

Performance Report – 2022



Samurdhi Development Department

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Chapter - 01 – Corporate Profile / Summary of Implementation

1.1 Introduction

The main task assigned to this Department which was established by the Divineguma Act No. 1 of 2013 as amended by the Samurdhi Act No. 2 of 2017 is to provide Samurdhi welfare to 17 Lakhs of poor families and empower them economically. The Social Security Fund provides allowances related to the protection of those families in important daily situations. Provision of various microfinance loans required by those poor families and low-income families scattered all over the island is made by 1089 community-based banks and programs related to the promotion of their livelihoods to empower those families to eradicate poverty in Sri Lanka at the outset. In addition to that, it is aimed to establish and maintain a network of community-based organizations by gathering together poor families and low-income people and to implement various programmes for social development and also aimed to implement various programmes for their social and economic development.

1.2 Vision & Mission

Vision

“To be the Premier Organization in making a Poverty Free, Empowered and Prosperous Sri Lanka by 2030 .”

Mission

To implement efficient and effective programmes through the sustainable methods and with the participation of community for empowering disadvantaged people economically, socially, physically, mentally, legally and environmentally.

Objectives

The objectives of the Department are mentioned below as per Section 4 of the Samurdhi Act No. 01 of 2013 as amended by Divineguma Amendment Act No. 2 of 2017.

- a) To carry out such development activities as may be required to alleviate poverty and to bring about a society guaranteeing social equity.
- b) To promote the individual, family, group and community centered livelihood economic development activities
- c) To ensure food security for each individual and family.

- d) To mobilize and empower people to speed up the national development.
- e) To provide micro - financial facilities for the purpose of promoting the livelihood development
- f) To develop physical and social infrastructure facilities as may be required for the development livelihood of people.
- g) To carry out such studies and research as may be required to the economic and social development of people.
- h) To develop the human capital in order to uplift living standards of people and to create a social security network for those who are in need of social security

1.3. Mainstreams in Function

The Department operates under the following three main streams as per the provisions of the Samurdhi Act No. 01 of 2013 (Divi Neguma) .

1. Departmental Stream with Official Structure
2. Community Based Banking System Stream
3. Community Based Organizational Stream

1.3.1 Departmental Stream with Official Structure

A National Council has been appointed as per the instructions of the Director General in terms of Sections 7(1),(2), (3) of the Samurdhi Act. It has 11 members. The composition of the official structure of the Department consists of an official regime as follows. It is functioned under the official leadership of the Director General, three additional Director Generals and Heads of 17 Major Departments. That is, the Heads of Departments such as Administration, Establishments, Investigations, Legal, Information Technology, Pensions, Human Resource Development, Social Security and Welfare, Livelihood Development, Social Development and Environment, Community Based Organizations, Enterprise Development, Planning and Operations, Microfinance (Banks/ Maha Sangam), Media, Finance and Internal Audits are carrying out the duties of their Departments as covering the Head Office and 25 Districts. The relevant functions are implemented to achieve the objectives of the Samurdhi (Divineguma) Act at District, Divisional Secretariat, Zonal and Grama Niladhari Division Levels by the District Samurdhi Directors and their staff under the direction of District Additional Director Generals / District Secretaries under District Level. Implementation of Community Based Banking activities, building of Community Based Organizations and Development Projects at Village Level are performed by all other Offices and Field Officers including Samurdhi Managers and Samurdhi Development Officers with the direction of the Divisional Secretaries who were the Divisional Officers. The total number of employees are 25,481.

1.3.2 Community Based Banking System Stream

A Board of Management consisting of 8 members has been appointed to supervise and regulate the affairs of community banks, banking societies and general societies according to Sections 25(1), (2), (3), (4) and 29 (1),(2), (3), (4) and 34 of the Samurdhi Act. The role of this Division is to be managed by the staff controlled by the Director of Microfinance at the Head Office and the Maha Sangamaya and the 1,089 banks operating at the 335 Divisional Secretariat Divisions throughout the island and 1,089 banks operating at the Community Banks, Community Banks Societies, Zonal and Grama Niladhari Division Level. This banking system is operated by all the staff.. Distribution of Samurdhi subsidies, maintains compulsory savings deposits of beneficiaries, issuing of Micro Finance loans to beneficiaries and low income earners, invests surplus funds in high return sources and other social welfare activities are implemented by that system.

The total value of loans granted under 15 loan schemes to rural people who needs credit facilities essentially for livelihood development activities during the year 2022 was Rs. 19,273 Mn. The number of loans issued related to that is 192,491. The cumulative value of total loans disbursed to beneficiaries from 1999 to the end of the year 2022 was Rs.424,906.53 Mn. The cumulative number of debts issued pertaining to that is 11,959,271. The total number of bank accounts is 12,250,366. The total deposit is Rs. 155,183 Million. Further, steps have been taken to provide a more efficient and quality service to the people by implementing all the activities of this sector through new Information Technologically methods.

1.3.3 Community Based Organization Stream

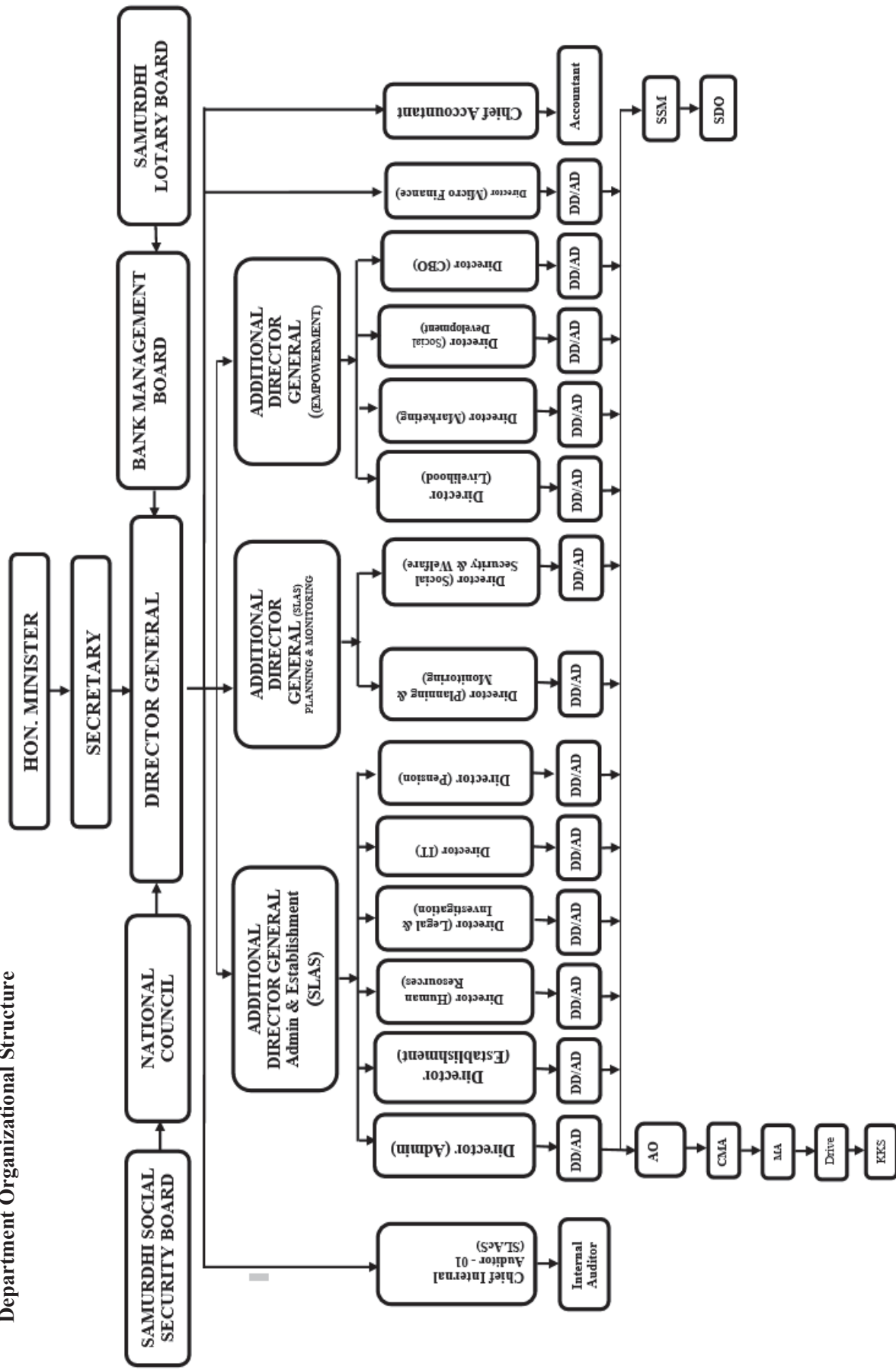
The Extraordinary Gazette Notification No. 2009/08 of the Democratic Socialist Republic of Sri Lanka dated 07 March 2017 was published including Regulations and Statutes (Section 42 of the Samurdhi Act) required for the establishment of Samurdhi Community Based Organizations, Regional Organizations and Samurdhi District Organizations. Accordingly, establishment of voluntary organized Samurdhi Community Based Organizations covering all Grama Niladhari Divisions (Section 9 of the Samurdhi Act), establishment of Regional Organizations (Section 15 of the Samurdhi Act), Establishment of Samurdhi District Committees (Section 19 of the Samurdhi Act) have been carried out to eradicate poverty and achieve social justice which is the main objective of the Samurdhi Act. A Committee called Samurdhi National Social Development Fund consisting of 18 members meets at the national level to supervise, direct and advise the activities of community based organizations. There are 30,128 Community Based Organizations, 331 Regional Organizations and 25 District Committees in operation by the year 2022 by establishing community based organizations, strengthening them, empowering communities and developing them economically, socially and spiritually with a view to directing Community Based Banks and livelihood programmes.

1.4 The Main Divisions of the Department and its' Responsibilities

Division		Main Responsibilities
1	Administration Division	Management of human resources and physical resources
2	Establishment Division	Human resource recruitment, promotion and maintenance of personal files
3	Accounts Division	Control and management of public finances and accounts
4	Livelihood Development Division	Implementation of livelihood development Programs at district, regional, rural and community levels
5	Micro Finance Division/ Maha Sangam Division	Issuing of microfinance loans , promotion of savings and investments and Supervision of Banks and Banking Societies
6	Entrepreneurship Development Division	Implementation of regional, rural and community based projects for entrepreneurship development and marketing development
7	Social Development Division	Implementation of social development and environmental projects
8	Planning and Monitoring Division	Planning of programs and projects, progress review, follow-up, monitoring and reporting and assisting in research activities.
9	Community Based Organization Division	Establishing and maintaining of community-based organizations, regional organizations and district committees and implementing of community based projects
10	Audit Division	Conducting and managing of audit activities as per the Samurdhi Act and General Instructions
11	IT Division	Implementation of IT functions and development of digital infrastructure facilities
12	Media Division	Implementation of media and publicity programs
13	HRD Division	Capacity development of human resources of the Officers
14	Social Welfare and Social Security Division	Implementation of government subsidy and programmes of Social Security Fund
15	Legal Division	Providing legal advices and carrying out legal works
16	Investigation Division	Conducting employee disciplinary actions and investigations
17	Pension Division	Implementation of works related to employee retirements

1.5 Organizational Structure

Department Organizational Structure



Chapter - 02 - Progress and Outlook

2.1 Progress of Major Programmes Implemented by the Department

2.1.1 Administration

2.1.1.1 Administration and Institutional Sector Performance

Administration Division of Samurdhi Development Department does the works related to Administration, Institutional, Pensions, Legal and Investigation Divisions. The day-to-day affairs faced in the administration and the implementation of policy decisions are also the main duties performed under this Division.

2.1.1.1.1 Main Objectives

- ❖ Implementation of Recruitment and Promotion Procedure.
- ❖ To maintain the well-being of the staff, to maintain discipline, and to provide necessary facilities for daily work activities.
- ❖ Ensuring the well-being of the organization.
- ❖ Preparation of office layout and preparation of organization structure of the office.

2.1.1.1.2 Daily Duties

- ❖ Taking actions on daily mail.
- ❖ Maintaining co-ordination in the divisions and inter-divisions.
- ❖ Responding to public requests.
- ❖ Taking actions on staff requests.
- ❖ Maintenance, keeping, updating of personal files of all the officers in staff.
- ❖ Managing the transport unit.
- ❖ Activities related to payment of employee salaries, allowances and travelling expenses and all the bills related payments.
- ❖ Organization of efficiency bar examinations, competitive examinations and promotion examinations.
- ❖ Maintenance of statistical records related to assigning of officers.
- ❖ Inter- district transfer activities.
- ❖ Disciplinary and administrative matters related to officers.

2.1.1.1.3 Special Assignments

- ❖ Providing answers to Parliamentary questions related to Administrative Division and co-ordination between the Ministry.
- ❖ Duties of Public Petitions Committee.
- ❖ Preparation and co-ordination of responses to audit queries related to Administrative Division.

- ❖ Taking actions with the matters arising from the Parliamentary Advisory Committee meetings and informing the Divisional Heads about it.
- ❖ Conducting Efficiency Bar Examinations and other promotional examinations / fulfilling communication tasks.
- ❖ Recruitment of new officers considering existing vacancies.

2.1.1.2 Establishment Division

This Division handles the duties of the Personal Files of all Samurdhi Managers and Samurdhi Development Officers working under the Department. Accordingly,

- Granting Grade Promotions to each officer.
- Confirmation of service.
- Absorption of officers as per the Provisions of the Act.
- Taking actions in respect of local and foreign leave requests as per the requirements of each officer.

2.1.1.3 Performance of Investigation Division

2.1.1.3.1 Objective

1. To investigate the misconducts of officers and to make arrangements to take them on the right path by imposing disciplinary punishments.
2. To protecting the reputation of the Department and the public service.
3. To maintain discipline in departmental employees and ensuring the maintenance of financial discipline.
4. To make necessary suggestions / recommendations to prevent fraud and prevent irregularities.

2.1.1.3.2 Tasks of the Division

- To conduct preliminary investigations according to the complaints received.
- To carrying out future disciplinary actions relating to special audit examinations conducted by the Internal Audit Division.
- To enquire the explanations and issuance of charge sheets.
- To conduct formal disciplinary investigations.
- To issue disciplinary orders.
- To submit draft charge sheets related to staff officers to the Public Service Commission.
- To submit reports to Public Service Commission for appeals against disciplinary orders.
- To maintain coordination with institutions such as the Presidential Investigation Division, Bribery or Corruption Investigation Commission, Sri Lanka Human Rights Commission, Attorney General's Department and the Parliamentary Petitions Committee.

