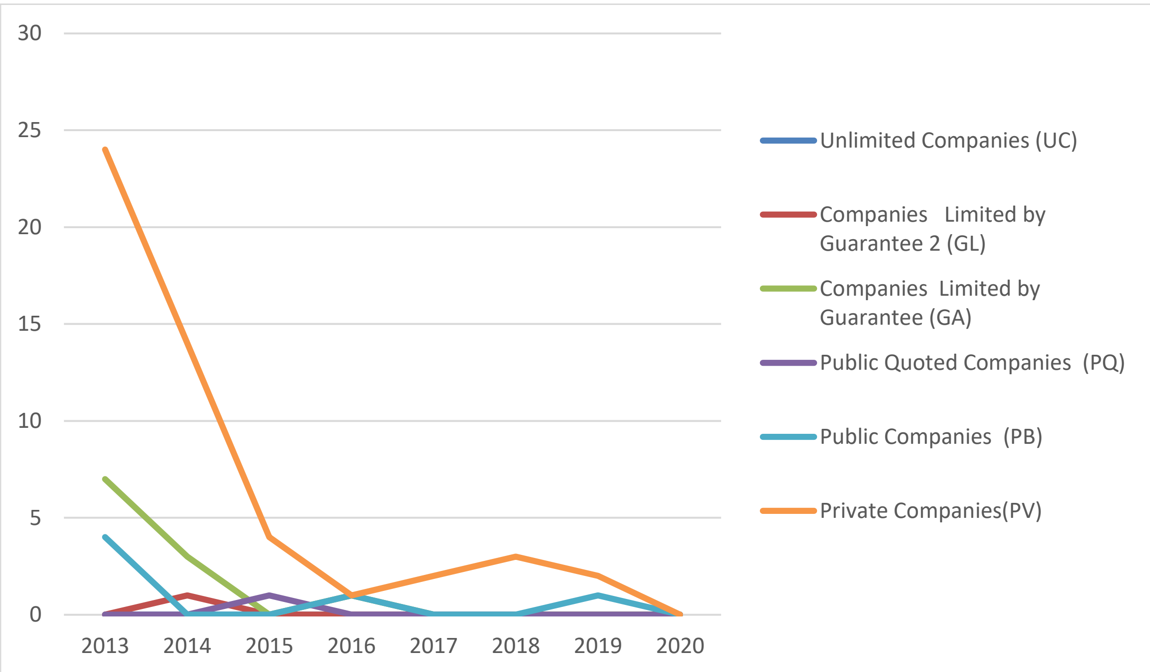
	2017	2018	2019	2020
Voluntary Liquidation by Members	**46**	**52**	**43**	**21**
Voluntary Liquidation by Creditors	**10**	**11**	**09**	**05**
Liquidation by a Court Order	**02**	**04**	**06**	**01**
Striking Off the name of the company under section 394 of the Act	**298**	**332**	**381**	**210**
Striking Off the name of the company due to amalgamation	**32**	**74**	**46**	**29**
Total	**388**	**473**	**485**	**266**



v. Re - Registration Division

This division was established in May 2007 with the enactment of the Companies Act, No. 07 of 2007 in order to facilitate Re-Registration of companies. This division was headed by an Assistant Registrar of Companies. Total number of the re-registered companies from May 2007 to 31.12.2020 stood at 25,077.

