



# Annual Report 2021



**Postgraduate  
Institute of  
Management**  
*University of Sri Jayewardenepura*

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## VISION, MISSION AND VALUES

### VISION

To become a center for management excellence in South Asia

### MISSION

We ignite human imagination by developing leaders having global presence with local pulse.

In this endeavour, we pursue innovative teaching, cutting-edge research, enriching partnerships, inspiring sustainability, and exemplary governance.

### VALUES

**Passion:** Keenness to show results in professional engagements.

*Key Behavioural Indications (KBIs)*

- 1) Clear on the tasks associated with the job
- 2) Enthusiastic in handling tasks
- 3) Thinks innovatively in finding new solutions
- 4) Conscious of one's contribution to the institutional success
- 5) Willing to put extra effort to achieve objectives

**Integrity:** Acting ethically being conscious of the best interest of the Institution.

*Key Behavioural Indications (KBIs)*

- 1) Conducts oneself with integrity.
- 2) Trustworthy in handling confidential matters
- 3) Conducts oneself within the organizational rules and regulations. Steadfast in ethical principles. Prioritises the institution's needs.

**Mindfulness:** Being aware about purpose and actions in doing things

*Key Behavioural Indications (KBIs)*

- 1) Pays attention to details.
- 2) Conscious of the appropriate actions at any given moment.
- 3) Assess situations with an open mind.
- 4) Fully focuses on tasks at hand.
- 5) Utilises time efficiently.

## Overall Approach

### *Our Edifice of Excellence*



We use our Quality Management System (QMS) as a tracking mechanism of our progress

## GOALS

**PIM's five goals for the next five years are as follows:**

- Goal One:** To enhance the scope of the PIM's academic programmes;
- Goal Two:** To enhance the scope of the PIM's excellence in research and publications;
- Goal Three:** To foster partnerships with industry, universities and professional associations;
- Goal Four:** To develop ICT and ensure green infrastructure facilities to offer a conducive learning environment, and
- Goal Five:** To ensure revenue growth inclusive of foreign income with financial and administration compliance.

Accordingly, 20 Strategic Objectives have been formulated.

## **PIM QUALITY POLICY**

The Postgraduate Institute of Management (PIM) is committed to pursuing global standards of excellence in teaching, research, consultancy, and continuing education and to remaining accountable in all its operational and support processes. The Institute pursues to achieve these through research, review, evaluation, and continual improvement.

The PIM is committed to:

- enhance the quality and scope of the academic programmes,
- continually improve the Quality Management System,
- enhance strategic international relationships through its research and development, and excel in research and publications,
- foster partnerships with industry, universities, and professional associations,
- develop skilled and customer-focused staff and Faculty by providing training and other support facilities,
- enhance efficiency and effectiveness of the Institute's administrative and financial processes,
- satisfy all applicable statutory and other regulatory requirements, and
- promote corporate social responsibility as an integral component of linking its activities with society.

## DIRECTOR'S REVIEW



I am much pleased to ponder on the PIM's performance during the year 2021. I attribute our overall success to my dynamic and dedicated team at the PIM.

As we are much aware, leadership is all about inspiring, influencing, and initiating. It is more than positions and titles as it involves decisions and actions. We have been breeding leaders to the Nation for over thirty-five years. These thoroughbred professionals have mastered value creation with confidence and competence. They are equipped with cutting-edge knowledge and complementary skills needed to perform in both the private and public sectors. In producing them with clarity and commitment, the PIM has always been a centre of excellence in postgraduate management education, with its wings spreading beyond Sri Lanka.

Excellence is all about being exceptionally good. When applied to enterprises, it involves exceptional achievements in a consistent manner. That's what the PIM is proud of as a self-financed and semi-autonomous public entity that focuses on the right quality and quantity. We excel with extraordinary executives in essentially engaging them to unleash their true potential. The Nation expects them to contribute towards the socio-economic upliftment on multiple fronts.

Over eight universities in the country offer MBA programmes while over a dozen private, off-shore MBA programmes also compete with the PIM. These latter programmes are advertised extensively using foreign funds, and charge fees in excess of double that of the PIM for their MBA programmes. Competition comes from lowering entry qualifications and using of the Faculty of local universities as resource persons with their 'prestigious' name tags. These are the key challenges to the PIM, the Institution that has taken the bold initiative to operate on self-generated funds. The competitor private educational institutions are not hampered by the restrictions that the PIM faces. Owing to its self-imposed initiative to be self-sufficient, the PIM has to earn funds to pay for salaries, utilities, supplies, transport needs, capital expenditure, taxes and maintenance, security, and audit fees. This is indeed a unique situation where a public sector organisation in Sri Lanka has dared to earn its upkeep covering all its expenses, both recurrent and capital, and manage the Institution with a surplus.

During the year, the PIM was ably guided and directed by its Board of Management and the Boards of Study on the basis of the Corporate Plan for 2020-22. I am pleased to state that the overall performance in the PIM's five goals of (i) to enhance the scope of the PIM academic programmes, (ii) to enhance the scope of the PIM excellence in research and publications, (iii) to foster partnership with industry, universities, and professional associations, (iv) to develop ICT and ensure infrastructure facilities to offer a conducive learning environment, and (v) Ensure revenue growth inclusive of foreign income with financial and administration compliance are highly satisfactory. The next few pages are devoted to providing the PIM's achievements during the year. This will be followed by sections on human resources development and administrative and financial efficiency.

Arguably the future of the public enterprises in Sri Lanka lies in maintaining a proper balance between autonomy and control. On the one hand, the country needs to establish a self-funding, self-managed, and self-regulating tradition in public enterprise undertakings, and on the other hand, ensure that the various enterprises meet some minimum standards – such as efficiency, accountability, and service excellence.

The autonomy of the Postgraduate Institute of Management (PIM) is enshrined in the enabling legislation which provides for administrative, financial and operational freedom. Moreover, the PIM does not rely on any budgetary allocations from the General Treasury, not even for its capital expenditure which includes the construction of new buildings.

In recent years, there has been a proliferation of institutes of higher learning in Sri Lanka. However, a distinction has to be drawn between institutes that are self-financing and institutes such as state universities, which depend on considerable Treasury grants on an ongoing basis. The PIM is structurally differentiated from the vast array of such organisations in the quality of its courses, in the non-traditional modes of course delivery, group and interactive learning sessions, the presence of learning facilitators, as well as in the formal lectures and programmes designed on the basis of a needs analysis of clients. The PIM's central intent is to transform public and private sector practitioners into thoroughbred professionals.

For private enterprises, profitability provides the key indicator of efficiency. For state-owned enterprises, profitability may not be a sufficient indicator, given that many such enterprises are not created to maximise profits as they perform non-profit-making functions. However, where a state-owned enterprise functions without being a burden on the Treasury, in our view, such activities must be promoted. Only performance-based auditing will motivate the PIM to improve its operational performance and delivery of services.

In seeking to maintain flexibility, we need a criterion for creating, managing, supervising, and holding accountable for different types of enterprises. As a result, a wide variety of enterprises should exist, each with its own funding, reporting, personnel, and governance-arrangements.

The challenges of financial independence and control of human resources will severely inhibit and constrain the PIM's long-term development, market orientation, and performance improvement. For the PIM to achieve its full potential, it is imperative that the PIM Board of Management must have the administrative and financial freedom to a certain extent for the PIM to stay ahead of the competition in keeping with the emerging trends.

The PIM, as we aptly claim as the Nation's Management Mentor, will continue to contribute to value creation in terms of producing leaders with required competence and confidence, in line with its vision, mission, and values.



**Dr. Senaka Kelum Gamage**  
Director

## INTRODUCTION

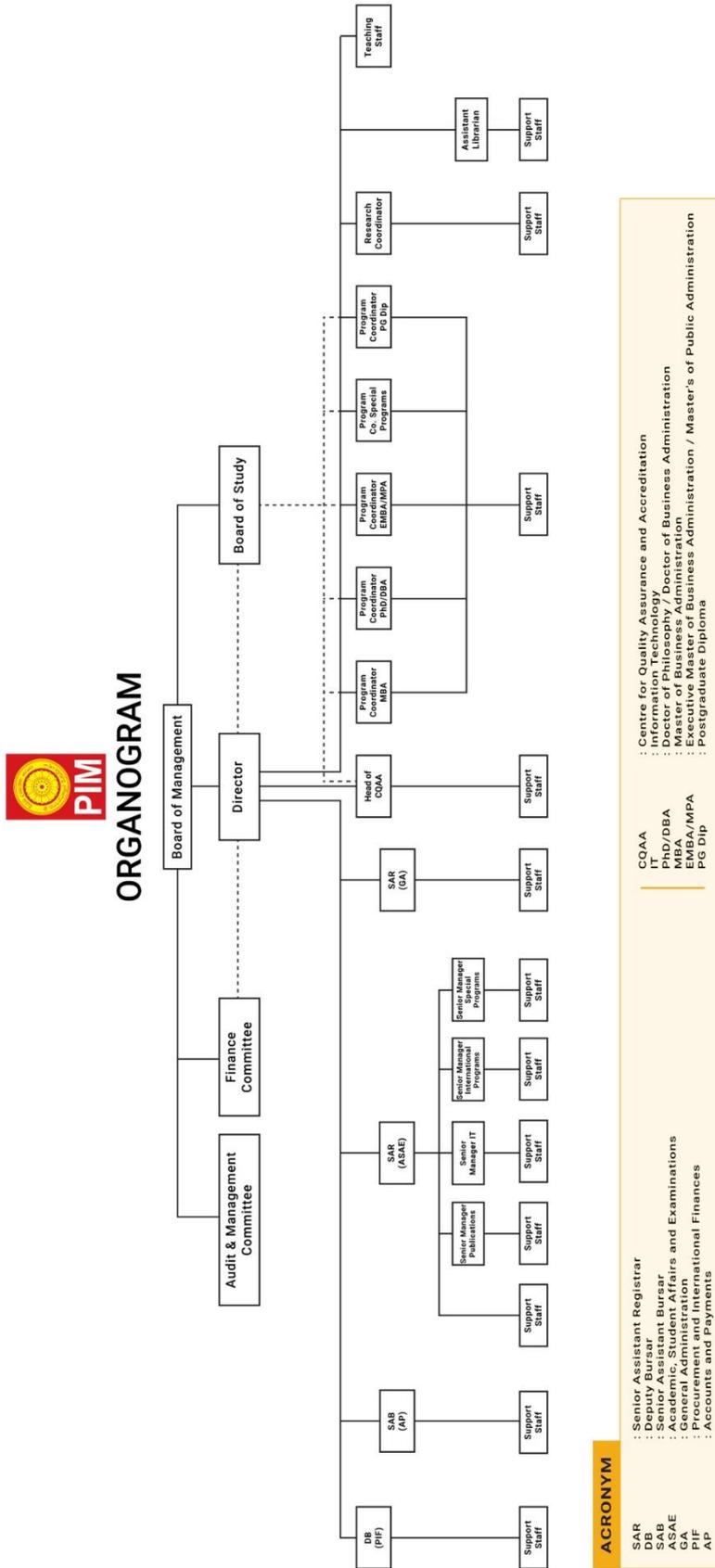
The Postgraduate Institute of Management (PIM), as the Nation's management mentor, is much delighted to present its Annual Report - 2021 with the necessary details. It is interesting to note that the Institution has successfully bounced back after the Easter Sunday attack and the Covid 19 pandemic in ensuring smooth continuity with timely completion of all planned programmes.

The PIM is a semi-autonomous body affiliated to the University of Sri Jayewardenepura. Its objectives are to promote advanced education and professionalism in management in Sri Lanka through the provision of postgraduate instruction, training, research, and development in the various branches of management and administrative studies. Today, it serves the national interests of professional management education and training, providing challenging opportunities for learning and skills development to thousands of senior-level managers and administrators. Being the pioneer of advanced management education in Sri Lanka, the PIM provides leadership to those in the business of innovating and disseminating management know-how and those in search of higher learning alternatives.

The PIM, established in 1986 by Ordinance under the Universities Act 16 of 1978, is one of the eleven postgraduate institutes in the university system of Sri Lanka. Though it is relatively young, it has the largest student population among postgraduate institutes, and it is the only self-financing higher learning institution in the university system of the country.

The history of the Institute goes back to 1981 when a Division of Postgraduate Studies was set up at the Faculty of Management Studies of the University of Sri Jayewardenepura. The Division started postgraduate studies in management with collaboration under the CIDA with two Canadian Universities, viz., Ottawa University, and Carleton University. In 1986, the Division was upgraded to a separate institute under the University of Sri Jayewardenepura. In 1995 the Postgraduate Institute of Management was moved to the new building constructed at Lesley Ranagala Mawatha, Colombo 8.

# PIM - ORGANISATIONAL STRUCTURE



## ACRONYM

- SAR : Senior Assistant Registrar
- DB : Deputy Bursar
- SAB : Senior Assistant Bursar
- ASAIE : Academic, Student Affairs and Examinations
- GA : General Administration
- PIF : International Financials
- AP : Accounts and Payments

## COAA

- : Centre for Quality Assurance and Accreditation
- : Information Technology
- : International Doctor of Business Administration
- : Master of Business Administration
- : Executive Master of Business Administration / Masters of Public Administration
- : Postgraduate Diploma

## **BOARD OF MANAGEMENT**

The following formed the Board of Management, which is the academic and executive body of the Institute

### **Ex-officio Members:**

Prof. Ajantha S. Dharmasiri, Director, Postgraduate Institute of Management (Chairman)  
(up to May 07, 2021)

Dr. Sanaka Kelum Gamage, Director, Postgraduate Institute of Management (Chairman)  
(from May 08, 2021)

Dean, Faculty of Management Studies and Commerce, University of Sri Jayewardenepura  
(Prof. P D Nimal)

Dean, Faculty of Graduate Studies, University of Sri Jayewardenepura (Senior Prof. M M Pathmalal)

### **Members Nominated by the University Grants Commission:**

Ms. K V C Dilrukshi, Director, Department of Fiscal Policy, Ministry of Finance

Mr. Asoka Hettigoda, Managing Director, Hettigoda Group

Senior Professor Laleen Karunanayake, Dean, Faculty of Applied Sciences, University of Sri Jayewardenepura

Mr. Asanga Ranasinghe, Executive Director, Diesel and Motor Engineering PLC

Mr. Deepal Sooriyaarachchi, Management Consultant

Mr. A K Senevirathne, Additional Secretary, Ministry of Higher Education

Mr. Lalith Weeratunga, Principal Advisor to H E the President

Mr. Lasantha Wickremasinghe, Partner, B R De Silva and Company

## **BOARD OF STUDY**

The Board of Study of the Institute regulated the matters connected with teaching, examinations, and research during the year and the following members represented it.

### **Board of Study in Business Administration**

Prof. Ajantha S Dharmasiri, Director, Postgraduate Institute of Management (Chairman)  
(up to May 07, 2021)

Dr. Senaka Kelum Gamage, Director, Postgraduate Institute of Management (Chairman)  
(from May 08, 2021)

Prof. U Anura Kumara, Professor, Faculty of Management Studies and Commerce,  
University of Sri Jayewardenepura

Dr. Travis Perera, Senior Consultant, Postgraduate Institute of Management

Mr. M. R. Prelis, Chairman, Capital Trust Securities (Pvt) Ltd.

Dr. A K L Jayawardana, Senior Consultant, Postgraduate Institute of Management

Dr. Trevor Mendis, Senior Consultant, Postgraduate Institute of Management

### **Board of Study in Public Administration**

Prof. Ajantha S Dharmasiri, Director, Postgraduate Institute of Management (Chairman)  
(up to May 07, 2021)

Dr. Kelum S Gamage, Director, Postgraduate Institute of Management (Chairman) (from  
May 08, 2021)

Dr. Fredric Abeyratne, Consultant, Policy Initiative, UNDP

Dr. Indrajit Coomaraswamy, Former Governor, Central Bank of Sri Lanka

Dr. Damitha De Zoysa, Former Director General, General Treasury

Dr. Lloyd Fernando, Economic Consultant

Dr. Sarath Rajapathirana, Economic Advisor

Dr. W A Wijewardena, Economic Consultant

## **TEACHING**

### **Course Planning and delivery**

Fresh attempts were made to improve the quality and relevance of the Doctoral, MBA, MPA programme as well as other academic and professional development programmes conducted during the year. In order to stay ahead of the competition while delivering value to the student, programme curricula were improved in keeping with emerging trends, new areas of knowledge and aligned to the Sri Lanka Qualification Framework (SLQF).

### **Core Programmes**

#### **Doctor of Philosophy in Business/Public Administration (Ph. D)**

The doctoral programme of the PIM, which commenced in 1988, is an apt accomplishment for deserving learners in contributing to the existing global knowledge. We have created a conducive climate for committed crusaders in encouraging their exploration and explanation. With our valued partnerships, reputed resource personnel are richly available to share their rare expertise with aspiring participants. We believe in facilitating holistic learning with quality relevance. In doing so, we transform mere practitioners into mega-professionals who will have global presence with local pulse.

#### **Master of Business Administration (MBA)**

More than three decades ago, the PIM pioneered the MBA programme and has brought forward over three thousand business leaders. Today, it is the most sought-after MBA in Sri Lanka. The programme is consistently re-engineered based on evolving business needs and challenges, and is delivered through a best in-class-team of both academics and industry experts. Action learning facilitated by assignment and project work helps MBA learning partners relate and apply the cutting-edge knowledge they gather to their world of work. Within a period of two years, the programme moves logically and sequentially from courses on management foundations to integrative studies, followed by elective courses and a research project. Particular attention is given to quality standards and requirements set by both local and international accreditation bodies.

### **Master of Public Administration (MPA)**

Since the introduction of the MPA, in 1988, the PIM has over a period of over three decades, proudly witnessed, as to how the Learning Partners reached the apex positions in the public sector, and accomplish their dreams upon successful completion of the programme.

The PIM's MPA programme transforms the Learning Partners' career trajectory to higher echelons such as secretaries and additional secretaries of Ministries. The existing PIM MPA Alumni who hold top positions as Secretaries, Commissioners General, Directors General and Senior SLAS Officers provide ample testimony to the caliber of top public sector officials the PIM has produced thus far through its MPA programme. The overall benefits the Learning Partners gain during the programme, will not only provide advanced knowledge in the respective subjects but also groom them for better communication, decision-making ability, sound analytical skills, teamwork, and also ethics and governance much demanded of in the public sector. The recently re-designed MPA syllabus is a result of the feedback received from our MPA Alumni.

### **Executive Master of Business Administration (EMBA)**

Since the introduction of the Executive MBA in 2016, the PIM has proudly witnessed how our learning partners reach the apex positions in the corporate world and accomplish their dreams upon successful completion of the programme.

The PIM's Executive MBA programme transforms the learning partners' career trajectory to the corporate board room and beyond. The programme spans over a period of one year and focuses mainly on workshops, case studies, discussions, video presentations, and other types of delivery modes to impart knowledge to the learning partners.

### **Master of Public Administration in Education Management (MPAEM)**

The PIM's MPA in Education Management is not just about having an MPA. It's about becoming an MPAEM by achieving mastery in education management. It is carefully designed and structured based on a needs-analysis of the comprehensive knowledge requirements of the administrative level officers in the education-career. Further, it adopts a novel course delivery system to help our learning partners develop a global

mindset while having a local feel to gain mastery in the discipline of education management. This is a new addition to the PIM education programme list.

### **Master of Business Administration in Taxation (MBAT)**

The Master of Business Administration in Taxation (MBAT) commenced in 2015 was an addition to its array of signature programmes. In fact, it was the first specialised MBA programme in Taxation in South Asia. Having successfully concluded the training of five batches of officers of the Department of Inland Revenue (IRD), we are presently training the sixth batch of its officers. The prime aim of launching such a programme was to enhance the managerial capabilities of the officials of the IRD, and make the department a more effective contributor to the Nation's kitty.