2.1.1.3.3 Brief Report of Work Done in 2022

• Preliminary Investigation Reports received during the year	- 22
• No. officers appointed to conduct Preliminary Investigations	- 42
• Number of Compulsory Leave/Transfers / Interdicted	- 26
• Reinstatement subject to Disciplinary Investigations	- 10
• No. of reports sent to Public Service Commission regarding interdictions.	- 14
• No. of requests made for explanations	- 47
• Notification of decisions relating to calling of explanations	- 36
• No. of Charge Sheets issued	- 72
• No. of Draft Charge Sheets sent to Public Service Commission	- 06
• No. of Amended Charge Sheets	- 22
• No. of Tribunals appointed	- 13
• Delivery of relevant documents to the Investigating Boards, to the officer handling the complaint/accused	- 23
• No. of Disciplinary Orders issued	- 112
• No. of Draft Disciplinary Orders sent to Public Service Commission	- 09
• No. of Dismissed	- 05
• No. of 3rd supplementary sent to Public Service Commission	- 19
• Notification of appeal decisions	- 08
• No. of files finalized	- 103
• Balance No. of disciplinary files to be processed	- 705

2.1.1.3.4 Future Plans

- To deploy full-time Investigation Manager with subject knowledge for the Division and recruiting Investigation Managers for the pool for vacant Districts.
- To improve office premises of the Department.
- To complete 50 % of files during the year out of the files opened during the year.
- To introduce a system for evaluating the performance of the officers of the Division.
- To provide formal training on administrative law and disciplinary procedures to all staff.
- To develop a system for systematic disposal files which were completed.

2.1.1.4 Pension Division

Granting of pension rights to absorbed officers expressing initial service and new service preference from the officers absorbed in the Samurdhi Development Department is the main function performed by the Pension Unit.

Accordingly, this Division was established under the Administrative Division of the Department from 01 August 2019. Offering of pension benefits to Samurdhi officers have been implemented in compliance with the Pension Circulars issued by the Pension Department and the instructions given in addition from then until now.

Working in an authority here, accordingly, in the institutional process of maintaining personal files, the general 53 of Code of Conduct etc. is systematically entering and noting was problematic at times, from the date of initial appointment to the date of retirement / death of the officer was in a problematic situation in some cases and having to work hard to resolve these issues was a challenge faced by all the officers.

Files related to 1342 officers out of 1812 retired and deceased officers as at 31.12.2022 have been sent to the Department of Pensions, by this unit, which was started in 2019, aligning all these matters with the pension circulars, acts and Minutes of Pension and out of them, 1212 officers are currently receiving pension benefits.

Regular progress reviews and programmes conducted through Zoom technology were also helpful to carry out this work efficient and up-to-date.

2.1.1.4.1 Progress of Payment of Pensions as at 31.12.2022

Serial No.	Matter	No. of Retired	No. of Deceased	Total
1	No. of Retired	1402	410	1812
2	Number of files which could not be processed due to non-provision of required information by officials	11	24	35
3	Total number of pension payable	1391	386	1777
*4	Number sent to Pension Department	1152	190	1342
5	Balance of further number in Samurdhi Department for payment of pension	239	196	435
*4	Number sent to Pension Department	1152	190	1342
Total of entire payments as at 31.12.2022		1060	152	1212
Balance to be paid in Pension Department		92	38	130

2.1.1.5 Role of the Legal Division

The role of the Legal Division is to provide advice and legal assistance regarding the legal matters required in the implementation of development programmes related to all the Divisions of the Samurdhi Development Department, increase the effectiveness by legally empowering the officers of the Department and Samurdhi Community Based Bank and Samurdi Prajamula Bank Society and to coordinate properly with the Attorney General's Department in the affairs of the Department and against the Department.

2.1.2 Social Welfare Division and Social Security Programme Fund

2.1.2.1 Social Welfare Programme

2.1.2.1.1 Introduction

The Samurdhi campaign has been implementing since 1994 as the government's main welfare programme focusing on the primary objective of poverty alleviation. This campaign was implemented under two institutions namely the Sri Lanka Samurdhi Authority and the Samurdhi Commissioner General Department and the subsidy programme was implemented under the Samurdhi Commissioner General Department.

Likewise, the Divineguma Development Department established by the Divineguma Act No. 01 of 2013 was amended as the Samurdi Development Department through the Samurdhi Act No. 02 of 2017. Accordingly, the subsidy programme is currently being implemented under the Department of Social Security and Welfare.

2.1.2.1.2 Main Objectives of Subsidy Programme

- Meeting the nutritional needs of the poor and aligning them for development needs.
- Contribution to Housing Lottery Fund.
- Financially strengthening the low income earner through compulsory savings.
- Providing financial strength to those families in times of expected and unexpected risks by contributing to the Social Security Programme.

2.1.2.1.3 Classification of Subsidies

Samurdhi Subsidy Structure - Table - (II)

Number of Family Members	Subsidy value (Rs.)	The way of distribution of subsidy			
		Mandatory Savings (Rs.)	Social Security Fund (Rs.)	Housing Lottery Fund (Rs.)	Amount Payable to Beneficiary (Rs.)
04 or more than 04	4500/-	400/-	200/-	100/-	3,800/-
3	3200/-	300/-	150/-	100/-	2650/-
Less than 03	1900/-	170/-	130/-	100/-	1500/-
Institutional	1900/-	-	130/-	100/-	1670/-
Empowered Families	420/-	120/-	200/-	100/-	-

2.1.2.1.4 Samurdhi Subsidy Family

Unmarried children including the father residing in the same household and the dependent adults and others of the same family are considered as one family.

2.1.2.1.5 Major criteria considered while selecting a Samurdhi subsidized family

- | | |
|----------------------------|-------------------------|
| i. Education | ii. Health |
| iii. Family Economic Level | iv. Assets |
| v. Housing Status | vi. Family Demographics |

2.1.2.1.6 Approval of subsidies

After considering the registers obtained at the Divisional Level, the power to grant Samurdhi Subsidy entitlement to the applicant has been delegated to the Divisional Secretary after the considering of the recommendation of the Rural Committee, the Bank Zonal Manager forwards the beneficiary documents to the respective Divisional Secretary.

2.1.2.1.7 Appeals / Objections

If he feels that he has not received the subsidy despite his eligibility, he should submit an appeal to the District Secretary. If it is not satisfied with the decision taken there, you can submit it to the Director General of Prosperity at the head office.

2.1.2.1.8 Instances of Not Receiving of Samurdhi Subsidy

Presence of a member in the family unit who is permanently employed in the government or private sector.

- i. Presence of a pensioner in the family unit as a result of employment in government.
- ii. Empowered families who earn higher incomes through an income generation process.
- iii. Families with people who have gone abroad for work for more than 06 months.
- iv. Families with skilled workers earning considerable daily income as identified by the Rural Committee.

2.1.2.1.9 Subsidy to the Clergy

The subsidy to the clergy is the subsidy value of Rs.1500/- owned by individuals. Subsidy monies receivable to clergy under the age of 18 are credited to the accounts of the legal guardians of the institution. These religious institutions should be registered with the government.

2.1.2.1.10 Elders' Homes/ Children's Homes/ Disables' Homes

A subsidy of Rs.1500/- has been issued to those who are not earning sufficient income and are registered with the Probation and Child Protection Department and the Social Services Department as individuals. Subsidies for children under 18 years of age are given in the name of the respective wardens and for children above 18 years of age, they are given on an individual basis.

2.1.2.1.11 Release of subsidy money to the beneficiary

Actions are being taken to pay after the money required for the payment of subsidies is remitted electronically to the official current account of Samurdhi Community Based Bank based on the monthly subsidy release reports provided by Samurdhi Community Based Bank through the Beneficiary Management Module through savings accounts of the beneficiaries.

2.1.2.1.12 Number of Samurdhi Subsidy Beneficiaries and Expenditure in last 05 years. (2018 - 2022)- Table - (III)

Year	No. of Beneficiaries	Expenditure (Rs.)
2018	1,384,021	39,257,773,920.00
2019	1,800,182	44,676,637,360.00
2020	1,770,086	52,471,893,980.00
2021	1,760,485	51,550,652,440.00
2022	1,727,266	63,705,938,820.00

Number of Samurdhi Subsidy Beneficiaries as per Districts in 2022

Table - (IV)

No	District	January to November					2022 December				
		420/=	1,500/=	2,500/=	3,500/=	Total	420/=	1,900/=	3200/=	4,500/=	Total
		Number	Number	Number	Number	Number	Number	Number	Number	Number	Number
1	Colombo	510	25,746	10,175	16,840	53,271	454	25,586	9,867	15,769	51,676
2	Gampaha	3,334	54,173	27,879	51,421	136,807	3,017	55,017	27,055	48,647	133,736
3	Kalutara	3,419	31,721	12,966	22,374	70,480	3,140	31,946	12,614	20,705	68,405
4	Kandy	2,308	44,977	17,199	34,055	98,539	2,074	44,960	16,644	32,069	95,747
5	Matale	1,387	23,309	9,856	17,855	52,407	1,292	23,505	9,333	16,738	50,868
6	Nuwaraeliya	4,283	24,404	10,913	13,663	53,263	3,369	25,328	10,599	13,387	52,683
7	Galle	4,244	29,170	15,453	31,465	80,332	3,654	29,894	15,279	29,215	78,042
8	Matara	1,222	29,154	13,247	25,762	69,385	1,134	28,856	12,876	24,183	67,049
9	Hambantota	1,487	20,990	13,434	28,663	64,574	1,377	21,215	12,972	27,467	63,031
10	Jaffna	2	24,842	14,182	39,426	78,452	4	25,047	14,181	39,310	78,542
11	Mannar	236	6,812	4,206	11,586	22,840	237	7,035	4,055	11,340	22,667
12	Vavunia	299	7,293	4,709	11,271	23,572	283	7,411	4,600	11,023	23,317
13	Mulativu	15	7,827	4,883	11,555	24,280	14	8,017	4,694	11,463	24,188
14	Kilinochchi	22	7,652	4,242	11,902	23,818	50	7,593	3,844	11,021	22,508

No	District	January to November					2022 December				
		420/=	1,500/=	2,500/=	3,500/=	Total	420/=	1,900/=	3200/=	4,500/=	Total
		Number	Number	Number	Number	Number	Number	Number	Number	Number	Number
15	Batticaloa	9,131	33,366	18,552	38,234	99,283	8,716	34,604	18,161	36,888	98,369
16	Ampara	7,394	33,899	16,412	31,736	89,441	7,249	35,263	15,505	29,424	87,441
17	Trincomalee	1,061	21,924	12,094	25,323	60,402	872	22,340	11,545	24,266	59,023
18	Kurunegala	5,512	64,604	32,215	66,115	168,446	5,307	64,328	30,785	62,053	162,473
19	Puttlam	588	28,285	11,806	23,200	63,879	675	27,924	11,556	22,331	62,486
20	A'pura	1,739	33,892	14,029	22,494	72,154	1,580	34,404	13,008	20,733	69,725
21	Polonnaruwa	1,884	11,067	8,451	14,582	35,984	1,668	11,327	8,057	13,606	34,658
22	Badulla	1,787	31,963	14,934	26,843	75,527	1,632	33,016	14,576	25,473	74,697
23	Monaragala	3,869	20,929	12,207	20,341	57,346	3,464	21,617	12,054	19,293	56,428
24	Ratnapura	5,059	35,375	26,562	55,641	122,637	5,205	35,917	26,198	53,778	121,098
25	Kegalle	4,427	24,529	13,613	27,808	70,377	4,105	24,730	13,290	26,284	68,409
Total		65,219	65,219	344,219	680,155	1,767,496	60,572	686,880	333,348	646,466	1,727,266

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* The subsidy values were changed according to a Memorandum of Cabinet of Ministers from February 2022

** The benefit amount of Rs.420/- (Economically Empowered Families) has not been given in the months of May, June, July, September, October, November 2022.

2.1.2.2. Samurdhi Social Security Programme / Samurdhi National Development Trust Fund

2.1.2.2.1 Introduction

The Samurdhi National Development Trust Fund has been established and maintained under the Commissioner General Department of Samurdhi with effect from 01.01.1997 by Trust Deed No. 8. The Social Security Fund was established on a non-profit basis with a view of welfare in mind. The Samurdhi Social Security Fund is built from the voluntary monthly contributions of Samurdhi beneficiaries, bank investments and income from institutions like the Nilaveli Samurdhi Training Center run by the Social Security Fund.

To carry out the affairs of the Department of Samurdhi Commissioner General in the same manner, this was attached in the establishment of the Divineguma Development Department in accordance with the Divineguma Development Act No. 01 of 2013. Accordingly, the Divineguma Social Security Fund was operated under the Divineguma Development Department and this fund is operating under the name of

Samurdhi National Development Trust Fund with the revision of the name of the Department in the year 2017 as the Samurdhi Development Department. The Social Security Trustee Board consisting of 11 members takes decisions related to the management and administration of the fund. In addition to the duties performed by departmental officers for the implementation of those decisions, opportunities have also been provided for these duties.

2.1.2.2.2. Objectives

- Minimize unexpected and expected financial difficulties faced by Samurdhi beneficiaries and socially disadvantaged individuals and groups and securing their social and living conditions and implementing a social security system.
- To raise the social and economic status of the beneficiary community by improving the nutritional level and creating a healthy environment.
- Boost the Fund by investing the surplus money in state banks at high interest rates and increasing the income of the Nilaveli Training Centre.

2.1.2.2.3 Introduction to the Project or Activity

This Fund has been formed by the monthly contribution amount voluntarily given by the Samurdhi beneficiaries and the remaining money after making the beneficiary payments from that contribution amount and the investment in the state banks and the interest income earned thereby.

Benefits are provided through this Fund as an insurance method to the Samurdhi Beneficiaries, low income earners and disadvantaged individuals and groups mainly for expected and unexpected events such as births, twin births, marriages, hospitalizations, deaths and Sipdora scholarships.

In addition, financial and material assistance will be provided to disadvantaged individuals, groups, institutions in the society with the approval of Samurdhi Social Security Trustee Board. Further, And the necessary expenses for the administration and management of the Fund will be borne.

Similarly, the Nilaveli Samurdhi Training Center , Pothuvil Circuit Bungalow which is a fixed asset belonging to the Fund have provided residential facilities, trainings, lectures and workshops to internal and other external institutions.

2.1.2.2.4 Targetted Group

- I. Members of Samurdhi Beneficiary Families
- II. Disadvantaged individuals, groups and institutions in society

Methodology in Operation:-

Social Security benefits are provided for births, twin births, deaths, hospitalizations, and Sipdora Scholarships using voluntary monthly contributions of Samurdhi beneficiaries as Rs. 200/= Rs.150/=, Rs.130/= respectively according to the subsidy values of Rs.4500, Rs.3200, Rs.1900. After making those beneficiary payments, the balance is invested in state banks at high interest rates. Out of these events, the only event that can be quantified is the Sipdora

Scholarship. That is, Sipdora scholarships are given for a year to all students who have passed G.E.C. (O/L) and studying for Advanced Level. Although an exact calculation cannot be given in respect of all other events, payments will be made in accordance with circulars for beneficiary claims applied for. The benefit payment process for the above events is as follows.

