



**கமரூத் வநு துநிகுங்ககரலு, னே கரூர் வநு ஂருக துேத வலர கக
கரூதகலுலா நவீகரலுத கரூ னே கரூர் ஂருகதத துலர்லத
ரூகத ஂருகதலுலுத**

கம்பனித் துுட்டங்ளே மறுசீரமேத்தல் துேயிலே மற்றும் இறப்பர் துுட்டங்ள் சார்ந்த
பயிர்ச்செயகே துேயிலேத் துுழிற்சாலேளே நவீனமயப்படுத்துதல் மற்றும்
துேயிலேமற்றும் இறப்பர் ஏற்றுமதி மேம்பாடு இரூஜாங் அமேச்சு

State Ministry of Company Estate Reforms, Tea and Rubber Estates Related
Crops Cultivation and Factories Modernization and Tea and Rubber Export
Promotion

கார்டுகூலத வரூவ
செயற்பாட்டு அறிக்கை
Performance Report

2021





**STATE MINISTRY OF
COMPANY ESTATE REFORMS,
TEA AND RUBBER ESTATES RELATED
CROPS CULTIVATION AND
FACTORIES MODERNIZATION
AND TEA AND RUBBER EXPORT
PROMOTION**

Performance Report 2021

**8th floor
Sethsiripaya Stage II
Battaramulla**

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Chapter 01

01. Institutional Profile/ Executive Summary

1.1 Introduction

The plantation sector, which enormously contributes to the Sri Lankan economy, is gaining a great recognition in the international market for its wide range of crop based products mainly the tea and its product and hence such plantation crops play a vital role in the national economy by earning foreign exchange. Accordingly, in accordance with the Gazette Notification No.2196/27 dated 06 October 2020, the State Ministry of Company Estate Reforms, Tea and Rubber Estates Related Crops Cultivation and Factories Modernization and Tea and Rubber Export Promotion was established in relevant to the tea and rubber industry in order to fulfill such a mission, for the purpose of making policy decisions and carrying out relevant functions at the national level with a special focus on the development of tea and rubber plantations and allied product sectors. Accordingly, in the year 2021, the first year following the establishment of this State Ministry, various programs were implemented by several institutions for the betterment of the tea and rubber sector which contributes more to the national economy among the plantation crops. It was able to increase the total tea production by 10% over the year 2020 and rubber and tea based products by 15% over the same year while achieving around 90% of financial progress out of the capital allocation of Rs. 4.449.5 Million which was allocated to the Ministry for the year 2021.

In line with the specific priorities of the State Ministry, a number of various programs were launched for the development of the tea cultivation sector, in the year 2021, along the directions of promotion of Tea cultivation, making organic fertilizer common in everywhere, institutional and human resource development, capacity building of tea planters, promotion of good agricultural practices, facing to adverse effect of climatic changes, intercropping with tea and modernization of tea factories

Also, various programs were carried out for the development of the rubber sector, while identifying appropriate directions with specific priorities. That is to say, intercropping cultivation to increase rubber productivity, establishment of local rubber auctions, promotion of rubber cultivation, disease control in rubber cultivation, encouragement of small rubber owners, development of rubber related industries, promotion of rubber planters to use organic

fertilizers, promotion of good agricultural practices, assisting small entrepreneurs to start new businesses for value added products based on rubber, introduction of additional revenue streams for small sector rubber planters and so on can be mentioned under this.

The State Ministry of Company Estate Reforms, Tea and Rubber Estates Related Crops Cultivation and Factories Modernization and Tea and Rubber Export Promotion played a vital role in order to contribute to the strengthening of the economy through the promotion of tea and rubber based crops and related industries by overcoming the various challenges faced by the plantation sector as well as especially those associated with tea and rubber plantations for the purpose of achieving the government's national objective of promoting this sector as an export hub in plantation industrial sector enriched with modern technology while building up a close liaison with the Ministry of Plantations and in subsequence, this report summarizes the performance achieved by the Ministry in the year 2021 with the active participation and involvement of all stakeholders in the plantation sector in the ongoing programs and projects to reach the desired targets for achieving the aforesaid objectives.

1.2 Vision, Mission, Objectives of the Institution

VISION

To strengthen the National Economy through promotion of Tea,
Rubber and related crop cultivation and industries

MISSION

To establish, develop and sustain export oriented, new technology
adapted and value added Tea, Rubber and related crop cultivation
and diversified industrial sector through Good Agricultural and
Industrial Practices ensuring optimum productivity and global
market promotion to contribute to strengthen the National Economy
of Sri Lanka

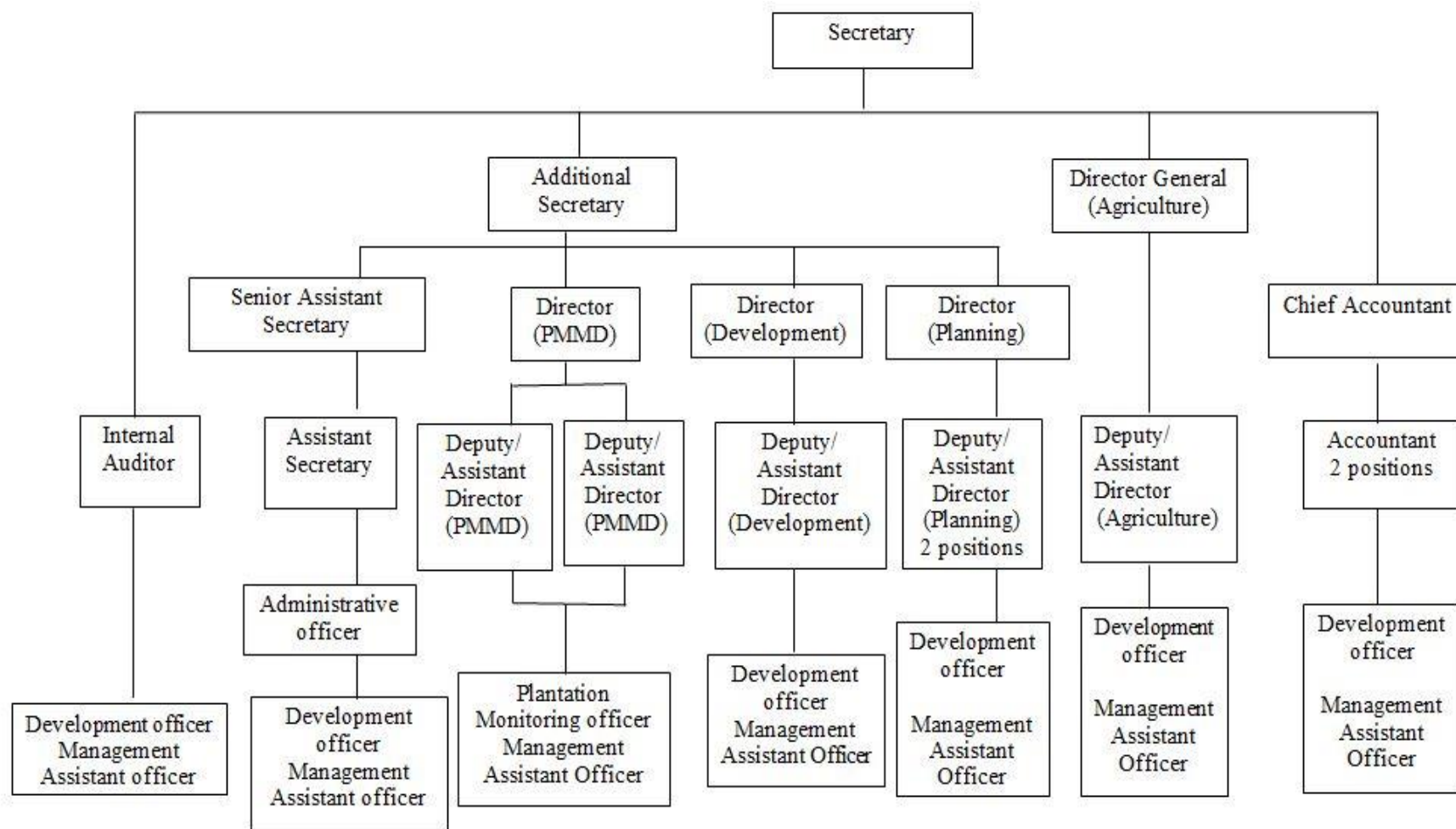
Objectives of the Institution (Special Priorities)