### **Master of Business Administration in Customs and International Trade & Logistics (MBACIT)**

The Institute in its endeavour to provide variety and a broad base for its signature programmes, added the Master of Business Administration in Customs and International Trade & Logistics in 2016. The aim of MBACIT is to enhance the managerial capacities of officials of the Sri Lanka Customs (SLC), with a view to strengthening revenue collection and social protection laws of the state. Further, this qualification will serve as a requirement for those officers' career development in the SLC. The third batch of MBACIT commenced their studies in 2021.

### **Student Enrolment during the year**

The student enrolment for the Master's degree programmes during the year 2021 is given in Table 01.

**Table 01: Student enrolments during 2021**

<b>Course</b>	<b>Nos.</b>
Master of Business Administration (Colombo)	404
Master of Business Administration (International)	56
Executive Master of Business Administration	22
Master of Business Administration in Customs & International Trade	42
<b>Total</b>	<b>524</b>

*Source:* PIM database

## Postgraduate output during the year

The educational programmes were conducted successfully and on schedule. The number of postgraduate students who completed the Doctoral, Master's degree, and Postgraduate Diploma requirements during the year is given in Table 02.

**Table 02: Postgraduate Output during 2021**

<b>Programme</b>	<b>No.</b>
Doctor of Philosophy in Business Administration	02
Master of Business Administration	266
Executive Master of Business Administration	14
MBA in Taxation	56
MBA in Customs & International Trade	19
Master of Public Administration	28
Postgraduate Diploma in Management	09
Postgraduate Diploma in Public Administration	02
<b>Total Number of Graduates</b>	<b>396</b>

Source: PIM database



## Annual Faculty Retreat

The main objective of the PIM Annual Faculty Retreat is to deliberate on the *status quo* of the Institute in respect of all its major functions and operations with a view to effecting improvements and repositioning itself to meet current and future demands and achieve

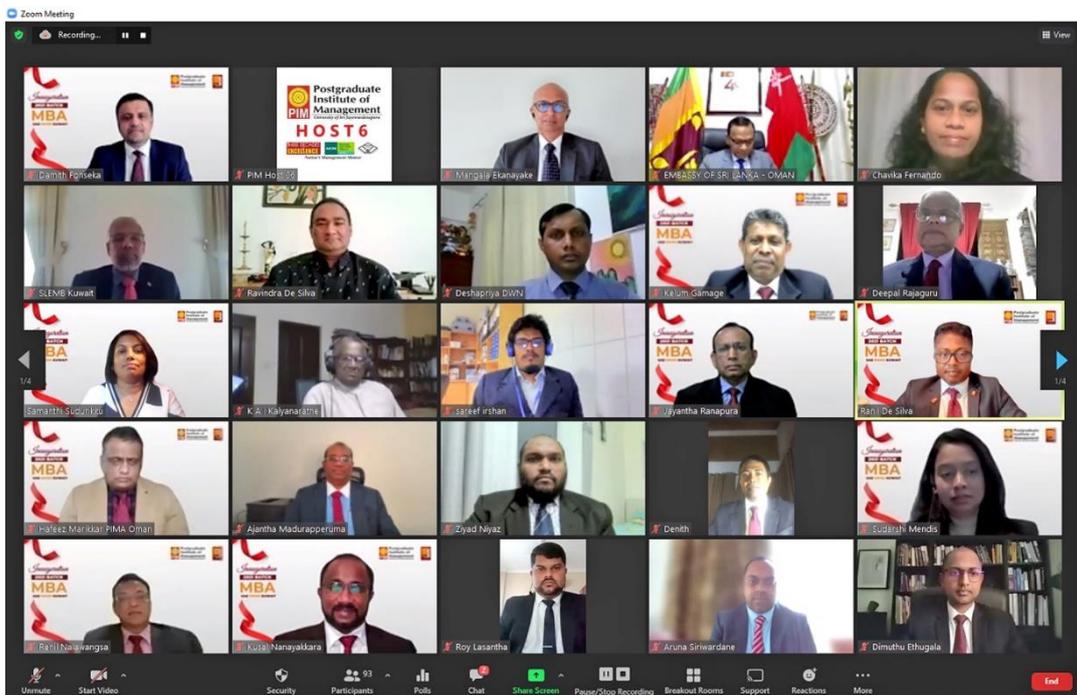
greater success for the Institute. In fact, a worthwhile Faculty Retreat can breathe new life into the academic community. The content of a well-organised retreat can contribute to developing the Institute's identity, and inspire a shared sense of reflection and forward movement. The annual Faculty Retreat for the year 2021 was postponed due to the prevalent situation in the country. However, the relevant items were discussed in depth at the monthly faculty meetings, and actions were taken to implement them accordingly.

### Launch of PIM - MBA Programmes Overseas

The PIM has always been a center of excellence in management education, with its wings spreading beyond Sri Lanka.

The successful launch of the Institute's MBA programme in the UAE, Qatar, Oman, and the Kuwait City were significant achievements during the period 2015-21. Expanding its wings further in 2020, the PIM launched its MBA programme in Manama, Bahrain. Fifty-six students enrolled in the MBA International (UAE, Oman, and Kuwait) batch in 2021. The PIM is in the process of expanding these markets to other Middle Eastern countries and the Asian region as well in the near future.

The PIM is the only higher educational institution in the University system in Sri Lanka that offers its local Master's degree programmes overseas, and generates a significant amount of foreign exchange for the country.



### **Significant achievements during the year (Teaching)**

1. Commencement of the joint PIM MBA programme in the UAE, Oman & Kuwait.
2. Expansion of online sessions and take-home examinations for the PIM students due to the prevalent situation in the country.
3. Expansion of hybrid lecture sessions (part physically and part online) for the PIM students due to the prevailing situation in the country.
4. Expansion of the effectiveness of online and hybrid sessions with the use of features in the Prajna Learning Portal.
5. Consistent adherence to academic guidelines such as similarity index through Turn-it-in software.
6. Appointment of Academic coordinators to all academic programme of the Institute to streamline academic administration.
7. Signing of an agreement with the Ministry of Education to enroll the learning partners for the new MPA Education Management programme.
8. Establishment of the Center for Quality Assurance and Accreditation at the PIM to overlook the quality of all educational programme offered by the Institute.

## **RESEARCH AND PUBLICATIONS**

Research in management in Sri Lanka still needs vast improvements. We have yet to develop a research tradition in the discipline. The challenge is to formulate the paradigm in which our research efforts should be directed. As we perceive it, the principal objective of research is to proceed in search of an indigenous core for the enrichment of management as a profession. Towards this end, we seek methods and logical approaches to research through which the quality of research outputs can be elevated to acceptable levels.

During the year 2021, over 350 student research projects were completed, which are available as hard-bound documents in the PIM Library. The research projects were distributed among six categories of research: Management Skills Research Projects, Entrepreneurship Skills Research Projects, Management Field Study Research Projects, Management Case Study Research Projects, and Management Research Projects. These projects address both applied and social research.

### **Doctoral Workshops**

The PIM research Centre initiated a series of doctoral workshops for the doctoral students in research design and publishing a concept paper. As a new initiative to encourage more students to get actively engaged in completing the doctoral work resources persons were invited from other universities as well as from the PIM. The workshops were focused on research designs based on quantitative and qualitative methods. Small group discussions were the basis of these workshops where methodologies specific to both quantitative and qualitative methods were discussed. Participants presented various approaches of research designs, and the workshops led to the refining of approaches of the doctoral students' work.

### **Progress of Doctoral Students**

Four doctoral students completed the proposal defense and concept paper. One has completed the Thesis, and two others have completed the data collection stage. Two students are projected to complete the PhD in 2022.

## **Ph. D Placements in Overseas Universities**

Placement opportunities are available to research students seeking to complete in an international higher degree (Ph. D). However, the capacity to undertake one will depend solely on the competencies of students. In many instances, students would not be successful in getting a placement in a ranked university as they lack the required skills and experience working in research projects. The PIM graduates completing research with Thesis and a publication have demonstrated the desired research skills as well as evinced perseverance, discipline, and scholarly writing skill. They have gained admission to ranked Universities in Australia, New Zealand, and the UK, where competition is very high. These successes amply demonstrate the strength of the PIM's MBA by Research. Moreover, the PIM has provided an academic career path for prospective young academics across Sri Lankan universities. In 2021 two students gained PhD placements at the University of Wollongong, Australia and the University of Queensland, Australia, bringing the total of students currently overseas in PhD programmes to 8 students.

## **The PIM Annual Research Conference (PIMARC)**



The PIMARC 2021 was held in November 2021. The conference was co-chaired by Prof. Ajantha S. Dharmasiri and Dr Nilakshi Galahitiyawwe. The chief guest was Senior Professor Sudantha Liyanage, Vice Chancellor, University of Sri Jayewardenepura. The keynote address was delivered by Professor Robert Faf Emeritus, Professor of Finance at the University of Queensland. Prof. P D Nimal was the guest of Honour.

The conference had four major streams; the National Pitching Research Competition, the Doctoral colloquium; Research papers and an Industry Dialogue held over two days. The key feature of the PIMARC 2021 was the introduction of the National Pitching Research Competition held for the first time in Sri Lanka. Five students following the PhD programme were selected from an initial pool of 15 for the final competition. The National Pitching Research Competition (NPRC) is the Sri Lankan counterpart to the InSPiR2eS Global Pitching Research Competition. The NPRC 2021 was conducted for the first time in Sri Lanka by the Postgraduate Institute of Management (PIM), University of Sri Jayewardenepura, as the central event of its Annual Research Conference (PIMARC). The PIM join hands with Sri Lankan counterpart to the In SPiR2eS Global Pitching Research Competition, where the inventor of the PRF, Professor Robert Faff, the country coordinator of the IGPRC, Professor Wasantha Perera, the foundation ambassador of the InSPiR2eS global research network, Professor Athula Manawaduge played a key role.

In the Doctoral colloquium four papers were presented. These papers investigated the quality of unregulated non-state higher education, exploration and exploitation of knowledge within organisation towards knowledge- based economy, employee social capital and organisational knowledge management capability on organisational performance during digital transformation, and group delinquent psychology and behaviour towards shifting the paradigm of forensic accounting perspective of financial frauds.

The PIMARC 2021 presented ten research papers under the themes of Organisational Behaviour, and Operations Management, the papers presented in the organisational behaviour stream focused on studies relating to Unethical Decision Making, Whistle-Blowing Intention, Decent Work Practices; Respectable Femininity; Spirituality and Sustainable Consumption and Locus of Control on Entrepreneurial Intention. The Supply Chain Practices, Service Innovations, Exploratory Innovation, Entrepreneurial Intentions,

Sustainable Consumption. These studies illustrate the application of both quantitative and qualitative methods, and bring out theoretical and managerial implications that will benefit both academia and industry.

The PIMARC Industry Dialogue 2021 is distinctly different to any industrial forum where typical issues are in focus. What we intend, herein, is to translate original research knowledge into practice for the betterment of a wider community.

The three papers presented in the Industry Dialogue were; The Impact of Appraiser's Coaching Role on Individual Work Performance; The Effect of Psychological Safety and Self-construal on Psychological Ownership towards Access-Based Services, and What causes women lawyers to hit a glass ceiling - A suggestion for legal education and professional institutes in Sri Lanka.

A panel discussion was carried out based on the research papers and was moderated by Prof. Ajantha S. Dharmasiri, and the Panel included Mrs. Farzana Jameel, Dr. Samitha Perera, Dr. Malraj Kiriella, and Mr. Asanga Ranasinghe.

### **Citations and H index**

The core faculty citations reached 567, and two members of the Faculty have an H index above seven and I 10 index above 5. The faculty is encouraged to publish in Ranked Journals, and to get engaged in research projects

### **The Publications Division - Overview**

Satisfactory progress was shown in the area of publications during the period under review.

- i) *PIM Presentation guidelines*: An updated edition of the handbook titled *PIM Presentation Guidelines* designed to promote uniformity in the writing and presentation of material by PIM staff and students was published. The book lays down the standard set of rules and guidelines for compliance, and is largely based on the guidelines set out in the Manual of the American Psychological Association. The Faculty has also contributed to the compilation of the publication.

- ii) *Sri Lankan Journal of Management (SLJM)*: The quarterly Journal of the Institute, started in 1996, continues to provide a forum for publication and discussion. Two bumper issues of the SLJM were published during the year 2021. The principal objective of the SLJM is to provide a medium for addressing issues of relevance in management and for disseminating the results of excellent research projects of the Faculty and students. Those from the industry are also invited to send in their contributions for publication.
- iii) *The Professional Manager*: This bi-annual magazine was launched, in addition to the SLJM, to cater to the emerging needs of the modern manager. It disseminates cutting-edge management knowledge in a style that is easy to comprehend without a particular functional bias. Issues that are topical and significant for today's managers operating in a complex and turbulent environment are given emphasis in *The Professional Manager*. Two issues of the publication were printed during 2021.

Publications are, for certain, a key component of the PIM's impact-plan. Done well, publications help disseminate key findings to target audiences and promote the Institute's continuous upgrading of research and numerous activities directed towards enhancing knowledge. Hence, the PIM's Publication Division serves as a indelible watermark on the continuity of the Institute's contributions by publishing all documents initiated by the Institute, including its flagship publications, the Sri Lankan Journal of Management and the Professional Manager. Further, the division assists in the publication of textbooks and other reading material initiated by the Faculty for MBA, MPA, EMBA, PhD and other programmes conducted by the Institute. To be precise the division specialises in structuring, designing, editing as well as preparing layouts and desktop publishing of the Institute.

### **The Sri Lankan Journal of Management (SLJM)**

- Sri Lankan Journal of Management (SLJM), Volume 26, Issue No. 1 (January-June 2021)
- Sri Lankan Journal of Management (SLJM), Volume 26, Issue No. 2 (July-December, 2021)

### **The Professional Manager**

- The Professional Manager – Volume No. 13 (1), Issue No. 20 (April 2021)
- The Professional Manager – Volume No. 13 (2), Issue No. 21 (November 2021)

### **Other major publications**

- The Faculty Handbook
- PIM Cases in Management – 2021 (230 pages)
- Reflecting Reality through Research - Research Report 2015-2020 (280 pages)
- The Student Handbook (Revised edition)
- Monograph on the Apartment Industry
- MBA, MPA, MBA-ICT Programme-Brochures
- Presentation Guidelines (Revised 7th Edition)
- Student Handbook-2022 – (Updated and Edited)
- MPA Programme Handbook – (Updated and edited)
- PIMARC - PIM Annual Research Conference with Industry Dialogue: E-Book

### **Press Releases in 2021**

- PIM Relaunches Its International MBA Programme in the UAE, Oman and Kuwait
- PIM signs MoU with Customs and International Trade PIM Successfully Completes the "TECHNOCRATS PROGRAMME 'for Hemas Hospitals Pvt. Ltd.
- PIM Genesis Incubator Helps SMEs to Plan Growth and Branding Strategies
- Senior Business Managers Join PIM's EMBA
- PIM Initiates Prof. Sisira Jayakody Memorial Research Centre
- PIM Conducts an EDP for Hemas Hospitals Pvt. Ltd.
- Dr. W.G.S.Kelum Assumes Duties as New Director, Postgraduate Institute of Management
- PIM Develops Executives of Hemas Hospitals
- PIM Genesis – Invigorating the Entrepreneurs of tomorrow...Today
- PIM Virtually Inaugurates Its Largest MBA Batch Ever
- PIM MBA in Customs and International Trade & Logistics

### **Significant achievements during the year (Research)**

1. Vibrancy in publications and conference presentations
2. The Sri Lankan Journal of Management (SLJM) continuing to be hosted by EBSCO
3. Two placements for PhD for two students who completed MBA Thesis in overseas universities
4. Two Doctoral students completing their final Thesis
5. Introduction of Monographs based on industry surveys conducted by MBA final-year students
6. New Scholar Bank (Digital Repository) is added to the PIM website.

## **PARTNERSHIP**

### **Industry Links and Consultancy**

The PIM maintains formal links with industry, commerce, and government through representation in the Institute's Board of Management and Boards of Study and the Director's and the core faculty members' membership/participation in similar institutional arrangements elsewhere. A number of awards are available to students who perform well in coursework and research. Some of them are donations and endowments offered to the Institute.

As a matter of Policy, the Institute undertakes management consultancy assignments that are likely to improve the content and skills of faculty teaching through exposure to practical management problems. In the past, several management consultancies have been successfully completed in such areas as corporate planning, organisational restructuring, job analysis, and remuneration policy, training and development, and institutional development. The clients included both public and private sector institutions engaged in manufacturing, services such as banking, finance, insurance, urban development, and special services aimed at improving the quality of life of disadvantaged social groups.

### **PIM - UNSW Partnership**

Under the PIM - University of New South Wales (UNSW) partnership agreement, the UNSW assistance received during the year is noteworthy.

- a) Development of academic and research skills of the PIM Faculty and Doctoral students through joint research projects.
- b) Award of Ph. D scholarships to MBA graduates of the PIM who perform exceptionally well in research.

The link and collaboration between the two institutions were further strengthened during the year.

### **Partnership with Foreign Universities**

Memoranda of Understanding (MOUs) were signed with the following overseas Universities for the purpose of providing training in international management for selected groups of public sector officials of the country.

- Kasetsart University, Thailand
- Maastricht University, The Netherlands
- Frankfurt University, Germany
- Gadjamada University, Indonesia
- University of Hong Kong, Hong Kong
- International University, Japan
- Sydney University, Australia

The scheduled programmes for the year 2021 were postponed to the year 2022 due to the prevailing pandemic situation in the world.

### **Queen Elizabeth Commonwealth Scholarship Programme**

The PIM's MBA has been recognised by the Queen Elizabeth Commonwealth Scholarship Programme (QECS) funded by the Commonwealth Scholarship and Fellowship Plan (CSFP) to study for a two-year Master's degree in a low or middle-income country of the Commonwealth. QECS has so far offered 07 fully paid scholarships to follow the MBA programme at the PIM since 2015. In 2021, the QECS offered one scholarship to a student from Gambia to follow the MBA programme at the PIM.

### **Partnership with Local Institutions**

During the year the Institute strengthened its ties with the Inland Revenue Department, Sri Lanka Customs and the Department of Education regarding the conduct of specialised Masters degree programmes for the officers of the respective institutions.

### **Executive Development Programmes**

The PIM also takes pride in conducting client-focused training for employees of organisations in its efforts to be a working partner of the business community. The Executive Development Programmes (EDP) of the Institute provide immense value of a long-lasting nature to its corporate customers. The aim of the PIM's EDPs is to help improve organisational management systems and practices by providing relevant training and development to executives of different sectors operating at different levels

in the respective organisational hierarchies. Overall the EDPs helped participants equip with the latest tools, techniques, and skills spanning different streams of management. Ten (10) EDPs were successfully conducted for the PIM's Corporate Customers during the year.

### **Significant Achievements during the year (Partnerships)**

1. Development of academic and research skills of the PIM Faculty and Doctoral students through joint research projects with the UNSW.
2. Conduct of ten (10) executive development programmes for corporate customers.
3. Offering of MBA study opportunities for students under QECS programme.
4. Increase of quality and quantity of EDPs with Globus simulation for Senior Managers
5. More doctoral collaborations with the UNSW and the ANU of Australia
6. Awarding of two MBA scholarships to the University of Sri Jayewardenepura Staff
7. Signing an MOU with the Ministry of Education.

## **SUSTAINABILITY**

Being the premier institute of management education in the country, the PIM is ever conscious of its commitments and obligations to the country at large. It has, therefore, been futuristic in its approach to management issues. The PIM's Edifice of Excellence includes 'Sustainability' as one of its Five Pillars of Excellence.