2.1.2.2.5 Payment Process

Division ➡ Zonal Office (Samurdhi Community Based Bank) ➡ Divisional Secretariat (Samurdhi Head Quarters) ➡ District Secretariat ➡ Samurdhi Social Security Fund at Head Office

Accordingly, the corresponding amount is released by Samurdhi Social Security Division of Head Office as an advance amount to all Divisional Secretariats and District Secretariats at the beginning of the year. The benefits should be paid using that advance and then the related expenses should be reimbursed.

The Development Officer in charge of the division should hand over the duly completed social security beneficiary applications along with the relevant documents to the Zonal Manager or Community Based Bank Manager for the relevant events. Those applications with his recommendation should be handed over to the Headquarters Manager of the Divisional Secretariat. The approval of the Headquarters Manager should be obtained and the Officer-in-Charge of the Divisional Secretariat submits the prepared list of scholarship winners to the Divisional Secretary for approval. After that, after certifying the expenses by the Accountant of the Divisional Secretariat, payments are made to the relevant beneficiaries through Samurdhi Community Based Banks and further, the Pilot Project of crediting money to Samurdhi Beneficiaries has been commenced in 25 Banks selected in 25 Districts, through the Samurdhi Benefits Online System in 2022. Steps have been taken to distribute it to all banks.

Arrangements should be made to reimburse the benefit payments made in relation to all the Divisions belonging to the Divisional Secretariat by the District Secretariat. After that, all the benefit payments of the Divisional Secretariat Divisions should be reimbursed from the Samurdhi Social Security Fund by the District Secretariat. If the advance given in this manner is not enough, additional advance can be requested by the Social Security Fund.

2.1.2.2.6 Social Security Fund - Expenditure Estimate 2022

According to the Action Plan of 2022, the amount of approved allocation is Rs.3,959.15 million.

Table - (V)

Description	Head Office	District Secretariats	Nilaveli	Potuwil	Total
Recurrent Expenditures (Rs. Mn.)	3,871.23	3.00	2.95	0.30	3,877.48
Capital Expenditures (Rs. Mn.)	1.37	76.00	4.30	0.15	81.67
Total (Rs .Mn.)	3,872.600	79.00	7.25	0.30	3,959.15

2.1.2.2.7 Output of the Project:-

Making payments in accordance with the circulars for the Beneficiaries applied from 01.01.2022 to 31.12.2022 and carrying out activities related to the approved staff memos of the Social Security Trustee Board. Provision of relevant facilities by Nilaveli Samurdhi Training Center for residential facilities, training workshops, lectures, etc. requested by internal and external parties during the year. Investments made during the year were re-invested in State Banks at higher interest rates.

2.1.2.2.8 Socio-Economic Outcomes Achieved:-

- To protect the families of the Beneficiaries by providing financial and other assistance in case of decline in their living conditions.
- To encourage the successful higher education of Samurdhi Beneficiaries' children who are mandated to bring up G.C.E (O/L) passed G.C.E (A/L) without allowing to collapse the secondary education.
- To contribute to a healthy social security environment by raising the level of nutrition by providing financial benefits for births and twin births and illnesses.
- To drop the population poverty index by contributing towards the main social safety net for Samurdhi Beneficiaries.
- To maintain the financial position of the Fund at an optimal level by investing at high interest rates.

2.1.2.2.09 Functions currently performed by the Fund :-

Payment of Social Security Benefits

- Payment for Births – Paymnet of Rs. 10,000 for first, second and third births in Samurdhi Families
In addition to above payment of Rs. 10,000/=, for twin births as follows
Monthly Rs. 5,000/= per annum for two children
Monthly Rs. 10,000/= per annum in case of more than three children
- Marital Allowances
Payment of Rs. 10,000/= for marriages of 02 children of Samurdhi Beneficiary Families.
- Payments in case of Hospitalization
Making benefit payments of Rs. 10,500/= as Rs.350/= per day for 30 days in a year for Beneficiary or spouse and unmarried children of the family in case of hospitalization in Samurdhi Families
- Payment for a Death
Payment of Rs. 20,000/= for a death in Samurdhi Families

- Sipdora Scholarships
Implementation of Sipdora Scholarship Programme for children who are studying for G.C.E (A/L) in Samurdhi families.
All the students from benefitted families scattered all over the island who are studying G.E.C. are received Rs. 1,500/= each for a period of two years of study.
- Other social development projects such as construction of sanitary toilets targeted at low income earners are also implemented on occasion as approved by the Samurdhi Social Security Trustee Board.

2.1.2.2.10 Payment of Social Security Benefits through Online Method

As a pilot project for 25 Districts, social security benefits are paid online through the head offices of 25 selected Samurdhi Banks by now. It has been planned to pay social security benefits online through the entire banking system in the second quarter of 2023. The basic training for that is currently being completed. Thus, the primary objective is to efficiently provide relevant social security benefits to the target community in a very short period of time by starting benefit payments through the entire banking system.

**Payment of Social Security Benefits
From 2022.01.01 To 2022.12.31**

Table - VI

No.	District	Birth		Merrages		Disease		Death		Scholarship		Twins Birth		Total	
		No	Amount (Rs.)	No	Amount (Rs.)	No	Amount (Rs.)	No	Amount (Rs.)	No	Amount (Rs.)	No	Amount (Rs.)	No	Amount (Rs.)
1	Colombo	124	1,240,000.00	993	9,930,000.00	2,222	8,887,150.00	1,990	39,800,000.00	20,612	30,918,000.00	13	65,000.00	25,954	90,840,150.00
2	Gampaha	604	6,040,000.00	2,721	27,210,000.00	9,735	41,416,550.00	4,325	86,500,000.00	56,661	84,991,500.00	12	70,000.00	74,058	246,228,050.00
3	Kalutara	235	2,350,000.00	1,258	12,580,000.00	2,923	10,978,450.00	2,898	57,960,000.00	31,912	47,868,000.00	45	225,000.00	39,271	131,961,450.00
4	Kandy	514	5,140,000.00	2,106	21,060,000.00	5,123	19,893,350.00	3,703	74,060,000.00	59,344	89,016,000.00	125	625,000.00	70,915	209,794,350.00
5	Matale	416	4,160,000.00	1,008	10,080,000.00	2,602	9,950,644.00	1,660	33,200,000.00	23,918	35,877,000.00	56	280,000.00	29,660	93,547,644.00
6	Nuwareliya	369	3,690,000.00	837	8,370,000.00	1,776	7,508,750.00	1,769	35,380,000.00	25,054	37,581,000.00	43	215,000.00	29,848	92,744,750.00
7	Galle	394	3,940,000.00	1,669	16,690,000.00	3,592	13,366,050.00	2,830	56,600,000.00	51,972	77,958,000.00	58	290,000.00	60,515	168,844,050.00
8	Matara	488	4,880,000.00	1,697	16,970,000.00	3,950	14,986,350.00	2,705	54,100,000.00	49,930	74,895,000.00	33	165,000.00	58,803	165,996,350.00
9	Hambantota	924	9,240,000.00	1,671	16,710,000.00	4,719	19,170,550.00	1,857	37,140,000.00	58,732	88,098,000.00	130	665,000.00	68,033	171,023,550.00
10	Jaffna	1,206	12,060,000.00	1,973	19,730,000.00	4,293	14,752,400.00	1,681	33,620,000.00	53,330	79,995,000.00	150	795,000.00	62,633	160,952,400.00
11	Mannar	804	5,040,000.00	860	8,600,000.00	1,812	4,319,500.00	474	9,480,000.00	17,270	25,905,000.00	23	115,000.00	20,943	53,459,500.00
12	Vavuniya	546	5,460,000.00	717	7,170,000.00	942	4,594,800.00	463	9,260,000.00	14,829	22,243,500.00	37	185,000.00	17,534	48,913,300.00
13	Mulative	422	4,220,000.00	604	6,040,000.00	8,318	3,209,300.00	385	7,700,000.00	11,499	17,248,500.00	47	235,000.00	21,275	38,652,800.00
14	Killinochehi	379	3,790,000.00	674	6,740,000.00	9,550	5,561,150.00	490	9,800,000.00	20,347	30,520,500.00	6	30,000.00	31,446	56,441,650.00
15	Batticalo	1,560	15,600,000.00	3,266	32,660,000.00	4,386	17,295,200.00	2,205	44,100,000.00	62,750	94,125,000.00	224	1,120,000.00	74,391	204,900,200.00
16	Ampara	1,589	15,890,000.00	2,815	28,150,000.00	7,380	26,198,892.16	2,136	42,720,000.00	72,293	108,439,500.00	115	575,000.00	86,328	221,973,392.16
17	Trincomalee	1,323	13,230,000.00	1,696	16,960,000.00	2,481	7,516,000.00	1,235	24,700,000.00	32,233	48,349,500.00	67	470,000.00	39,035	111,225,500.00
18	Kurunegala	1,426	14,260,000.00	3,439	34,390,000.00	9,257	38,758,350.00	6,013	120,260,000.00	111,265	166,897,500.00	164	845,000.00	131,564	375,410,850.00
19	Puttalam	695	6,950,000.00	1,422	14,220,000.00	2,348	9,107,900.00	2,091	41,820,000.00	25,412	38,118,000.00	93	465,000.00	32,061	110,680,900.00
20	Anuradapua	698	6,980,000.00	1,342	13,420,000.00	2,629	10,915,000.00	1,896	37,920,000.00	32,822	49,233,450.00	97	477,670.00	39,484	118,946,120.00
21	Polonnaruwa	486	4,860,000.00	749	7,490,000.00	1,851	7,324,150.00	761	15,225,000.00	13,648	20,472,000.00	15	150,000.00	17,510	55,521,150.00
22	Badulla	652	6,520,000.00	1,586	15,860,000.00	4,051	14,923,100.00	2,246	44,920,000.00	43,861	65,791,500.00	62	544,000.00	52,458	148,558,600.00
23	Moneragala	593	5,935,000.00	1,449	14,490,000.00	3,642	14,530,300.00	1,370	27,400,000.00	39,191	58,786,500.00	126	630,000.00	46,371	121,771,800.00
24	Ranapura	944	9,440,000.00	2,597	25,970,000.00	4,967	20,764,050.00	4,027	80,540,000.00	82,135	123,202,500.00	95	475,000.00	94,765	260,391,550.00
25	Kegalle	242	2,420,000.00	1,323	13,230,000.00	3,145	14,147,900.00	3,055	61,100,000.00	46,705	70,057,500.00	21	105,000.00	54,491	161,060,400.00
	Total	17,333	173,335,000.00	40,472	404,720,000.00	107,694	360,075,836.16	54,265	1,085,305,000	1,057,725	1,586,587,950	1,857	9,816,670.00	1,279,346	3,619,840,456.16

2.1.2.2.11 Livelihood Emergency Financial Assistance Programme

A monthly allowance from Rs.3,000/= to Rs.5,000/- for the 6 months of May, June, July and September, October, November 2022 were provided for the following categories of beneficiaries and they were given regular allowances and additional allowances also under the loan facilities provided by the World Bank and the Asian Development Bank with the aim of providing relief to the low-income community in the view of the current economic crisis in the country.

01. Samurdhi Subsidy Beneficiaries and Registered Beneficiaries in waiting lists.
02. Persons receiving chronic kidney disease allowances and Registered Beneficiaries in waiting lists.
03. Persons receiving elders' allowances and Registered Beneficiaries in waiting lists.
04. Persons receiving disability allowances and Registered Beneficiaries in waiting lists.

In addition, additional cash assistance were provided to high beneficiary categories through Direct Treasury Provisions for the two months

Progress of Emergency Financial Assistance Programme under the World Bank Funds – 2022
Table - (VII)

Family Category		No.of Families Identified	Number of Families Provided Financial Assistance	Amount Paid (Rs.Mn.)
1	Families Receiving Samurdhi Existing Payment	1,689,461	1,689,461	10,778.29
2	Families Receiving Samurdhi Top up Payment	1,689,461	1,689,461	15,544.30
3	Samurdhi Waiting Listed Families	731,975	726,449	10,512.00
4	Elderly Waiting Listed Families	131,152	131,152	1,427.87
5	Disability Waiting Listed Families	25,072	25,072	232.03
6	CKD Waiting Listed Families	3,232	3,232	28.79
Total		2,580,892	2,575,366	39,619.31

Progress of Emergency Financial Assistance Program under the ADB Funds – 2022

Table - (VIII)

Family Category		No.of Families Identified	Number of Families Provided Financial Assistance	Amount Paid (Rs.Mn.)
1. Samurdhi Beneficiaries				
1.1	Samurdhi Existing Payment	1,702,603	1,670,878	10,580.71
1.2	Samurdhi Top up Payment	1,702,603	1,670,878	15,303.70
1.3	Samurdhi Waiting Listed Payment	731,975	711,567	10,690.57
	Sub Total	2,434,578	2,382,445	36,574.98
2. Elderly Assistance Beneficiaries				
2.1	Senior Citizens Over 100 years			
2.1.1	Senior Citizens Existing Payment	478	363	5.48
2.1.2	Senior Citizens Top up Payment	289	193	1.41
2.2	Senior Citizens Over 70 years			
2.2.1	Senior Citizens Existing Payment	416,667	390,788	2,336.81
2.2.2	Senior Citizens Top up Payment	248,126	276,446	2,116.82
2.2.3	Senior Citizens Waiting Listed Payment	132,500	82,529	1,293.48
	Sub Total	549,645	473,680	5,754.00
3. Disability Assistance Beneficiaries				
3.1	Disability Existing Payment	72,000	68,296	1,019.69
3.2	Disability Top up Payment	23,837	16,825	128.04
3.3	Disability Waiting Listed Payment	25,327	22,249	330.88
	Sub Total	97,327	90,545	1,478.61
4. CKD Payment Beneficiaries				
4.1	CKD Existing Payment	39,150	39,006	583.93
4.2	CKD Top up Payment	21,003	10,928	123.96
4.3	CKD Waiting Listed Payment	3,256	4,248	63.72
	Sub Total	42,406	43,254	771.61
Grand Total		3,123,956	2,989,924	44,579.20

2.1.3 Samurdhi Micro Finance and Maha Sangam Programme

2.1.3.1 Introduction

Samurdhi Bank Associations were established in 1996 to implement the Samurdhi National Program in terms of the Sri Lanka Samurdhi Authority Act No. 30 of 1995 and the Micro Finance Division of the Head Office / Maha Sangamaya , 335 Samurdhi Community Based Bank Societies at the regional level and 1,089 Samurdhi Community Based Banks at the zonal level are being implemented to increase the savings of low income earners and thereby increase their investment power, to provide the capital (credit facilities) required for the development of products and services and to reduce informal credit transactions with a view of creating a profitable corporate model by freeing them from debt.

A Management Board consisting of 8 members has been established for the supervision and regulation of Banks and Banking Societies as per Sections 33 (1), 33 (2), 33 (9) of the Divineguma Act No. 1 of 2013. The Management Board issues directives to Banks and Banking Societies from time to time.