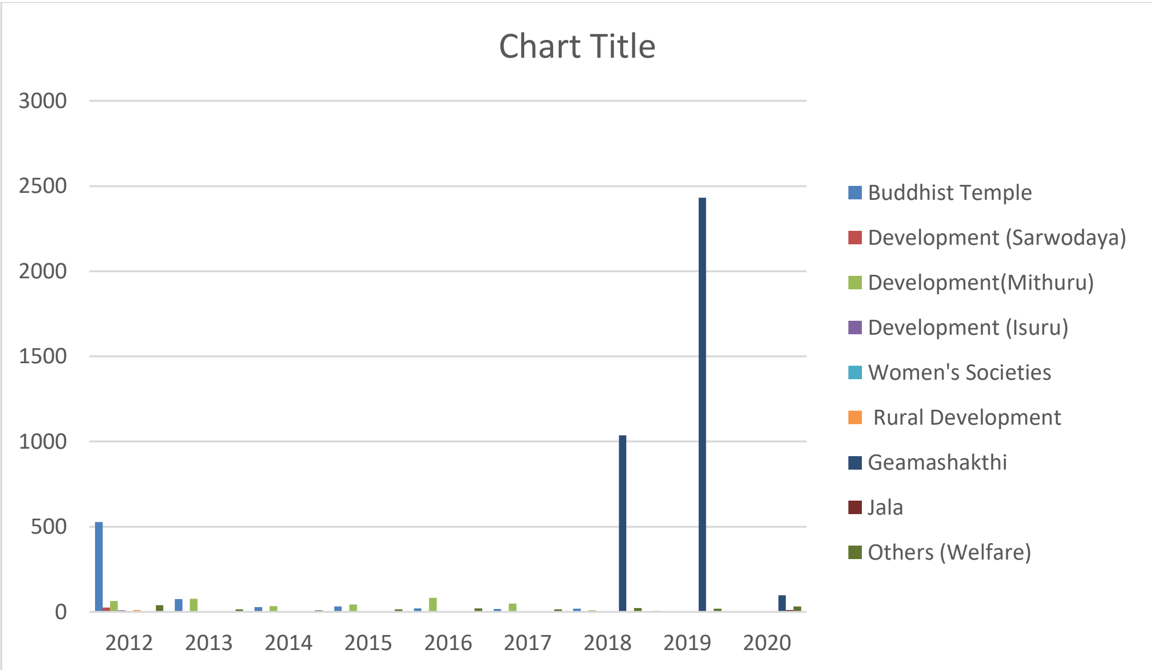
Type of Company / Year	Private Limited Companies (PV)	Public Limited Companies (PB)	Public Listed Companies (PQ)	Companies Limited by Guarantee (GA)	Companies Limited by Guarantee 2 (GL)	Unlimited Companies (UC)	Total
2013	24	4	0	7	0	0	35
2014	14	0	0	3	1	0	18
2015	4	0	1	0	0	0	5
2016	1	1	0	1	0	0	3
2017	2	0	0	0	0	0	2
2018	3	0	0	0	0	0	3
2019	2	1	0	0	0	0	3
2020	0	0	0	0	0	0	0



vi. **<u>Division for the Registration of Societies</u>**

Division for the Registration of Societies is also functioning under the supervision of an Assistant Registrar of Companies. Two Management Service Officers too have been assigned to this division. This division undertakes the registration of the new societies and updating of the details of the societies. The number of total registered societies was 16,165 as at 31.12.2020.

Type of the Society	2012	2013	2014	2015	2016	2017	2018	2019	2020
Viharasthana	528	75	28	32	21	16	18	06	01
Sarvodaya	26	-	-	-	-	-	-	-	-
Mithuru Sanwardhana	64	76	33	43	83	48	09	-	-
Isuru Sanwardhana	09	04	-	-	-	-	-	-	-
Kantha Samithi	02	-	-	-	-	-	-	-	-
Grameeya Sanwardhana	11	-	-	-	-	-	-	-	-
Gramashakthi	-	-	-	-	-	-	1037	2431	98
Jala	-	-	-	-	-	-	-		09
Others (Welfare)	39	14	10	15	21	15	22	18	32
Total	**679**	**169**	**71**	**90**	**125**	**79**	**1086**	**2455**	**140**

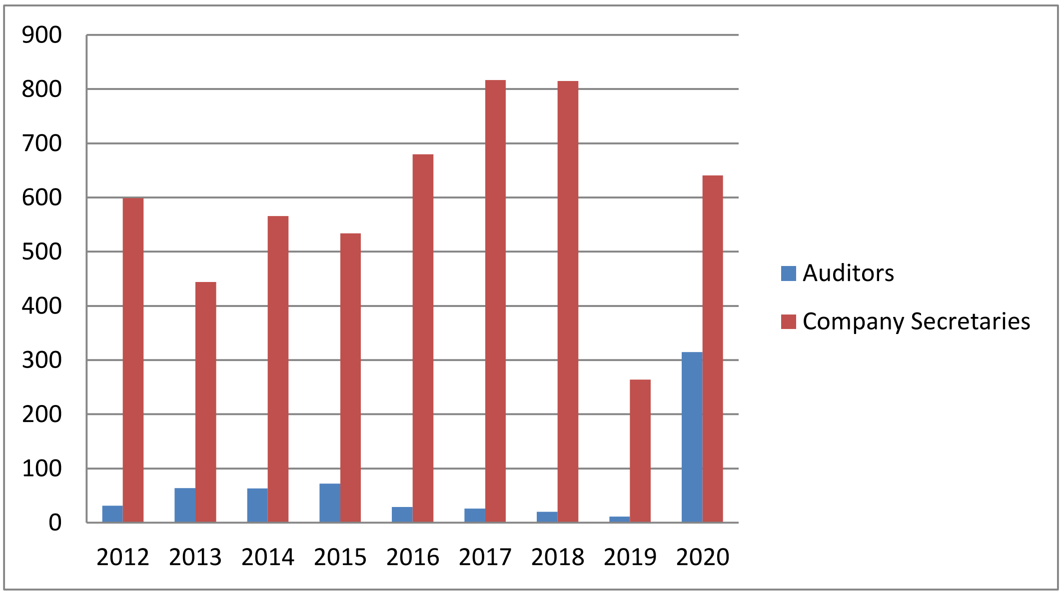


vii. Division for the Registration of Company Secretaries and Auditors

This Division undertakes the Registration of the Company Secretaries from the applicants who fulfill requisite qualifications in terms of Company Regulations 1987 (in respect of the Company Secretaries) and also the Registration of Auditors from the applicants who fulfill requisite qualifications in terms of Company Regulations 1964 (in respect of the Auditors). 641 Company Secretaries and 315 Auditors have been registered as at 31.12.2020.