### **Sustainability Pillar is implemented through the following strategies**

- (i) Carrying on the affairs of the Institute without damaging the Environment now or in the future.
- (ii) Creating an administrative system that provides for quality of life while doing the utmost to preserve the environment and its resources, as well as avoiding the depletion of natural resources in order to maintain the much needed ecological balance.
- (iii) Inculcating the concept of sustainability in the minds of the stakeholders, including the student community.
- (iv) Practising sustainability through CSR (corporate social responsibility) projects launched by the Faculty and the students in the MBA programmes as well as by the PIM's Staff Welfare Society.
- (v) Promoting a greener, leaner and cleaner work environment through the PIM's 5S practices.
- (vi) Replacing the usage of paper by optimum utilisation of electronic documents for all internal communication, admissions, assignments, and final projects and adoption of wireless (WiFi) network systems.

### **CSR Projects: School productivity Improvement and binding the schools with the environment and the local community**

Sri Lanka is now focusing on Sustainable Development Goals (SDG), and how they will improve lives while protecting the planet over the next fifteen years. By developing sustainable growth policies, local governments in partnership with the community can improve citizens' quality of life, and contribute to the protection of the global environment. The PIM has embarked on designing and implementing projects that support SDG objectives. The projects addressed Sustainable Developments Goals 1 and

3. Focusing on Goal 1, the PIM has initiated Community Development through the integration of the tripod, namely, the School, Temple, and the Community. Project site; Pareyigama. The community is linked to the Bapa/Mathu/ Pareyigama Maha Vidyalaya, Pareyigama, Over 70 % of the people in Pareyigama are Samurdhi beneficiaries, and the majority survives on earnings on a day to day basis. Focusing on Goal 3 A school productivity improvement programme was launched, and to ensure healthy lives and promote well-being for all at all ages, the PIM has focused on productivity improvement in rural schools *helping to develop good health and well-being*.

The project on Community Development was launched through the integration of the School, Temple and Community. It addresses poverty and health and well-being of the society linked with the impact factor. This project ran for 3 years from 2018 to 2021 in a remote village, Pareyigama, where poverty is high with over 70 % of the community being are Samurdhi beneficiaries without a steady regular income. The livelihood of 19 families was improved during this period, and they are now able to live without any major social support. In addition, community health and well being were promoted through many programmes such as health camps, engagement with the temple, promoting the Sunday school, and development activities such as the manufacture of Carbonic fertilizer.

The school productivity Improvement project enhances the productivity of a selected school, based on the guidelines of the National Productivity Secretariat (NPS). To qualify for this benefit the school should be situated in a village where over 40 % are Samurdhi beneficiaries and preferably classifieds as a difficult area by the Ministry of Education. The main purpose is to improve the productivity of a school, and to support improving health and well-being of children in the selected school.

The school productivity improvements programme, initiated in 2013, has by now completed 8 projects, and in 2021 the school selected was Bapa/Mathu/Sri Chandrawimala Primary School, Yakupitiya, Mathugama, having 184 students 8 Teachers.

## **Centre for Quality Assurance and Accreditation (CQAA)**

Quality assurance has been given very high priority within the University system in Sri Lanka at present. It is mandatory to establish internal quality assurance systems at a high level of functionality in all universities and higher education institutes. The Centre for Quality Assurance and Accreditation (CQAA) was established at the PIM in July 2021 to plan, develop, facilitate and monitor internal quality assurance activities as required by the UGC. This center is also responsible to work with local and international accreditation bodies to enhance recognition and acquire accreditation to study programmes offered by the PIM.

CQAA coordinates all quality assurance activities within the PIM and liaises with the Quality Assurance Council (QAC) of the University Grant Commission and the Centre for Quality Assurance (CQA) of the University of Sri Jayewardenepura, as well as with international accreditation bodies. Further, the CQAA provides guidance to all staff members of the PIM on quality assurance, monitors the implementation of quality assurance activities within the PIM, facilitates the sharing of good practices among staff members, and prepares policies, guidelines and manuals relevant to quality assurance.

The objectives of the CQAA are as follows:

- To promote quality improvement activities within the PIM;
- To liaise with the Quality Assurance Council (QAC) of the University Grants Commission of Sri Lanka (UGC) in conducting the external peer reviews within the PIM;
- To prepare the self-evaluation reports in collaboration with the academic and administrative staff of the PIM for external peer reviews;
- To guide the staff members of the PIM to improve the quality of academic programmes in line with the Sri Lanka Qualification Framework (SLQF);
- To facilitate implementation of follow-up actions recommended in external quality assurance reviews and monitor progress in their implementation; and
- To liaise with the Centre for Quality Assurance (CQA) of the University of Sri Jayewardenepura and quality assurance Centres of other higher educational

institutions, to share good practices and enhance the quality of higher education in Sri Lanka.

The operational team of the CQAA is the Quality Assurance and Accreditation Committee (QAAC), which was also established in July 2021, and comprises of Director/PIM, Head/CQAA (Chairman), programme coordinators, Deputy Bursar, Senior Assistant Registrar, Senior Manager/IT and Assistant Librarian (Secretary). In 2021, this Committee conducted 05 meetings to identify quality gaps and recommend remedial measures, identify good practices and inculcate them within the PIM, and monitor the progress of quality assurance activities of the Institute.

The activities carried out by the CQAA in 2021 are as follows.

### **1. Development of policies**

The following 10 policies were developed, discussed with the faculty and submitted to the Board of Management (BOM) for approval.

- i. Policy No. 1: Students' Grievances Handling Policy
- ii. Policy No. 2: Information Technology Policy
- iii. Policy No. 3: Library Policy
- iv. Policy No. 4: Curriculum Development and Review Policy
- v. Policy No. 5: Curriculum approval and Phasing-out Policy
- vi. Policy No. 6: Teaching, Learning and assessment Policy
- vii. Policy No. 7: Quality Assurance Policy
- viii. Policy No. 8: Human Resource Development Policy
- ix. Policy No. 9: Gender Equity and Equality Policy
- x. Policy No. 10: Plagiarism Policy

### **2. Awareness programmes on quality assurance**

The following awareness programmes on quality Assurance were conducted for the staff of the PIM.

- i. Quality Assurance in Higher education
- ii. Sri Lanka Qualifications Framework
- iii. Good practices in Programme Management
- iv. Good Practices in Programme Design

### **3. Ensuring the conformity with the Sri Lanka Qualification Framework**

Programme learning outcomes of the MBA, MBA (Customs and International Trade) and MPA programmes offered by the PIM were revised to be on a par with the expected attributes of Level 10 qualification holders as per the SLQF.

The format of the Course Outlines was revised to indicate how the intended learning outcomes of courses map with the nationally important learning outcomes indicated in the SLQF.

The Course Outlines were continuously monitored before uploading on to the PIM learning portal, *Prajna*.

### **4. Development of Ethical Guidelines and Codes of Conduct**

Ethical Guidelines for research supervisors were developed by the CQAA and submitted to the BOM for approval.

The Students Code of Conduct was developed and submitted for the approval of the BOM.

### **5. Enhancing contribution to Quality Assurance**

The duties of the Coordinator of the Research Centre were revised to enhance the contribution to quality assurance.

Job descriptions of the following Senior Managers were revised to enhance their contribution to quality assurance

- i. Senior Manager/Information Technology
- ii. Senior Manager / Publications
- iii. Senior Manager / International Programmes
- iv. Senior Manage / Special Programmes

Guidance was provided to develop the Digital Repository of the PIM to enhance the quality of learning.

Guidance was provided to develop the Quality Assurance web-page with a view to enhancing the involvement of students and other stakeholders with the quality assurance activities of the PIM.

## **Development of the Quality Assurance Strategic Plan 2022-2025**

The Quality Assurance Strategic Plan for 2022-2025 with the following goals was developed. This was discussed with the faculty and with their recommendation submitted to the BOM for approval.

**Goal 1:** Improving the management of academic programmes

**Goal 2:** Strengthening the design and development of postgraduate courses

**Goal 3:** Enhancing the quality of learner support and human resources

**Goal 4:** Enriching the quality of teaching, learning and assessment procedures

**Goal 5:** Promoting healthy practices in academic and supportive activities

## **Development of the Quality Assurance Action Plan 2022**

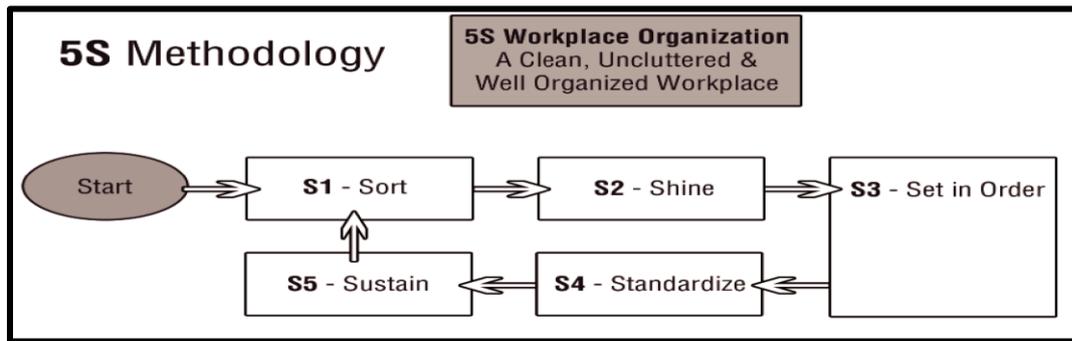
Based on the Quality Assurance Strategic Plan for 2022 -2025, the Quality Assurance Action Plan for the year 2022 was developed, discussed with the faculty, and submitted to the BOM for approval.

## **PIM's 5S Activities in the year 2021**

### **The physical background - Limitations**

The obstacles, impediments and stumbling-blocks that organisations experienced and underwent due mainly to the COVID-19 in the two years, 2020-2021 pandemic, were experienced by the PIM as well. The Institute was further handicapped by the dusty and messy environment that was created by the construction of the new wing, which is lingering behind schedule. Therefore, The PIMs 5S activities were conducted on a very constricted basis, paying attention mainly to 5S fundamentals of work-units.

## 5S Methodology



## 5S Policy

We at the PIM are committed to promote discipline, safety and good health in order to create a pleasant, orderly and productive working environment, and a good corporate image through continual and committed participation of employees at all levels, as well as passionate conformance to 5S practices that have been developed into our corporate culture.

## 5S Goals

1. The office building and premises are tidy, user friendly, clean and safe, with hygienic conditions.
2. Employees regularly and earnestly participate in 5S activities.
3. Employees perform their work with a sense of pride under a pleasant and hygienic working environment.
4. Priority is given to environmental protection and wise use of resources.

## 5S Objectives

1. To increase awareness and to instill positive attitudes towards orderliness and discipline among employees.
2. To improve overall operational efficiency.
3. To minimise consumption of operating resources and protect the environment.

4. To have a safe, clean, well organised and conducive workplace to achieve the objectives of the PIM's Five Pillars of Excellence.
5. To promote participation of employees and to enhance organisation-wide unity and team work.
6. To treat 5S activities as an inseparable part of the Institute's operations.
7. To create a good corporate image.

### **Specific 5S activities carried out in the year 2021**

In view of the physical background spelt out above the following limited number of 5S related activities were carried out in the year 2021:

1. Giving preference to safety and health measures by alerting the cleaning and maintenance personnel and strengthening security surveillance .
2. Introduction of special/additional health-measures conforming to the health-guidelines issued by the Director of Health Services.
  - i. Installation of hand-wash facilities
  - ii. Periodic disinfecting of Lecture Rooms
  - iii. Installing of Disinfectors at critical points in the building
  - iv. Periodic provision of Face-Masks to the staff.
  - v. Alerting Maintenance and Security staff to be on a vigilant-footing
3. Introduction of the 5S Organisation Structure -effective from August 2021, placing critical 5S activities under Task Groups. (after the premises were opened after a long shutdown due to the COVID-19 pandemic.
4. Issuance of the PIM News Letter No. 01/2021
5. Conduct of the BIG SEIRI Day on August 06, 2021, to make the work-environment dust-free and clutter-free.

## PIM Business Incubator "Genesis"

### Activities done by the PIM Genesis Incubator during the Year 2021

Among the wide range of Postgraduate Institute of Management (PIM) 's initiatives aimed at stimulating and supporting entrepreneurship, its business incubator, the Genesis was initially established for the PIM's MBA students who are pursuing the option of starting up a business through an Entrepreneurship Skills Research Project as their final project. The main objective of the Genesis is to provide solutions to their issues and encourage more students to take part in entrepreneurial projects to build the entrepreneurial spirit in the short term, and to contribute to the Nation's economic growth in the long term. Genesis also partners with local universities who through their specialisation do fundamental research for the purpose of commercialisation of innovations that arise from such research (for example, the Centre for Bio Medical Innovation of the University of Moratuwa). It is also linked to a growing number of industry incubators to support projects of their genre being incubated.



### **Monitoring the progress of the MBA Students who have selected the final project option of the Entrepreneurial Skills Research (ESRP) project.**

While the selection and supervision of students doing the ESRP project is a part of the final project curriculum of the MBA, the Genesis gave logistical support in 2021 to the progress of 12 such projects done by 14 MBA students up to the time of the internal audit.

### **Executing Entrepreneur Development Programme for SMEs by partnering with the LOLC based on an already signed MOU**

The first session for training micro-entrepreneurs of the LOLC under the MOU was initially planned to be held on December 03, 2021, from 9 AM to 3.30 PM at the LOLC Auditorium in Rajagiriya. However, it was shifted to Thursday, January 27, 2022, due to some personnel of LOLC who are involved in the programme contracting COVID. The content of the training programme included building linkages with markets and business development. The programme had a 100% women-SME participation, and the participants were given a capacity-building experience. For many of them it was their first such experience. The entire programme was conducted in the Sinhala medium. The second programme in the series was planned to be held in the Northeast of Sri Lanka.

### **Mentoring members of the Women's Chamber of Commerce and Industry based on the signed MOU**

The PIM Genesis signed an MOU with the Women's Chamber of Commerce and Industry in 2020 for developing and mentoring entrepreneurs who are their members. To date, four members have been mentored, and three workshops have been conducted for groups of members under this agreement. Six micro-entrepreneurs are being mentored individually for developing their businesses by the PIM Genesis to date.

### **Collaborating with the Center for Bio-Medical Innovation (CEBI) of the University of Moratuwa**

Since 2020 the PIM Genesis has been collaborating with the Center for Bio-Medical Innovation (CEBI) of the University of Moratuwa to help them commercialise prototypes developed by them. Dr Travis Perera, PIM, is presently a member of the CEBI's Working

Committee. Collaboration included planning for the development of a diabetic insole, and making a presentation titled: 'Getting the Business Idea Right for Hydrogel-based footwear solutions' by Dr Travis Perera at the MERC on an online conference held on July 30, 2021.

### **Work planned to be executed in 2022**

Proposals for the following items have been submitted in 2021 for approval to be executed in 2022:

- Establishing a centre for entrepreneur-development and applied industrial research at the PIM.
- Initiating a postgraduate certificate course in entrepreneur development and small business management at the PIM.
- Formalising collaboration with the Center for Bio-medical Innovation (CEBI) of the University of Moratuwa for commercialising prototypes developed by the CEBI.

### **AACSB Membership for PIM**

The Association of Advance Collegiate of Business (AACSB) connects educators, students, and businesses to achieve a common goal to be readied for the next generation of great leaders. The AACSB provides quality assurance, business education intelligence, and professional development services to over 1600 member organisations, and nearly 800 accredited business schools worldwide. In 2016, the PIM was awarded the Membership of the AACSB, and the PIM is in the process of obtaining the prestigious accreditation status by AACSB in the near future.

### **The 5 M framework for development**

In order to take the PIM forward in the years ahead, the five-dimensional programme, which had already been adopted, was continued with even greater vigour. It involved constant involvement in the 5 M, viz., Market, Members (faculty and staff), Mentors (Faculty assigned to provide individual help and guidance and feedback), Monitors

(appointing class representatives for each batch), and MBA's (work with Alumni of PIM). Emphasis was given to working with these stakeholders through the deliberations at Faculty meetings and meetings organised with the participation of other stakeholders.

### **ISO 9001:2015 status for the PIM**

Obtaining the ISO 9001:2015 certification was one of the most outstanding achievements in our history. The process leading to the certification was most rewarding as it resulted in effecting improvements in the academic arena comprising teaching, learning, and evaluation as well as educational, administrative, and financial administration. The ISO 9001:2015 based Quality Management System (QMS) is currently undergoing the recertification process along with enhancement of the scope covered by the QMS.



### **Enhanced facilities for staff and students**

The PIM Building Project Stage II: A project proposal for the construction of Stage II of the PIM building complex was approved by the Cabinet of Ministers in June 2012. The total project cost is estimated at Rs. 240 million. The construction work of the project started on September 10, 2019, and the funds generated by the Institute will be utilised to complete the entire building project. On completion of the building, the Institute will

be in a position to provide extended and expanded services to the students as well as to the corporate community.

### **Library Facilities Development**

Under the direction of the Assistant Librarian, 3 Library assistants were performing duties at the PIM's Prof. Uditha Liyanage Memorial Library.

Facilities provided by the library to the users namely, access to printed books, e-books collection, journal collections, periodicals and newspaper collection were updated throughout the year providing more access to information for the learning partners and resource persons. Also, the Library staff provided distance support facilities to the users via email and telephone conversations, supporting them to access online databases and e-book collections.

The "Wisdom Window" – the newsletter of the Institute, a publication of the library, continued to be published on a monthly basis. It could be accessed via <https://wisdomwindow.pim.sjp.ac.lk/>.

During the year 85 books were purchased at a cost of Rs.406, 819.68, and access to 4 new e-books databases was provided within the year. In addition, access to 2 full-text journal databases namely, EBSCOhost and Emerald was provided to the Faculty and the learning partners.

The library also maintained a daily newspaper collection which comprised 10 newspapers.

By the end of the year 2021 the PIM library consisted of 9771 Books, 20 Periodicals, 02 Journal Databases and 04 eBook collections. The total number of entries in the Scholar bank (Institutional repository) was 738, which included 277 articles from the Sri Lankan Journal of Management (SLJM), 47 faculty publications and 414 students' dissertations.

EBSCOhost is a leading scholarly research database, mostly full text, with an emphasis on peer-reviewed journals. The content of the Sri Lankan Journal of Management (SLJM) of the

Institute can now be accessed via two different databases on EBSCOhost – Business Source Corporate Plus and Business Source Ultimate. The SLJM became the first Sri Lankan journal to be hosted on the EBSCOhost database. This has, in fact, increased the citation rate of SLJM articles, which helps the institution improving its standard.

### **IT Facilities Improvement**



The PIM IT Centre is the core entity of the Postgraduate Institute of Management which manages the institute-wide IT infrastructure, Internet and Email facilities, Server Administration, Development and Maintenance of Electronic Services and Applications while providing IT related Technical Support for Postgraduate students, staff, and the faculty.

Mr. Sisira Athuraliyage led the PIM IT Center as the Senior Manager IT, while Mr. Prabhash Wickramasinghe served as the Systems Analyst and Mr. Savan Mullegama contributed as the Technical Officer IT.