2.1.3.2 Objectives

1. Introduction of new loan schemes for the banking system and issuance of necessary circulars and operating orders required for that.
2. Issuing of Guidance, instructions required for other operations.
3. Introducing deposit promotion programmes and issuing of necessary guidelines and instructions.
4. Investing bank funds and issuing instructions at the local level.
5. Carrying out microfinance insurance activities.
6. Conducting national level investigations in all banks and issuing instructions in this regard.
7. Certifying final accounts and issuing orders for profit disbursement according to the audit reports provided for the final accounts of Samurdhi Community Based Banks and Bank Societies.
8. Providing re-financing credit facilities to banks and conducting credit analysis activities.
9. Acquisition / Purchasing activities of lands for Samurdhi Community Based Banks and Banking Societies and providing funds for the construction of bank buildings and Asset Management. Assisting to convene the Samurdhi Community Based Management Board, submitting Management Board Papers and implementing those orders.
10. Monitoring, progress control and conducting follow-up actions on all community based banks and banking associations.
11. Coordinating with Samurdhi Beneficiaries, projects launched by recognized institutions and organizations through Community Based Bank Societies.
12. Taking actions to make creative contributions of community based banking societies for the programmes implemented by the Livelihood and Marketing Divisions.

13. Assisting in the affairs of the Samurdhi Bank Maha Sangamaya as per the Samurdhi Act (Section 34).
14. Assisting in computer networking of Samurdhi Banks, Samurdhi Bank Societies, Maha Sangam and Microfinance Sector.
15. Taking steps to train officers and community leaders of Samurdhi Banks, Samurdhi Bank Societies.

2.1.3.3 Bank Members and Share Capital Progress

Samurdhi Beneficiaries become members of the Samurdhi Community Based Bank by purchasing a share of Rs.500 / -. They are becoming shareholders of the bank by that.

Table - (IX)

Progress of Samurdhi Community Based Bank Membership (2010-2022)

Year	Female	Male	Total	Growth as compared to the Preceding Year	Growth Rate%
2010	1,830,840	970,693	2,801,533	213,475	8
2011	1,881,808	987,740	2,869,548	68,015	2
2012	2,079,173	1,078,546	3,157,719	288,171	9
2013	2,199,135	1,121,833	3,320,968	163,249	5
2014	2,389,133	1,214,461	3,603,594	282,626	8
2015	2,503,840	1,253,016	3,756,856	153,262	4
2016	2,543,403	042,1,248	3,791,445	34,589	1
2017	2,624,784	1,266,833	3,891,617	100,172	3
2018	2,680,394	1,276,500	3,956,894	65,277	2
2019	2,913,912	1,399,106	4,313,018	356,124	9
2020	2,751,341	1,341,176	4,092,517	-220,501	-5.1
2021	2,791,244	1,300,942	4,092,186	-331	-0.008
2022	2,811,900	1,303,200	4,115,100	22,914	0.56

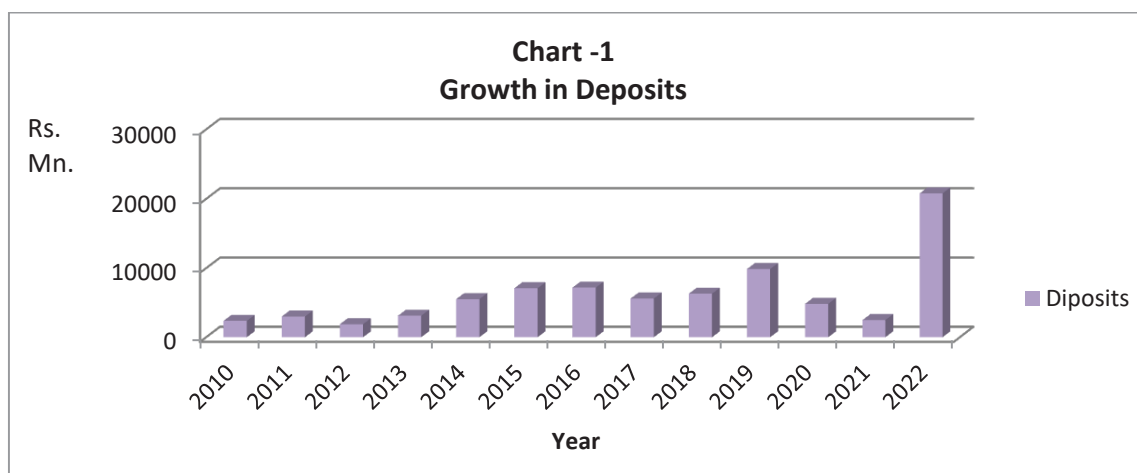
2.1.3.4 Bank Societies Deposits Programme

Deposits (Members, Non-members, Group, Children and Diriya Maatha) (2010-2022)

Table - (X)

Year	No.of Accounts	Growth in No.of Accounts	Amount) Rs. Mn.	Growth in Money (Rs. Mn.)
2010	5,505,853	337,999	15,906.77	2,370.12
2011	5,524,025	18,172	18,907.33	3,000.56
2012	6,206,484	682,459	20799.06	1,891.73

Year	No.of Accounts	Growth in No.of Accounts	Amount) Rs. Mn.	Growth in Money (Rs. Mn.)
2013	6,383,307	176,823	23,916.57	3,117.52
2014	6,822,409	439,102	29,436.10	5,519.53
2015	7,096,317	273,908	36,528.03	7,091.93
2016	7,417,540	321,223	43,716.00	7,187.97
2017	7,800,246	382,706	49,320.02	5,604.02
2018	8,177,216	376,970	55,627.64	6,307.62
2019	8,892,916	700,715	65,498.00	9871.00
2020	8,715,703	(177,213)	70,338.00	4,840.00
2021	8,538,191	(177,512)	72,835.00	2,497.00
2022	9,463,470	925,279	93,765.53	20,930.53



2.1.3.5 Community Based Bank Loan Programme

- ❑ Identifying the entrepreneurial capabilities of low income earners including Samurdhi beneficiaries and providing minor financing facilities to build the environment needed to overcome poverty through self-reliance are done under Community Based Debt Scheme.
- ❑ Several special loan schemes have been introduced and launched to meet the capital funds and immediate financial needs of the members.
- ❑ Loans ranging from Rs. 25,000 to Rs. 1,000,000 are issued by Samurdhi Banks under various Debt Schemes for income generating projects. Accordingly, loans are also issued for immediate loan requirements for the fields such as livelihood development, cultivation and vocational training.

- ❑ Bank loan facilities are implemented for the requirements such as housing, consumer, disaster etc..Maximum loan amount from Rs. 25,000 to Rs. 500,000 are issued.
- ❑ Loans ranging from Rs. 500,000 to Rs. 2,000,000 are issued by Samurdhi Community Based Bank Societies under the “Isura” and New Samurdhi Entrepreneurship Loan Scheme to meet the capital and financial needs of entrepreneurs who had succeeded through the Samurdhi Bank Loan Programme.
- ❑ A relief has been provided for Members to get rid of the lenders with high interest to easily meet the cash requirements through consumer, disaster, Swashkthi, Samurdhi Arunalu, Samurdhi Mithura Loan Schemes in case of immediate financial needs.
- ❑ An amount of Rs. 424,906.65 have been given to 11,959,271 Members as Samurdhi Bank loans by the end of the year 2022 .

Issuing of Loans (2010 -2022) - Table - (XI)

Year	Number (Cumulative)	Cumulative Loan Amount Released (Rs. Mn.)	Issuing of Debts during the year (Rs. Mn.)
2010	4,160,596	58,531.61	10,178.88
2011	4,682,822	71,721.04	13,189.43
2012	5,085,275	87,046.00	15,324.96
2013	5,360,115	98,056.00	11,010.00
2014	6,388,489	127,805.40	29,749.40
2015	6,851,459	153,989.65	26,184.25
2016	7,536,257	180,229.25	26,239.60
2017	8,202,461	220,873.20	40,643.95
2018	8,868,512	264,519.13	43,645.93
2019	9,562,062	317,915.26	53,396.13
2020	11,790,396	357,496.70	39,581.44
2021	11,669,343	394,546.41	37,049.71
2022	11,959,271	424,906.45	30,360.24

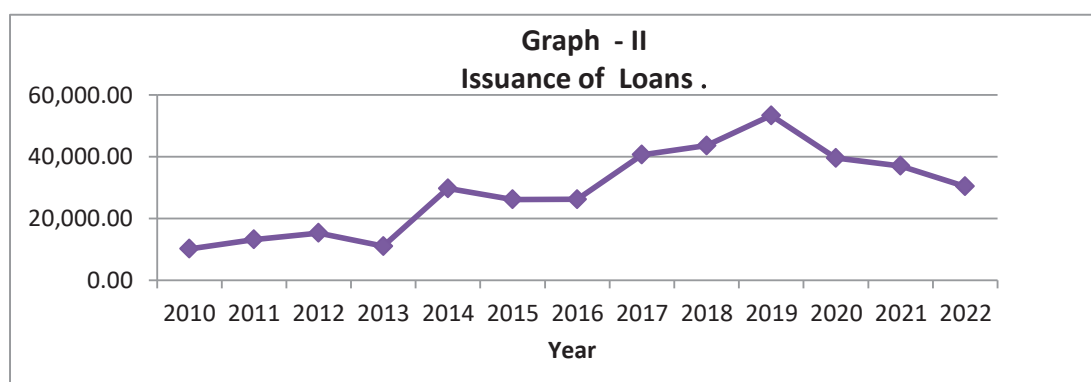
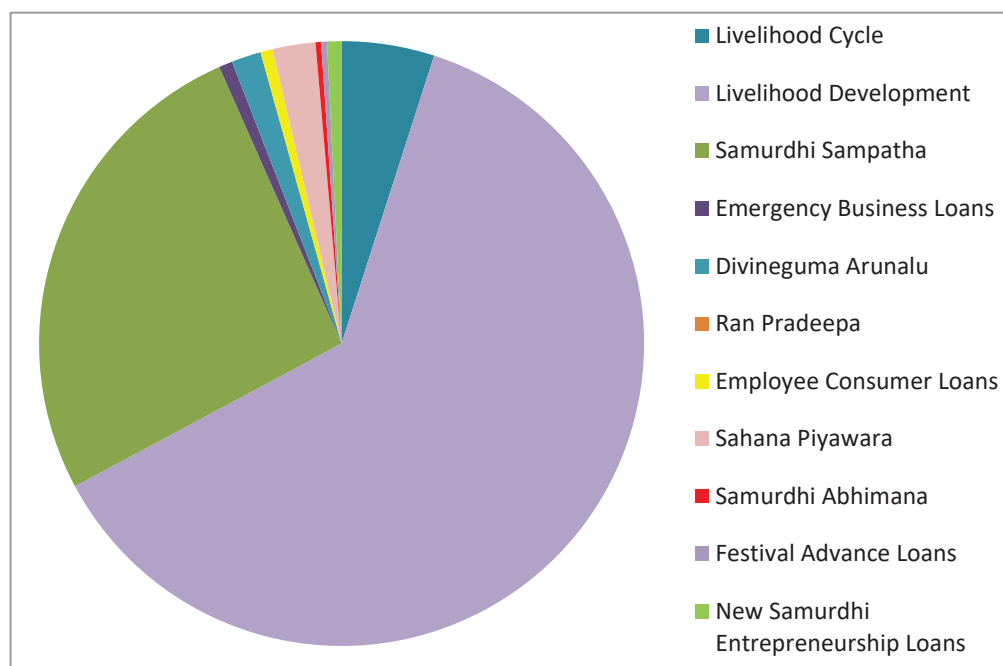


Table - (XII)
Cumulative Debt Classification Released as at 31.12.2022

Classification of Debts	Amount (Rs. Mn.)
Cultivation	18,921.36
Consumer	17,573.79
Swashakthi	11,0110.02
Disaster	20,08.58
Livelihood Cycle	11,396.27
Livelihood Development	143,278.17
Samurdhi Sampatha	60,330.37
Emergency Business Loans	1,673.85
Divineguma Arunalu	3,631.64
Ran Pradeepa	14.07
Employee Consumer Loans	1,491.6
Sahana Piyawara	5,279.59
Samurdhi Abhimana	676.77
Festival Advance Loans	726.32
New Samurdhi Entrepreneurship Loans	1,790.02
Total	277,794.84

Chart III - Classification of Loans

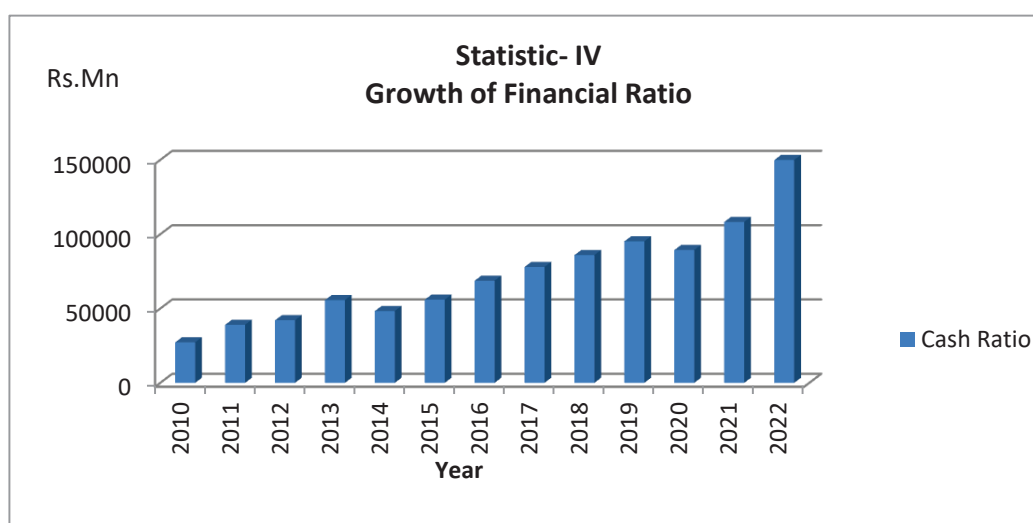


2.1.3.6 Investment of Surplus Funds of Community Based Banks (Fixed Deposits and Treasury Bills)

The permission has been given to invest surplus funds through Community Banking Societies only in State Banks as per Treasury Circulars after releasing the loan to the loan applicants in order to get maximum returns from the assets of the banks. This also aims to strengthen community banking societies financially.

Investing Surplus Money in Samurdhi Community Based Bank (2010 – 2022) Table - (XIII)

Year	Amount (Rs.Mn.)	Growth (Rs.Mn.)	Growth Percentage (%)
2010	27,248	3,209	13%
2011	39,048	11,800	43%
2012	42,098	3,050	8%
2013	55,690	13,592	32%
2014	48,309	-7,381	(13)%
2015	55,906	7,597	16%
2016	68,692	12,786	23%
2017	77,978	9,286	13%
2018	85,942	7,964	10%
2019	95173	9231	10%
2020	89,314	(5859)	6.2%
2021	108,233	18,919	21.18%
2022	149,882	41,649	27.79%



2.1.3.7 Promotional Programmes Implemented through the Microfinance Sector

Since the year 2000 as a self-financed unit, the main objective of the microfinance sector is to carry out various development programs targeting the low-income community through Samurdhi Prajamula banking system through the interest income earned by the sector. For this purpose, the programmes implemented in the Department are as follows.