1. Promoting the cultivation of tea and other export crops, transforming them into high value products, utilizing estate companies at maximum productivity and establishing the necessary international market
2. Encouraging and promoting the cultivation of organic tea
3. Introducing a mechanism to safeguard the quality of local tea
4. Formulating and implementing a plan for the proper utilization of lands in the estate sector
5. Introducing other crops to be grown around tea s:and rubber estates
6. Modernizing tea and rubber factories with the use of latest technology and machinery and linking banking system for necessary financial resources
7. Implementing relief service mechanisms at the ground level to encourage rural tea cultivation and small scale tea estate owners
8. Ensuring the availability of raw materials necessary for the rubber industry by providing encouragement for the development of cultivations of small and medium scale rubber estate owners
9. Encouraging rubber related products aimed at local and foreign markets

1.3 Duties and Function

Assisting in the formulation of policies in relation to the subject of Company Estate Reforms, Tea and Rubber Estates related Crops and Tea Factories Modernization and Tea and Rubber Export Promotion for the creation of an "export focused plantation industry infused with new technology" under the direction and guidance of the Minister of Plantation in conformity with the prescribed Laws, Acts and Ordinances and implementing, projects under the National Budget, State Investment and National Development Program, and implementing, monitoring and evaluating subjects and functions of the below-mentioned State Corporations and Statutory Organizations.

1.4 Organizational Structure



1.5 Departments under the Ministry

1. Department of Rubber Development

1.6 Institutions under the Ministry

1. National Institute of Plantation Management (NIPM)
2. Kalubowitiyana Tea Factory Ltd.
3. Tea Small Holdings Development Authority (TSHDA)
4. Elkaduwa Plantation Ltd.
5. Rubber Research Institute of Sri Lanka
6. Sri Lanka Rubber Manufacturing & Export Corporation Ltd.

1.7 Details of the Foreign Funded Projects

Name of the Project	Donor Agency	Estimated Cost of the Project	Project Duration
Small Tea and Rubber Revitalization Project	International Fund for Agricultural Development	Rs. Mn. 7,966.827	2016 - 2023

Chapter 02

Progress and Future Outlook of the Plantation Sector.....

The plantation sector plays an important role in the economic, social and environmental sectors of Sri Lanka. The plantation sector was introduced by the colonialists as a source of income for their homeland, but by the time period in which we gained the independence, the plantation sector, which had been well established and well-organized, had undergone various administrative changes and regulations since then, but it has functioned while maintaining its basic form. At present the plantation sector contributes 24% to the total export earnings while it contributes about 2.5% to the GDP of the country. Nevertheless, the economic and social importance of the plantation sector is still significant, when considering the number of people, who make this sector as their livelihood, contributing to more than 10% of the total population of the country.

The responsibility, which is entrusted with the State Ministry of Company Estate Reforms, Tea and Rubber Estates Related Crops Cultivation and Factories Modernization and Tea and Rubber Export Promotion, is not insignificant for the purpose of ensuring the contribution of the plantation sector within the program of building up the motherland while recognizing the plantation sector as a unique component in the government's drive to build a prosperous country through people-centered economic policies. This Ministry, with the main objective of uplifting the tea industry and the rubber industry based on the major agro export crop of Sri Lanka, is investing the financial funds allocated in the annual budget in important and productive activities for the development of the Tea and Rubber sector and it was able to achieve the successful results by implementing a number of programs and projects in the year 2021.

In the year 2021 as well, the Ministry carried out a number of various programs / projects under a number of special priorities for the development of the tea cultivation sector. Development of tea plantations, implementation of assistance services for the development of tea small holdings, promotion of organic tea cultivation, improvement of quality of local tea products, modernization of tea factories, development of institutional and human resources in the small sector tea estates, skill development of tea planters, tea cultivation intercropping to improve the land productivity of tea estates were the special priorities.

There was a favorable climatic situation for the tea production in the year 2021 and the tea cultivation subsidies, which had not been revised from 2015 to date, have been increased from Rs. 500,000 to Rs. 630,000 per Hectare for replanting since 2021 and the new tea cultivation subsidies have been increased from Rs. 400,000 to Rs. 500,000 per Hectare. Therefore, it gave a great support to be added more than 5,000 Acres of new tea plantations to the entire tea plantation sector within a year. Accordingly, by the end of the year, tea production was able to be increased up to around Rs. 299 Million and it was an increase of 7% over the previous year. Also, it was able to earn Rs. 263 Billion by exporting finished product of tea and it was an increase of 13% over the previous year.

Description	Year 2019	Year 2020	Year 2021	Year 2022 Target
Tea Production (M.T)	300,120	278,489	299,488	325,000
Export Income (Rs. Mn.)	240,637	230,170	263,353	302,000
Amount of Exports (M.T)	272,657	265,569	285,872	309,000

A number of programs / projects were implemented through several special priorities in the year 2021 for the development of the rubber cultivation sector which is one of major plantation crops under this Ministry. Implementation of incentives for the development of rubber plantations, small and medium scale rubber plantation sector, promotion of market oriented rubber based products, upgrading of rubber processing centers, development of institutional and human resources in the field of rubber cultivation, development of skills of rubber planters, intercrop production for the improvement of productivity in rubber estates implementation of research and development programs in the rubber plantation sector were those special priorities.

When considering the contribution of the rubber sector to the national economy, the rubber plantation and allied industries generated revenue of Rs. 217.351 Billion for the first time in history and it was an increase of 43% over the previous year. Further, natural rubber production was 76,884 MT in the year 2021 and was relatively high compared to the third quarter of the last year, but overall production was slightly lower than in 2020. Heavy rainfall in the last quarter of the year caused this obstacle.

Description		Year 2019	Year 2020	Year 2021	Year 2022 Target
Rubber Production (MT)		74,752	78,205	76,884	83,000
Export Income (Rs.Mn.)		159,174	151,080	217,352	240,000
Amount of Exports	MT	94,799	87,738	84,623	Raw Rubber (4001) -17,800 MT
					Semi-Finished Products of Rubber (4003 - 4006) - 5050 MT
	Units	31,850,853	30,193,777	48,715,574	Finished Products of Rubber (4007 - 4017) - 72,000 MT
					Finished Products of Rubber (4007 - 4017) - 36,000,000 Numbers

Rs. 1,074.17 Million for recurrent expenditure and Rs. 4450.03 Million for capital expenditure had been allocated to this Ministry for the year 2021 as the budgetary provision. Amidst the COVID epidemic situation prevailed in the country and under a minimal staff even in the year 2021 as well, a financial progress of 75.62% was achieved following the saving of Rs. 289.83 Million from the provision of capital expenditure and the progress of 93.05% was achieved from the recurrent expenditure from the additional provision of Rs. 983.5 Million, in terms of the Cabinet Memorandum on “Review of Government Expenditure” submitted by the Ministry of Finance on 28.08.2021. In subsequence, the overall progress of the Ministry was raised up to a high value of 83%.