The core services provided by the PIM IT Centre are as follows:

- Managing the Institute's E-Mail Service
- Managing and Providing the Internet Facility
- Development and Maintenance of the institute's Web Site
- Designing and Developing Management Information Systems
- Designing and Implementing Local Area Networks
- Development and Maintenance of the Wi-Fi Network
- Attending to Troubleshooting and Maintenance of ICT Equipment
- Installation of Software and Providing Security Software
- Preparing Specifications and Technical Evaluations
- Conducting of Special Training Programmes for the PIM's Staff
- Assisting the Staff in their ICT Requirements
- Advisory Services and Technical Support for Students

Information Systems Developed and Maintained by the PIM IT Centre are as follows:

1. Academic Progress Information System
2. Examination Management System
3. Online Admission System ([apply.pim.sjp.ac.lk](http://apply.pim.sjp.ac.lk))
4. Online Payment System ([payments.pim.sjp.ac.lk](http://payments.pim.sjp.ac.lk))
5. Library Information System
6. Human Resources Information System
7. Resources Management System
8. Digital Signage System

Websites Developed and Maintained by the PIM IT Centre are as follows:

1. PIM Website ([pim.sjp.ac.lk](http://pim.sjp.ac.lk))
2. Prajna - PIM Learning Portal ([prajna.pim.sjp.ac.lk](http://prajna.pim.sjp.ac.lk))
3. The Centre for Quality Assurance and Accreditation (CQAA) ([cqaa.pim.sjp.ac.lk](http://cqaa.pim.sjp.ac.lk))
4. Research Centre ([research.pim.sjp.ac.lk](http://research.pim.sjp.ac.lk))
5. Library ([library.pim.sjp.ac.lk](http://library.pim.sjp.ac.lk))
6. IT Centre ([itc.pim.sjp.ac.lk](http://itc.pim.sjp.ac.lk))
7. Welfare Society([welfare.pim.sjp.ac.lk](http://welfare.pim.sjp.ac.lk))
8. Publications Centre([publications.pim.sjp.ac.lk](http://publications.pim.sjp.ac.lk))
9. e-Repository (<http://dr.lib.sjp.ac.lk/handle/123456789/9439>)

10. Genesis - PIM Business Incubator([genesis.pim.sjp.ac.lk](http://genesis.pim.sjp.ac.lk))

11. Aloka - PIM Blog ([blog.pim.sjp.ac.lk](http://blog.pim.sjp.ac.lk))

12. Sri Lankan Journal of Management ([sljm.pim.sjp.ac.lk](http://sljm.pim.sjp.ac.lk))

13. Professional Manager ([profmanager.pim.sjp.ac.lk](http://profmanager.pim.sjp.ac.lk))

Wisdom Window ([wisdomwindow.pim.sjp.ac.lk](http://wisdomwindow.pim.sjp.ac.lk))

- and International Trade

## **Publicity and Image**

A conscious effort was made to publicise all PIM activities/events carried out in 2021 with press and TV coverage, thus increasing the visibility of the PIM. The PIM website, which is regularly upgraded, also covers the special events conducted by the Institute.

## **Staff Training**

The Institute works on the axiom that 'Staff is the organisation". Therefore, in addition to the welfare measures that are in place to boost up the morale of the staff, and to make them genuinely feel that the Institute is their second home, their competency and skills enhancement are given prime importance in their overall development. In fact, the training presents an excellent opportunity to expand the knowledge base of all employees, and will provide them a greater understanding of their responsibilities within their roles, and in turn build their confidence.

The PIM has meticulously worked out an annual training calendar to fulfill these noble objectives, specifying the dates, times, resource persons, and topics/subjects selected for each session. As it's a mixed target group representing different categories of non-academic staff, the overall objective is to enhance their general outlook towards their work as well as to inculcate in them such concepts as responsibility, efficiency, effectiveness, productivity and personal excellence.

As the PIM lays much importance on operational effectiveness in serving the student community, its prime stakeholder group, emphasis is given to sound housekeeping

practices, including quality, productivity, and 5s methodology, and fire-emergency measures.

With a view to broadening their general outlook on life, the programme also includes such topics as sexual literacy and health, personal excellence, non-communicable diseases, and managing finances, and investing wisely.

The PIM obtains the services of both its Faculty as well as specialists in the respective fields to conduct these sessions. Staff training has been an ongoing activity since 2014.

A further aspect of the PIM's overall staff training programme is providing exposure visits to foreign climes and, more particularly to reputed higher learning institutes, by nominating non-academic staff in the periodic international training programmes conducted by the Institute.

### **The Staff Training Schedule prepared for the year 2021**

<b>No.</b>	<b>Month</b>	<b>Date</b>	<b>Day</b>	<b>Topic</b>	<b>Resource Person</b>
1	January	27	Wednesday	A Simple Look on a Digital Economy	Mr. Tharindu Ameresekere
2	February	24	Wednesday	Organisational Ethics	Mr. Jayantha Newunhella
3	March	24	Wednesday	Power of the Positive Mind	Director
4	April	21	Wednesday	Innovative Approaches in 5S	Mr. Jithendra Gunatilake
5	May	19	Wednesday	How to Control Stress	Mr. Champal de Costa
6	June	23	Wednesday	Observation Skills	Mr. Ravi Bamunusinghe
7	July	21	Wednesday	Shift in Thinking on Thinking	Dr. Samantha Rathnayake
8	August	25	Wednesday	Maximum Utilization of Computer Resources	Mr. Sisira Athuraliyage
9	September	22	Wednesday	Importance of Ethics and Integrity in Your Career	Dr. Trevor Mendis
10	October	27	Wednesday	Creative Problem Solving	Dr. Gayan Jayakody
11	November	24	Wednesday	Managing Your Finances	Mr. Dilhan Goonetilleke
12	December			Christmas Celebrations	Welfare Committee

### **Human Resource Development and Cadre**

During the year both Faculty as well as non-academic staff rendered yeomen service to the achievement of institutional goals.

## Faculty Resources

Over a period of three decades, the Institute has accumulated a wealth of experience in adult learning, research, and consultancy. Most of the teachers of the Institute today have been at the task for many years. Hence, they form a core team of academics who set standards, integrate locally-found knowledge regularly into the curricula, and coordinate with other faculty members with speed and efficiency. The teaching faculty was engaged in the conduct of course work and the supervision of research papers and skills projects of Master's and Doctoral level students. The faculty team comprised permanent teachers, teachers on contract, and visiting academics and professionals:

## Approved Cadre 2021

### Employee Classification

Service Category	Salary Code	No. of Employees	Actual Cadre	Vacancies	Actual Contract Carder
<b>Primary Level</b>					
Primary Grade – unskilled	PL -1	02	-	02	01
Primary Grade – semi skilled	PL -2	03	02	01	-
Primary Grade - skilled	PL -3				
<b>Secondary Level</b>					
Management Assistant – non technical	U-MN1	15	09	06	05
Management Assistant – technical	U – MT 1	02	02	-	-
Associate Officers – segment 2	U – MN 2	-	-	-	-
Associate Officers – segment 1	U – MN 3	-	-	-	-
Staff Assistant/Supra & Senior Staff Assistant	U – MN 4	-	-	-	-
<b>Tertiary Level</b>					
Academic Support Staff – segment 2	U – AS 1	-	-	-	-
Junior – Executive/Managers	U – EX 1	01	-	01	05
Academic Support – segment 1	U – AS 2	01	-	01	01
<b>Senior Level</b>					
Medical Officer	U – MO 1	-	-	-	-
Chief Medical Officer	U – MO 2	-	-	-	-
Middle Level Executives	U – EX 2	02	02	-	-
Middle Level Executives	U-EX 2 (a) U-EX 3				
Lecturer	U – AC 3	} 06	04	02	07
Associate Professors	U – AC 4				
Professors/Senior Professors	U – AC 5				
		32	19	13	19

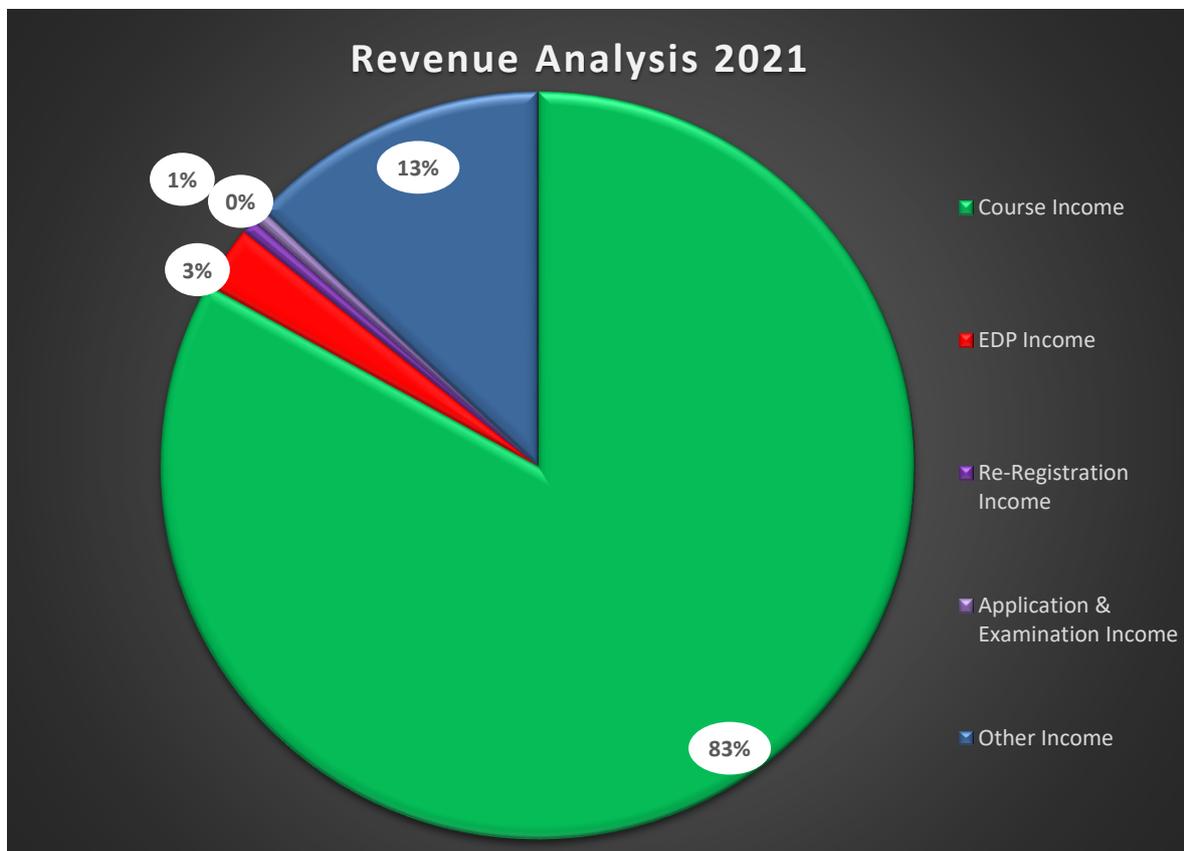
### **Significant achievements during the year (Sustainability)**

1. Continuation of PIM building expansion
2. Acceleration of AACSB activities in line with the modified standards launched worldwide
3. Increased use of Zoom and other technologies to ensure eco-friendlier learning
4. Conducting of regular training programs for the staff
5. Conducting of hybrid faculty meetings to accommodate both physical and virtual participants

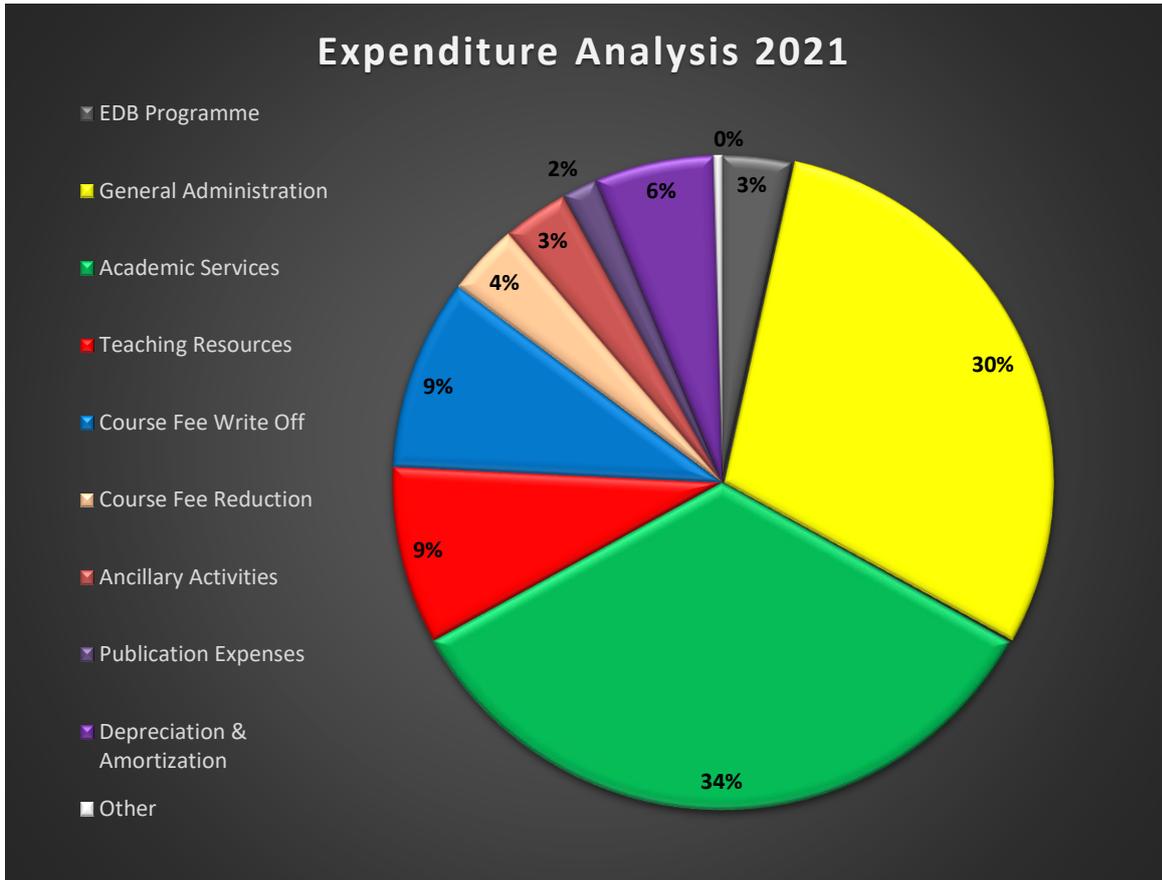
## GOVERNANCE

### FINANCIAL REVIEW 2021

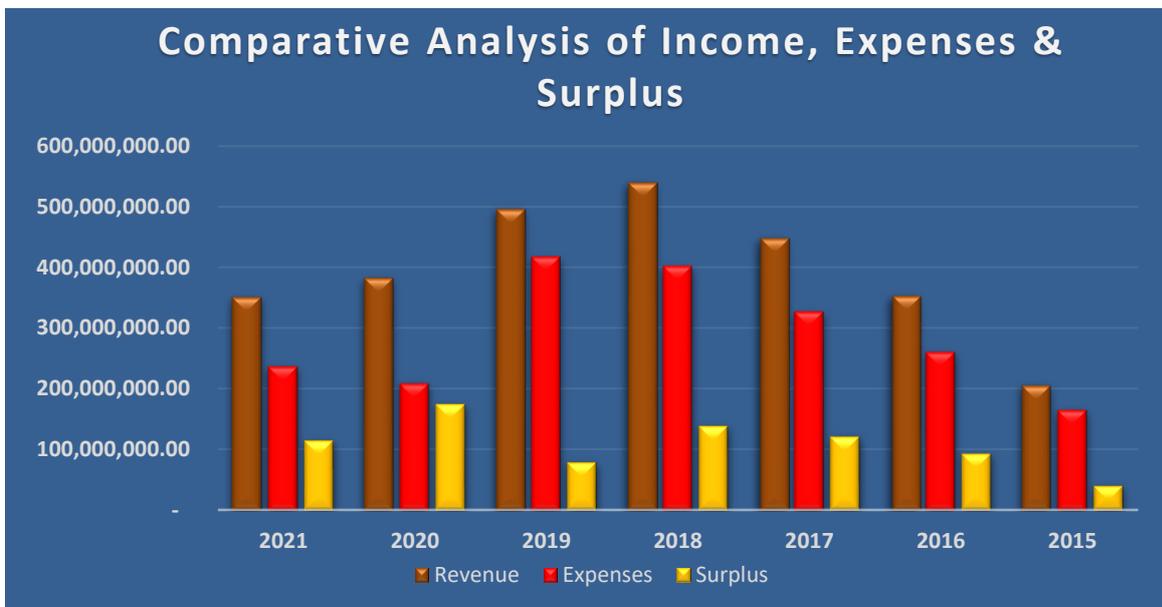
The past year has been one of the most challenging in the PIMs history. We have operated amidst a continued backdrop of uncertainty such as the COVID 19 pandemic. Amidst these odds, through agility and flexibility, the Institute has delivered a financially resilient position, which provides financial stability and resilience, whilst also creating the capacity to finance its future ambitions. The year commenced with incredible uncertainty, which remains in the Institute's operating landscape. COVID meant that predicting our student intake was challenging, with behaviour patterns not replicating anything previously experienced. With all these handicaps during the year 2021, the Institute manage its Finances to ensure long-term sustainability.



Total Revenue: **Rs 334.6 million**



Total Expenditure: **Rs. 236.6 million**



## Administrative and Financial Efficiency

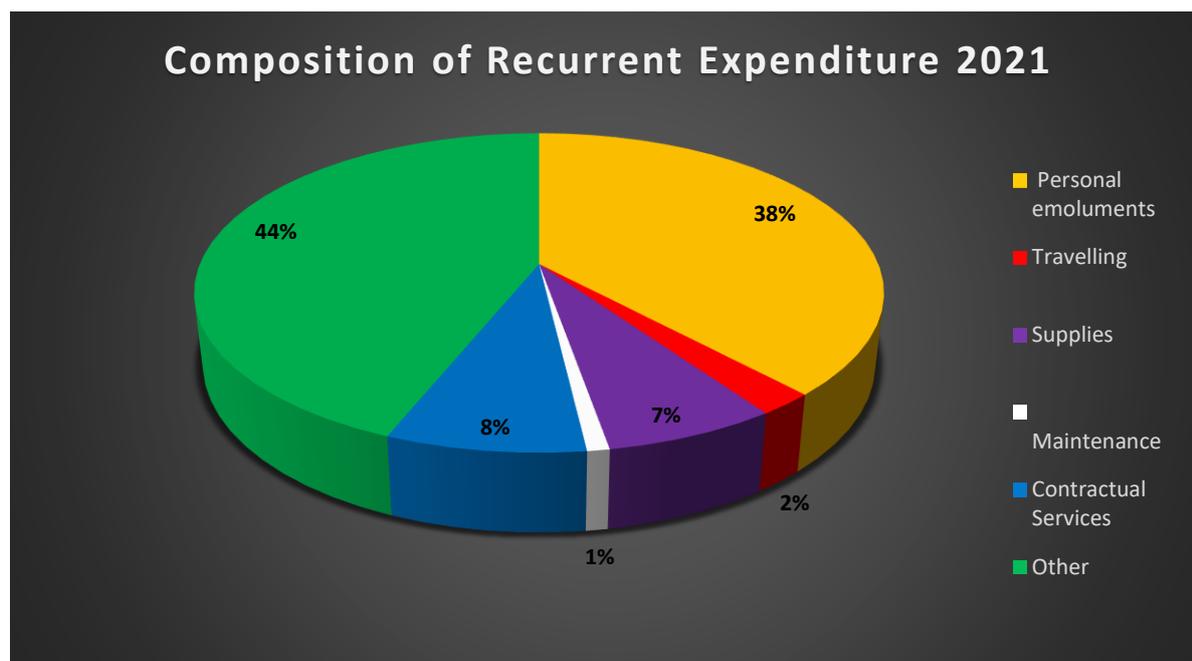
This has been a satisfactory year for the Institute in administrative and financial efficiency spheres, as is reflected in the following statements:

Comparative Recurrent expenditure figures appear in Table 7.