Registration of Company Secretaries and Auditors

Year	Auditors	Company Secretaries
2012	31	599
2013	64	444
2014	63	566
2015	72	534
2016	29	680
2017	26	817
2018	20	815
2019	11	264
2020	315	641



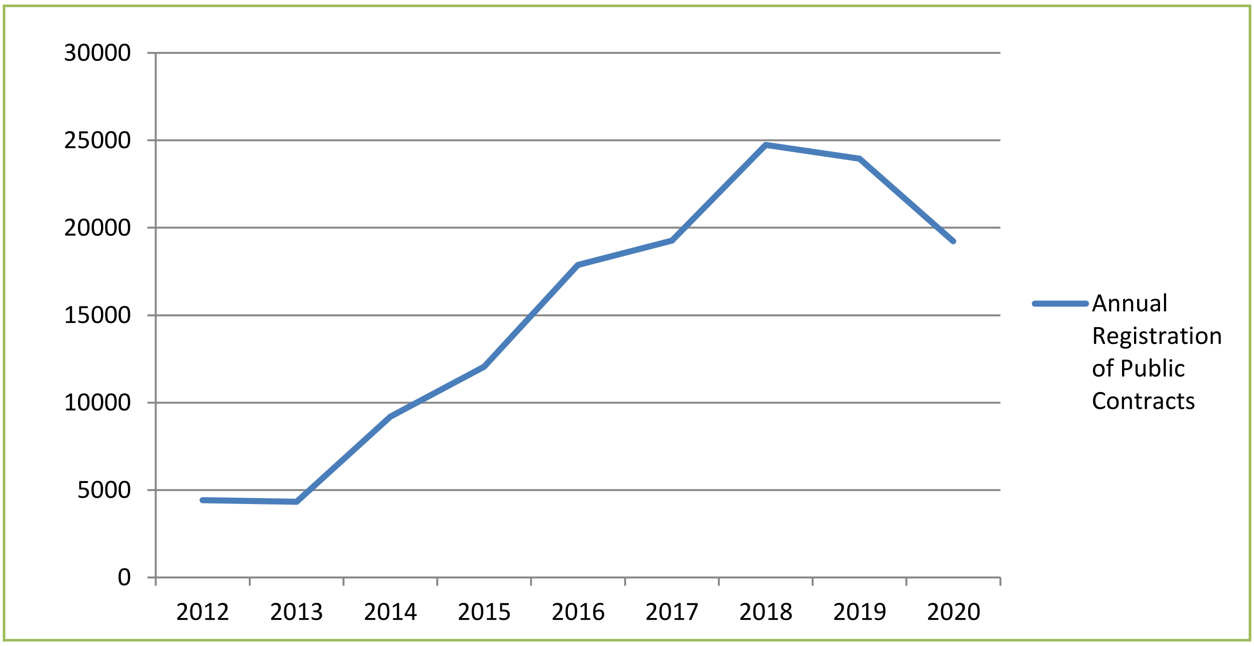
viii. Public Contracts Division

This division engages in registration or renewal of every tenderers or every person who acts an agent, sub agent, representative or nominee under the Public Contracts Act, No. 03 of 1987 with respect to applications received for contracts where the contract cost exceeds Rs. 5.0Mn and registration and renewals of contracts also.