In addition to the provision received to the Ministry in the year 2021, the provision of Rs. 50 Million was provided by the State Ministry of Samurdhi, Household Economy, Micro Finance, Self Employment and Business Development to strengthen the economy of low income tea planters and the provision of Rs. 50 Million was provided by the Ministry of Trade to establish fully equipped research facilities for tire testing and tire prototyping. The table below summarizes the information related to the projects implemented using the above provision.

Progress of development projects implemented by provision received to the Ministry (as at 31.12.2021)

Serial Number	Project	Implementing Institution	2021 Allocated provision (Rs.Mn.)	Financial Progress	Physical Progress
01.	Smallholder Tea and Rubber Revitalization Project	Smallholder Tea and Rubber Revitalization Project	1,600	1,141.93	Tea Sector • Out of the target of 4,500 Hectares for tea replanting, 1,919.12 Hectares have been completed. • 05 project plans, 20 capacity development plans and 07 capacity development programs were prepared for small sector tea development societies. • 730 equipment's related to tea replanting have been provided to 206 small sector tea development societies. • Licenses have been issued to 522.83 Hectares of new tea plantations under CO3 grass planting and soil testing methods. • Tea replanting has been completed on 34.6 Hectares under soil tests. • 751.64 ha of tea replanting has been completed under the Mana plants planting system. • Soil rehabilitation work has been started on 673.85 Hectares under Co3 grass plantation method. • Subsidies have been provided to 1,878 beneficiaries for tea nurseries and intercropping. • 15 Economic Centers have been completed for tea smallholders at a cost of Rs. 25.8 Million. • Inputs such as nursery nets and Metam Sodium have been provided for 300 tea nurseries.

					Rubber Sector • Management and business capacity development has been done for 15 Thurusaviya Societies. • 341 equipment related to new rubber cultivation have been provided to 87 Rubber Societies. • The new rubber cultivation target of 3,000 Hectares has been completed by now. • Adjustment allowances have been paid to 2,600 beneficiaries for rubber nurseries and intercropping. • Loans have been provided to 925 farmers in the tea and rubber sector under the Rural Investment Scheme.
02.	Cadastral Surveys in the Plantation Sector	Plantation Management Supervision Division	130	38.5	• The Department of Survey has surveyed 16 estates. (The remaining allocation could not be spend because the Cabinet of Ministers was decided to carry out the work of planting poles by the relevant plantation companies.)
03.	Implementation of Rubber Master Plan	Sri Lanka Rubber Secretariat	20	12.10	• Training for 22 persons to set up rubber related small industries and providing molds to the beneficiaries. • Applying Rain Guards and practicing intercropping for Elkaduwa Plantation Ltd (Because of the inability to start the rubber auction due to the COVID epidemic situation and the relocation of the SL Rubber Secretariat to premises of the Department of Rubber Development, the remaining provision could not be spend)
04.	Establishment of cost effective high performance modern smoke houses - Rubber	Thurusaviya Fund	21	21	• 135 Smoke houses with new technology have been completed and handed over to the beneficiaries. (100%)

05.	Modification of Fertilizer recommendation for rubber with reference to plant, soil and field parameters (2017 - 2021)	Rubber Research Institute	1	1	• Research data were computerized and nutrient interactions were observed. Accordingly, nitrogen deficiency for immature rubber cultivation in all rubber growing areas, magnesium and potassium nutrient deficiencies in some identified areas and Magnesium deficiency in mature crops have been identified. Accordingly, it is expected to update the fertilizer recommendations in the future. • The Handbook on organic fertilizers was created and submitted • Awareness programs have been held for smallholders.
06.	Developing a model estate for Rubber at Dartonfield - Agalawatta (2017 - 2021)	Rubber Research Institute	16	16	• 64 Hectares of land on the Dartonfield Estate have been replanted with rubber and banana and cinnamon have been planted as intercrops. Cinnamon plants have been planted in lands of around 06 Hectares on where, the rubber cannot be planted (Eg; under electricity cables) and king coconut trees have been planted in another around one Hectare. Further internal road system in the estate area was renovated. About 12 Hectares of lands, which have been fully prepared for rubber replanting, are scheduled to be planted in April.
07.	Establishment of an accredited laboratory and enhancement to testing facilities for rubber industry (2021 - 2022)	Rubber Research Institute	22	22	• Preparations of Quality Policy Manual and Procedure Manual, which are required to obtain the ISO 17025 quality certification, have been completed. • It has been established a methodology to implement the latest internationally recognized analytical methods, it has been updated the existing methods and it has been established the method of validation for the feasibility of implementing those analytical methods properly in the laboratory. • The laboratory staff has been trained on the procedure to be followed in laboratory to obtain the ISO 17025 quality certification. • The results obtained by the

					laboratory were compared with the ISO 17025 certified two Laboratories (the Malaysian Rubber Research Institute and Dipped Products Pvt. Ltd.) and results were confirmed. • Laboratory equipment (Mooney Viscometer, pH Meter) and chemicals required to obtain accurate analytical results were purchased. • Fume Hoods, Laboratory Furniture, and Humidity Meters, Thermo Meters, which are required to establish the environmental quality and hygienic practices that must be maintained in the laboratory to obtain international quality certifications were purchased.
08.	Establishment of Environment friendly Economically viable slow release fertilizer techniques to improve crop performance in Rubber Industry (2021 - 2023)	Rubber Research Institute	25	25	Improved coir fertilizer cubes were installed on an area of about 12 Hectares owned by plantation companies and small rubber planters (Plantation companies of Ayre Elston, Halpe, Parambe, Penrith, Clyde, Devalakanda and Salawa and 6 small rubber plantations) • Improved reusable perforated manure tubes were installed in 12 plantation companies covering an area of 50 Hectares. (Ayre, Elston, Penrith, Salawa, Pussella, Halpe, Clyde, Clauden, Parambe, Devalakanda, Vee Oya, Panawatta.) • A new machine was introduced to fill the perforated manure tube. • 09 training programs were conducted • A basic awareness program was conducted on quality management in the laboratory.
09.	Screening of drought/ Stress tolerant Hevea clones for Sustainable Rubber	Rubber Research Institute	20.5	20.5	• Under this, clones obtained from foreign countries have been multiplied and tested for suitability for local conditions. Further, Plants required for molecular biological testing have been produced from

	Cultivation (2021 - 2024)				selected clones for inter-clone recommendation in order to establish grafting and budding nurseries and to quickly identify clones which are resistant to dry weather. Also, preparation of optimal preliminary status was completed for molecular biological tests.
10.	Studies on the biology and epidemiology of the Pestalotiopsis Leaf fall disease and to develop effective management strategies. (2021 - 2025)	Rubber Research Institute	10	10	• The pathogen that spread the disease was isolated by studying 140 rubber leaves samples. • 13 researches on spraying to control the diseases were done. • Public awareness programs have been launched on the disease. (04)
11.	Monitoring and Optimization the performance of Rubber effluent treatment plants in Sri Lanka to improve the treatment efficiency and ensure the work place safety. (2021 - 2022)	Rubber Research Institute	28	28	• Necessary repairs have been initiated to upgrade the relevant laboratory as an accredited laboratory which can issue internationally recognized certificates for this purpose. In addition to that, field level researches have been initiated to treat wastewater with suitable technology for small rubber planters who produce rubber sheets.
12.	Transforming small rubber lands into profitable commercial units by encouraging diversification of income streams	Rubber Development Department	40	36.90	• 64 model rubber plantations have been established. • Arecanut cultivation has been carried out in 150 Hectares along the border fence of rubber plantations. • Along with rubber cultivation, 14 Anthurium cultivation units have been carried out. • 34 poultry management units were maintained in associate with the rubber cultivation • Beekeeping related to rubber cultivation - 10.00 64 units were carried out. • Rubber mixed tea cultivation has been done on 3 hectares.