**Table 7: Recurrent Expenditure: 2019 (Rs.) 2020 (Rs.) 2021 (Rs.)**

Subject	2019	2020	2021
a. Personal emoluments	123,831,631	90,550,329	90,171,706
b. Travelling	42,666,852	10,732,537	5,331,550
c. Supplies	20,815,478	9,887,879	16,326,131
d. Maintenance	9,632,163	4,364,886	2,097,073
e. Contractual Services	37,185,095	20,770,589	18,769,215
f. Other	183,156,258	72,709,071	103,935,279
g. Project Nature Expenditure	--	--	--
Total Expenditure	417,337,477	208,970,290	236,630,934

Source: PIM database

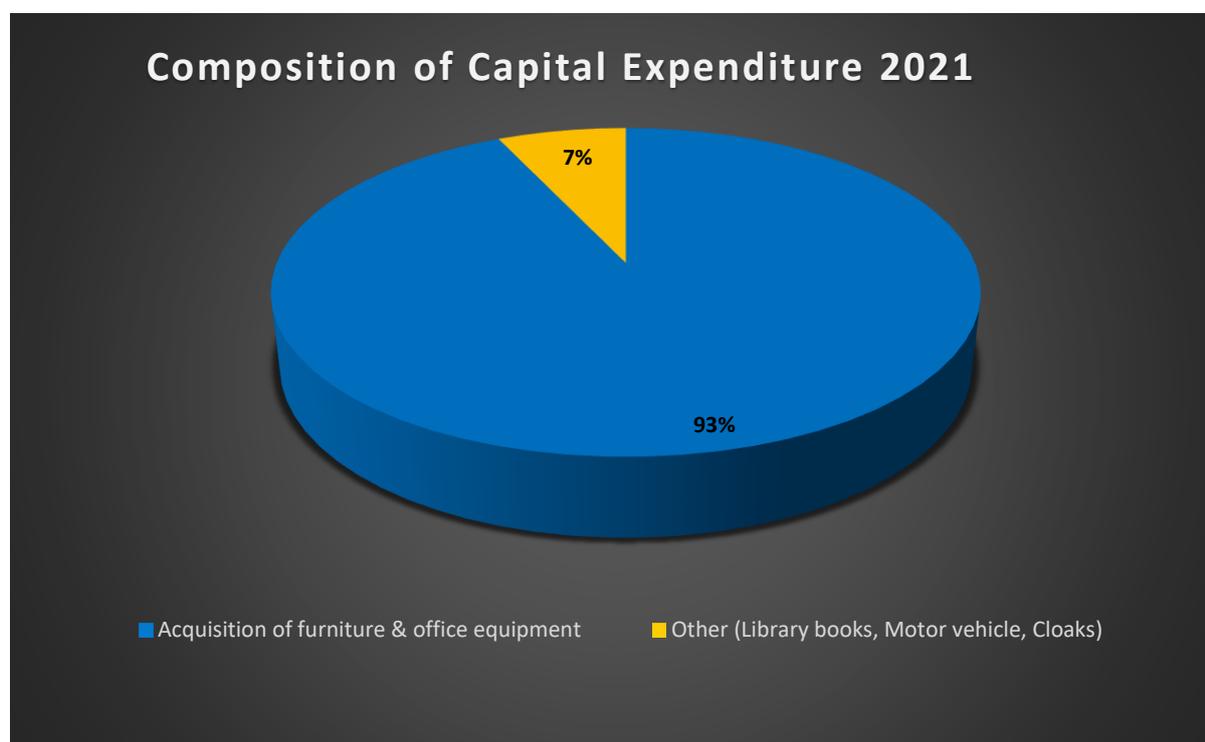


Comparative capital expenditure figures appear in Table 8.

**Table 8: Capital Expenditure**

Subject	2019 (Rs)	2020 (Rs)	2021 (Rs)
a. Acquisition of furniture & office equipment	9,152,780	3,369,956	5,626,800
b. Acquisition of machinery	-	-	-
c. Acquisition of buildings and structures	-	-	-
d. Other (Library books, Motor vehicle, Cloaks)	804,290	1,064,012	421,305
e. Rehabilitation & Renovation of Land & Building	-	-	-
f. Acquisition of Intangible Assets	-	590,000	-
<b>Total</b>	<b>9,957,070</b>	<b>5,023,968</b>	<b>6,048,105</b>

Source: PIM database



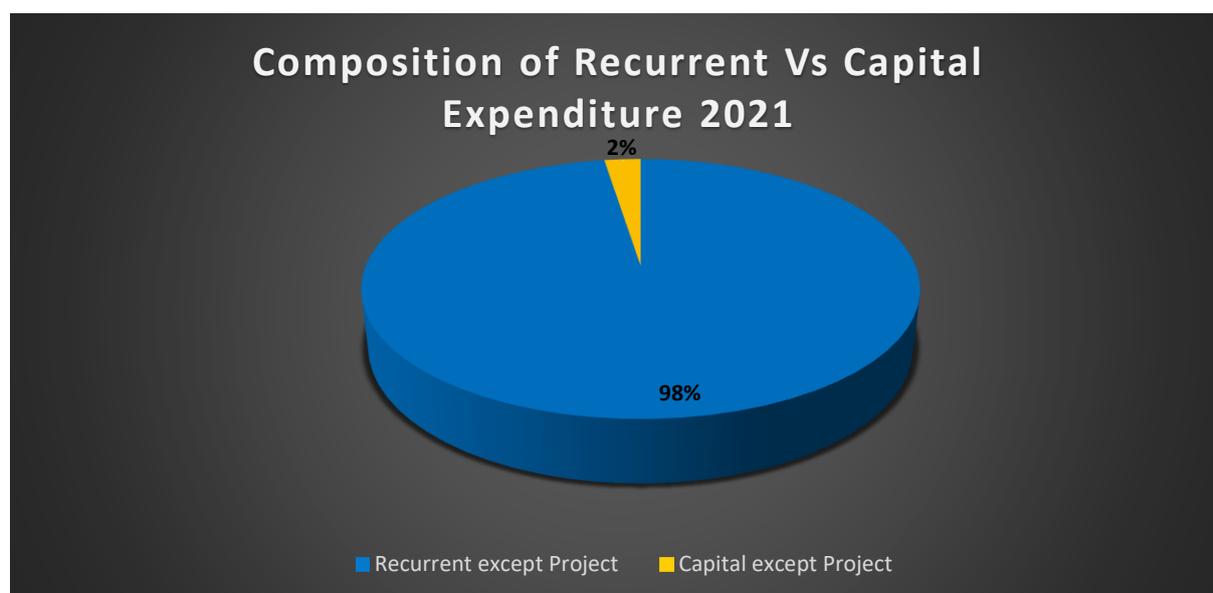
Comparative financial progress figures of expenditure appear in Table 9.

**Table 9: Financial Progress (Expenditure)**

Subject	Provision in 2021 Rs.	Expenditure in 2021 Rs.	Savings/Excess Rs.
a. Recurrent except Project	321,442,000	236,630,934	84,811,066
b. Capital except Project	44,000,000	6,048,105	37,951,895
c. Project – Local funded	-	-	-
d. Project – Foreign-funded	-	-	-
<b>Total</b>	<b>365,442,000</b>	<b>242,679,039</b>	<b>122,762,961</b>

Note: above (b) is excluding construction project provision of Rs. 141,722,700/-

Source: PIM database

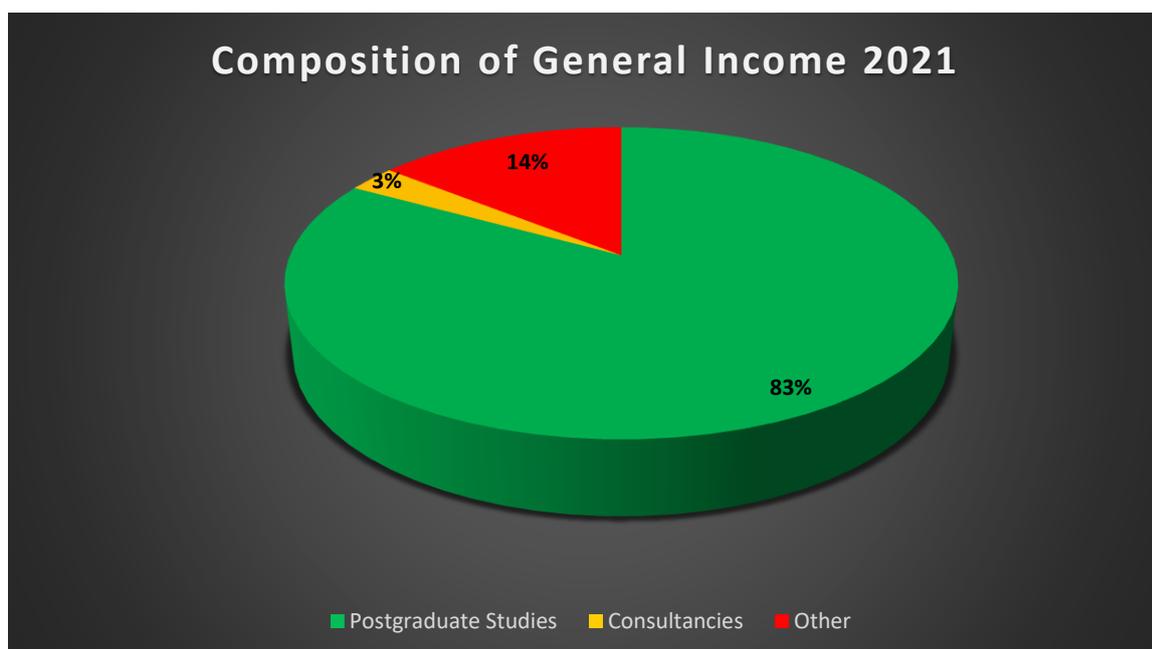


Comparative financial progress figures of generated income appear in Table 10.

**Table 10: Financial Progress (Generated Income)**

Source of Revenue	Provision in 2021 Rs.	Collection in 2021 Rs.	Deficit/Surplus Rs.
Postgraduate Studies	321,246,000	277,867,759	(43,378,241)
Consultancies	8,000,000	9,158,967	1,158,967
Other	73,064,000	47,610,774	(25,453,226)
<b>Total</b>	<b>402,310,000</b>	<b>334,633,500</b>	<b>(67,672,500)</b>

Source: PIM database



#### Financial Performance Analysis, 2021:

During the year, the Institute did not receive any funds from government sources, in keeping with the Policy of self-financing of the Institute, which started in 1998. Since that year, the PIM has not received any funds from the University Grants Commission or Treasury for recurrent or capital expenditure.

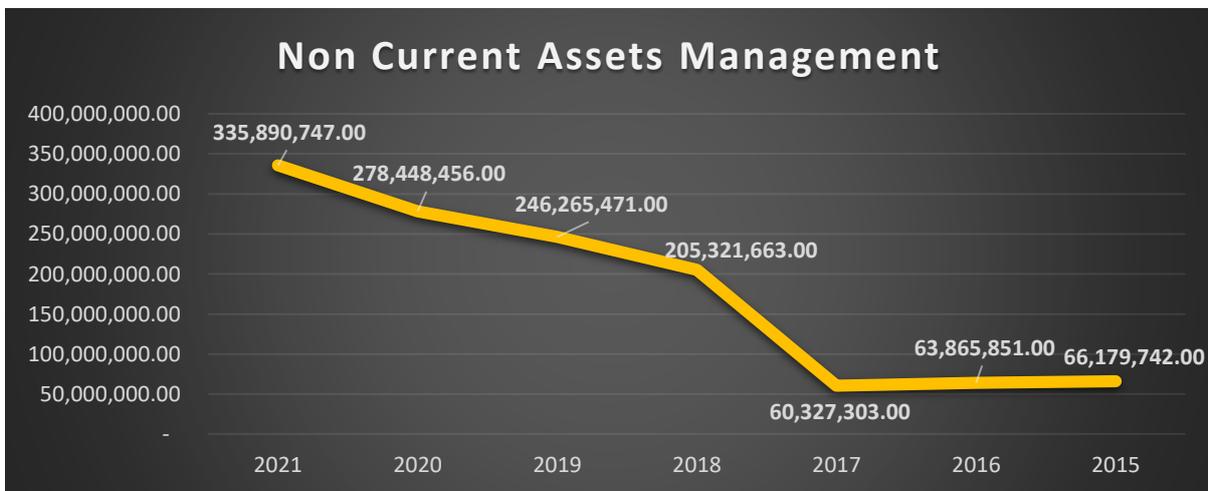
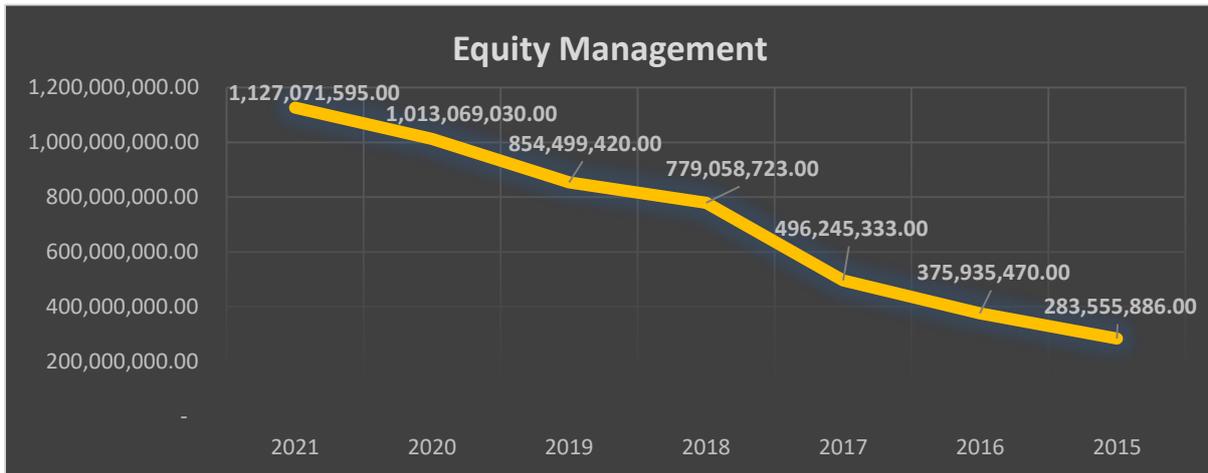
Financial performance analysis figures of 2021 appear in Table 11.

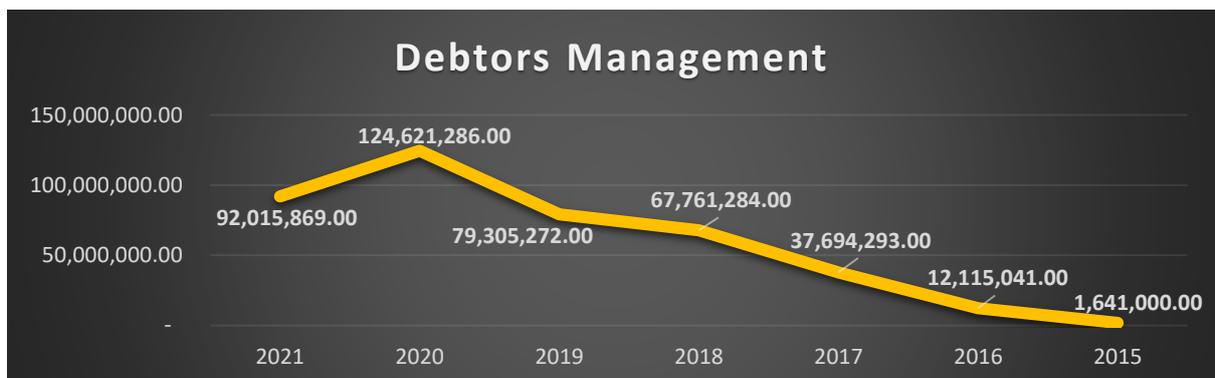
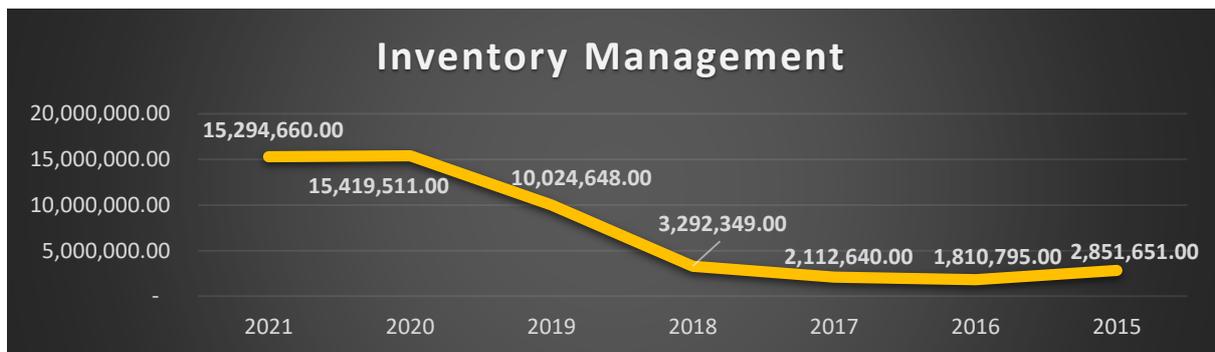
**Table 11: Financial Performance Analysis, 2021**

Subject	Exp. Per Student Rs.
Recurrent Expenditure (RE) per Student	242,201.57
Capital Expenditure (CE) per Student (CE)	6190.48

*Source:* PIM database

## Progress of the Fund Management summary from the 2015 - 2021





#### Significant achievements (Governance)

1. Introduction of revamped faculty work norms and workloads in line with the UGC expectations and AACSB standards
2. Continuation of the Finance and Remuneration Committee (FRC) as a Board of Management Sub Committee
3. Continuation of the ISO 9001:2015 status for the MBA programme
4. Conduct of Board of Management and Boards of Study meetings as planned
5. Continuation of the AACSB membership status obtained for the Institute.

## **FUTURE PLANS**

In line with the strategic plan prepared for 2020-2022, the PIM is geared to achieve the set targets in the five pillars, viz., teaching, research, partnership, sustainability, and governance. The Institute successfully overcame the after-effects of the Easter Sunday attack, and is currently showing resilience and revival in the face of COVID19. It is, indeed, a sign of the PIM's stern commitment and demonstration of professionalism on all fronts.

The PIM's flagship MBA programme is now offered in six international destinations (Dubai, Doha, Muscat, Kuwait City, Dhaka, and Manama- Bahrain), and the plans were underway to include Male – in the Maldives, during 2021. Maintaining quality and relevance in the long term with further additions of overseas study groups should be of high importance. Such moves primarily cater to Sri Lankan expatriates to assist them in enhancing their leadership and managerial competencies.

The PIM will also pay greater attention to improve the quality of research on all fronts, inclusive of final projects. In addition to the content of research reports, presentation aspects need improvement. Students should also be exposed to larger doses of qualitative and mixed research methods. A concerted effort should also be made to get the Sri Lankan Journal of Management to attain ranked status for which enhancement of quality of research outputs of the Faculty seems essential. Thus, the need to broad-base the role of the Research Centre looms large.

In addition, attempts must be made to enhance the MPA programme conducted by the Institute both in terms of contents as well as the method of delivery. The use of blended learning methods using information technology can be further enhanced as it will ensure the effective participation of students from distant parts of the country.

The tailored programmes of the PIM such as MBA in Taxation (MBAT) and MBA in Customs and International Trade (MBA-CIT) should be further expanded, and the plans are underway to offer an MPA in Education Management (MPAH) and MPA in Health Administration (MPAH) as two new programmes, in the near future. It is the Institute's endeavour to continue to excel in its chosen areas of activity, the MBA, MPA and Ph.D, core programmes, and research, while paying greater attention to Executive

Development Programmes (EDP), which are tailor-made to meet the specific training and development needs of clients, especially from the private sector. Infra-structure development, with the expansion of the Faculty and their continuous development, will enable the above-mentioned programmes of study research and training to be delivered as planned.