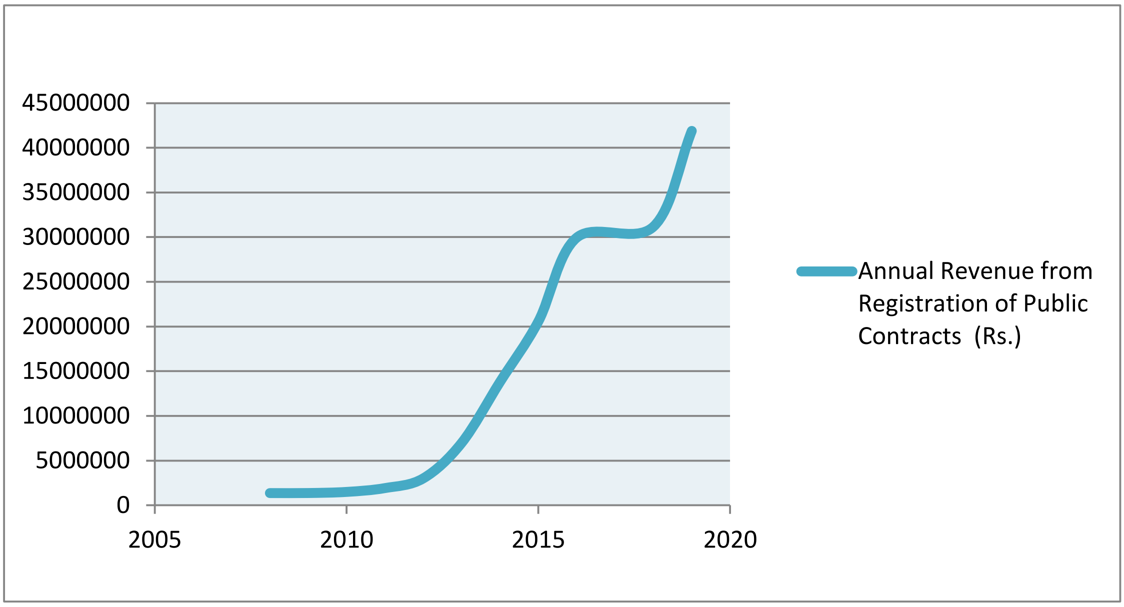
Registration of Public Contracts

Year	No. of Contracts	Revenue (Rs.)
2012	4414	2,998,000.00
2013	4320	6,966,000.00
2014	9196	13,794,000.00
2015	12046	20,568,000.00
2016	17875	29,949,500.00
2017	19275	31,174,500.00
2018	24743	39,502,500.00
2019	23962	41,895,000.00
2020	19233	44,608,336.00

Annual Registration of Public Contracts



Annual Revenue from Registration of Public Contracts (Rs.)



ix. Record Room and Reference Room

The Record Room is functioning under the supervision of an Assistant Registrar of Companies and subordinate staff consists of Management Service Officers and Office Assistants. Since the number of files to be kept at the Record Room is increasing gradually, the need of computerizing the departmental process is highly imperative and is mostly required indeed.

x. Litigation Division

The instituting of legal actions on behalf of the department is carried out by a staff consisting of four competent officers. It engages in instituting legal proceedings against companies and directors who violate conditions stipulated under provisions of the Companies Act. Instituting legal action against new cases amounting to 19 has been undertaken during the year 2020.

xi. <u>Finance Division</u>

This division has been established in order to carry out accounting activities of the department in the proper manner. The duties assigned to this division are carried out by Management Service Officers and Development Officers under the supervision of the Chief Accountant.

xii. <u>Establishment Division</u>

This division has been established in order to ensure administration activities of the department which are being carried out properly. The division is headed by the Administrative Officer and the division consists of Management Service Officers, and Development Officers.

xiii. <u>Internal Audit Division</u>

The Internal Audit Division was established in 2016 and an Accountant and subordinating staff consisting 02 officers have been appointed to carry out its functions. (This division is responsible to stream line the internal controlling measures of the departmental activities.)

xvi. <u>Information Technology Division</u>

Information Technology Division can be recognized as one of the important divisions in this department which provides an imperative service. The division is headed by an Assistant Director of the Sri Lanka Information and Communication Technology Service.

The functions of this division has been expanded extensively with the introduction of "e RoC Online Process" for the registration of all the companies in the island instead of the manual process which had been in use. It was first inaugurated in April 2018.

With the introduction of this new process, the Information Technology Division has taken several steps towards identifying shortcomings in terms of practical aspects and provided quick solutions for the same. It further enables to carry out the company registration process efficiently and effectively within a short period of time in Client Oriented manner.

Some of the significant steps taken can be elaborated as below.

- Introduction of a user friendly process.
- Time taken for the Registration of a Company has been reduced to the maximum possible extent.
- Providing facilities to pay relevant fees through online.
- System Generated Application can be obtained by entering details into the computer instead of submitting self-prepared applications and other relevant formats.
- Clients can retrieve the details of the companies registered by them by simply entering User Login Details at any time and any location.
- The clients who visit the Department of the Registrar of Companies for registration purposes are provided with computer facilities by the Information Technology Division.
- Necessary action has already been taken to provide information and guidance on "e-RoC Online Process" to the clients when it's required.
- Necessary action has already been taken to provide technical guidance for the clients when it's required.
- Conducting awareness programs for the customers timely.
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1.6 Companies Fund

The Companies Fund has been established under the section 479 of the Companies Act, No. 07 of 2007. It is maintained in such a manner as the Secretary to the Ministry of Finance, may direct in consultation with the Registrar General of Companies. Two-thirds (2/3) of every fee or charge prescribed, levied or recovered under this Act by the Registrar General of Companies shall be paid into the Fund. All sums of money required to defray any expenditure incurred by the Registrar General of Companies in the exercise of powers under this Act can be paid out of the Fund.

02.Progress and the Future Outlook

2.1 Special Achievements

- According to the evaluation program done by the Department of the State Accounts, Department of the Registrar of Companies had received the Certificate of Excellent Performance awarded by the Parliament of Sri Lanka for the financial years 2015 and 2016.