					• Pineapple cultivation with rubber has been done on 12 hectares. • 15 units of mushroom cultivation related to rubber cultivation have been carried out. (It was unable to spend the full allocation of provision for the project as it took a considerable amount of time to get the project approved)
13.	Providing subsidies to local small and medium scale entrepreneurs for setting up natural rubber related products.	Rubber Development Department	20	16.67	• 8 collective processing centers of 200 Kilo Gram sized have been constructed. • 19 collective processing centers of 50 Kilo Gram sized have been constructed. • Milk cup holders have been used for mature cultivation. • Foam sheets and milk filters have been produced for quality rubber sheet products. • Factories, which produce sealant gum mixtures to use of rain covers (rain guards) have been upgraded (It was unable to spend the full allocation of provision for the project as it took a considerable amount of time to get the project approved)
14.	Establishment of shade plants Nursery	Tea Small Holdings Development Authority	30	20	• Quantities of production of shade plants by district ➤ Badulla and Monaragala Districts - 52,500 Gravilia plants ➤ Matara District - 1,75,000 Albizia plants ➤ Nuwara Eliya District - 25,000 gravilia plants ➤ Galle District - 170,000 Albizia plants ➤ Kalutara District - 18,500 Albizia plants ➤ Kegalle District - 25,000 Albizia plants ➤ Ratnapura District - 60,138 Albizia plants

					➤ Kandy District - 30,000 gravilia plants • These plants are being distributed among farmers. (The full provision could not be spent due to prevailed issues of obtaining seeds.)
15.	Entrepreneurship design and mechanization in the tea Industry	Tea Small Holdings Development Authority	45.5	45.5	• 84 digging machines have been provided. A total of 126 pruning machines have been provided. • 210 spray machines were provided. A total of 420 sets of helmets, shoes, gloves, goggles and many more were provided to the mechanization teams. • Training programs were completed (Kegalle – 2 programs, Galle – 2 programs, Matara – 2 programs, Uva – 1 program, Ratnapura – 2 programs, Nuwara Eliya – 1 program, Kalutara – 1 program, Kandy- 2) • 316 entrepreneurs were trained.
16.	Renovate existing buildings for Public Office complex for Tea Sector in Galle and Kegalle Districts.	Tea Small Holdings Development Authority	70	49	• Dehiowita and Walahanduwa Regional Offices were renovated. The remaining shares are expected to be completed by using the provision of 2022. (Since only Rs. 49 Million was approved by the Department of National Planning, the remaining provision could not be spent)
17.	Sprinkle water supply for Tea planting lands	Tea Small Holdings Development Authority	600	0.00	• Approval for the project was delayed to receive and rainfall during that period there was a heavy rainfall. Therefore, the project could not be started due to lack of interest from the beneficiaries and import restrictions.
18.	Adaptation of new technology - Kalubowitiyana Tea factory	Kalubowitiyana Tea Factory	24.5	18.5	• The following equipment have been obtained for the tea factories at Kalubowitiyana, Derangala, Hiniduma and Menikdiwela. ➤ Conveyor System ➤ 02 No Fibro Mat and 01 No MI chi Sifter ➤ Technical Machinerics for extracting fiber

					Due to import restrictions, the entire provision could not be spent because of the inability to procure the equipment expected to be imported from overseas)
19.	Establishment of an Analysis Laboratory for testing tires for the purpose of providing testing and research facilities required for the tire industry	Rubber Research Institute	50	50	About 40 Million devices have been ordered so far, identified on the priority of rubber tire manufacturers. Accordingly, it was planned and initiated the construction activities of an extension of 1600 Square Meters in the Rubber Technical Division of Ratmalana in order to follow international standards for such equipment and to use such equipment commonly for rubber factory owners of Sri Lanka and to establish as a model unit
20.	Samurdhi Special Project	Tea Small Holdings Development Authority	50	50	- Chicks were distributed among 690 beneficiaries. 592 beneficiaries were provided with bee colonies and bee boxes. - Minor export crops such as black pepper, cinnamon, arecanut and cloves have been distributed among 592 beneficiaries.

In addition to the above projects directly funded by this Ministry, the Tea Small Holdings Development Authority provided Rs. 1,400 Million as capital allocation for replanting of tea, new planting, infilling of tea seedlings, making quality tea plants common, providing relief and extension services such as dolomite and zinc sulphate and many more and hence out of which Rs. 1,369 has been spent and 99% physical progress has been made.

Rubber replanting, new planting, intercropping, applying rain guards, improving the productivity of rubber estates, construction of smoke houses, establishment of farm units, providing of rubber cultivation equipment, training programs and production of rubber plants were the special projects done by the Department of Rubber Development. Rs. 927 Million was allocated from the General Treasury to implement these projects and the said Department was able to achieve a physical progress of 99% while spending Rs. 916.16 out of the allocation.

The Rubber Research Institute received a capital allocation of Rs. 135 Million for the implementation of projects like bringing of the ecological importance of rubber cultivation in the Eastern and Uva Provinces for green economy towards the carbon market, improving strategies for control of white root disease in rubber cultivation, medicinal plants cultivations, fruit crops and multipurpose crops under rubber cultivation, introduction of low intensity milk cutting methods and many more and hence out of said allocation Rs. 130 Million was spent and 98% physical progress was made.

The project for upgrading the training facilities of National Institute of Plantation Management up to a degree awarding institution, conducting National Vocational Qualification Courses (NVQs) for plantation sector employees, tea smallholders and students of those who are school leavers were the projects done in the year 2021 and 100% of physical progress has been made.

Performance of the year 2021 as per the Divisions

Planning Division

Starting operations as a new Ministry in October 2020, the Planning Division continued to coordinate special projects in the year 2021 as well for the development of the tea and rubber sector with a well-planned outlook. Coordination work with the Accounts Division for the preparation of the budget estimates of the Ministry and submission of 27 project proposals related to the development and productivity of the Tea and Rubber Sector to the Department of National Planning were the initial work done by the Division for the preparation for the year 2021. Also, the proposals related to 8 special projects prepared in accordance with the Forms prepared by the Ministry of Finance for the allocations made in the budget speech were forwarded to the Department of National Planning for approval and project coordination activities were carried out following the receipt of the approval. The annual action plan of the Ministry and institutions under the Ministry was prepared upon the provision allocated by the annual budget estimate for the year 2021 and forwarded to the Ministry of Finance, Office of the Auditor General and etc. in adherence to the instructions given to be prepared as per Circulars and Formats issued by the Ministry of Finance. Twelve meetings were held on monthly and quarterly basis under the chairmanship of the Hon. State Minister to review the progress of the projects related to the Ministry and the institutions under it. More than 30 reports were forwarded to the relevant institutions, including the Presidential Secretariat, the

Prime Minister's Office, the Ministry of Finance and all other notifying institutions, in various formats, including progress on the implementation of the Vistas of Prosperity and Splendour” policy statement. It is also the primary responsibility of the Planning Division to prepare the 2021 progress report of the Ministry which to be presented to the Parliamentary Budget Committee for the year 2022 and it was already prepared and submitted prior to the due date. Another special function of the Planning Division was to prepare the Ministry's Final Performance Report of the Ministry for year 2020 and to submit it to Parliament at due time.