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
December 31, 2021

		LKR	
	Note	2021	Restated 2020
<b>Income</b>			
Course Fees	01	277,863,758	312,072,186
Income From Executive Development Programmes		9,158,967	4,960,719
Re-registration Fees		2,113,621	2,225,298
Examination Fees		955,020	830,250
Application Fees		933,000	976,500
Other Income	02	43,609,133	61,475,331
<b>Total Income</b>		<b>334,633,500</b>	<b>382,540,284</b>
<b>Expenditure</b>			
Executive Development Programmes-2021		8,103,498	-
Executive Development Programmes-2020		-	2,138,658
Executive Development Programmes-2019		-	6,656,605
General Administration and Staff Costs	03	70,179,963	67,313,956
Academic Services	04	80,215,274	81,474,822
Teaching Resources	05	20,796,783	14,801,792
Ancillary Activities	06	7,613,057	8,099,154
Expenses on Publication		4,083,317	3,413,606
Depreciation & Amortization		13,866,813	15,342,148
Audit Fee		887,400	1,020,510
Course Fee Reduction		8,455,654	-
Write offs - Course Fee Receivable Balances	07	22,364,176	10,291,322
Miscellaneous Expenses		65,000	187,500
<b>Total Expenditure</b>		<b>236,630,934</b>	<b>210,740,073</b>
<b>Surplus for the Year Before Revaluation Gain on PPE</b>		<b>98,002,565</b>	<b>171,800,211</b>
Gain on Revaluation of PPE		16,000,000	-
<b>Surplus for the year after Revaluation Gain on PPE</b>		<b>114,002,565</b>	<b>171,800,211</b>

		LKR	
		2021	Restated 2020
	Note		
<b>Assets</b>			
<b>Non-current Assets</b>			
Property, Plant and Equipment	08	189,459,440	181,083,148
Work in Progress - Building (Stage II)	09	124,482,283	62,701,621
Mobilization Advance - Building (Stage II)	10	20,113,086	32,632,749
Intangible Assets	11	1,835,938	2,030,938
Fixed Deposits	12	438,996,485	425,529,062
<b>Total Non-Current Assets</b>		<b>774,887,232</b>	<b>703,977,517</b>
<b>Current Assets</b>			
Inventories	13	15,294,660	15,419,511
Advances & Prepayments	14	6,666,589	2,321,189
Receivables	15	105,516,418	141,396,135
Cash & Cash Equivalents	16	348,492,712	265,827,651
<b>Total Current Assets</b>		<b>475,970,378</b>	<b>424,964,485</b>
<b>Total Assets</b>		<b>1,250,857,610</b>	<b>1,128,942,002</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Capital Grant		166,986,090	166,986,090
Revaluation Reserve	17	177,734,566	161,734,566
General Reserve		782,350,939	684,348,374
<b>Total Equity</b>		<b>1,127,071,595</b>	<b>1,013,069,030</b>
<b>Liabilities</b>			
<b>Non-current Liabilities</b>			
Provision for Gratuity	18	16,954,659	23,042,372
Endowment Fund	19	437,608	437,608
Retention-Building Stage II		9,032,644	4,012,825
<b>Total Non-current Liabilities</b>		<b>26,424,911</b>	<b>27,492,804</b>
<b>Current Liabilities</b>			
Provisions	20	12,103,074	8,956,303
Refundable Deposits	21	130,000	95,000
Income Received in Advance	22	61,631,060	54,645,000
Trade & Other Payables	23	23,496,970	24,683,866
<b>Total Current Liabilities</b>		<b>97,361,104</b>	<b>88,380,169</b>
<b>Total Liabilities</b>		<b>123,786,015</b>	<b>115,872,972</b>
<b>Total Equity and Liabilities</b>		<b>1,250,857,610</b>	<b>1,128,942,002</b>

We certify the above financial statements of the Institute comply with the requirements of the relevant sections of the Universities Act No. 16 of 1978, and Ordinance No. 03 of 1985 made by the University Grant Commission.

.....  
P G Maithrieratne  
Deputy Bursar

.....  
J K S Ranapura  
Senior Assistant Registrar

The members of the Board of Management are responsible for the preparation & presentation of these Financial Statements.

Signed for and on behalf of the Board of Management.

.....  
Dr.W.G.S.Kelum  
Chairman of the Board of Management

.....  
Lasantha Wickremasinghe  
Member of the Board of Management

				LKR	
	Note	Capital Grant	Revaluation Reserve	General Reserve	Total
<b>Balance as at 1st of January 2020</b>		166,986,090	157,166,440	530,346,891	854,499,421
Surplus for the year 2020		-	-	173,569,994	173,569,994
Revaluation Loss		-	4,568,126	(4,568,126)	-
Adjustments	A	-	-	(15,000,385)	(15,000,385)
<b>Balance as at 1<sup>st</sup> Jan 2021</b>		<u>166,986,090</u>	<u>161,734,566</u>	<u>684,348,374</u>	<u>1,013,069,030</u>
Vehicle Revaluaiton Surplus		-	16,000,000	-	16,000,000
Surplus for the year 2021		-	-	98,002,565	98,002,565
<b>Balance as at 31st December 2021</b>		<u>166,986,090</u>	<u>177,734,566</u>	<u>782,350,939</u>	<u>1,127,071,595</u>
<b>Note A. Adjustments</b>					<b>LKR</b>
WHT Receivables identification					(471,987)
Over / Under Depreciations of PPE					334,838
Gratuity Under Provisions					(14,813,628)
Capitalization of Conculatancy Fee - Building Stage II (2015)					731,313
MBA Kuwait 2018/19 Receivables					111,875
MBA Oman 2017/18 Receivables					235,719
MBA UAE 2017/18 Receivables					(66,730)
EBSCO Host Renewal payment					(860,783)
Correction of PIM Publication Stock					(201,000)
<b>Total Adjustments</b>					<u>(15,000,385)</u>

	LKR	
	Restated	
	2021	2020
<b>Cash Flows from Operational Activities</b>		
<b>Surplus</b>	98,002,565	171,800,211
Prior Year Adjustment		
<b>Adjustments For:</b>		
Depreciation and Amortization	13,866,813	15,342,148
Provision for Gratuity	1,596,224	2,904,559
Loss/gain of asset disposal	(46,000)	-
Interest Income From Staff Loans	(139,672)	(125,198)
Interest Income From Fixed Deposits	(37,000,362)	(48,165,182)
Income from Hall Charges	(198,000)	(2,894,875)
	<b>76,081,568</b>	<b>138,861,663</b>
<b>Changes in Working Capital</b>		
(Increase)/Decrease in Inventories	124,851	(5,394,862)
(Increase)/Decrease in Advances & Prepayments	(4,345,400)	3,334,784
(Increase)/Decrease in Receivables	33,468,061	(43,490,648)
Increase/(Decrease) in Refundable Deposits	35,000	-
Increase/(Decrease) in Income Received in Advance	6,986,060	(2,407,670)
Increase/(Decrease) in Trade & Other Payables	(1,186,896)	(6,908,984)
Increase/(Decrease) in Provisions	3,146,772	(612,698)
	<b>114,310,016</b>	<b>83,381,585</b>
Gratuity Paid	(7,683,936)	(1,944,000)
<b>Net Cash Flows from Operating Activities</b>	<b>106,626,080</b>	<b>81,437,585</b>
<b>Cash Flows from Investing Activities</b>		
Purchasing of Property, Plant & Equipment	(6,048,105)	(3,711,595)
Purchasing of Intangible assets	-	(590,000)
Construction of Building	(44,241,180)	(37,672,818)
Proceed on Sale of Old Store Items	46,000	-
Income on Hall Charges	198,000	3,920,875
Increase in Investment in Fixed Deposits (Reinvesting Cumulative Fd Tc	(13,467,423)	(18,466,207)
Interest on Loan & Advances	139,672	125,198
Interest on Investments	22,403,931	30,121,046
Interest on Cumulative FD Investments	17,008,087	23,720,030
<b>Net Cash Flows From Investing Activities</b>	<b>(23,961,018)</b>	<b>(2,553,472)</b>
<b>Cash Flows from Financing Activities</b>	-	-
<b>Net Cash Flows From Financing Activities</b>	-	-
<b>Net Change in Cash and Cash Equivalents During the Year</b>	<b>82,665,061</b>	<b>78,884,113</b>
Cash and Cash Equivalents at Beginning of the Year	265,827,651	186,943,538
<b>Cash and Cash Equivalents at the end of the Year</b>	<b>348,492,712</b>	<b>265,827,651</b>
<b>Analysis of Cash and Cash Equivalents</b>		
Bank Of Ceylon - Borella Branch- Acc No 192596	2,197,110	(11,026,981)
Sampath Bank PLC USD Acc No 521830000070	38,667,518	4,863,554
Bank A/C - RFC (International Centre) Acc No 9719360	2,812,681	2,230,312
Bank A/C (International Centre) Acc No 021580683001	87,461	87,461
Fund Management Account	101,947,976	70,434,003
Short term Investments	202,779,966	199,239,301
	<b>348,492,712</b>	<b>265,827,651</b>

**Postgraduate Institute of Management of University of Sri Jayewardenepura**  
**Notes to the financial statements**  
**Year ended December 31, 2021**

**1. General information, basis of preparation and summary of significant accounting policies.**

**1.1 Reporting Entity**

The Postgraduate Institute of Management (PIM) is a semi-autonomous body affiliated to the University of Sri Jayewardenepura, established in 1986 by Ordinance under Universities Act No. 16 of 1978. (amended by Ordinance No.03 of 2019)

Its objectives are to promote advanced education and professionalism in management in Sri Lanka through the provision of postgraduate instruction, training, research and development in various branches of Management and Administrative Studies.

The Institute provides facilities for over 500 students at a time and it houses the lecture halls, faculty rooms, IT Centre, library and a cafeteria. The Institute maintains a professional and modern outlook in terms of quality of the premises, lecture theatres and educational equipment.

As a unique higher learning institution in the university system of Sri Lanka, PIM is self-financed and has been so since 1998. Since that time it has not drawn any funds from the Consolidated Fund for either capital or recurrent expenditure. The PIM has produced over 5,500 MBA and MPA Graduates and Diploma holders.

**1.2 Management's Responsibility for Financial Statements**

The governing body (Board of Management) is responsible for the preparation and fair presentation of financial statements in accordance with the Sri Lanka Public Sector Accounting Standards.

**1.3 Statements of Compliance**

The financial statements have been prepared in accordance with Sri Lanka Public Sector Accounting Standards (SLPSAS), Where SLPSAS are not available Sri Lanka Accounting Standards (SLFRS) have been followed.

**Comparative Information**

The accounting policies have been consistently applied by the Institute and are consistent with those of previous years. The previous year's figures have been indicated for the comparison purpose.

**1.4 Property, Plant & Equipment**

**(a) Cost**

Property, Plant and Equipment are recorded at cost less accumulated depreciation.

**(b) Depreciation**

Provision for depreciation is calculated using a straight-line method on the cost of all Property, Plant and Equipment other than freehold land, in order to write off such amounts over the estimated useful lives by equal installments.

**Postgraduate Institute of Management of University of Sri Jayewardenepura**  
**Notes to the financial statements**  
**Year ended December 31, 2021**

The annual rates used are

Office Fittings & Equipment's	10%
Plant & Machinery	10%
Furniture	10%
Lab & Teaching Equipment	20%
Motor Vehicles	20%
Office Equipment's	20%
Library Books & Periodicals	20%
Academic Cloaks	20%
Intangible Assets	10%

Depreciations have been provided for Property Plant and Equipment when Property Plant and Equipment are available for use.

During the year 2014, the following items of PPE were revaluated by the Department of Valuation. Provisions for depreciation of revalued items were determined taking into consideration the estimated future lifetime.

1. Furniture
2. Office Equipment
3. Laboratory and Teaching Equipment
4. Plant and Machinery

The Building was revaluated in 2018 by the Department of Valuation. Details are given below.

Book Value of the Building before Revaluation	= Rs. 16,834,831
Revaluated Amount	= <u>Rs. 163,340,000</u>
Revaluation Gain	= <u>Rs. 146,505,169</u>

The Building was depreciated estimating 38 Years of Lifetime.

The motor vehicles were revaluated in 2021 by Automobile Association of Ceylon.

Book Value of the Vehicles before Revaluation	=Rs. 0
Revalued Amount	= <u>Rs. 16,000,000</u>
Revaluation Gain	= <u>Rs. 16,000,000</u>

### **Investments**

Investments which consist of fixed deposits are stated at deposits value as at last renewal date.

## **1.5 Current Liabilities**

Current Liabilities in the statement of the Financial Position are those expected to fall due within one year from the date of the Statement of the Financial Position.

**Postgraduate Institute of Management of University of Sri Jayewardenepura**  
**Notes to the financial statements**  
**Year ended December 31, 2021**

**1.6 Retirement Benefit Obligations**

**(a) Defined Benefit Plan - Gratuity**

As required by LKAS 19, the Institute has provided for gratuity liability based on the gratuity formula method.

According to the Payment of Gratuity Act No. 12 of 1983, the liability for payment arises on completion of 5 years' continuous service by an employee.

**(b) Defined Contribution Plans- University Provident Fund, Universities Pension Fund & Employees Trust Fund**

In case of employees who not opted for the Pension scheme, Institute contributes 15% of gross emoluments of employees (inclusive of cost-of-living allowance) to University Provident Fund.

In case of employees who have joined the Pension scheme, the Institute contributes 7% and 8% of gross emoluments of employees to Universities Provident Fund and Universities Pension Fund respectively.

The Institute's contribution to the Employees Trust Fund is 3% of the gross emoluments of employees.

**1.7 Revenue Recognition**

Revenue is recognized to the extent that it is probable that the economic benefit will flow to the Institute and associate cost incurred or to be incurred.

**(a) Course Fee**

Revenue from students as tuition fee is recognized on a time proportion basis.

**(b) Interest from Investment**

Interest from fixed deposits is recognized on accrual basis.

**(c) Income from Projects**

Income from project is recognized on completion basis.

**(d) Others**

Other income is recognized on accrual basis

**1.8 Expenditure Recognition**

Expenses are recognized in the Statement of Financial Performance on the basis of a direct association between the cost incurred and the earning of specific items of income. All expenditure incurred in the running of the Institute and in maintaining the Property, Plant and Equipment in a state of efficiency has been charged to income.

**Postgraduate Institute of Management of University of Sri Jayewardenepura**  
**Notes to the financial statements**  
**Year ended December 31, 2021**

**1.9 Cash flow Statement**

Cash and cash equivalents as referred in the Cash Flow Statements comprise cash in hand, demand deposits and short-term investments.

The Cash Flow Statement has been prepared by using the “Indirect Method” of preparing Cash Flows in accordance with the Sri Lanka Public Sector Accounting Standard No. 2 on Cash Flow Statement.

**2.0 Impact of Covid-19**

During the year under review, all postgraduate degree programmes were conducted as planned despite the COVID 19 pandemic. However, the mode of delivery of lectures was converted from physical classroom to online/hybrid mode. All examinations were conducted as planned without any disturbance.

	LKR	
	2021	2020
<b>Note 01 .Course Fee</b>		
MBA (2017/2018)	-	462,125
MBA (2018/2019)	556,250	2,433,500
MBA (2019/2020)	2,101,925	88,918,549
MBA (2020/2021)	94,490,965	96,232,875
MBA (2021/2022)	111,252,000	-
MBA CIT (2021/2022)	12,000,000	
MBA CIT (2018/2019)	-	6,189,000
Executive MBA (2019)	175,000	3,734,569
Executive MBA (2021)	15,170,000	-
MBA Taxation (2019/2020)	4,945,750	9,722,500
MBA Taxation (2020/2021)	15,275,000	14,625,000
PHD (2018/2020)	83,358	296,642
PHD (2020/2022)	6,880,000	6,900,000
MPA (2018/2019)	-	11,832
MBA UAE (2019/2020)	773,699	21,614,667
MBA Qatar (2018/2019)	2,267,338	5,315,135
MBA Qatar (2020/2021)	2,026,594	20,567,683
MBA Oman (2017/2018)	-	18,314
MBA Oman (2019/2020)	-	12,912,802
MBA Kuwait (2018/2019)	756,066	3,126,010
MBA Bangladesh (2018/2019)	790,084	8,862,871
MBA Baharain (2020/2021)	317,405	9,378,113
MBA International (2021/22) (UAE,Oman,Kuwait)	4,155,861	-
*MBA Unclassified	3,846,465	750,000
<b>Grand Total</b>	<b>277,863,758</b>	<b>312,072,186</b>

\*Unclassified Course Fee for the year 2021

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Note 02. Other Income	Note	2021	2020
Interest Income	2.1	37,140,034	48,290,379
Rent Income		198,000	2,894,875
Foreign Exchange Gain/(Loss)		5,508,456	1,591,866
Sale of Publications		257,500	359,800
Library Fines and Fees		21,800	34,800
Miscellaneous Receipts	2.2	320,384	6,970,735
Gain on Asset Disposal		46,000	-
Over Provision of Gratuity		116,959	-
Over Provision for Accrued Expenses		-	1,332,875
		<b>43,609,133</b>	<b>61,475,331</b>
<b>Note 2.1 : Interest Income</b>			
Interest Income - Fixed Deposits		37,000,362	48,165,182
- Staff Loan		139,672	125,198
		<b>37,140,034</b>	<b>48,290,379</b>
<b>Note 2.2: Miscellaneous Receipts</b>			
Surcharge Fees		72,375	5,750,056
Transcript Fees		37,500	26,500
Tender Fees		2,000	-
Miscellaneous Income		208,509	1,194,179
		<b>320,384</b>	<b>6,970,735</b>
<b>Note 03 . General Administration and Staff Cost</b>			
Salaries and Wages	3.1	27,550,845	27,378,325
Travelling and Subsistence		2,511,914	2,359,220
Supplies		3,217,428	2,318,156
Maintenance		2,045,835	3,293,185
Contractual Services		17,418,565	18,919,959
Other Recurrent Expenses	3.2	17,435,375	13,045,112
		<b>70,179,963</b>	<b>67,313,956</b>
<b>Note 3.2- Other Recurrent Expenses</b>			
Special Services - Council & Committees		1,019,330	1,055,640
Special Services - Professional & Other Fees		1,064,583	133,955
Grants to other Organizations		516,465	5,000,000
Entertainment		1,828,675	934,840
Bank Charges		1,332,042	1,481,406
Other -Newspapers Magazines Etc.		1,202,929	1,171,800
Welfare Society		9,844,924	2,674,103
Other		626,428	593,368
		<b>17,435,375</b>	<b>13,045,112</b>
<b>Note 04 . Academic Services</b>			
Salaries and Wages	4.1	54,176,633	50,946,796
Travelling and Subsistence		2,273,166	2,241,546
Supplies		-	175,370
Contractual Services		352,584	1,657,958
Other Recurrent Expenses	4.2	20,073,816	15,959,952
MBA -International Programmes		3,339,075	10,493,200
		<b>80,215,274</b>	<b>81,474,822</b>
<b>Note 4.2- Other Recurrent Expenses</b>			
Special Services - Professional & Other Fees		308,745	1,735,887
Academic Research		2,234,729	825,460
Convocations		5,177,118	594,000
Examinations Expenses		10,562,346	9,575,435
Contribution and Membership Fee		-	2,219,556
Other Expenses		1,790,879	1,009,613
		<b>20,073,816</b>	<b>15,959,952</b>