- **New Year Savings Promotion Programme**

Actions were taken to convey a message to the public about the name and services of Samurdhi Bank operating of 1089 Samurdhi Banks in a single day successfully giving priority to savings promotion programmes and a New Year's celebration and traditional games for account holders and other people who have engaged with the banks in conjunction with the Sinhala/Hindu New Year celebrations. Customers were rewarded with useful and highly valuable gifts for the money they deposited during that time. This was an opportunity for the people to gather in the respective areas and to nurture the cultural feelings of the community. Further, it is expected to strengthen the activities and to make trust of Samurdhi Banks and promote the name of Samurdhi Bank in the community including low income earners by promoting them economically / socially.

- **“Ran Pradeepa” Gold Pawning Service**

This facilitates to meet the urgent cash requirements on subsidized interest rates by avoiding the difficulties in getting money by pawning the gold items in his possession of Samurdhi Bank members. The programme is currently being implemented in Ratnapura and Mulativu Districts and the total loan granted was Rs. 514 Mn. The programme is being implemented at the Udawalawe Samurdhi Bank and 543 bank members were given Rs. 14 million nearly as pawning advances and 503 bank members have cleared their items by now.

- **"Arunalu Instant Loan" Programme in relation with Samurdhi Community Based Banks**

Introducing of Arunalu Instant Loan Programme by Samurdhi Community Based Organization. Operates for the Members through all community based organizations island wide. Facilitating to access to concessional and short-term loans are done by this as an alternative to loans obtained by Members of Community Based Organizations for their urgent cash needs from informal microfinance institutions / individuals at high interest rates and on various bonds.

- **Training Activities**

The trainings on Banking and other subjects for the staff working in 1089 Community Based Banking Network and 333 Community Banking Societies are coordinated by the Training Division of the Department with the Community Based Bank Funds.

The role of this unit is to develop the knowledge, skills and positive attitudes of the bank staff in order to provide a more efficient and effective service to the customer community.

Accordingly, actions are being taken to provide basic training that gives insight into the activities of the Bank on banking and accounting process to every Bank Officer. In addition to that, steps have been taken to train the untrained staff of Community Banks / Bank Societies on Community Banking activities and Community Banking accounting activities.

- **Management Information Unit**

Information Management of 1073 Samurdhi Community Based Banks is managed by the Management Information Unit of the Micro Finance Division. Accordingly, all Samurdhi Community Based Banks and Samurdhi Community Based Bank Societies are required to report their banking progress to the Information Management Unit on a monthly basis through the Forms provided and it has been planned to compile the data and analyze the current situation exists in Samurdhi Community Based Banks and submit information, build the required ratio analysis to evaluate the progress of Samurdhi Community Based Banks and conduct evaluations on Samurdhi Community Based Banks accordingly. Further, actions have been taken to transmit the information on Samurdhi Community Based Banks and Banking Societies to the Micro Finance Division using computer technology.

With the successful computerization of Samurdhi Community Based Banks, arrangements are being made to analyze and evaluate the current situation of Community Based Banks in a more effective and efficient manner. As a result of the Covid-19 epidemic, the progress at the District Level during the year 2021 could not be carried out as expected.

Arrangements have been made to implement a bank rating and evaluation programme with the objective of transforming the entire banking system into sustainable financial units as well as employee motivation. The programme has been planned to be implemented with improving in every year.

2.1.3.8 Major Outcomes Achieved in 2022

1. Increasing the share amount by Rs. 1,206.50 Mn.
2. Increasing the No. of Members of Samurdhi Banks by 22,914.
3. Increasing the total deposit amount by Rs. 20,794.00 Mn .
4. Ability to provide loans amounting to Rs.30,408.15 Mn. in the year 2020 alone.
5. Ability to achieve a profit of Rs. 7873 Mn. in the Banks Maha Sangam established at operational level as per Samurdhi Act and Microfinance Sector.
6. Ability to increase the number of profitable banks in Samurdhi Banks from 790 to 986 as compared to the previous year.
7. Ability to increase the profitability of Samurdhi Banks up to Rs.5.6 Billion (Subject to audit)
8. Arunalu Instant Credit Scheme was introduced to the members of the Community Based Organizations through Community Based Organizations.
9. Ability to pay 6% interest on compulsory savings.
10. Ability to re-introduce the Refinancing Loan Programme
11. Ability to re-establish the Banking Supervision Unit.

12. Completion of Registration of Samurdhi Community Based Banks and Banking Societies.
13. Making arrangements to carry out computer networking of all bank societies.
14. Submission of amendments to the methodologies of bank evaluation.
15. To give targets according to Samurdhi Act and evaluation of the officers and beneficiaries accordingly.

2.1.4 Livelihood Development Programme

2.1.4.1 Introduction

It should first be pointed out that in the face of the economic and financial crises that our country has faced, the empowerment programme for the Samurdhi Beneficiaries has faced many challenges in the year 2022.

The livelihood programmes expected to be implemented by the Department annually were unable to commence and as a result, it was not possible to move towards the goal of empowering samurdhi families by increasing their monthly income and freeing them from the mentality of subsidies.

Nevertheless, since it is the responsibility of our Department to promptly provide solutions to the food needs of samurdhi families, a community that is most affected by the current economic crisis in the country, a sum of Rs. 44 Mn. were given for livelihood programme through the limited allocation allotted to our institution by the Treasury.

Similarly, the livelihood sector had the ability to make an allocation of limited amount of Rs. 22 million under Phase 1 through social security funds owned by the Department for samurdhi families who face food crisis and the Livelihood Programme of the year 2022 was implemented as follows by supporting the beneficiaries to some extent.

In addition, actions were taken in the year 2022 to provide the necessary coordination to provide the necessary provisions to the District Secretaries to settle the bills in hand amounting to 606.28 Mn. for the livelihood projects completed under Samurdhi / 200,000 low-income families empowerment programme implemented through the Ministry in the year 2021.

Similarly, provisions relating to bills in hand amounting to Rs. 104.27, to be paid for the Samurdhi plant nurseries that produced the plants under the "Hareithe Deyak" Jathika Gewathu Waga Sangramaya implemented in the first quarter of 2022 it is pointed out that we also worked for the necessary coordination activities to be given to the District Secretaries through the Ministry.

2.1.4.2 Programmes Implemented through Treasury Allocations

01 "Haritha Deyak" Jathika Gewathu Waga Sangramaya

01. Eight Ministries including our Ministry launched the " Haritha Deyak " Jathika Gewathu Waga Sangramaya in 2022 during Yala Season targeting the production of food crops including rice and vegetables using organic fertilizers for the protection of the agro-industrial

community along with the samurdhi and low-income earners from the acute financial crisis the country has faced due to the Covid-19 epidemic and the global financial crisis.

Delivery of the seed sets of brinjals, tomatoes, capsicums, Chilli and Varaniya Chilli produced at the Gannoruwa Seed Processing Center of the Department of Agriculture assigned to our Department under this national programme to Divisional Agricultural Development Offices through the District Samurdhi Offices. The seeds were planted through the Samurdhi plant nurseries and the support services were provided including the responsibility of supplying the nursery plants and the production of organic fertilizers for gardening.

The physical and financial progress is as follows.

Table – (XIV)

Programme	Project	Provisions Made (Rs. Mn.)	Completed programs/workshops (Rs. Mn.)	Expenditure (Rs. Mn.)	No. of Beneficiaries
Haritha Deyak Jathika Gewathu Waga Sangramaya	1.1 For transportation of vegetable seeds	0.33	Programme 01 (23 Districts)	033	12,912
	1.2 Providing organic fertilizer production training	2.81	429 Workshops	2.80	12,671
Total		3.14		3.13	25,583

The money was spent to provide the necessary money in the first quarter for the fuel used for the transportation of seeds and to provide the necessary training to the wealthy and low-income people who produce organic fertilizers.

02. Food Security, Nutrition and Income Promotion

According to the circular issued by the Ministry of Finance, all the allocations made after the first quarter were zero and in the wake of the acute financial crisis and the projects related to the program were implemented using the allocations made by the Treasury to the Department at the end of the third quarter again.

In this also, the food security of the beneficiaries affected by the economic crisis was targeted and accordingly the following projects were implemented.

Table – XV

Programme	Projects / Items	Provisions (Rs. Mn.)	No. of Finished Projects	Expenditure (Rs. Mn.)	No. of Beneficiaries
Food Security, Nutrition and Income Promotion	2.1 Providing vegetable seeds in high season	14.03	140,120 Seed Packets 25 Districts	14.02	140,210
	2.2 Cultivation of grain and supplementary crops	25.83	122 Projects Hambantota, Puttalam	1.39	122
Total		39.86	122	15.41	140,332

- A number of 140,120 beneficiaries with 10 Samurdhi beneficiaries each were given seeds suitable for local climates such as dambala, beans, maize, chillies, radish, tampala, ladies fingers, tomatoes, etc. to a division under the provision of vegetable seeds in the Maha Season
- In this, obtaining the seeds were done from Gannoruwa Agricultural Seed Processing Center of Department of Agriculture and a sum of Rs. 14.02 Mn. was paid to that institute.
- Although 18 Districts were given instructions to approve projects and commence works under the Grains and Extra Crops Project, the Projects could not be implemented due to non-availability of funds.
- Nevertheless, a sum of Rs. 1.39 was spent for 122 Samurdhi Beneficiaries in 2 Districts (Hambantota, Puttalam) where the project was started and peanuts, chilies and green grams were grown under it.

2.1.4.3 Programme Implemented through Social Security Funds

Grains and Extra Crops to Promote Food Security, Nutrition and Income.

Although the Treasury allocations were provided in view of the severe financial crisis in the country, only a sum of Rs. 22.49 million was given to the following 05 Districts in the first phase as per a project proposal submitted to the Social Security Fund Board with the aim of providing certain benefits due to the inability to implement cultivation projects due to non-availability of funds.

Accordingly, money was spent for the cultivation of grains and extra crops in the Maha Season as mentioned below, and this programme will continue to move forward in relation to improve food security and monthly income.

Table - XVI

Program me	Project	Amount Allocated (Rs. Mn.)	Amount Spent (Rs. Mn.)	Crops Cultivated	No. of Beneficia ries
Food Security, Nutrition and Income Promotion	Cultivation of Grains and extra crops	Polonnaruwa 2.86	2.85	Green grams, maize, orid and peanuts 100 Acres	237
		Jaffna 1.25	1.17	Orid, Cowpea, Kurakkan 42 Acres	114
		Ampara 9.19	9.19	Chillies, Maize and Kurakkan 381 Acres	441
		Matale 2.27	0.84	Kurakkan, Banana 19 Acres	50
		Monaragala 6.93	6.81	Maize, wanni chillies 184 Acres	184
		Total - 22.49	20.86		1,026

Accordingly, the harvest will take place around March and the beneficiaries have already entered into agreements to ensure food security by earning income to procure the necessary seeds for the coming seasons and to continue the cultivation.

2.1.4.4 Payment of Bills in Hand 2022

(1) The Programme to Empower 200,000 Samurdhi /Low-income Families

This programme was implemented by improving livelihoods of 2 lakh Samurdhi low-income families by 2022, with the aim to empower them through raising their monthly income and remove them from the subsidy mentality and due to the bad financial crisis in the country, it was not possible to provide funds for the projects by the end of that year.

As a result, it was able to provide a sum of Rs. 350.00 Mn. in the first quarter for the bills in hand amounting to Rs. 606.28 Mn. for expenses and provision of Rs.256.27 Mn., which is the remaining bill amount, could be given in the middle of the 4th quarter.

Accordingly, the progress is as follows.

Table - XVII

No. of Districts	Value of Bills in Hand (Rs .)	Expenditure (Rs .)	No. of Projects	No. of Beneficiaries
19	606.28	527.69	10,554	10,554

“Haritha Deyak” Jathika Gewathu Waga Sangramaya 2022

The plants needed for the Haritha Deyak Gewathu Waga Programme which was jointly implemented by 07 Ministries including our Ministry were produced by Samurdhi / low income plant nurseries as a solution to the food crisis at the beginning of the year.

Although the allocations for this purpose were given to the District Secretaries in the first quarter under the Programme of Gama Samaga Pilisadarak, plant nurseries were in a lot of trouble due to non-receiving of imprests.

As a result of this, there were bills of Rs. 104.74 Mn. in hand and the relevant coordination was done together with our Ministry to get the relevant allocations from the Treasury and give them to the District Secretaries.

The physical and financial progress is as follows.

Table - XVIII

No. of Districts	Value of Bills in Hand (Rs.)	Expenditure (Rs.)	No. of Plant Nurseries	No. of Gardeners
16 (Colombo, Kalutara, Hambantota, Kandy, Matale, Puttalam, Badulla, Monaragala, Kegalle, Ratnapura, Anuradhapura, Ampara, Trincomalee, Jaffna, Mullaitivu, Kilinochchi)	104.74	90.17	4,256	904,402

However, although there are bills in hand amounting to Rs.730.93 million to be paid by 31.12.2021, due to the inability to settle the bills in the first 2 quarters, it is shown that the withdrawal of the contribution given by the beneficiaries to their project and the inability to obtain the relevant livelihood equipment at the specified prices and it was not possible to reach the desired goal due to the efforts to recover the equipment given by the relevant institutions.

However, the year 2022 was a year of great difficulty in the face of economic and financial crises in our country and as a result, it will be seen by looking at the running programmes that the allocations were not received from the Treasury. In such a case, a lot of work has been done by bearing a lot of administrative and development expenses as an independent fund.

Actions were taken to bring urgent measures for the food crisis throughout the year and I would like to point out that through this, we have been able to pay more attention to the samurdhi and low-income families who are also at risk.

Accordingly, it is pointed out that the overall physical and financial progress as follows.

2.1.5 Enterprise Development Programme

2.1.5.1 Enterprise Development Programme

The Enterprise Development Programme has been implemented by the Samurdhi Development Department in 25 Districts to improve the economic development process while maintaining the quality of life of the low income earners at a high level.

2.1.5.1 Objective

Direct contribution to national economic growth through economic and social empowerment by developing the knowledge and skills of successful entrepreneurs, making the products of the entrepreneurs with high quality and finish, creating a stable market, selling and advertising the products throughout the island, building a satisfied customer community, getting a fair price for the product and creating environment-friendly green job opportunities.

2.1.5.2 Programmes Implemented in the Year 2022

1. Samurdhi Suva Bojun Stall and Sales Center Development, Repair Programme.
2. Training for business women on toxic free food preparation
3. Entrepreneurship Development Programme.
4. Special Marketing Development Programme.