In addition to that, the Planning Division was also done the activities of attending meetings related to programs. In addition to that, submitting information, implementing relevant decisions, follow up activities, forwarding progress and etc. related to national program of uplifting the rural economy in district level, coordinated by the Prime Minister’s Office, work of rural livelihood development program coordinated by the Presidential Task Force on Economic Revival and Poverty Eradication, a dialogue with the village, attending of meetings related to programs such as back to village with work and so on in the year 202 as well. In addition to above functions, releasing provision for projects directly funded by the Ministry, providing data and reports to the Central Bank, and preparing and submitting reports on requests from various parties were some of the significant functions performed in the year 2021 as well.

Administration Division

The Administration Division of the Ministry was responsible for the maintenance of personal files of the staff of the Ministry, activities related to annual performance appraisals, institutional matters, maintenance of disciplinary functions, recruitment for vacancies, promotions as well as administrative activities of the institutions belonging to the Ministry. Further, nearly 10 training programs were conducted on a training schedule, especially for newly appointed graduates. Cabinet Memoranda were also submitted by the Administration Division to the Cabinet in 2021 as required to enhance the performance of the Ministry and 15 Cabinet Memoranda were forwarded by the end of 2021, and accordingly further steps were taken. Also, answering the questions in Parliament, distributing letters among Division on the postal service, posting letters to be sent outside, maintaining supplies and services, maintaining the vehicle pool and vehicles, buildings and equipment maintenance were performed by the Administration Division in 2021 as required.

Finance Division

The Accounts Division of the Ministry continued to carry out its functions in the year 2021 by managing the financing activities as per the budget estimates of the year 2021. Coordination with the Treasury on cash requirements from the Ministry to meet requirements, maintaining and balancing the cash register, activities related to financial payments, maintenance of payroll ledgers, by managing payment of salaries, activities related to advance "B" account of public officers, activities of common deposits account and some other financial activities are mainly done by the Accounts Division. In addition to this, 91 procurements were completed in the year 2021 while performing the duties related to all procurement activities of the Ministry. Further, maintenance of fixed assets register was done by the Division while managing assets, stock verifications, taking actions on losses and damages, collection of revenues and etc. were also performed by the Finance Division. Financial reporting is a specific function of the Accounts Division, while the Division is responsible for implementation of the ITMIS system and the CIGAS system, activities related to the PMS system, and submission of the monthly account summaries, and the monthly expenditure reports to the Treasury at due time over a period of 2021 as well.

Development Division

The Development Division of the Ministry prepared and displayed the annual training calendar for the year 2021 in coordination with all stakeholders in the tea and rubber sector and which was a special task done by the Division. Further, the Development Division carried out the duties related to the amendment of laws and regulations in the field of tea and rubber, the formulation of policies, facilitating the implementation of the Sri Lanka Rubber Industry Development Master Plan and the activities related to the Committee appointed to supervise the Rubber Master Plan. In addition to that, the Development Division carried the coordination part while extending the contribution towards international organizations and the Task Force, updating statistics, taking action on public complaints and activities related to annual reports of institutions under the Ministry in the year 2021 as well.

Plantation Management Monitoring Division

The role of the Plantation Management Monitoring Division is to direct the powers, on behalf of the public Sector, vested in the Secretary to the Treasury as the Gold Partner of 23 Regional Plantation Companies. Among the functions done by this Division in the year 2021, levying lease rental of Rs. 1,086.932 Million from plantation companies, earning Rs. 10.01

Million from sub-lease of lands controlled by plantation companies, maintaining financial databases of profits and losses of plantation companies, providing relevant instructions and taking actions to obtain strategic plans following the holding of all 23 meetings under the gold share ownership to review the progress of plantation companies, providing approval for 51 estates in terms of logging activities, preparation of relevant reports following the carrying out of 13 field tests were continued successfully. In addition to that, the Plantation Management Supervision Division has surveyed the estate lands and completed surveys in 87 divisions through the mapping project. Further, in order to implement the improvement of the local dairy production, coordinating activities were also carried out with the Board of Investment of Sri Lanka and other relevant agencies to implement special projects to identify lands, allocate lands, and identify investors and to facilitate investors.

Technical Division

Technical Division under this Ministry, performed their usual functions in the year 2021 as well including intervention and coordination activities related to fertilizers in the tea and rubber sector, providing necessary assistance from the Ministry for disease control activities in the tea and rubber sector, activities related to the use of forest lands for rubber cultivation and coordination of livelihood development programs and so on.

Future Outlook of the Ministry in the Year 2022

When implementing the future program for the development of tea and rubber sector, although there are some limitations in the context of Global COVID situation and climate changes, while overcoming the challenges of year 2022 and increasing the efficiency of tea production process and improving the tea production target up to 325,000 MT and the annual tea export income target up to Rs. 302,000 Million, projects such as tea cultivation under direct tea planting method, development of compost production centers, continuation of replanting and new planting methods, implementation of productivity development programs for strengthening the tea small sector owners, implementation of irrigation systems for tea plantation, development of tea nurseries, establishment of high shade plants, mechanization of the tea cultivation sector, expansion of technical services with new technology to provide efficient service to the people and continuous implementation of training programs have been scheduled to be implemented successfully in the year 2022.

With a view to increase rubber cultivation and production up to 88,500 MT in Sri Lanka, a number of projects are planned for the year 2022 for the development of the rubber sector. Special attention has been drawn into the continuation of subsidies program for rubber replanting and new planting, intercropping, conducting of training programs, construction of smoke houses, providing of equipment for promotion of rubber related products, implementation of productivity development programs to strengthen small sector rubber plantation owners, control of leaf fall disease, development of rubber nurseries, setting up of rubber sheet processing units, water supply for rubber cultivation, initiation of rubber auction system and development of rubber product related enterprises and etc.

While ensuring the role of the line Ministry to overcome sector challenges with active stakeholders' involvement and efficient management, Tea and Rubber industry can be expected as a leading sector that will contribute significantly to economy achieving annual development target of the country in 2022.



C. C. Muhandiramge

Additional Secretary (Rubber cultivation and Company Estate Reforms)

C. C. Muhandiramge
Additional Secretary
State Ministry of Company Estate Reforms,
Tea and Rubber Estates Related Crops Cultivation and
Factories Modernization and Tea and Rubber Export Promotion
06th Floor, Keelsinipaya Stage II, Battaramulla.