2.2 Challenges

- To complete the e-RoC project intended for the computerization of the departmental work process within the specified time period.
- To formalize the work of already established Information Technology Division under a Director (Information Technology) in view of regularizing the online departmental work process under e-RoC project.
- The staff of the Information Technology Division has to be expanded and trained in line with present functions assigned to them.
- To expand and modernize the Department Building in compliance with the work of e-RoC project (It is in the last stage.).

2.3 Future Goals

- To take necessary action to provide efficient service through online work process within minimum time period with respect to all the activities related to the Acts regulated by this Department.
- To enable Sri Lanka to achieve a higher rank in the "Ease of Doing Business Index" and facilitate to create conductive and enabling environment for Businesses and Entrepreneurs.

A.K.D.D.D. Arandara

Registrar General of Companies.

Companies Fund Established In Terms of Companies Act No 07 of 2007

Statement of Financial Position as at 31.12.2020

	Notes	2020.12.31	2019.12.31
		(Rs.)	(Rs.)
Assets			
Current Assets			
Cash and Cash Equivalents	11	12,941,705	28,703,406
Receivable Income	12	1,336,233	2,371,791
Advance Payments	13	755,758	695,639
Guarantee deposit from the Security Services		25,000	25,000
Investment - Treasury Bonds	14	765,444,981	
Investment - Treasury Bills	15	363,940,199	1,306,954,781
Receivable Treasury Bonds Interest	16	88,355,414	39,020,319
Receivable Treasury Bills Interest	17	23,674,074	63,084,274
		1,256,473,364	1,440,535,210
Non-Current Assets			
Investment on Shares		90,275,000	90,275,000
Plant, Property & Equipment	18	341,157,898	339,834, 017
Continuing Work Account	19	72,888,758	14,788,450
Advance Payment to DST	20	1,062,510,912	1,172,934,008
Investment Treasury Bond	21	3,128,897,791	2,164,537,163
		4,695,730,360	3,782,368,728
Total Assets		5,952,203,723	5,223,303,928
Liabilities			
Current Liabilities			
Accrued Expenditure	22	17,732,654	5,092,332
General Deposit Account	23	55,047	163,095
		17,787,701	5,255,427
Non-Current Liabilities			
Total Liabilities		17,787,701	5,255,427
Net Assets		**5,934,416,023**	**5,218,048,511**
Net Assets / Equity			
Accumulated Surplus / Deficit	24	5,934,416,023	5,218,048,511
Total Net Assets / Equity		**5,934,416,023**	**5,218,048,511**

Companies Fund -
Financial Performance Statement for the year ended 31.12.2020

	Notes	2020	2019	2018
Revenue				
Receipts of the Registrar General of Companies	1	437,891,762.01	440,465,000,41	400,604,774.70
Other Revenues		355,655,341.73	299,811,379.61	233,093,519.52
Interest of treasury bonds	2	274,093,415.77	179,471,877.76	232,979,314.52
Interest of treasury bills	3	71,066,508.96	108,657,226.70	
Interest of treasury bills - Liquidation			1,503,354.15	
Rent from Building	4	10,120,000.00	9,600,000.00	9,600,000.00
Rent from the Canteen	5	12,000.00	12,000.00	12,000.00
Other Revenues	6	363,417.00	566,921.00	102,205.00
Total Revenue		793,547,103.74	740,276,380.02	633,698,294.22
Expenditure				
Salaries, Wages and Employee Benefits	7	(19,471,564.70)	(26,806,266.35)	(16,989,601.58)
Supplies and Consumables	8	(62,036,873.88)	(47,597,488.78)	(42,560,721.14)
Depreciation	9	(11,248,385.22)	(8,852,047.40)	(10,812,935.44)
Other Expenditure	10	(350.00)	(800.00)	(305.90)
Total Expenditure		(92,757,174.10)	(83,256,602.53)	(70,363,564.06)
Surplus		700,789,929.64	657,019,777.49	563,334,730.16

Companies Fund established under the Provision of Companies Act No.07 of 2007
Receipt and Payment Statement for the year ended 31.12.2020