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	Note	2021	2020
<b>Note 05. Teaching Resources</b>	<b>5.1</b>		
Salaries and Wages		3,725,358	3,741,728
Travelling and Subsistence		297,550	209,000
Supplies		13,077,658	7,380,853
Other Recurrent Expenses	<b>5.2</b>	3,696,217	3,470,211
		<b>20,796,783</b>	<b>14,801,792</b>
<b>Note 5.2 :Other Recurrent Expenses</b>			
Contributions and Membership Fees		3,661,867	3,470,211
Staff Development		34,350	-
		<b>3,696,217</b>	<b>3,470,211</b>
<b>Note 06. Ancillary Activities</b>	<b>6.1</b>		
Salaries and Wages		4,718,870	6,037,979
Travelling and Subsistence		248,900	302,525
Maintenance		51,238	1,181,501
Other Recurrent Expenses	<b>6.2</b>	1,564,937	352,405
		<b>7,613,057</b>	<b>8,099,154</b>
<b>Note 6.2 : Other Recurrent Expenses</b>			
Contributions and Membership Fees		151,384	-
Other- Newspaper Magazines Etc.		1,413,553	352,405
		<b>1,564,937</b>	<b>352,405</b>
<b>Note 07 : Write offs of the Course Fee Receivable Balances</b>		<b>2021</b>	<b>2020</b>
Receivables MBA 2019/20		712,500.00	6,180,000
Receivables MBA 2020/21		6,950,000.00	-
Receivables EMBA 2019		425,000.01	1,112,500
Receivables MBA QATAR 2016/18		442,723.75	-
Receivables MBA QATAR 2018/19		-	90,297
Receivables MBA QATAR 2020/21		2,982,560.00	-
Receivables MBA Kuwait 2018/19		-	923,910
Receivables MBA UAE 2019/20		1,232,636.13	1,435,202
Receivables MBA Oman 2019/20		-	549,413
Receivables MBA Bangladesh 2019/21		8,919,718.50	-
Receivables MBA Baharain 2020/21		699,037.50	-
		<b>22,364,176</b>	<b>10,291,322</b>

Note 08. Property Plant and Equipment

Cost

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Item	Balance As At 01.01.2021	Additions	Revaluation	Disposals	Balance As At 31.12.2021
Land	5,000,000	-	-	-	5,000,000
Building	163,340,000	-	-	-	163,340,000
Plant & Machinery	4,852,112	-	-	-	4,852,112
Furniture	17,704,857	529,879	-	-	18,234,736
Office Fittings & Equipment	3,050,032	-	-	-	3,050,032
Office Equipment	49,590,367	1,859,421	-	(466,348)	50,983,440
Lab & Teaching Equipment	10,497,066	3,237,500	-	-	13,734,566
Motor Vehicles	18,289,442	-	16,000,000	(18,289,442)	16,000,000
Library Books & Periodicals	25,136,874	407,805	-	-	25,544,679
Academic Cloaks	2,668,527	13,500	-	-	2,682,027
<b>Total</b>	<b>300,129,278</b>	<b>6,048,105</b>	<b>16,000,000</b>	<b>(18,755,790)</b>	<b>303,421,592</b>

Depreciation

Item	Balance As At 01.01.2021	Depreciation	Depreciation adjustment	Depreciation for Disposals	Balance As At 31.12.2021
Building	12,895,263	4,298,421	-	-	17,193,684
Plant & Machinery	4,057,096	600,000	-	-	4,657,096
Furniture	10,695,012	904,771	-	-	11,599,782
Office Fittings & Equipment	3,036,685	13,239	-	-	3,049,924
Office Equipment	39,126,525	5,238,841	-	(466,348)	43,899,018
Lab & Teaching Equipment	5,518,443	1,484,958	-	-	7,003,401
Motor Vehicles	18,289,442	533,333	(18,289,442)	-	533,333
Library Books & Periodicals	23,148,411	477,570	-	-	23,625,980
Academic Cloaks	2,279,254	120,679	-	-	2,399,932
<b>Total</b>	<b>119,046,130</b>	<b>13,671,812</b>	<b>(18,289,442.00)</b>	<b>(466,348)</b>	<b>113,962,152</b>

Net Carrying Amount

	<u>181,083,148</u>				<u>189,459,440</u>
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Note 09. Work in Progress - Building (Stage II)

	2021	2020
Work in progress at the beginning of the year	62,701,621	12,098,590
Work Completed	56,760,843	41,685,643
Recoveries of Mobilization advance	5,019,819	8,917,388
	<u>124,482,283</u>	<u>62,701,621</u>

Note 10. Mobilization Advance- Building (Stage II)

Balance at the beginning of the year	32,632,749	41,550,137
Recoveries	(12,519,663)	(8,917,388)
Balance at the end of the year	<u>20,113,086</u>	<u>32,632,749</u>

Note 11. Intangible Assets

Cost

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Item	Balance As At 01.01.2021	Additions	Disposals	Balance As At 31.12.2021
System Soft wares	2,540,000	-	-	2,540,000
<b>Total</b>	<b>2,540,000</b>	<b>-</b>	<b>-</b>	<b>2,540,000</b>

Amortization

Item	Balance As At 01.01.2021	Amortization for the period	Amortization for Disposals	Balance As At 31.12.2021
System Soft wares	509,062	195,000.00	-	704,062
<b>Total</b>	<b>509,062</b>	<b>195,000.00</b>	<b>-</b>	<b>704,062</b>

Net Carrying Amount

	<u>2,030,938</u>			<u>1,835,938</u>
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Note 12. Fixed Deposits - 2021

LKR

FD Number	Bank / Financial Institution	Face Value	Deposit Value as at 31.12.2021
220141	Bank of Ceylon	35,000	35,000
220209	Bank of Ceylon	50,000	50,000
220018	Bank of Ceylon	43,690	43,690
220267	Bank of Ceylon	40,000	40,000
9543899	Bank of Ceylon	2,000,000	5,925,058
9680349	Bank of Ceylon	2,000,000	2,000,000
9680373	Bank of Ceylon	2,000,000	2,000,000
9680289	Bank of Ceylon	2,000,000	2,000,000
9680400	Bank of Ceylon	2,000,000	2,000,000
9680415	Bank of Ceylon	2,000,000	2,000,000
9717250	Bank of Ceylon	2,000,000	2,000,000
9735361	Bank of Ceylon	2,000,000	2,000,000
9735355	Bank of Ceylon	2,000,000	2,000,000
9798584	Bank of Ceylon	2,000,000	2,000,000
9798615	Bank of Ceylon	2,000,000	2,000,000
9798638	Bank of Ceylon	2,000,000	2,000,000
9802042	Bank of Ceylon	2,000,000	2,000,000
9802088	Bank of Ceylon	2,000,000	2,000,000
70393465	Bank of Ceylon	2,000,000	5,359,365
70393475	Bank of Ceylon	2,000,000	5,359,365
70393484	Bank of Ceylon	2,000,000	5,359,365
70393496	Bank of Ceylon	2,000,000	5,359,365
70393501	Bank of Ceylon	2,000,000	5,359,365
70431699	Bank of Ceylon	2,000,000	2,000,000
70431966	Bank of Ceylon	2,000,000	2,000,000
70505660	Bank of Ceylon	2,000,000	5,291,989
70505677	Bank of Ceylon	2,000,000	5,291,989
80233140	Bank of Ceylon	25,000,000	25,000,000
80601267	Bank of Ceylon	17,000,000	17,000,000
80601341	Bank of Ceylon	15,000,000	15,000,000
80601361	Bank of Ceylon	15,000,000	15,000,000
81110575	Bank of Ceylon	35,000,000	35,000,000
81817205	Bank of Ceylon	35,000,000	35,000,000
83301982	Bank of Ceylon	30,000,000	30,000,000
83615260	Bank of Ceylon	45,000,000	58,288,994
84402199	Bank of Ceylon	15,000,000	15,000,000
84701918	Bank of Ceylon	12,000,000	12,000,000
85230220	Bank of Ceylon	20,000,000	23,346,440
424736	National Savings Bank	20,000,000	48,417,510
413214	Peoples Bank	15,000,000	36,468,991
			438,996,485

Note 12. Fixed Deposits - 2020

LKR

FD Number	Bank / Financial Institution	Face Value	Deposit Value as at 31.12.2020
220141	Bank of Ceylon	35,000	35,000
220209	Bank of Ceylon	50,000	50,000
220018	Bank of Ceylon	43,690	43,690
220267	Bank of Ceylon	40,000	40,000
9543899	Bank of Ceylon	2,000,000	5,602,891
9680349	Bank of Ceylon	2,000,000	2,000,000
9680373	Bank of Ceylon	2,000,000	2,000,000
9680289	Bank of Ceylon	2,000,000	2,000,000
9680400	Bank of Ceylon	2,000,000	2,000,000
9680415	Bank of Ceylon	2,000,000	2,000,000
9717250	Bank of Ceylon	2,000,000	2,000,000
9735361	Bank of Ceylon	2,000,000	2,000,000
9735355	Bank of Ceylon	2,000,000	2,000,000
9798584	Bank of Ceylon	2,000,000	2,000,000
9798615	Bank of Ceylon	2,000,000	2,000,000
9798638	Bank of Ceylon	2,000,000	2,000,000
9802042	Bank of Ceylon	2,000,000	2,000,000
9802088	Bank of Ceylon	2,000,000	2,000,000
70393465	Bank of Ceylon	2,000,000	4,937,387
70393475	Bank of Ceylon	2,000,000	4,937,387
70393484	Bank of Ceylon	2,000,000	4,937,387
70393496	Bank of Ceylon	2,000,000	4,937,387
70393501	Bank of Ceylon	2,000,000	4,937,387
70431699	Bank of Ceylon	2,000,000	2,000,000
70431966	Bank of Ceylon	2,000,000	2,000,000
70505660	Bank of Ceylon	2,000,000	4,886,633
70505677	Bank of Ceylon	2,000,000	4,886,633
80233140	Bank of Ceylon	25,000,000	25,000,000
80601267	Bank of Ceylon	17,000,000	17,000,000
80601341	Bank of Ceylon	15,000,000	15,000,000
80601361	Bank of Ceylon	15,000,000	15,000,000
81110575	Bank of Ceylon	35,000,000	35,000,000
81817205	Bank of Ceylon	35,000,000	35,000,000
83301982	Bank of Ceylon	30,000,000	30,000,000
83615260	Bank of Ceylon	45,000,000	55,381,467
8402199	Bank of Ceylon	15,000,000	15,000,000
8470918	Bank of Ceylon	12,000,000	12,000,000
85230220	Bank of Ceylon	20,000,000	22,181,890
424736	National Savings Bank	20,000,000	44,084,048
413214	Peoples Bank	15,000,000	34,649,872
			425,529,062

	Note	2021	LKR 2020
<b>Note 13 . Inventories</b>			
Publications - Central Stores		3,758,881	2,935,364
Publications - International Centre		832,912	832,912
Stationery and Others		3,038,657	1,772,380
Text Book Stock		7,664,210	9,878,855
		<u>15,294,660</u>	<u>15,419,511</u>
<b>Note 14 .Advances &amp; Prepayments</b>			
International Centre		1,641,000	1,641,000
S.Durairathnam		-	49,364
Ravi Bamunusinghe		-	18,016
Protek Solutions(Pvt) Ltd		-	9,285
Fire Alert		37,500	6,660
International Chamber		-	7,500
EMIT International (pvt) ltd		-	17,820
Vijitha Yapa		-	33,250
Singer Sri Lanka		-	5,130
Tuirmitin LLC		388,852	336,926
ETA Melco Engineering		-	142,800
Science Land Informatics		53,438	53,438
A G Melco Elevator		127,334	-
AACSB		338,565	-
EBSCO International (Pvt) Ltd		2,740,937	-
Treasurer's Department.Colombo Municipal Council		554,400	-
Sri Lanka Railways		13,500	-
Sunila Textile		13,688	-
Site Ground Spain S.L		757,377	-
		<u>6,666,589</u>	<u>2,321,189</u>
<b>Note 15. Receivables</b>			
Receivables From Students	15.1	92,015,869	124,902,149
Receivables From Staff	15.2	3,523,128	4,024,129
Interest Receivable		9,159,990	11,571,646
Other Receivables	15.3	817,431	898,210
		<u>105,516,418</u>	<u>141,396,135</u>

	Note	2021	2020
<b>LKR</b>			
<b>Note 15.1 Receivables From Students</b>			
Executive Development Programmes		417,400	2,531,982
EMBA 2018/2019		625,000	850,000
EMBA 2019/2020		-	850,000
EMBA 2021/2022		3,500,000	-
MBA 2014/2015		154,700	154,700
MBA 2021/2022		15,400,000	-
MBA 2020/2021		13,716,150	9,975,000
MBA 2019/2020		2,525,000	7,712,500
MBA (CIT) 2018/2019		-	5,687,500
MPA 2018/2019		375,000	500,000
MBAT 2019/2020		1,783,250	2,003,000
PhD 2018/2019		-	166,667
PhD 2020/2023		9,340,000	3,090,000
MBA (Baharain) 2020/2021		3,677,213	6,850,568
MBA (Oman) 2019/2020		3,971,985	10,922,461
MBA (Oman) 2017/2018		754,300	722,715
MBA (Qatar) 2016/2017		471,438	885,448
MBA (Qatar) 2018/2019		6,905,834	11,052,267
MBA (Qatar) 2020/2021		10,408,745	16,959,209
MBA (UAE) 2015/2016		3,216,692	3,020,774
MBA (UAE) 2017/2018		2,947,924	2,800,256
MBA (UAE) 2019/2020		6,451,250	20,004,682
MBA (Kuwait) 2018/2019		1,880,391	4,284,196
MBA (Bangladesh) 2018/2019		3,493,600	13,878,225
		<b>92,015,869</b>	<b>124,902,149</b>
<b>Note 15.2 Receivables From Staff</b>			
Distress Loan		3,159,855	3,429,747
Computer Loan		160,500	135,025
Vehicle Loan		199,023	332,557
Festival advance		3,750	100,000
Salary advance		-	10,000
Special advance		-	16,800
		<b>3,523,128</b>	<b>4,024,129</b>
<b>Note 15.3 Other Receivables and Deposits</b>			
International Centre		438,000	438,000
Receivable Property income		24,000	5,000
Fuel Deposit		100,000	100,000
Postal Deposit		102,359	48,315
Receivable WHT on Interest		153,072	306,895
		<b>817,431</b>	<b>898,210</b>

As at 31st December 2021

**Note 16 . Cash & Cash Equivalents**

	Note	2021	2020
Bank Of Ceylon - Borella Branch- Acc No 192596		2,197,110	(11,026,981)
Sampath Bank PLC USD Acc No 521830000070		38,667,518	4,863,554
Bank A/C - RFC (International Centre) Acc No 9719360		2,812,681	2,230,312
Bank A/C (International Centre) Acc No 021580683001		87,461	87,461
Fund Management A/C		101,947,976	70,434,003
Short Term Investments	16.1	202,779,966	199,239,301
		<b>348,492,712</b>	<b>265,827,651</b>

**Note 16.1 . Short Term Investments (03 months)**

FD Number	Bank / Financial Institution	Face Value	Deposit Value as at 31.12.2021	Deposit Value as at 31.12.2020
74147601	Bank of Ceylon	25,000,000	51,931,511	49,567,509
74811175	Bank of Ceylon	20,000,000	20,000,000	20,000,000
75405922	Bank of Ceylon	20,000,000	20,000,000	20,000,000
76869279	Bank of Ceylon	15,000,000	25,848,454	24,671,793
78439704	Bank of Ceylon	25,000,000	25,000,000	25,000,000
86833771	Bank of Ceylon	60,000,000	60,000,000	60,000,000
			<b>202,779,966</b>	<b>199,239,301</b>

**Note 17 . Revaluation Reserve**

	2021	2020
Furniture Revaluation gain	4,761,622	4,761,623
Laboratory & Teaching Equipment Revaluation gain	10,424,585	10,424,585
Plant & Machinery Revaluation gain	43,188	43,188
Building Revaluation Gain	146,505,169	146,505,169
Vehicle Revaluation Gain	16,000,000	-
<b>Revaluation Reserve as at 31st December</b>	<b>177,734,564</b>	<b>161,734,565</b>

**Note 18. Provision for Gratuity**

Provision as at 01 <sup>st</sup> January	23,042,372	22,081,813
Add: Provision For the Year	1,596,224	2,904,559
	24,638,595	24,986,372
Less: Gratuity paid	(7,683,936)	(1,944,000)
<b>Provision as at 31<sup>st</sup> December</b>	<b>16,954,659</b>	<b>23,042,372</b>

**Note 19. Endowment Fund**

D.S. Jayasundara Gold Medal Fund	290,524	290,524
Mr./Mrs. Kamalgoda Gold Medal Fund	28,568	28,568
Endowment Fund	118,516	118,516
	<b>437,608</b>	<b>437,608</b>

	LKR	
	2021	2020
<b>Note 20. Provisions</b>		
Audit Fee	1,286,755	2,174,130
Expenses	4,437,900	1,628,500
PIM ALUMNAI Membership fee	6,378,419	5,153,673
	<b>12,103,074</b>	<b>8,956,303</b>
<b>Note 21 . Refundable Deposits</b>		
Tender Deposit	95,000	60,000
Security Deposit	35,000	35,000
	<b>130,000</b>	<b>95,000</b>
<b>Note 22 . Income Received in Advance</b>		
Executive Development Program	778,650	-
MBA Taxation 2020-21	-	14,625,000
MBA Taxation 2019-20	-	940,000
MBA 2020/21	-	18,800,000
MBA 2021/22	34,377,400	20,000,000
PhD 2020/2023	-	280,000
MBA 2022/23	21,955,000	-
MBA 2021/22 International	4,520,010	-
	<b>61,631,060</b>	<b>54,645,000</b>
<b>Note 23 . Trade and Other Payables</b>		
International Centre	7,860,000	7,860,000
Accrued Expenses	8,158,006	12,269,119
Student Scholarship Account - Foreign - City Bank	1,148,399	1,576,639
PIM ALUMNI Association	2,117,325	2,117,325
EBSCO HOST Payable	-	860,783
Distress Loan -University of Sri Jayawardenapura	116,286	-
Welfare Society Payable	4,096,953	-
	<b>23,496,970</b>	<b>24,683,866</b>

Postgraduate Institute of Management  
University of Sri Jayawardeneapura  
Notes to the Financial Statements  
For the year ended 31st December 2021

## Note 3.1, 4.1, 5.1, 6.1

## Total Recurrent Expenditure

LKR

TITLE / OBJECT	Note 3.1	Note 4.1	Note 5.1	Note 6.1	Total
	General Administration	Academic Services	Teaching Resources	Ancillary Activities	
<b>Salaries And Wages</b>					
04101-4201 Salaries & Wages	15,011,098	29,605,588	2,387,541	2,932,486	49,936,712
04102-4202 U.P.F	1,754,540	1,990,776	272,719	466,133	4,484,167
04103-4203 Pension	599,786	787,743	79,973	52,380	1,519,882
04104-4204 E.T.F	478,626	661,620	83,117	95,062	1,318,425
04105-4205 Acting Pay /	12,000	-	-	-	12,000
04107 Research Allowance	-	1,174,677	-	-	1,174,677
04108 Academic Allowances	-	6,941,912	-	-	6,941,912
04208 Over Time	2,992,330	-	284,583	432,558	3,709,471
04110-4210 Other Allowances	4,887,163	987,771	431,012	568,529	6,874,474
04111 Visiting Lecture Fee	-	10,497,607	-	-	10,497,607
04112-4212 Gratuity	395,607	1,201,338	38,214	78,123	1,713,282
04213 Cost of Living Allowance	1,419,696	327,600	148,200	93,600	1,989,096
	27,550,845	54,176,633	3,725,358	4,718,870	90,171,706
<b>Travelling and Subsistence</b>					
0501 Domestic	2,511,914	2,273,166	297,550	248,900	5,331,530
0502 Foreign	-	-	-	-	-
	2,511,914	2,273,166	297,550	248,900	5,331,530
<b>Supplies</b>					
0601 Stationery & Office Requisites	1,941,678	-	13,077,658	-	15,019,336
0602 Fuel & Lubricants	336,632	-	-	-	336,632
0603 Uniform & Tailoring charges	13,125	-	-	-	13,125
0604 Mechanical & Electrical Goods	661,399	-	-	18,725	680,124
0606 Medical Supplies	-	-	-	-	-
0607 Other Supplies	264,594	-	-	12,320	276,914
	3,217,428	-	13,077,658	31,045	16,326,131