In parallel with the Poverty Eradication Day of 2022, the program of conducting courses to teach Japanese to young people from samurdhi and low-income families together with the Sri Lanka Foreign Employment Bureau and the National Social Development Institute is being implemented.

5. Conducting Saubhagya Sales Exhibition.

2.1.5.3 Summary of Overall Progress

The amount spent in the year 2022 for the Samurdhi Marketing Development Programme was Rs. 11.74 million.

Table - (XIX)
Marketing Development Programme - Financial and Physical Progress

	Programme	Allocated amount (Rs. mn)	Expenditure (Rs.m)	Number of Project programmes	No. of Beneficiaries
1	Renovation of Samurdhi Suva Bojun Stalls and Outlets	6.97	6.44	7	102
2	Training in non-toxic food preparation	0.25	0.21	6	478
4	Enterprises Development Programme	4.91	4.54	276	11,681
5	Saubhagya Trade Exhibition and Weekly Fair	2.18	0.14	1	38
6.	Special Marketing Programme	0.50	0.42	23	2,088
Total		14.81	11.74	313	14,295

Although the amount allocated in the year 2022 was Rs. 30 million, as the allocation given by the Treasury was not enough for the implementation of the programmes, it was difficult to implement the expected programmes.

2.1.6 Social Development and Environment Programme

2.1.6.1 Samurdhi Social Development and Environment Division

Introduction

The Role of Social Development Department is to empower economic, social, cultural, mental and physical condition of specially selected samurdhi benefited and low income families out of the entire Sri Lankan community and similarly, to further develop the positive thoughts and knowledge, skills and attitudes in all other communities and thereby encourage the entire Sri Lankan community to be among the developed countries of the world and provide an environment where children, youth, adults as well as widows, disabled and scattered family members can live happily and to create and implement programmes to encourage them.

Objectives

- To secure the social life of the community who do not have a habitable house due to various social reasons by ensuring their right to own a house.
- To develop and welfare of families whose members are addicted to drugs and smoking.
- To identify children in the age range of 7-18 years scattered all over the island and grouping them to raise their cultural and literary abilities, develop leadership skills, enjoy victory and defeat and ensure security.

- To encourage the generation of children who are away from the use of books to read books due to education competition and the various tools that have been created in the development of modern technology and spark their imagination.
- To implement the appropriate programmes at the Divisional Secretariat Level to identify and mitigate the psychosocial problems of the community and ensuring the effectiveness of their social life.
- To train the community for the development of the attitude and respect for the other which is disappearing in the society.
- To motivate people to use participatory development methodology.
- To implement the above programme with a target at proper time and evaluation of results
- To provide sanitary facilities to the low income community.

2.1.6.1.1 Implemented Programmes and Projects

(I) Physical and Mental Health Promotion Programmes of Samurdhi Beneficiary Families

The community living at different social levels is struggling to raise the health education culture of their children in the midst of many conflicting problems and struggling to maintain the home life successfully. But, as a result of the lack of awareness about this, scattered families have arisen due to reasons such as early marriages, low education, and drug addiction. Various problems such as birth of malnourished children, drug addicts, divorces and parents living separately. The purpose of this is to make aware this community on various fields such as gardening and through that, it can get poison free food, cleanliness, order, time management, household management to solve these problems and for a healthy diet and to develop knowledge attitude skills and encourage them to live as productive citizens.

(II) International Days Ceromony

Social Development Programme in conjunction with World Childrens' and Elders' Day

Due to the various economic and social problems that exist today, the low-income children and elder community in the entire island are experiencing life at a very bad mental level. Due to the resulting physical and mental weakness, they are enjoying life unhappily. Based on these reasons, all the members of the Social Development Division and the community have worked together to develop their physical and mental development and enable them to lead a healthy life in a satisfactory manner by presenting various programmes. It is possible to improve the health of the elder community by keeping them happy from the various cultural programmes, healthy food donations, clothing donation, elder worship, various religious programmes, referrals to medical clinics etc. and it is also possible to maintain the positive attitudes of this community of children and adults by conducting various programmes such as providing school equipment for children, conducting various entertainment programmes, educational programmes as well as providing opportunities to visit various places, creating awareness about the harm caused by drugs and

preventing drugs, holding various competitions and providing opportunities to show skills. This programme has become a great support for all the communities living in the entire island to enjoy their lives.

(III) Grade 5 Scholarship Rehearsal Programme

At a time when the future expectations of the entire people of world were shattered, the future expectations of the entire Sri Lankan people were also shattered in the view of the Covid 19 epidemic. In this, the entire economic process was greatly affected and the income status of all the communities fell. It is also special that the education was largely affected without considering the class. As a result of happening of various obstacles in conducting schools and conducting private classes, education of children began to deteriorate. The Samurdhi Social Development Division which considered this fact has started a special programme for this purpose. A Rehearsal Program for the Grade 5 Scholarship Children was implemented by all members of the social development family together with the community's contribution by covering the entire island. For this, it was possible to get a great contribution from the teachers. This programme was successfully conducted with the generous support of children and parents from the entire island.

(IV)Poverty Eradication Day Programme

No people in the world could have imagined that an era would come when parents would weep over the saying, "The Best Things for the Children." But in the face of the Covid 19 epidemic, it will be seen that the people of the whole world are living their lives with great shock watching their children die. The experts working in the health service stated that low birth weight and malnutrition conditions may further develop and media campaigns were even carried out. Since the Samurdhi Programme has been implemented with a good understanding of the community and also the experiences were acquired from special abilities to implement programmes that are suitable for the present from this, so a program was implemented with pre-school children with giving priority for this. This programme helped to raise the nutritional status of the children by providing them with a glass of Kola Kenda as well as their breakfast and also to save the parents from this uncomfortable situation. For this, it has been possible to get the support of the Samurdhi Programme as well as the rich people as well as all the communities.

(V) Pivithuru Sayurak Programme

The program launched in the Negombo Divisional Secretariat of Gampaha District under the Pivithuru Sayurak Programme to control the environmental damage caused by MV PERL X-PRE was a great help to prevent environmental damage. For this, efforts have been made to empower the Samurdhi Beneficiaries who worked as beach caretakers. A number of 195 people have participated for this.

(VI) District Progress Review Meetings

As the Samurdhi Social Development Programme is a programme that covers the entire island, so it is basically fulfilling the economic and welfare needs of the low-income earners. Officers who are deployed throughout the island must be aware of the programmes of the entire island in order to make this programme successful. As the needs of the community and how they are fulfilled vary from area to area the economic and welfare needs of the low income earners are primarily being fulfilled. In this, International Women's day Programmes, International Anti-drug Programmes, International Literacy Day Programmes, World Childrens' and Elders' Day Programmes, Poverty Eradication Day Programmes and special programs like housing and sanitation as well as the overall progress of the programs created and presented based on the needs of the community and the implementation of those programmes, new awareness of problems faced by officers and ways to resolve them can be shared with the entire staff by these progress review meetings.

Summary of the overall progress of the Division - 2022

Table- XX

Serial No.	District	International Day Programme					Pivithuru Sayura Program (Negombo Divisional Secretariat of Gampaha District
		Physical and mental health promotion in Samurdhi beneficiary families	District Progress Reviews	World Children and Adults Day	Year 5 Scholarships Rehearsals	Poverty Eradication Days	
1	Colombo			968	6		
2	Gampaha			7926	13	65000	
3	Kalutara			1239	15	350000	
4	Kandy			7412			
5	Matale			7562	15	45000	
6	Nuwaraeliya			678			
7	Galle			4273	30	110000	
8	Matara			3020	18	80000	
9	Hambantota			12539	12	59995	
10	Jaffna				17	450000	
11	Mannar			187	5	25000	
12	Vavuniya					12000	
13	Mulativu					20000	
14	Kilinochchi				8		
15	Batticaloa			3777	37	61370	
16	Ampara					55000	
17	Trincomalee			652			
18	Kurunegala			9427	43	150000	
19	Puttalam			3597	4		

Serial No.	District	International Day Programme					Pivithuru Sayura Program (Negombo Divisional Secretariat of Gampaha District)
		Physical and mental health promotion in Samurdhi beneficiary families	District Progress Reviews	World Children and Adults Day	Year 5 Scholarships Rehearsals	Poverty Eradication Days	
20	Anuradhapura			1966	9		
21	Polonnaruwa			8	7	35000	
22	Badulla			2295	15		
23	Monaragala			1116	No		
24	Ratnapura			1360	6		
25	Kegalle			3621	13	55000	
	Total No. of Programmes	6	19	280	273	332	
	No. of Participants			73623	36535	30488	195
	Amount Received from Regional Societies			8364311	544351		
	Other Receipts			12416235	1485317		
	Treasury Provisions	1.53	0.17	0.4168	3.823	1.573	0.118

2.1.6.2 Housing Lottery Programme

Introduction

The Social Development Division implemented 02 main programmes in 2022.

1. Samurdhi Housing Lottery Programme
2. Samurdhi Special Housing Programme

Samurdhi Housing Lottery Programme

The Housing Development Lottery Fund is implemented under the Sri Lanka Samurdhi Authority Act No. 30 of 1995 by the provisions made by Section 45 of the Divineguma Act No. 01 of 2013 which operates and maintains the Housing Development Lottery Draw as per the following regulations.

The Samurdhi Housing Development Lottery Fund is maintained with the aim of providing permanent home ownership to every Samurdhi beneficiary family.

This Fund has been generated from the subsidy amount given to the Samurdhi Beneficiary Families monthly by crediting Rs. 100/- to the Housing Lottery Fund. The Samurdhi Housing Lottery Fund is operating in accordance with a set of regulations and approved by the Cabinet Paper dated 07.03.2002.

The officers are as follows.

- Secretary of the Line Ministry (Chairman)
- One more representative from the Line Ministry
- Director General in-charge of the Department
- A representative of the Ministry of Finance
- Director in-charge of subsidies of the department
- A Representative of the Association of Samurdhi Managers
- A Representative of Samurdhi Development Officers' Association
- Chief Accountant
- Director/Deputy Director/Assistant Director of in charge of the Division
- Manager in charge

(I) Samurdhi Housing Lottery Draw

Objectives

- 01.** Enrollment of every Samurdhi Beneficiary family in the Samurdhi Housing Development Lottery Draw Programme.
- 02.** To provide a sustainable solution to the permanent housing problem of the 335 beneficiary families by providing 335 housing gifts of 2 lakhs each in every month Samurdhi Lottery draws and solving the housing problem of 4,020 families annually.
- 03.** If there is any balance remaining after giving the 335 housing loans offered monthly, they should be used in such a way as to fulfill the objectives of this Fund, to provide special houses and using the income from the investment in the local currency market in a more effective way to fulfill the objectives of this Fund.

Objectives

- 01.** To increase the welfare of Samurdhi Beneficiary Families and provide a permanent solution to their temporary housing problem.
- 02.** To maintain the database system containing the information of Samurdhi Beneficiary Families up-to-date.
- 03.** To solve the problem of permanent houses of Samurdhi Beneficiary Families, strengthening them economically, socially, educationally and culturally and developing their spiritual qualities.
- 04.** To direct the successful beneficiary to suitable projects to uplift the economic status of the beneficiary in cases where the beneficiary is entitled to a permanent home.
- 05.** Implementation of Special Housing Programme for helpless homeless beneficiaries.

A number of 335 beneficiaries were selected every month for the construction of houses at the District Level in the year 2022 through the implementation of monthly draws. Accordingly, 4,020 beneficiaries were selected for construction of houses in 12 draws and a sum of Rs. 200,000/- was given.

(According to the table given below, money has been released for the construction of houses for each District.)

Number of Winners Drawn and Amount Released for the year 2022

Table - XXI

Serial No.	District	No. of Divisional Secretariata	No. of Winning Lotteries	Amount
1	Ampara	20	240	48,000,000.00
2	Anuradhapura	22	264	52,800,000.00
3	Badulla	15	180	36,000,000.00
4	Batticaloa	14	168	33,600,000.00
5	Colombo	13	156	31,200,000.00
6	Galle	22	264	52,800,000.00
7	Gampaha	13	156	31,200,000.00
8	Hambantota	12	144	28,800,000.00
9	Kalutara	14	168	33,600,000.00
10	Kandy	20	240	48,000,000.00
11	Kegalle	11	132	26,400,000.00
12	Kurunegala	30	360	72,000,000.00
13	Matale	11	132	26,400,000.00
14	Matara	16	192	38,400,000.00
15	Monaragala	11	132	26,400,000.00
16	Nuwaraeliya	5	60	12,000,000.00
17	Polonnaruwa	7	84	16,800,000.00
18	Puttalam	16	192	38,400,000.00
19	Ratnapura	17	204	40,800,000.00
20	Trincomalee	11	132	26,400,000.00
21	Vavuniya	4	48	9,600,000.00
22	Jafna	15	180	36,000,000.00
23	Kilinochchi	4	48	9,600,000.00
24	Mulativu	6	72	14,400,000.00
25	Mannar	5	60	12,000,000.00
Total		335	4,020	804,000,000.00

(II) Samurdhi Special Housing Programme

If there is any balance left in the Fund after giving house gifts, the Samurdhi Housing Development Lottery Trust Fund Board is empowered to further utilize them in a way that fulfills the objectives of this Fund.

Accordingly, the following programmes have been implemented in the year 2022.

1. Housing programme provides Rs. 125,000/- each
2. Housing programme provides Rs. 225,000/- each
1. Housing programme provides Rs. 650,000/- each
2. Programme provide houses for submissions through audio-visual media and appeals.

1. Housing Programme Provides Rs. 125,000/- each

This programme has been introduced to develop semi-finished houses of low income earners and Samurdhi Beneficiaries. In this, after identifying the condition of these houses, a sum of Rs. 125,000/- will be given. Funds have been given for 1005 houses with 03 houses per Divisional Secretariat.

2. Housing programme provides Rs. 225,000/- each

Three houses will be given to each Divisional Secretariat and a detailed information file should be maintained for the families of these beneficiaries. Arrangements should be made to build a complete house by combining elite and community contributions in addition the Rs. 225,000/- given during the construction of these houses.

3. Housing programme provides Rs. 650,000/- each

One must permanently own land in order to build houses. It is mandatory to have at least 03 members in the family and being a widowed family or having a disabled person in the family is considered as a qualification. In selecting these families, it is advisable to choose families with low economic level of poverty.

In giving money for this, actions will be given under 03 stages such as Rs. 200,000/-, 250,000/- to the beneficiaries. Samurdhi Development Officer in charge of Division will take responsibility in this.

4. Programme of Providing Houses for the Submissions through Audio-visual Media and Appeals.

After checking the housing proposals for Rs. 225,000/- and Rs. 650,000/- and getting the approval of the Housing Lottery Board of Trustees, the eligibility for these housing proposals will be given for the housing needs of the Samurdhi Beneficiaries and low-income earners that are advertised through newspapers and electronic media and the appeals of the community presented by the President, Prime Minister, Ministerial Secretary and Deputy Ministers, Director General and other officials.