	Rs	Rs
Opening Balance of the Cash book		
Balance of the account numbered 100153298050		28,783,405.52
Add : Cash Receipts during the Year		
Receipts of Registrar of Companies (Cash, Cheque) - 143100153298050	642,276,341.35	
Receipts of Registrar of Companies (Internet – Sampath Bank)	220,689,878.50	
Receipts of Registrar of Companies (Internet – Nation Trust Bank)	30,683,487.50	
Receipts of Public Contracts (VAT)	5,575,475.00	
Advance Recovery from Deputy Secretary to Treasury	110,423,185.51	
VAT Receipt for Tenders	27,000.00	
Receipts of Money Orders	157,395.00	
Rent from buildings	11,720,000.00	
Receipts after being matured treasury bills	2,182,015,800.53	
Other Deposits	138,098.67	
Rent from canteen	12,000.00	
Other Revenues	363,417.00	3,204,082,079.06
		3,232,865,484.58
Less: Cash Payments during the Year		
Overtime and Holiday payments	14,108,172.06	
Travelling Expenses – Local	147,121.10	
Travelling Expenses – Overseas	2,352,055.45	
Stationary and Office Necessities	4,814,216.23	
Fuel	1,517,517.00	
Uniforms	112,000.00	
Medical Supplies	9,919.05	
Other (1205)	1,018,220.00	
Vehicle Maintenance	612,617.60	
Plant and Equipment (Maintenance)	2,721,969.16	
Buildings (Maintenance)	698,149.09	
Transportation Expenses	2,614,015.00	
Postal and Communications	2,951,052.77	
Electricity and Water	13,353,172.87	
Amount of Rate	2,116,800.00	
Other Expenses (1409)	19,064,458.61	
Building and Construction – Advancement	900,107.50	
Plant and Equipment – Advancement	525,721.60	
Furniture and Office equipment	315,819.00	
Plant and Equipment	622,407.00	
Training and Skills Development	133,500.00	
Restructuring	68,834,242.22	
Payments to the Deputy Secretary to Treasury - To head 20.03.02.10	226,853,316.00	

Payments to the Deputy Secretary to Treasury - To head 20.03.02.12	4,398,500.00	
Payments to the Deputy Secretary to Treasury - To head 10.03.07.08	129,280,000.00	
Payments to Com. Gen. of I. R. - VAT	101,577,169.35	
Bank Charges	350.00	
Treasury Bills Bonds Investment	2,617,994,214.30	
Payback from the Revenue	30,829.99	
Pay back from Deposits	246,146.40	3,219,923,779.35
Closing Balance of the Cash book		
Balance of the Account Numbered 100153298050		12,941,705.23
		3,232,865,484.58

Companies Fund - Cash Flow Statement (indirect)
Cash Flow Statement for the year ended 31.12.2020

	Rs	Rs
Cash flows from Operating Activities		
Surplus of the Income Expenditure Account		700,789,930
Adjustments		
Depreciations	11,248,386	
Interest Income	(345,159,925)	
		(333,911,539)
		366,878,391
Changes in Working Capital		
Receivable Income	1,035,558	
Advance Payments	(60,120)	
Advances to DST	110,423,186	
Accrued Expenditure	12,640,322	
General Deposit Account	(108,048)	
		123,930,898
Net Cash Flow from Operating Activities		490,809,289
Cash Flows from Investment Activities		
Cash on Maturity of Treasury Bonds	1,863,046,398	
Investment on Treasury Bonds/ Bills	(2,617,994,214)	
Purchasing of Fixed Assets	(70,672,576)	
Interest Received	318,969,403	
Net Cash Flow from Investment Activities		
		(506,650,989)
Net Increase in Cash and Cash Equivalents		(15,841,700)
Cash Balance as at 01.01.2019	28,783,406	
Cash Balance as at 31.12.2019	12,941,705	
		15,841,700

3.5 Performance of the Revenue Collection

Rs. ,000

Revenue Code	Description of the Revenue Code	Revenue Estimate		Collected Revenue	
		Original Estimate	Final Estimate	Amount (Rs.)	as a % of Final Revenue Estimate
1003.07.08	Company Registration Levy	130,000,000	130,000,000	247,890,000	191%
2003.02.10	Fees of the Registrar General of Companies	230,000,000	230,000,000	196,084,749	15%
2003.02.12	Fees levied under Public Contracts Act	38,000,000	38,000,000	44,608,336	117%

3.6 Performance of the Utilization of Allocations

Head: 297

Rs. ,000

Type of Allocation	Allocation Granted		Actual Expenditure	Allocation Utilization as a % of Final Allocation
	Original Allocation	Final Allocation		
Recurrent	**73,500,000**	**73,500,000**	**72,154,590**	**98%**
Capital	-	-	-	-

Companies Fund

Rs. ,000

Type of Allocation	Allocation Granted		Actual Expenditure	Allocation Utilization as a % of Final Allocation
	Original Allocation	Final Allocation		
Recurrent	**71,710,800**	**129,354,075**	**106,602,645.17**	**82.41%**
Capital	**95,900,000**	**124,900,000**	**58,970,587.06**	**48.8%**

3.7 Grants of Allocation for expenditure to this Department In Terms of F.R. 208

Rs. ,000

Serial No.	Allocation Received from Which Ministry/ Department	Purpose of the Allocation	Allocation		Actual Expenditure	Allocation Utilization as a % of Final Allocation
			Original Allocation	Original Allocation		
	None	-	-	-	-	-