Chapter 03

Overall financial performance for the year ended 31 December 2021

3.1 Financial Performance Statement

ACA -F

Financial Performance Statement for the year 31 December 2021

Budget 2021		Note	Actual		
Rs.			2021 Rs.	Readjusted 2020 Rs..	
-	Revenue Receipts		-	-	
-	Income tax	1	-	-	ACA -1
-	Taxes on Domestic Goods & Services	2	-	-	
-	Taxes on International Trade	3	-	-	
-	Taxes on International Trade	4	-	-	
-	Total Revenue Receipts (A)		-	-	
-	Non-Revenue Receipts		-	-	
-	Treasury Imprests		1,212,020,000	12,800,000	ACA -3
-	Deposits		1,253,636	1,550	ACA -4
-	Advance Accounts		3,967,883	302,440	ACA -5
-	Other receipts of main Ledger Accounts			130,139	
-	Total Non Revenue Receipts (B)		1,217,241,519	13,234,129	
-	Total Revenue Receipts & Non Revenue Receipts (C) = (A) + (B)		1,217,241,519	13,234,129	
-	Treasury Imprests (D)		71,948,533	-	
-	Net Revenue Receipts and Non Revenue Receipts		1,145,292,986	13,234,129	
	Less : Expenses				
	Recurrent Expenditure				
	Wages, Salaries & Other	5	54,224,039	10,624,175	ACA -2(ii)
76,051,000	Employment Benefits				
52,819,000	Other Goods & Services	6	49,668,565	5,818,734	
945,300,000	Subsidies, Grants and Transfers	7	895,633,623	884,811,000	
-	Interest Payments	8	-	-	
-	Other Recurrent Expenditure	9	-	-	
1,074,170,000	Total Recurrent Expenditure (E)		999,526,227	901,253,909	

	Capital Expenditure				
89,530,000	Rehabilitation & Improvement of Capital Assets	10	66,359,648	625,985	ACA -2(ii)
14,300,000	Acquisition of Capital Assets	11	11,065,912	4,059,187	
3,195,000,000	Capital Transfers	12	2,673,308,434	2,392,125,506	
-	Acquisition of Capital Assets	13	-	-	
700,000	Capacity Building	14	587,950	-	
1,150,500,000	Other Capital Expenditure	15	394,682,474	197,715,752	
<u>4,450,030,000</u>	Total Capital Expenditure (H)		3,146,004,418	2,594,526,430	
	Deposit payments		604,982	-	ACA -4
	Advance Payments		6,438,046	6,012,863	ACA -5
	Other Main Ledger Payments		-	-	
	Main Ledger Expenditure (J)		7,043,028	6,012,863	
	Total Expenditure (A) = (E+H+I)		4,152,573,673	3,501,793,202	
-	Imprest Balance as at 31 st December 31.12.2021 A = (E-A)		(3,007,280,687)	(3,488,559,073)	
	Balance As per Imprest Reconciliation Statement		(3,007,280,687)	(3,488,559,073)	ACA 7
	Imprest Balance as at 31 December 2021		-	-	ACA -3
			-	-	

3.2 Financial Position Statement

ACA -P

Statement of Financial Position

As at 31st December 2021

		Actual	
	Note	2021 Rs.	2020 Rs.
<u>Non Financial Assets</u>			
Property, Plant & Equipment	ACA -6	19,117,698	6,035,687
<u>Financial Assets</u>			
Advance Accounts	ACA -5/5(ع8)	8,180,585	5,710,423
Cash & Cash Equivalents	ACA -3	-	-
Total Assets		27,298,283	11,746,110

Net Assets/Equity

Net Assets to the Treasury
 Property, Plant & Equipment
 Reserve
 Rent and Work Advance Reserve

ACA -5(5)

7,530,382
 19,117,698

5,708,873
 6,035,687

Current Liabilities

Deposits Accounts
 Imprest Balance

ACA -4
 ACA -3

650,203
 -

1,550
 -

Total Liabilities

27,298,283 **11,746,110**

Detail Accounting Statements in above ACA format Nos. 1 to 7 presented in pages from 01 To 30 and Notes to accounts presented in pages from 51 to 68 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

It is ensured that there is an effective internal control system for financial control within the reporting institute and those periodic reviews are made to monitor the effectiveness of the internal control system for financial control and to make adjustments as necessary to ensure that those systems operate effectively.



Chief Accounting Officer

Name : **B. L. A. J. Dharmakeerthi**

Designation : Secretary

Date : 2022.06.29

Accounting Officer

Name :

Designation :

Date :



Chief Financial Officer/ Chief Accountant

Name: **D. M. M. Dissanayake**

Designation : Chief Accountant

Date : 29.06.2022



D.M.M. Dissanayake
 Chief Accountant
 State Ministry of Company Estate Reforms, Tea and
 Rubber Estates Related Crops Cultivation and Factories
 Modernization Tea and Rubber Export Promotion
 08th Floor, Sethsiripaya Stage II, Battaramulla.

3.3. Cash Flow Statement

ACA -P

Cash flow Statement for the Period ended 31st December 2021

	Actual	
	2021	2020
	Rs.	Rs.
<u>Cash Flows form Operating Activities</u>	-	-
Total Tax Receipts	-	-
Fees, Fines, Surcharges Penalties and Licenses	-	-
Profit	-	-
Non-Revenue Receipts	-	-
Revenue collected for other headings	2,289,188	130,138
Imprest Received	1,212,020,000	12,800,000
Charging advances	5,674,888	1,052,283
Deposits received	1,253,635	1,550
Total Cash generated from Operations (a)	1,221,237,711	13,983,971
<u>Less – Cash disbursed for:</u>		
Personal Emoluments & Operating Payments	91,841,265	7,327,044
Subsidies & Transfer Payments	278,623	141,411
Finance Costs for other Expenditure Heads	100,000,000	25,855
Imprest Settlement to Treasury	71,948,533	-
Deposits Payments	6,190,881	2,273,035
Advancace Payments	604,982	-
Total Cash disbursed for Operations (b)	270,864,284	9,767,345
Net cash flow from Operating activities (C) = (a) – (b)	950,373,427	4,216,626
<u>Cash Flows from Investing Activities</u>		
Interest	-	-
Dividends	-	-
Divestiture Proceeds & Sale of Physical Assets	-	-
Recoveries from on Lending	-	-
Total Cash generated from Investing Activities (d)	-	-
<u>Less - Cash disbursed for :</u>		
Purchase or Construction of Physical Assets & Acquisition of Other Investment	950,373,427	4,216,626
Total Cash disbursed for Investing Activities (e)	950,373,427	4,216,626

Net cash flow from investing activities (f) = (d) – (e)

(950,373,427) (4,216,626)

Net cash flow from operating & investing activities (g) = (e) – (f)

- -

Cash Flows from Financing Activities

Local Borrowings

- -

Foreign Borrowings

- -

Grants Received

- -

Total Cash generated from Financing Activities (h)

- -

Less – cash disbursed for

Repayment of Local Borrowings

- -

Repayment of Foreign Borrowings

- -

Total Cash disbursed for Financing Activities (i)

- -

Cash flow from financing activities (J)=(h)-(i)

- -

Net Movement in Cash (k) = (g) +(j)

- -

Opening Cash balance as at 01st January

- -

Closing Cash Balance as at 31st December

- -

3.4 Notes to the Financial Statements

3.5 Performance of the Revenue Collection

Rs. 000,

Revenue Code	Description of the Revenue Code	Revenue Estimate		Collected Revenue	
		Original	Final	Amount (Rs.)	as a % of Final Revenue Estimate
-	-	-	-	-	-

3.6 Performance of the Utilization of Allocation

Rs.000

Type of Allocation	Allocation		Actual Expenditure	Allocation Utilization as a % of Final Allocation
	Original	Original		
Recurrent	1,076,200	1,074,170	999,526	93%
Capital	3,464,500	4,450,030	3,146,004	71%