2.1.7 Community Based Organizing Programme

2.1.7.1 Introduction

The primary base in connection with the community to launch development tasks under Samurdhi Development Department is the Community Based Organization. A Samurdhi Community Based Organization is a village level organization that involves the community in the operational process proposed by the Samurdhi Act. Based on this unit, the entire organizational structure has been formed as Samurdhi Regional Organizations, Samurdhi District Committees and Samurdhi National Federation.

All development works to be done by the Department of Samurdhi Development will be carried out with the full participation of the Community Based Organizations of the community which is the lowest organizational unit involved in the community as per the Samurdhi Act. It has been established Community Based Organizations at the same time, while establishing and carrying out regional organizations and District Committees. A number of 30,128 Community Based Organizations have been established so far.

A number of 335 Samurdhi Regional Organizations have been established with the participation of the Presidents of Community Based Organizations for the task of monitoring, checking and evaluating the tasks of Samurdhi Community Based Organizations at the Regional Level.

Samurdhi District Committees are established representing the Chairman and Secretary of all Samurdhi Divisional Organizations operating within a District. These District Committees shall convene and hold meetings every three months.

Samurdhi National Federation is established consisting of representatives of all Samurdhi Community Based Organizations. The Minister should chair over every meeting of the Samurdhi National Federation.

The objective of the Samurdhi National Federation is to review the proposals and opinions required to formulate a National Policy for coordinating Samurdhi Development Programmes at the National Level and to provide leadership for the implementation of Samurdhi Development Programmes.

Setting up all these organizations and updating, maintaining and managing, as well as overseeing all the activities of those organizations are being done by the Community Based Organizations Division. A Board of Directors has been appointed, establishing Samurdhi National Social Development Fund, consisting of beneficiaries and officers of community-based organizations to support it.

2.1.7.2 Activities Carrying Out by the Community Based Division

- ❖ Establishment of Samurdhi Community Based Organizations and regional organizations.
- ❖ Registration of Samurdhi Community Based Organizations and Regional Organizations.
- ❖ Renewal of registration of Samurdhi Community Based Organizations and Regional Organizations.
- ❖ Conducting the Samurdhi National Conference annually.
- ❖ Conducting awareness programmes for community leaders.
- ❖ Setting of accounting activities of Community Based Organizations and local organizations methodically.
- ❖ Establishment of Economic Organizations.
- ❖ Establishment of Business Organizations.
- ❖ Introducing of the various measures required to increase the funds of the organization
- ❖ Implementation of intervention projects as a solution to the current economic crisis.
- ❖ Implementation of special projects for revenue generation.
- ❖ “Samurdhi Preschool Empowerment” identifying nutritional needs of preschool children.
- ❖ National Plantation Day Environment Programme “Samrudhi Haritha Warna Asvedduma Matrubbhumi”.
- ❖ Implementation of the Samurdhi Arunalu concessional loan program as a solution to the microfinance problem.
- ❖ Providing sports development assistance to children of Samurdhi beneficiary families who show sports skills at the National and International Levels.

➤ The number of Samurdhi Community Based Organizations established	30,128
➤ The Number of Samurdhi Regional Organizations established	335
➤ The Number of quarterly meetings of District Committees	100
➤ The total Membership of Community Based Organizations	17 Million.

2.1.7.3 Implementation of Training Programme

The community needs to be made aware to achieve the objectives mentioned in Section 04 (g) and (h) of the Samurdhi Act No. 01 of 2013 to be functioned in accordance with the powers referred to in Section 05 (l) in accordance with the functions referred to in Article 06 (d) and (j) .

2.1.7.4 Conducting District Committee Meetings

Supervise, regulate and evaluate the programmes of Samurdhi Community Based Organizations and Regional Organizations. Submission of proposals related to the implementation of development programmes in the District, coordinating the Programmes.

Venue	-	District Secretariats / District Additional Director General's Office
Participation	-	Chairmen, Secretaries of Regional Organizations, Senior Managers of Community Based Banking Societies, Departmental Officer in charge of the District, three persons engaged in development activities in the District Meetings are held every three months and there are 04 meetings held in a year. Consideration of suggestions and opinions for the effective implementation of Samurdhi Development Programmes in the District and submitting them to the Department. Coordinating is being done with state, non-government and private institutions at the District Level.

2.1.7.5 Samurdhi Social Development Flags Programme

One of the objectives of Community Based Organizations is to promote the self-confidence of Samurdhi Beneficiaries, collective responsibility to society, and the development of good qualities and values as per the Paragraph 10 (j) of the Samurdhi Act No. 01 of 2013 and improving the human personality, collective activities, collective activities and spiritual qualities of Samurdhi Beneficiaries in Samurdhi Regional Organizations is another objective according to the Paragraph 16 (e) of the Act.

The Samurdhi Flag Programme is implemented through the Samurdhi Community Based Organizations and Samurdhi Regional Organizations simultaneously with the International Tobacco and Anti-Drug Day in order to achieve these objectives. It aims to raise funds by providing flags and stickers by Samurdhi Beneficiaries, along with the Executive Council and members, including the Chairman, Secretary, Treasurer and other Community Based Organizations belonging their area, giving the message of being avoided using of cigarettes and drugs to the public.

These funds are used for the social welfare activities of Samurdhi Beneficiaries and low income earners.

This is implemented in all District Secretariats for all communities. Conducting drug prevention programmes and using the funds raised through the Flag Programme for the welfare of the beneficiaries and their families' children, drug prevention programmes, housing construction, home renovation, scholarships for school children, book equipment for school children, sanitation programme, health & nutrition programmes, disability welfare, Women's and Elders' Day programmes are implemented in parallel with Anti-Tobacco Day.

2.1.7.6 Progress of Ongoing Programmes

Table - XXII

Serial No.	Programme	Expenditure (Rs. Mn.)	Number
01	Training of Samurdhi Community Trainers.	2.00	Community Trainers 1501
03	Conducting District Committee Meetings	1.38	Committee Meetings 62
	Total	3.38	

2.1.7.7 “Samrudhi Harithavarna Aswadduma Mathrubhumi” National Rukropana Day Environment Programme

- Making the National Rukropana Day falling on September 17 a reality and implementing it at the level of Community Based Organizations throughout the country.
- Implementation of Rukropana Programme in the lands related to schools, temples and religious places covering all local organization jurisdictions.
- Growing plants in public places such as empty lands suitable for cultivation, canals, river banks, water catchment areas and cemeteries covering all local organization jurisdictions.
- Growing of mahogany, jackfruit, buruta, nedun, kaluwara etc. plants with long term economic value.
- Growing plants suitable for the conservation of water catchment areas such as mee, kumbuk and plants suitable for reducing sea erosion near the coast.
- Cultivation of fruit crops, bananas, papaya, which provide short-term economic benefits on private uncultivated land.

2.1.7.7 “Samurdhi Early Childhood Empowerment” Identifying Nutritional Needs of Pre-school Children

- The program of providing a glass of nutritious green porridge to pre-school children was able to be started at the Samurdhi Bank zonal level on 17 October the International Day for the Eradication of Poverty in order to reduce the level of malnutrition in the country in the face of the economic crisis.

- Actions were taken to provide a glass of nutritious green porridge for 57000 children in 2213 selected pre-schools covering every Samurdhi Bank zone.
- Although it has been implemented in 2213 preschools during the first week, this programme was able to be implemented continuously throughout the year 2022 in 1000 pre-schools based on the problems that arose at the time and some Community Based Organizations have also worked to provide a nutritious meal by going beyond the glass of nutritious green porridge.
- This timely programme was able to successfully implement with the contribution of community organizations, regional leaders, businessmen, financial institutions and supporters and with the support of local residents.

2.1.7.9 Conducting of District Workshops for Community Leaders and Officials

A series of awareness workshops covering the entire island with the aim of informing the Community Based Leaders and Samurdhi Officers about the programmes implemented by the Community Development Division in 2022 and the Implementation Plan of the Community Development Division in 2023 has been conducted from October to December 2022 jointly with the Social Development and Environment Division at the District Level.

- Actions were taken to make aware in respect of the following topics there.
- The special revenue generation programme implemented to bring economic benefits to National Production.
- The Programme to provide professional training and language training to children of Community Based Organizations to suit the international job market.
- In conjunction with the National Plantation Day, Haritha Warna Aswedduma Matrubhumi Environment Programme.
- (One million trees are expected to be added to the ecosystem annually under this)
- The National Sports Programme aimed at improving the sports skills of Community Based Organizations members, children and the youth community.
- The International Day celebration programme including the International Anti-Smoking Samurdhi Flag Programme proposed to be implemented jointly with the Social Development and Environment Division.
- National Programme for evaluating Samurdhi Entrepreneurs
- Awareness on the process of accounting of Community Based Organizations
- Discussing of the progress of the Arunalu Loan Programme which was introduced as a solution to the microfinance problem and find solutions to achieve the goals.
- Discussing the role of Samurdhi Community Based Bank Societies and the Community Based subject.
- Making Community Leaders aware of the need to act as auditors.
- Discussing the establishment of Community Based Organizations, registration and the progress of assigned activities.

Discussing the role of Samurdhi in the Rural Economic Revitalization Center Programme.

Under this, 25 workshops could be held with the participation of 3323 people covering the whole island and a sum of Rs. 2.1 million was spent for that from the National Social Development Foundation.

2.1.7.10 Implementation of the Samurdhi Arunalu Concessionary Loan Scheme as a solution to the high interest charge Microfinance problem.

The main objective of this loan programme is to meet the small-scale business capital needs of Samurdhi and low-income earners as well as the short-term financial needs that have arisen in their villages, and to free the low-income earners from indebtedness.

Facilities available to Beneficiaries

- Ability to obtain loan in own village area.
- Being able to get loans in a very short period of time.
- Providing loans at a concessional rate of interest.
- Ability to repay under a simple and convenient system.

It has been able to issue loans amounting to Rs.1013 million to 296,546 beneficiaries in a 852 number of Community Based Banks. The programme has been implemented in 4,583 Grama Niladhari Divisions.

2.1.8 Information Technology Programme

2.1.8.1 Introduction

The objective of this Division is to provide a more efficient service by linking the activities carried out in the Department of Samurdhi Development with the information technology. The main objective of the Information Technology Division is streamlining the services creating the currently using document mail process into E-mail messages and computer programmes using the internet.

2.1.8.2 Activities

- Updating and maintaining the Beneficiary Management Module (CRM) so that the Samurdhi Beneficiary lists can be updated through online.
- Introducing a new software to carry out bank stationary warehouse operation efficiently.
- Taking actions to computerize all the banks with one software for 06 provinces and the other software for 03 provinces selecting two software companies to computerize 1089 Samurdhi Banks and Societies scattered island wide.

- Strengthening more the Calling Circle Telephone Network established to reduce the cost of telephone calls of the Department.
- Providing Samurdhi Home Development Lottery Draw Data for the Year 2022 through CRM Software.
- Maintaining the official website of the Samurdhi Development Department by updating all the circulars, instructions and notices issued by the Departments. www.samurdhi.gov.lk
- Providing internet facilities to 335 Samurdhi Headquarters Offices and 25 District Offices scattered island wide, making arrangements to pay the bills.
- Providing computers and computer accessories as required for 335 Samurdhi Headquarters Offices and 25 District Offices.
- Providing necessary Information Technology training to the officers.
- Maintaining the official e-mail service of the Samurdhi Development Department.

2.1.8.3 Implementation of CRM Module

- i. Being updated the Lists of Samurdhi Beneficiaries online.
- ii. Being able to obtain an updated database for Housing Development Lottery Draws.
- iii. Being accelerated the social security payments.

It is operated in all Samurdhi Headquarters Offices. A sum of Rs. 2.03 million has been allocated in the year 2022 for this programme which is implemented from the year 2019. The programme will be continued its operations furthermore and the amount spent for this in the year 2022 is Rs. 2.03 Million. The physical progress is about 100%.

2.1.8.4 Socio-economic Outcome obtained through the CRM Project

- i. Being maintained the List of Samurdhi Subsidy in an updated manner
- ii. Linking up with Samurdhi Banks to expedite social security payments.
- iii. Payment of subsidies accurately

2.1.8.5 Updating and Maintaining of the Official Website of the Department

Updating and maintaining the website, issuing circulars, notices, letters etc. issued to make the activities of the Department more efficient to the officers expeditiously.

2.1.8.6 Computerization of Samurdhi Community Based Banks and Bank Societies

This programme is implemented by the Samurdhi Head Offices and the main objective of this programme is to enter into service agreements with computer software manufacturers to provide continuous service to banks, identify all errors in the software and rectify them and deliver to all

banks. The Microfinance Division bear the cost and 1,301 banks and Headquarters have been computerized by 31.12.2021. The following activities are performed in this.

- i. Registration of Customers
- ii. Entry of Accounts
- iii. Initiation of transactions
- iv. Inclusion of loan types and deposit types
- v. Printing of Passports
- vi. Banking activities such as daily accounting activities, calculation of interests, trial balance etc. and preparation of reports required by the bank.
- vii. Credit of Samurdhi Subsidies.
- viii. Additional subsidy amount (topup) provided under World Bank, ADB and Government subsidies and crediting of subsidies provided for the elders and kidney problems and persons with disabilities.
- ix. Implementation of Mobile App for receiving cash deposits in the field and receiving money at home for subsidized beneficiaries.
- x. Providing facilities in the computer software for the use of ATM Machine.
- xi. Assisting in making social security payments.

Socio-economic results obtained from this

- The efficiency of operational Pilot Samurdhi Banks is high at present.
- Ability to be accurate and convenient and save the time when the process which was carried out using labour of the officers is done by the computer software.
- Facilitate the Beneficiaries to carry out their transactions on time without any delay.
- Assisting to save huge cost.

2.1.8.7 Implementation of HRM Module

- Entering personal and duty information of over 25000 employees of the Department of Samurdhi Development.
- Collecting the necessary information to issue a duty identity card for those employees through the system.
- Scan the documents in the personal file of the Departmental Officials and upload them to the system.
- Prepare a retirement letter file for the Departmental Officers from the uploaded documents through the system and include a report on the home page containing the information of the officers who complete 60 years of age and retire in the respective year.
- This is implemented at the Head Office, all District Development Divisions and Headquarters Offices.

Through programme implementation,

- Being able to resolve employee issues without delay
- Increasing the efficiency of office work
- Preparation of proper file with necessary documents with retirement file at the retirement of officers
- It is expected the ability of obtaining accurate and up-to-date data.

2.1.9 Media Programme

2.1.9.1 Introduction

The vision of the Department of Samurdhi Development is to become a pioneering institution to create a poverty free and prosperous Sri Lanka by the year 2030 and the main objective of the Media Division is to bring the programmes implemented by each Division of the Department to the notice of the people. The print media as well as the electronic media are used for this and the following major programmes were implemented in the year 2022.