3.8 Performance of the Reporting of Non-Financial Assets

Rs. ,000

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 Percentage
9151	**Building and Structures**				
9152	**Machinery**				
9153	**Lands**				
9154	**Intangible Assets**	No			
9155	**Biological Assets**				
9160	**Work in Progress**				
9180	**Leased Assets**				

- **The fixed assets are not being accounted under CIGAS. It is being brought into accounts under the accounts of the Companies Fund.**

04. Performance Indicators

4.1 Performance Indicators of the Organization

Specific Indicators	Actual Output as a Percentage (%) of the Expected Output		
	100% - 90%	75% - 89%	50% - 74%
Incorporation of the Companies	113%		
Registration of the Documents	90%		
Registration of the Societies	140%		
Registration of Company Secretaries			71%
Registration of Public Contracts		74%	

Yearly Wise Registration Details of Companies under the Companies Act, No.07 of 2007

Category	2013	2014	2015	2016	2017	2018	2019	2020
Private Limited Liability Companies	5,735	6,594	7,526	8,003	9,413	11,123	11,034	13,350
Public Limited Liability Companies	53	80	57	57	61	43	51	48
Companies Limited by Guarantee	34	41	113	48	43	160	71	56
Societies	112	91	30	140	148	59	177	152
Foreign Companies	38	37	35	41	42	41	30	13
Off-Shore Companies	0	1	1	0	0	0	0	0
PLC Companies	0	0	4	2	1	0	0	0
Newly Registered Companies	5,972	6,844	7,766	8,291	9,708	11,426	11,363	13,619
Total Registered Companies	40,443	47,287	55,053	63,344	73,052	84,478	95,841	109,460
Re- Registered Companies	35	18	5	3	2	3	3	0
Total Re-Registered Companies	25,043	25,061	25,066	25,069	25,071	25,074	25,077	25,077
Grand Total	**65,477**	**72,339**	**80,110**	**88,404**	**98,123**	**109,552**	**120,918**	**134,537**
Companies Strike Off	514	408	342	214	388	473	485	266
Total No. of Strike Off Companies	1,131	1,539	1,881	2,095	2,483	2,956	3,441	3,707
Total no. of Functioning Companies	**64,346**	**70,800**	**78,229**	**86,309**	**95,640**	**106,596**	**117,477**	**130,830**

05. Performance on the Achieving of Sustainable Development Goals (SDG)

5.1 Identified Sustainable Development Goals

Goal/ Objective	Targets	Indicators of the Achievements	Progress of the Achievements to date		
			0% - 49%	50% - 74%	75% - 100%
Increasing the no. of Companies sought Registration	**Private Limited Liability Companies** **Public Limited Liability Companies** **Companies Limited by Guarantee** **Off-Shore Companies**	No. of Registered Companies			%100
Increasing the no. of Registered Societies	Mutual Assistance Societies and Societies with Special enforceable power	No. of Registered Socities			%100
Increasing the no. of registered Public Contracts		Registered Contractors, Agents and Public Contracts			%100
To achieve higher place in the Global "Ease of Doing Business Index" (To reach 70th position in the Index)		Global (Ease of Doing Business Index)			

5.2 Achievements and Challenges in Accomplishment of Sustainable Development Goals

Achievements

- Through online access to registration purposes enables registration without documents.
- Minimum time required for such work.
- Enhance the efficiency and Productivity of the work process of the Department.
- Ability to engage in registration activities either from the home or from an office, without visiting the Department.
-

Challenges

- Due to lack of online facilities to the general public, they are not in a position to submit applications for the registration of companies and societies through online.

06. Human Resource Profile

6.1 Cadre Management

	Approved Cadre	Existing Cadre	Vacancies
Senior	**16**	**09**	**07**
Tertiary	**06**	**02**	**04**
Secondary	**111**	**91**	**20**
Primary	**30**	**22**	**08**

6.2 How the Shortage in Human Resources has been affected to the Performance of the Organization

- Despite a significant number of registrations have been undertaken by this Department on daily basis in respect of all divisions entrusted with the task of registrations, the availability of human resources is not sufficient. The shortage of human resources in the cadre positions accounts for major impediment towards discharging duties and encounters difficulties as well.