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

Rs.000,

Sub Number	Ministry / Department which received allocation Ministry / Department which received allocation	Aim of the Allocation	Allocation		Actual expenditure	Allocation Utilization as a % of Final Allocation
			Original	Final		
01.	Ministry of Trade	For the Project named Facilitate Establishment of a Research Facility for Tire testing and Development by the private sector conducted by the Rubber Research Institute	50,000	50,000	50,000	100%
02.	State Ministry of Samurdhi , Household Economy, Micro Finance, Self Employments and Business Development	Combined project of Plantation and Samurdhi to empower 2 lakhs Samurdhi Families and to eradicate poverty 2021	50,000	50,000	50,000	100%

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 31.12.2021	Balance as per financial Position Report as at 31.12.2021	Yet to be Accounted	Reporting Progress as a %
9151	Building and Structures	19,117,698.44	19,117,698.44		100%
9152	Machinery and Equipment				
9153	Land				
9154	Intangible Assets				
9155	Biological Assets				
9160	Work in Progress				
9180	Lease Assets				

3.9 Auditor General's Report**

** The final audit report issued by the Auditor General is shown in Annex 01 here while Submitting to the Parliament.

Chapter 04

Performance Indicators

4.1 Performance Indicators of the Institution (On the basis of the action plan)

Sub Number	Special Indicators	Practical Output as a percentage (%) of the expected output		
		100% - 90%	75% - 89%	50% - 74%
1.	Number of personal files completed during the year (88 files)	√		
2.	Number of annual performance appraisals documents completed in the year (Performance Appraisal 88)	√		
3.	Number of Cabinet Memoranda submitted by the end of the year as required (15 Memoranda)	√		
4.	Number of progress review meetings held at the end of the year (12 meetings)	√		
5.	Number of action plans approved during the year (8 action plans)	√		
6.	Number of projects which were coordinated for the development of Tea and Rubber sector (20 Projects)	√		
7.	Number of audit queries answered during the year (4 audit queries)	√		
8.	Number of financial reports submitted to the Treasury (53 reports)	√		
9.	Number of procurements completed during the year (91 procurements)	√		
10.	Amount of rent levied from local plantation companies during the year (Rs. 769.912 Mn)	√		
11.	Number of meetings held under the Golden Shared Holder which to be held to inquire into the progress of the plantation companies (23 meetings)	√		
12.	Number of coordinating activities to fulfill the fertilizer demand in Tea and Rubber sectors (34 activities)	√		

Chapter 05

Performance of the achieving Sustainable Development Goals (SDG)

5.1 Identified respective sustainable Development Goals

Goal/ Objective	Targets	Indicators of the achievements	Progress of the Achievement so far		
			0% - 49%	50% - 74%	75% - 100%
G2	By 2030, ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that help maintain ecosystems, that strengthen capacity for adaptation to climate change, extreme weather, drought, flooding and other disasters and that progressively improve land and soil quality	1. Maintaining relatively a high value for new planting, replanting and infilling of tea plants ((Hectares)			√
		2. Relatively increase of production productivity (Kg. ml.)		√	
		3. Tests on soil pH and soil conditions (number of tests performed)		√	
		4. Producing high quality seedling production (number of plants)			√
		5. Producing shade plants to withstand climatic changes (number of plants)			√
		6. Introduction of Intercropping to increase the biodiversity (Hectares)		√	
		7. Construction of organic fertilizer processing centers in order to promote the use of organic fertilizer (8 centers)			√
G12	By 2030, halve per capita global food waste at the retail and consumer levels and reduce food losses along production and supply chains, including post-harvest losses	1. Distribution of light tea baskets produced by the Tea Research Institute among farmers (number of baskets)			√
		2. Providing special containers to minimize post-harvest losses during the transportation (number of containers)		√	

		3. Installation of machineries for Kalubowitiyana Tea Factory to prevent the wastage in processing of black tea (number of machines 9)			√
G15	ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and dry lands, in line with obligations under international agreements	1. Supervising and controlling logging activities for company estates (number of licenses issued)			√
		2. Supervising the cultivation of forests according to a forest management plan (Number of estates supervised)			√

5.2 Achievements and challenges of the Sustainable Development Goals

The Sustainable Development Council of Sri Lanka has identified three sustainable development objectives related to the plantation sector and accordingly several steps have been taken to ensure a sustainable crop production and export pattern with the promotion of the tea and rubber sector by 2030 in conformity with the United Nations Sustainable Development Agenda.

As per the Sustainable Development Goal 2, the Ministry has implemented various project and programs under the ensuring of sustainable food production systems and implementation of resilient agricultural practices that increase productivity and production, In subsequence, despite of the COVID -19 outbreak situation, even in the year 2021 as well, there were 299 Million kilograms of tea production and 76,884 Metric Tons of rubber production while maintaining new planting, replanting and infilling practices in a higher level with regard to the tea and rubber sectors. Further while improving the productivity of the production of tea and rubber as a major export crop, it has been reached to a considerable achievement in the receipt of Rupees 263 Billion by exporting 286 Million kilograms of tea production and receipt of Rupees 217.352 Billion by exporting 84.623 Million kilograms of raw rubber production in the year 2021.

Conservation practices are implemented in tea and rubber cultivations while maintaining the water security and use of fertilizer in an optimal level and testing the soil texture, pH value

and conditions of the soil and meanwhile 3 organic fertilizer processing centres were established for promotion of the use of organic fertilizers. Moreover, 781 Tea nurseries have been registered and hence, it was able to produce 22.9 million saplings and 1.5 millions Tea saplings from 11 tea nurseries under the Tea Small Holdings Development Authority and further 1093 million Rubber saplings from the Department of Rubber Development to obtain high quality Tea and Rubber seedlings. It has also produced 556,000 high shade plants to withstand climate change and to cultivate intercrops such as pepper, arecanut, vanilla, pineapple, citrus and maize to enhance biodiversity. In addition to that, in order to secure the biodiversity of cultivation units, special projects such as poultry management, mushroom cultivation, beekeeping, agro export crop cultivation, pineapple cultivation and Anthurium cultivation were implemented at a cost of about Rs. 100 Million in the year 2021 to diversify cultivation units of tea and rubber planters.

In order to achieve the 12th Sustainable Development Goal of minimizing global food waste at the retail and consumer levels and reducing food losses along production and supply chains, including post-harvest losses, distribution of light tea baskets, produced by the Tea Research Institute, among farmers and providing special containers to minimize crop damage during transportation were performed successfully in the year 2021 as well. In addition to that, the wastage of production lines has been minimized by implementing a number of special projects such as installation of new machineries to the Kalubowitiyana Tea Factory, setting up of 29 Rubber Processing Centers for small holder rubber planters, providing milk cup holders, foam flakes and milk filters and many more to enhance the efficiency of the production process.

Under the 15th Sustainable Development Goal in line with obligations under international agreements, in order to ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in line with obligations under international agreements, in particular forests, wetlands, mountains and dry lands, existed in the estates of the estate companies, actions were carried out to control and supervise the felling of timber for the company estates and to supervise the cultivation of the forest according to a forest management plan, in addition to that it has been achieved the Sustainable Development Goals by cultivating rubber saplings in selected lands belonging to the Forest Department. The Elkaduwa Plantation Company has also planted 100,000 varieties of commercially valuable timber varieties and ecologically valuable plants such as Mee,

Kumbuk, Tickel and Erabadu. Activities related to the establishment of 3,000 Hectares of new rubber plantations in the non-traditional areas Ampara and Moneragala Districts for rubber cultivation, which is the overall target of the smallholder Tea and Rubber Revitalization (STARR) project, were completed in the year 2021.