TITLE / OBJECT	General Administration	Academic Services	Teaching Resources	Ancillary Activities	Total
<b>Maintenance</b>					
0701 Vehicles	267,856	-	-	-	267,856
0702 Plant ,Machinery & Equipments	519,024	-	-	-	519,024
0703 Building & Structures	571,419	-	-	-	571,419
0704 Furniture	-	-	-	-	-
0705 Others	687,535	-	-	51,238	738,773
	2,045,835	-	-	51,238	2,097,073
<b>Contractual Services</b>					
0801 Transport	33,000	-	-	-	33,000
0802 Telecommunication	2,338,646	51,149	-	190,573	2,580,367
0803 Postal Charges	97,816	-	-	-	97,816
0804 Electricity	4,595,274	-	-	-	4,595,274
0805 Security Services	2,699,618	-	-	-	2,699,618
0806 Water	389,681	-	-	-	389,681
0807 Cleaning Services	4,350,905	-	-	-	4,350,905
0808 Rents & Hire Charges	-	-	-	-	-
0809 Rates and Taxes to Local Authorities	1,192,989	-	-	-	1,192,989
0810 Printing , Advertising etc.	1,649,386	301,435	-	807,494	2,758,315
0811 Others	71,250	-	-	-	71,250
	17,418,565	352,584	-	998,067	18,769,215
<b>Other Recurrent Expenses</b>					
0902 Special Services - Council & Committees	1,019,330	97,475	-	-	1,116,805
0903 Special Services - Professional & Other Fees	1,064,583	308,745	-	-	1,373,328
0904 Workshop, Seminars	-	-	-	-	-
0905 Academic Research	-	2,234,729	-	-	2,234,729
0906 Staff Development	14,220	427,850	34,350	-	476,420
0907 Grants to other Organization	516,465	-	-	-	516,465
0908 Holiday Warrants & Season Tickets	40,800	-	-	-	40,800
0909 Entertainment Expenses	1,828,675	306,563	-	-	2,135,238
0910 Bank Charges	1,332,042	-	-	-	1,332,042
0912 Contribution & Membership Fees	-	682,991	3,661,867	151,384	4,496,242
0913 Convocations	-	5,177,118	-	-	5,177,118
0914 Examination Expenses	571,408	10,562,346	-	-	11,133,754
0915 Other- Newspapers Magazines Etc.	1,202,929	276,000	-	1,413,553	2,892,482
0916 Welfare Society	9,844,924	-	-	-	9,844,924
	17,435,375	20,073,816	3,696,217	1,564,937	42,770,342

Note 3.1,4.1, 5.1, 6.1

**Total Recurrent Expenditure**

TITLE / OBJECT	Note 3.1	Note 4.1	Note 5.1	Note 6.1	Total
	General	Academic	Teaching	Ancillary	
	Administration	Services	Resources	Activities	
MBA ( UAE) 2019/2020	-	493,806	-	-	493,806
MBA ( Qatar) 2018/2019	-	446,550	-	-	446,550
MBA ( Qatar) 2020/2021	-	317,770	-	-	317,770
MBA (Oman)2019/2020	-	419,321	-	-	419,321
MBA (Kuwait) 2018/2019	-	419,779	-	-	419,779
MBA (Bangladesh) 2018/2019	-	919,359	-	-	919,359
MBA (Bahrain) 2019/2021	-	322,490	-	-	322,490
<b>SUB TOTAL</b>	-	3,339,075	-	-	3,339,075
<b>GRAND TOTAL</b>	<b>70,179,963</b>	<b>80,215,274</b>	<b>20,796,783</b>	<b>7,613,057</b>	<b>178,805,076</b>

Postgraduate Institute of Management  
University of Sri Jayewardenepura  
Notes to the Financial Statements  
For the year ended 31st December 2020

## Note 3.1, 4.1, 5.1.6.1

## Total Recurrent Expenditure -2020 (Restated)

LKR

TITLE / OBJECT	Note 3.1	Note 4.1	Note 5.1	Note 6.1	Total
	General Administration	Academic Services	Teaching Resources	Ancillary Activities	
<b>Salaries And Wages</b>					
04101-4201 Salaries & Wages	13,329,265.41	30,635,857.70	2,314,669.82	2,910,667.75	49,190,461
04102-4202 U.P.F	1,975,581.38	4,188,791.54	330,701.60	424,479.97	6,919,554
04103-4203 Pension	676,546.15	487,510.36	109,864.42	51,945.14	1,325,866
04104-4204 E.T.F	493,861.62	930,260.40	86,079.21	97,319.08	1,607,520
04105-4205 Acting Pay /	12,000.00	-	-	-	12,000
04107 Research Allowance	288,536.13	-	-	-	288,536
04108 Academic Allowances	-	3,547,713.90	-	-	3,547,714
04208 Over Time	2,396,458.10	-	169,822.00	239,751.00	2,806,031
04110-4210 Other Allowances	6,276,476.99	1,014,750.84	482,891.50	797,833.58	8,571,953
04111 Visiting Lecture Fee	-	9,157,013.90	-	-	9,157,014
04112-4212 Gratuity	595,799.06	828,897.12	60,499.49	1,419,363.38	2,904,559
04213 Cost of Living Allowance	1,333,800.00	156,000.00	187,200.00	96,619.35	1,773,619
	27,378,324.84	50,946,795.76	3,741,728.04	6,037,979.25	88,104,828
<b>Travelling and Subsistence</b>					
0501 Domestic	2,222,084.00	2,241,546.00	209,000.00	302,525.00	4,975,155
0502 Foreign	137,136.40	-	-	-	137,136
	2,359,220.40	2,241,546.00	209,000.00	302,525.00	5,112,291
<b>Supplies</b>					
0601 Stationery & Office Requisites	638,845.92	-	7,380,852.60	-	8,019,699
0602 Fuel & Lubricants	119,182.00	-	-	-	119,182
0603 Uniform & Tailoring charges	200,650.00	-	-	-	200,650
0604 Mechanical & Electrical Goods	142,900.00	7,700.00	-	-	150,600
0607 Other Supplies	1,216,578.07	167,670.00	-	13,500.00	1,397,748
	2,318,155.99	175,370.00	7,380,852.60	13,500.00	9,887,879

TITLE / OBJECT	General Administration	Academic Services	Teaching Resources	Ancillary Activities	Total
<b>Maintenance</b>					
0701 Vehicles	383,375.06	-	-	-	383,375
0702 Plant ,Machinery & Equipments	261,606.67	-	-	8,175.00	269,782
0703 Building & Structures	1,284,273.00	-	-	-	1,284,273
0704 Furniture	-	-	-	-	-
0705 Others	1,363,930.23	-	-	1,173,325.95	2,537,256
	3,293,184.96	-	-	1,181,500.95	4,474,686
<b>Contractual Services</b>					
0802 Telecommunication	2,910,862.81	170,609.08	-	27,976.46	3,109,448
0803 Postal Charges	198,546.38	-	-	-	198,546
0804 Electricity	5,532,999.90	-	-	-	5,533,000
0805 Security Services	2,872,318.92	-	-	-	2,872,319
0806 Water	464,173.07	-	-	-	464,173
0807 Cleaning Services	4,758,791.52	-	-	-	4,758,792
0808 Rents & Hire Charges	-	-	-	-	-
0809 Rates and Taxes to Local Authorities	652,390.00	-	-	-	652,390
0810 Printing , Advertising etc.	1,405,298.48	1,487,349.10	-	183,267.91	3,075,915
0811 Others	124,577.50	-	-	-	124,578
	18,919,958.58	1,657,958.18	-	211,244.37	20,789,161
0902 Special Services - Council & Committees	1,055,640.00	-	-	-	1,055,640
0903 Special Services - Professional & Other Fees	133,955.00	1,735,887.29	-	-	1,869,842
0904 Workshop, Seminars	7,362.94	48,224.00	-	-	55,587
905 Academic Research	-	825,460.10	-	-	825,460
0906 Staff Development	44,555.00	273,169.50	-	-	317,725
0907 Grants to other Organization	5,000,000.00	-	-	-	5,000,000
0908 Holiday Warrants & Season Tickets	65,430.00	-	-	-	65,430
0909 Entertainment Expenses	934,840.00	352,295.00	-	-	1,287,135
0910 Bank Charges	1,481,405.93	-	-	-	1,481,406
0912 Contribution & Membership Fees	-	2,219,556.45	3,470,211.29	-	5,689,768
0913 Convocations	-	594,000.00	-	-	594,000
0914 Examination Expenses	476,020.00	9,575,434.98	-	-	10,051,455
0915 Other- Newspapers Magazines Etc.	1,171,799.75	335,924.60	-	352,404.54	1,860,129
0916 Welfare Society	2,674,103.00	-	-	-	2,674,103
	13,045,111.62	15,959,951.92	3,470,211.29	352,404.54	32,827,679

For the year ended 31st December 2020  
 Note 3.1, 4.1, 5.1, 6.1

**Total Recurrent Expenditure -**

**LKR**

	<b>Note 3.1</b>	<b>Note 4.1</b>	<b>Note 5.1</b>	<b>Note 6.1</b>	<b>Total</b>
<b>TITLE / OBJECT</b>	<b>General</b>	<b>Academic</b>	<b>Teaching</b>	<b>Ancillary</b>	
	<b>Administration</b>	<b>Services</b>	<b>Resources</b>	<b>Activities</b>	
MBA ( UAE) 2019/2020	-	1,750,244.55	-	-	1,750,245
MBA ( Qatar) 2018/2019	-	3,597,339.67	-	-	3,597,340
MBA ( Qatar) 2020/2021	-	642,098.00	-	-	642,098
MBA (Oman)2017/2018	-	71,460.00	-	-	71,460
MBA (Oman)2019/2020	-	2,087,248.04	-	-	2,087,248
MBA (Kuwait) 2018/2019	-	227,731.00	-	-	227,731
MBA (Bangladesh) 2018/2019	-	1,345,765.22	-	-	1,345,765
MBA (Bahrain) 2019/2021	-	771,313.50	-	-	771,314
<b>SUB TOTAL</b>	-	<b>10,493,199.98</b>	-	-	<b>10,493,200</b>
<b>GRAND TOTAL</b>	<b>67,313,956.39</b>	<b>81,474,821.84</b>	<b>14,801,791.93</b>	<b>8,099,154.11</b>	<b>171,689,724</b>

**Annexure 1****Representation on member of the Board of Management who has direct or indirect in any contract entered into by the Postgraduate Institute of Management.**

Brief description and nature of the contract	Name of the member of the Board of Management who has direct or indirect interest in any contract entered into by the Institute	Whether this is a normal cause of business of the Institute or any special conditions offered
1. Director	- Dr.W.G.S.Kelum	Normal
2. Senior Management Consultant	- Mr. Asanga Ranasinghe	Normal

# National Audit Office

HED/D/IPM/FA/21/5

July 20,2021

Director

Postgraduate Institute of Management

**Report of the Auditor General on Financial Statements of the Postgraduate Institute of Management for the year ended 31 December 2021 as per Section 12 of National Audit Act No 19 of 2018.**

The aforesaid report is attached herewith.

W.P.C. Wickramaratne

Auditor General

- Copies :
1. Secretary, Ministry of Education
  2. Secretary, Ministry of Finance
  3. Chairman, University Grants Commission
  4. Vice Chancellor, University of Sri Jayewardenepura

# National Audit Office

HED/D/IPM/FA/21/5

July 20,2021

Director

Postgraduate Institute of Management

## **Report of the Auditor General on Financial Statements of the Postgraduate Institute of Management for the year ended 31 December 2021 as per Section 12 of National Audit Act No 19 of 2018.**

### **1. Financial Statements**

#### **1.1 Opinion**

The audit of the financial statements of the Postgraduate Institute of Management (PIM) for the year ended 31 December 2021 comprising the statement of financial position as at 31 December 2021 and the statement of financial performance for the year ended on that day, statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, was carried out under my direction in pursuance of provisions in Article 154(1) of the Constitution of the Democratic Socialist Republic of Sri Lanka and the provisions of the section 12 of the National Audit Act, No. 19 of 2018 read in conjunction with provisions of Section 107(5) of the Universities Act No. 16 of 1978 and section 19 of the Postgraduate Institute of Management Ordinance No. 03 of 1985 and section 108 (1) of the Universities Act enacted under section 18. My comments and observations which I consider should be reported to Parliament, appear in this report. My report will be tabled in Parliament in due course as per Article 154(6) of the Constitution.

In my opinion, the financial statements of the Postgraduate Institute of Management give a true and fair view of the financial position of the Institute as at 31 December 2021 and its financial performance and cash flows for the year then ended in accordance with Sri Lanka Public Sector Accounting Standards.

#### **1.2 Basis for Opinion**

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

### **1.3 Other information included in the Annual Report 2021 of the Postgraduate Institute of Management**

The information that are expected to provide me after the date of this audit report and included in the Annual Report 2021 but not included in the financial statements and in my audit report in that regard are intended as other information. The management shall responsible for this other information.

Other information is not disclosed by my opinion on financial statements, and I do not state any assurance or opinion in that regard.

My responsibility relevant to my auditing of financial statement is to read when it is able to receive the above identified other information and when doing so, to consider that whether the other information quantitatively mismatches with financial statements or as per my knowledge obtained by some other means.

When go through the Annual Report 2021 of the institute, if I decide that there are quantitative errors, those facts shall be communicated to the governance parties for rectifying those. If there are further un-corrected erroneous citations, those will be included in the report that I would table in Parliament in due course as per Article 154(6) of the Constitution.

### **1.4 Responsibilities of Management and Those Charged with Governance for the Financial Statements**

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Management is responsible for the preparation of financial statements that give a true and fair view in accordance with Sri Lanka Public Sector Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Institute's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intend to liquidate the Institute or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Institute's financial reporting process.

As per Sub-section 16(1) of the National Audit Act, No. 19 of 2018, the Institute is required to maintain proper books and records of all its income, expenditure, assets and liabilities, to enable annual and periodic financial statements to be prepared of the Institute.

## **1.5 Auditor's Responsibility for the Audit of the Financial Statements**

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Sri Lanka Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Institute's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Institute's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my audit report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Institute to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I make aware the governing parties on important audit findings identified during my audit, main internal governance lapses and other matters.

## 2. Report on the Other Legal and Regulatory Requirements

2.1 National Audit Act, No. 19 of 2018 includes specific provisions for following requirements.

2.1.1 I have obtained all the information and explanation that required for the audit and as far as appears from my examination, proper accounting records have been kept by the institute as per the requirement of the section 12 (a) of the National Audit Act, No. 19 of 2018.

2.1.2 The financial statements presented by the institute are consistent with the preceding year as per the requirement of section 6 (1) (d) (iii) of the National Audit Act, No. 19 of 2018.

2.1.3 The financial statements presented include the recommendations made by me in the previous year, as per the requirement of section 6 (1) (d) (iv) of the National Audit Act, No. 19 of 2018.

2.2 Based on the procedures performed and evidence obtained were limited to matters that are material, nothing has come to my attention;

2.2.1 to state that any member of the Board of Management of the institute has any direct or indirect interest in any contract entered into by the institute which is out of the normal cause of business as per the requirement of section 12 (d) of the National Audit Act, No. 19 of 2018.

2.2.2 to state that the institute has not complied with any applicable written law, general and special directions issued by the Board of Management of the institute as per the requirement of section 12 (f) of the National Audit Act, No. 19 of 2018 other than below-mentioned observations.

### Reference to Rule Law/ Regulation    Description

Financial Regulations of the Democratic Socialist Republic of Sri Lanka

i)        FR 231

In the year under review, even though Rs. 119,500/- had been paid to the officers of the Internal Audit Division of the University of Sri Jayewardenepura, details relevant to that payment had not been submitted with paying vouchers.

ii) FR 371 (2)

i) In the year under review, at three instances Interim imprests have been issued from Rs.136,650 to Rs.293,364/- exceeding the maximum limit of the ad-hoc interim imprest that can be provided.

iii) FR 371 (2)(b) Although ad-hoc imprests can be issued only for staff officers, at three instances in the year under review, interim imprests have been issued to three non-staff grade officers from Rs. 9,000- Rs.100,000.

2.2.3 to state that the institute has not performed according to its powers, functions and duties as per the requirement of section 12 (g) of the National Audit Act, No. 19 of 2018.

2.2.4 to state that the institute has not procure and use the resources of the institute in an economical, efficient and productive manner within the durations in conformity with relevant rules and regulations as per the requirement of section 12 (h) of the National Audit Act, No. 19 of 2018.

### **2.3 Other Matters**

- a) Contract for constructions of the Stage II of a building with a total estimated cost of Rs. 248 million, had been granted at an amount of Rs. 180.65 million to commence in August 2019 and to complete in 720 days on the cabinet approval granted to complete using income generated by the institute within the 2018 -2020 medium term budgetary framework. Although the contractual period had been elapsed by 182 days as at February 18, 2022, which was the audited date, approval had not been granted to extend the contract period.
- b) Five hundred ( 500) books amounting to Rs. 278,846 purchased in the year 2019, and 699 books amounting to Rs.873,750/- purchased in the year 2020 have been included in the publications stock without issuing as at December 31,2021.
- c) Since the duration of postgraduate degree course is two years, although action had been made to write off outstanding course fees, three balances totaling to Rs. 10,631,597 relevant to the year 2020/21 which had not been exceeded 02 years period so , had been written off from the course fee income. Further, within the course fee balance receivable as at December 31,202, there were 09 balances amounting to Rs. 30,233,624/- relevant to the years 2018/2019 and years before that without writing off. Accordingly, it was observed that nonpayment of annual course fee by registered students or leaving the course might adversely effect on the performance of the institute.

Sgd by / **W.P.C. Wickramaratne**

Auditor General

## **Comments of the Institute on the Audit Observations**

### **2. Report on the Other Legal and Regulatory Requirements**

#### **2.1.2 (i) Financial Regulations 231**

Since it is not economically productive to recruit an internal auditor and a staff and to pay salaries and allowances to that staff, the service of the Internal Audit Division of the University of Sri Jayewardenepura is being obtained.

Accordingly, the responsibility on internal audit affairs is vested with the Internal Audit Division of the University. That division conducts audit examinations in the university by getting delivered the files from the institute, and also engages in examinations by visiting the institute.

Since the Internal Audit Division of the University is supervised and governed under the Deputy Internal Auditor, the payments are made to the staff based on the recommendation of the said senior staff officer.

#### **(ii) Financial Regulations 371 (2)**

Advances are provided considering the amount sufficient for the necessary task. There, it is difficult to solely act on the limit of Rs. 100,000/-. The advances provided so have been confined to three occasions in the financial year, and those advances have been used under the close supervision of the staff officers.

#### **(iii) Financial Regulations 371 (2) (b)**

There are two staff officers apart from the director of the institute, and it is a very difficult task to obtain advances personally by those two staff officers and disburse those amounts for necessary affairs outside. Therefore, advances are provided to non-staff officers at some instances, and those advances are utilized under the direct supervision of the staff officers.

### **2.3 Other Matters**

a) The contractor had stated at the progress review meetings that even though the contract period had been expired, the reasons such as the lockdown of the country due to the COVID-19 epidemic, a dearth in raw materials and other inputs, interruptions in electricity supply, and difficulties in obtaining employees have caused for not completing contract activities, and it had been regularly discussed in that regard at those meetings. At the progress review meetings, the fairness of the contractor's justifications was concerned. By April 2022, 83% of the construction activities of the building had been completed. Considering all the matters, the contract period had been extended up to August 12, 2022.

b) A stock of books gets printed considering the advantage of printing cost. Relevant stocks of books are issued to students as per the requirements considering the lecture timetables. Since 400 students are admitted annually only for the MBA program, it cannot be considered that these stocks are surplus balances.

c) The outstanding course fees amounting to Rs.10,631,592/- that were written off in the year under review were relevant to the year 2020/2021, and it was written off at the end of the program duration. Written off of relevant outstanding amounts were not done in 2018/2019 and previous years as those students have actively existed in the study program.