6.3 Human Resource Development

Name of the Programme	No. of Staff Trained	Duration of the Programme	Total Investment(Rs.000)		Nature Of the Programme (Local/Abroad)	Output/Knowledge Gained
			Local	Abroad		
Office Administration and Establishment Code	01	2020.08.17 – 2020.08.19	15,000/=	-	Local	Knowledge gained has been applied according to the nature of the duties.
Office Management and Financial Regulations	05	2020.09.02 – 2020.09.03	42,500/=	-	Local	Knowledge gained has been applied according to the nature of the duties.
Positive Psychology Impress Management and Financial Regulation	02	2020.09.07 – 2020.09.08	17,000/=	-	Local	Knowledge gained has been applied according to the nature of the duties.
Management of Personal File	01	2020.09.16 – 2020.09.18	18,000/=	-	Local	Knowledge gained has been applied according to the nature of the duties.
Training Session on Development of Accounting	03	2020.09.03	15,000/=	-	Local	Knowledge gained has been applied according to the nature of the duties.
Development of Drivers Efficiency	01	2020.09.10 – 2020.09.18	8,500/=	-	Local	Knowledge gained has been applied according to the nature of the duties.
Procurement through IT and Valuation	02	2020.09.10 – 2020.09.11	17,000/=	-	Local	Knowledge gained has been applied according to the nature of the duties.
Online Workshop on	01	2020.11.21 – 2020.11.23	5,000/=	-	Local	Knowledge gained has

General Office Administrations and E-code						**been applied according to the nature of the duties.**

07. Compliance Report

S. No.	Applicable Requirement	Compliance Status (Complied/Not Complied)	Brief Explanation for Non-Compliance	Corrective Actions Proposed to avoid non-compliance in future
01	**The following Financial Statements/Accounts have been submitted on due date**			
1.1	Annual Financial Statements	Complied		
1.2	Advance Account of Public Officers	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 - Accounts of the Companies Fund	Complied		
02	**Maintenance of Books and Registers (F.R. 445)**			
2.1	Fixed Assets Register has been maintained and updated in terms of Public Administration Circular 267/2018.	Complied		
2.2	Personal Emoluments Register/ Personal emoluments cards have been maintained and updated.	Complied		
2.3	Register of Audit Queries has been maintained and updated.	Complied		
2.4	Register of Internal Audit Reports has been maintained and updated.	Complied		
2.5	All of 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 updated.	Complied		
2.7	Inventory Register has been maintained and updated.	Complied		
2.8	Stocks Register has been maintained and updated.	Complied		
2.9	Register of Losses has been maintained and updated.	Complied		

2.10	Commitment Register has been maintained and updated.	Complied		
2.11	Register of Counterfoil Books (GA — N20) has been maintained and updated.	Complied		
03	**Delegation of functions for financial control (F.R. 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 a manner so as to pass each transaction through two or more officers.	Complied		
3.4	The control 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 Department of Treasury Operations on time.	Complied		
05	**Audit Queries**			
5.1	All of the audit queries have been replied within the time specified 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/l-2019.	Complied		
6.2	All of the Internal Audit Reports have been replied within one	Complied		

	month.			
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 2018.	Complied		
6.4	All the Copies of Internal Audit Reports have been submitted to the Auditor General in terms of F.R. 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**	Complied		
8.1	The Information about purchases of assets and disposals was submitted to the Comptroller General's Office in terms of Paragraph 07 of the Asset Management Circular No. 01/2017.	Complied		
8.2	A suitable Liaison Officer was appointed to coordinate the implementation of the provisions of the circular and the details of the nominated officer was sent to the Comptroller General's Office in terms of Paragraph 13 of the aforesaid circular.	Complied		
8.3	The Board 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 condemned articles had been carried out in terms of F.R. 772	Pending		

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 within a period of less than 6 months after condemning.	Complied		
9.3	The Vehicle Log books had been maintained and updated.	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 of29.12.2016	Complied		
9.6	The absolute ownership of the leased vehicle log books has been transferred after the lease term.	Not Applicable		
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 F.R. 94(1).	Complied		

12	**Public Officers Advance 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.	Not Applicable	Action to be taken within 03 months to settle loan balances on instances of vacation of post, transfers and interdictions	
13	**General Deposit Account**			
13.1	The action had been taken as per FR 571 in relation to disposal of lapsed deposits.	Complied		
13.2	The Register for General Deposit Control Account 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 Department of Treasury Operations.	Complied		
14.2	The Ad-hoc Sub Imprests issued as per FR 371 settled within one month from the completion of the task.	Complied		
14.3	The Ad-hoc Sub Imprests had been issued not 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 crediting to the Deposit Account.	Complied		
15.3	Forwarding the Returns of Arrears of Revenue to the	Complied		

	Auditor General in terms of F.R. 176			
16	**Human Resources Management**			
16.1	The staff had been managed 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 Regulations.	Complied		
17.2	Information about the institution to the public have been provided by Website or by alternative measures and availability of the facility to appreciate / allegation to public against the public authority by this website or by 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 proper methodology has been deployed 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 only up to a low percentage since Covid19 Pandemic prevented the Trainings in the Year 2020		
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 Resources Development Plan, organizing Capacity Building Programs and conducting Skill Development Programs as mentioned in the paragraph No.6.5 of the aforesaid Circular.	Complied		
20	**Responses for Audit Paragraphs**			
20.1	The shortcomings pointed out in the audit paragraphs issued by the Auditor General for the previous years have been rectified.	Complied		