In achieving the Sustainable Development Goals in such way, this Ministry has to face various challenges. Examples include disruptions, mainly from climate and climate change and natural disasters, limitations arisen for capital projects, research encouragements and raising funds and especially the global COVID -19 epidemic and the emerging disasters and economic crises in various countries. Practical issues in adapting the results of research conducted for the improvement of tea and rubber sector have also been negatively affected to the achievement of sustainable development goals.

Chapter 6

Human Resource Profile

6.1 Cadre Management

	Approved Cadre	Existing Cadre	Vacancies / (Excess)**
Senior	18	10	08
Territory	01	-	01
Secondary	58	34	23
Primary	14	13	01
Contract/Casual	-	-	-

6.2 ** The way in which the shortage or excess in human resources has been affected to the performance of the institute:

When reaching to the targeted goals for the fulfillment of the vision and mission of the Ministry, there was a direct impact from the scarcity of human resources and because of that reason there was an extension of the time period taken to achieve the desired objectives. Even by the end of 2021, there were a 38% of vacancies in the approved staff for the Ministry.

6.3 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		
Training course on prosperity in public service through development of Positive Attitudes of Development Officers and newly appointed graduates 22.10. 2021	42	3 Hours and 30 Minutes	66,500	-	Local	Development of positive attitudes of Development Officers and new graduates and
Training program for new graduates, Development Officers and Management Assistants 27. 10. 2021	55	3 Hours	31,450	-	Local	Gaining a thorough knowledge on the public service and the role of the Ministry

Awareness program for the staff including the Development Officers in the Plantation Management Supervision Division	25	5 Hours and 30 Minutes	17,675	-	Local	Gaining an understanding on the procedures to be followed and related acts, ordinance and circulars to be followed in dealing with local plantation companies expeditiously and without hindrance.
Courses conducted by the National Institute of Labour Studies 1. Office management and Financial Regulations 2. Annual Stock Verifications 3. Preparation of a personal file in effective manner 4. Preparation of salaries of public officers	28	Online courses	240,500	-	Local	Gaining the ability for the officers to acquire knowledge through the relevant courses and to perform their duties efficiently by developing the existing knowledge.
Courses conducted online by the National Institute of Plantation Management 1. Attitude development, office management and maintenance of files 2. Preparation of official letters 3. Minimizing weaknesses and delays caused by Technical Evaluation Committees and Procurement Committees 4. Provisions of the Code of Establishment required for Public Officers Accounting	36	Online courses	150,000	-	Local	Gaining the ability for the officers to acquire knowledge through the relevant courses and to perform their duties efficiently by developing the existing knowledge.

methods in relation to Financial Regulations required for Public Officers						
5. MS WORD						
6. MS EXCEL						
Workshop on procurement procedure in public finance management - Sri Lanka Foundation Institute	02	6 Hours	16,000	-	Local	It was able to acquire the knowledge required to perform the duties related to the Finance Division.
Instructions to be followed in preparing official letters - National Institute of Plantation Management	28	03 Hours	5000	-	Local	Gaining the ability to perform an efficient service by acquiring the necessary knowledge in the preparation of duty letters.
National Institute of Language Education and Training - 200 hours Second Language Course	1	200 Hours Online course	15,000	-	Local	Obtaining knowledge of Tamil language required for the duties of the Plantation Management Supervision Division.

*** The way in which the training program contributed to the performance of the institution**

When the staff officers and other officers of the Ministry participate in the training programs, they will be able to carry out their assigned duties within the Ministry more accurately and efficiently. Furthermore, the officers adapt the knowledge and experience that they get by participating to the training programs to their duties and by this means their efficiency is improved and they get motivated and hence, by way of utilizing the knowledge and skills gained through such trainings, the expected development will be possible to be achieved in the tea and rubber sector.

Chapter 07

Compliance

No.	Applicable Requirement	Compliance Status (Complied/ Not Complied)	Brief explanation for Non Compliance	Corrective actions proposed to avoid non - compliance in future
1	The following Financial statements/accounts have been submitted on due date			
1.1	Annual financial statements	Complied		
1.2	Others	-		
2	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 has 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	Register for cheques and money orders has been maintained and update	Complied		
2.6	Inventory register has been maintained and update	Complied		
2.7	Stocks Register has been maintained and update	Complied		
2.8	Register of Losses has been maintained and update	Complied		
2.9	Commitment Register has been maintained and update	Complied		
2.10	Register of Counterfoil Books (GA - N20) has been maintained and update	Complied		
3	Delegation of Functions for financial control (FR 135)			
3.1	The financial authority has been delegated within the institute	Complied		
3.2	The delegation of financial authority has been communicated within the institute	Complied		
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 Accounts in terms of State Account Circular 171/2004 dated 11.05.2014 in using the Government Payroll Software Package	Complied		

4	Preparation of Annual Plans			
4.1	The annual action plan has been prepared	Complied		
4.2	The annual procurement plan has been prepared	Complied		
4.3	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		
4.6	Submission of quarterly reports to the Treasury on the due date	Complied		
5	Audit queries			
5.1	All the audit queries has been replied within the specified time by the Auditor General	Complied		
6	Internal Audit			
6.1	The internal audit plan has been prepared at the beginning of the year after consulting the Auditor General in terms of Financial Regulation 134(2) DMA/1-2019	Complied		
6.2	All the internal audit reports has been replied within one month	Non Complied	The Ministry was unable to prepare these reports as there is a vacancy for an Internal Auditor.	Recruitment of an Internal Auditor
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			
6.4	All the copies of internal audit reports has been submitted to the Auditor General in terms of Financial Regulation 134(3)			
7	Audit and Management Committee			
7.1	Minimum 04 meetings of the Audit and Management Committee has been held during the year as per the DMA Circular 1-2019	Non Complied	The Ministry was able to hold only one Management Committee as there was a vacancy for an Internal Auditor.	Recruitment of an Internal Auditor

8	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		
9	Vehicle Management			
9.1	The daily running charts and monthly summaries of the pool vehicles had been prepared and submitted to the Auditor General on due date	Non Complied	Shortage of Training Officers and Vacancies	Appropriate arrangements to avoid future delays
9.2	The condemned vehicles had been disposed of within a period of less than 6 months after condemning	-	-	-
9.3	The vehicle logbooks 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 of 29.12.2016	Non Complied	Due to the small number of vehicles in the pool, there are practical problems in performing this test	Appropriate arrangements to avoid future delays
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 balanced that had been 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 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 FR 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 FR 371 settled within one month from the completion of the task	Complied		
14.3	The ad-hoc sub imprests had not been issued exceeding the limit approved as per FR 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	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	Non Complied	Vacancy in the post of Information Technology Officer	Taking action for future recruitment
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 05/2018(1) of Ministry of Public Administration and Management	Non Complied	Delay in formulating a suitable program due to the recent establishment of the State Ministry	Develop a suitable program to avoid delays in the future
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			

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	Non Complied	Shortage of Training Officers and Vacancies	To prepare future human resource plan using existing human resources
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			
19.3	Annual performance agreements have been signed for the entire staff based on the format in Annexure 01 of the aforesaid Circular			
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			
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		