Main Programmes Implemented

1. "Samurdhi E "Online Newspaper
2. "Samurdhi Udanaya" TV programme
3. "Samurdhi FM" Internet Radio
4. Obtaining Camera Equipment for the Media Division

Progress of Key Programmes Implemented in the year 2022 Statistic – (XXIII)

Programmes	No. of Programmes	Allocation Rs. Mn.	Amount Incurred Rs. Mn.
1. Samurdhi E Newspaper.	Sinhala 24 Tamil 24 English 24	3.12	3.12
2. Rupavahini Programme.	52	11.11	11.11
3. Purchasing of Camera Equipment required to the Media Division.	1	1.5	1.50
4. Monthly advertising and newspaper advertisements		0.27	0.21
Total		16.00	15.94

2.1.10. Performance of Internal Audit Division

2.1.10.1 Introduction

The Internal Audit Division of the Samurdhi Development Department has been established in accordance with Financial Regulations 133, 134, and operates on the advice and prior guidance of the Audit and Management Department.

2.1.10.2 Purpose and Role

In addition to the audit works of the Department, the Internal Audit Division carry out audits of 1089 Samurdhi Community Based Banks and 334 Banking Societies, 331 Divisional Secretariats, 25 District Secretariats and part of Community Based Organizations throughout the island. With the aim of increasing the efficiency of the programmes carried out by the Department and its affiliated institutions, financial audits, performance audits, management audits, environmental audits, system control audits and risk-based audits are carried out as relevant.

Accordingly, it was able to achieve the following objectives during the year as per the Annual Audit Plan 2022.

- i. Ability of achieving 75% progress of the Audit Plan.
- ii. Conducting 04 Audit and Management Committee Meetings during the year.
- iii. Revealing several large financial frauds during the year, conducting special audits and directing them for disciplinary actions

In addition to the above, conducting a special audit regarding the social benefits paid in 2020-2021 for the Covid-19 epidemic was carried out and the accuracy of the related expense reports was checked and reported to the Management.

2.1.11 Planning and Monitoring Programme.

2.1.11.1 Introduction

Out of the institutions under the State Ministry of Samurdhi, Home Economy, Micro Finance, Self-employment and Business Development, the Samurdhi Development Department is the foremost institution working towards the objective of alleviating the poverty of the people.

Our division is carrying out the preparation of strategic plans on behalf of the Samurdhi Development Department, preparation of annual plans, obtaining necessary approvals, and conducting follow up actions on the projects implemented in accordance with those plans, providing effective data and information for organizational decision making and observing whether the appropriate results have been achieved within the annual expenditure limit, conducting research on corporate future potential and the Mission to make it the foremost institution that supports the national mission of eradicating poverty in this country.

2.1.11.2 Programmes Implemented by Planning and Operations Division

(I) Conducting National Level Progress Review Meetings.

These meetings are organized by the Head Office and it is held once in every month under the Chairmanship of the Director General. As per the Annual Plan of the Department, the progress of the projects as well as all other administrative matters are discussed and District Directors, Deputy/Assistant Directors and Department Heads of the Head Office will participate in this, representing the 25 Districts. Under this, 06 progress review meetings have been held for the year 2022, and the amount spent was Rs. 0.17 Mn.

(II) Conducting Progress Review Meetings at District Level.

Progress review meetings for every month are held at the District Offices under the Chairmanship of the District Director with the participation of the Head Quarters Managers. The progress of each Divisional Secretariat of the District is discussed here. A number of 185 meetings have been held for the year 2021 and the amount spent was Rs.4.64 Mn.

(III) Preparation of Annual Performance Report.

The Annual Performance Report is prepared based on the overall performance of the Department implemented by the respective Divisions in relation to the previous year. It is prepared as a book and submitted to the Parliament through the Ministry every year. Under this, the Performance Report of the Department for the year 2022 was prepared and 25 copies were submitted to the Parliament of Sri Lanka.

2.2 Summary of the Targets of the Samurdhi Programme 2023

1. To take actions to provide monthly financial subsidy to 3,016,373 other categorized beneficiaries under Social Welfare Programme.

* Number of Samurdhi subsidized families (Currently Subsidized and Number of Pending Families)	- 2,373,659
* Number of benefited elders (Currently Subsidized and Number of Pending persons)	- 513,700
* Number of disabled beneficiaries (Currently Subsidized and Number of Pending persons)	- 88,228
* Number of beneficiary families with kidney disease (Currently Subsidized and Number of Pending persons)	- 40,786

2. To take actions to identify the families who have reached a high economic level in the Samurdhi Subsidy Programme and evaluate them as "Ranpatlabhi" and free them from the subsidy mentality.
3. To take actions to continue providing microfinance credit facilities, housing assistance and social security benefits to the above mentioned "Ranpatlabhi" families.

4. To take actions to further expand the Samurdhi Bank network to Regional Level and increase the number of Samurdhi Bank branches to 1,100.
5. To make arrangements to convert all Samurdhi Banks and Banking Societies into statutory independent banking units as per Samurdhi Act.
6. To take actions to enter the information of Samurdhi and other 3,016,373 segmented people into the CRM system and provide financial benefits through it.
7. To take primary steps to enter the information of 24,340 employees of the Department into the HRM computer system.
8. To take actions to make all Samurdhi Bank transactions through Online System.
9. To make arrangements to provide ATM facilities for Samurdhi Banks.
10. To improve the living standard of 440 low-income beneficiaries by implementing supplementary cropping programmes.
11. To take actions to empower 56,000 Samurdhi families through the implementation of livelihood development and microfinance programmes.
12. To take steps to create 500 Mini Food Cities under expansion of Samurdhi marketing network.
13. Construction of 10 Suva Bojun stalls to expand the marketing facilities of Samurdhi producers.
14. To conduct 275 fairs at Regional Level for the sale of Samurdhi products.
15. To create 25 Samurdhi business organizations at the District Level.
16. To provide financial assistance for the construction of 336 toilets for families.
17. To take actions to provide microfinance loan facilities through Samurdhi Banks to 400,000 Samurdhi Beneficiaries under the Micro Finance Loan Programme.
18. To provide necessary assistance to build houses to 6,105 samurdhi and low-income earning families under the Samurdhi Housing Lottery Programme.
19. To provide scholarship assistance from Social Security Fund to 45,000 children of samurdhi families who are studying in higher education under the Sipdora Scholarship Programme.
20. To make arrangements to provide social security benefits to 200,000 Samurdhi Beneficiaries under the Social Security Programme.
21. To take necessary steps to increase the income of the low income earners of the country and free them from poverty by these activities.
22. To take actions to resolve the outstanding professional issues of Samurdhi Development Department officers by carrying out constant discussions with Salaries and Cadre Commission, Ministry of Public Administration, Department of Pensions, Department of Management Services and Public Service Commission and to solve problems.



R.P.B. Thilakasiri
Director General
Department of Samurdhi Development

Chapter - 03

ACA -F

Statement of Financial Performance for the period ended 31st December 2022

Budget 2022		No te	Actual 2022 Rs.	Restated 2021 Rs.	
Rs.					
-	Revenue Receipts		-	-	
-	Income Tax	1		-	} ACA-1
-	Taxes on Domestic Goods & Services	2		-	
-	Taxes on International Trade	3		-	
-	Non Tax Revenue & Others	4		-	
-	Total Revenue Receipts (A)			-	
-	Non Revenue Receipts		-	-	
59,898,610,040	Treasury Imprests		59,898,610,040	78,714,274,286	ACA-3
46,363,226,746	Deposits		46,363,226,746	12,989,691,125	ACA-4
222,888,468	Advance Accounts		222,888,468	215,973,409	ACA-5
-	Other Main Ledger Receipts		-	-	
106,484,725,254	Total Non Revenue Receipts (B)		106,484,725,253	91,919,938,820	
	Total Revenue Receipts & Non Revenue Receipts C = (A)+(B)		106,484,725,253	91,919,938,820	
	Remittance to the Treasury (D)		-	316,134,657	
	Net Revenue Receipts & Non Revenue Receipts E = (C)-(D)		106,484,725,253	91,603,804,163	
-	Less: Expenditure				
-	Recurrent Expenditure				
17,470,600,000	Wages, Salaries & Other Employment Benefits	5	16,470,680,394	15,467,985,544	} ACA-2(ii)
733,000,000	Other Goods & Services	6	370,806,839	376,433,426	
65,000,000,000	Subsidies, Grants and Transfers	7	37,080,483,053	63,081,203,584	

-	Interest Payments	8	-	-	
-	Other Recurrent Expenditure	9	-	-	
83,203,600,000	Total Recurrent Expenditure (F)		53,921,970,286	78,925,622,554	
Capital Expenditure					
11,200,000	Rehabilitation & Improvement of Capital Assets	10	2,734,980	2,124,153	} ACA-2(ii)
1,500,000	Acquisition of Capital Assets	11	958,103	2,779,460	
-	Capital Transfers	12	-	-	
-	Acquisition of Financial Assets	13	-	-	
2,000,000	Capacity Building	14	1,236,096	5,977,172	
150,000,000	Other Capital Expenditure	15	94,618,476	504,591,582	
164,700,000	Total Capital Expenditure (G)		99,547,655	515,472,367	
	Deposit Payments		46,441,966,904	12,714,847,116	ACA-4
	Advance Payments		306,462,087	215,773,203	ACA-5
	Other Main Ledger Payments		-	-	
	Total Main Ledger Expenditure (H)		46,748,428,992	12,930,620,319	
	Total Expenditure I = (F+G+H)		100,769,946,933	92,371,715,240	
	Balance as at 31st December J = (E-I)		5,714,778,321	(767,911,077)	
	Balance as per the Imprest Reconciliation Statement		5,714,778,321	(767,911,077)	ACA-7
	Imprest Balance as at 31st December		-	-	ACA-3
			-	-	

Statement of Financial Position
As at 31st December 2022

ACA-P

Statement of Financial Position
As at 31st December 2022

	Note	Actual 2022 Rs	2021 Rs
<u>Non Financial Assets</u>			
Property, Plant & Equipment	ACA-6	1,679,988,852	1,446,929,717
<u>Financial Assets</u>			
Advance Accounts	ACA-5/5(a)	-	47,456,219
Cash & Cash Equivalents	ACA-3	-	-
Total Assets		1,679,988,852	1,494,385,936
<u>Net Assets / Equity</u>			
Net Worth to Treasury		(2,762,379,130)	(2,793,663,071)
Property, Plant & Equipment Reserve		1,679,988,852	1,446,929,717
Rent and Work Advance Reserve	ACA-5(b)		
<u>Current Liabilities</u>			
Deposits Accounts	ACA-4	2,762,379,130	2,841,119,290
Unsettled Imprest Balance	ACA-3	-	-
Total Liabilities		1,679,988,852	1,494,385,936

Detail Accounting Statements in ACA format Nos. 1 to 7 presented in pages from 1 to 32 and Notes to accounts presented in pages from 33 to 41 form an integral part of these Financial Statements. The Financial Statements have been prepared in complying with the Generally Accepted Accounting Principles whereas most appropriate Accounting Policies are used as disclosed in the Notes to the Financial Statements and hereby certify that figures in these Financial Statements, Notes to accounts and other relevant accounts were reconciled with the Treasury Books of Accounts and found in agreement. We hereby certify that an effective internal control system for the financial control exists in the Reporting Entity and carried out periodic reviews to monitor the effectiveness of internal control system for the financial control and accordingly make alterations as required for such systems to be effectively carried out.

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Chief Accounting Officer
Name : Yamuna Perera
Designation : Secretary
Date : 2023.02.27

Yamuna Perera
Secretary
Ministry of Women, Child Affairs and
Social Empowerment
5th Floor, "Sethsiripaya" - Stage II, Battaramulla.

.....
Accounting Officer
Name : R.P.B. Thilakasiri
Designation : Director General
Date : 2023.02

R. P. B. Thilakasiri
Director General
Department of Samudhi Development
4th Floor, "Sethsiripaya" Stage 1
Battaramulla.

.....
Chief Accountant
Name : K.R. Kumaradasa
Date : 2023.02.27

K.R. Kumaradasa
Chief Accountant
Department of Samudhi Development
1st Step, 4th Floor
Battaramulla.



**Statement of Cash Flows
for the Period ended 31st December 2022**

	Actual	
	2022 Rs.	Restated 2021 Rs.
<u>Cash Flows from Operating Activities</u>		-
Total Tax Receipts	-	-
Fees, Fines, Penalties and Licenses	-	-
Profit	-	-
Non Revenue Receipts	-	-
Revenue Collected on behalf of Other Revenue Heads	984,334,264	849,936,347
Imprest Received	59,898,610,040	78,714,274,286
Recoveries from Advance	226,615,723	216,687,068
Deposit Received	46,363,226,746	12,989,691,125
Total Cash generated from Operations (A)	107,472,786,772	92,770,588,826
<u>Less - Cash disbursed for:</u>		
Personal Emoluments & Operating Payments	16,828,310,378	15,841,482,225
Subsidies & Transfer Payments	37,080,483,053	63,081,203,584
Expenditure incurred on behalf of Other Heads	6,716,635,210	85,517,520
Imprest Settlement to Treasury	-	316,134,657
Advance Payments	305,843,572	215,931,357
Deposit Payments	46,441,966,904	12,714,847,116
Total Cash disbursed for Operations (B)	107,373,239,117	92,255,116,459
NET CASH FLOW FROM OPERATING ACTIVITIES(C))=(A)-(B)	99,547,655	515,472,367
<u>Cash Flows from Investing Activities</u>		
Interest	-	-

Dividends	-	-
Divestiture Proceeds & Sale of Physical Assets	-	-
Recoveries from On Lending	-	-
Total Cash generated from Investing Activities (D)	-	-
<u>Less - Cash disbursed for:</u>		
Purchase or Construction of Physical Assets & Acquisition of Other Investment	99,547,655	515,472,367
Total Cash disbursed for Investing Activities (E)	99,547,655	515,472,367
NET CASH FLOW FROM INVESTING ACTIVITIES (F)=(D)-(E)	(99,547,655)	(515,472,367)
NET CASH FLOWS FROM OPERATING & INVESTMENT ACTIVITIES (G)=(C)+(F)	-	-
<u>Cash Flows from Financing Activities</u>		
Local Borrowings	-	-
Foreign Borrowings	-	-
Grants Received	-	-
Total Cash generated from Financing Activities (H)	-	-
<u>Less - Cash disbursed for:</u>		
Repayment of Local Borrowings	-	-
Repayment of Foreign Borrowings	-	-
Total Cash disbursed for Financing Activities (I)	-	-
NET CASH FLOW FROM FINANCING ACTIVITIES (J)=(H)-(I)	-	-
Net Movement in Cash (K) = (G) + (J)	-	-
Opening Cash Balance as at 01st January	-	-
Closing Cash Balance as at 31st December	-	-

3.5 Notes to the Financial Statements

3.6 Performance on Revenue Collection

Revenue Code	Description on Revenue Code	Revenue Estimate		Revenue Collected	
		Initial Estimate	Final Estimate		As a % of the final revenue estimate
	Not applicable				

3.7 Performance of Utilizing Allocated Funds

Type of provision	Provisions Made Available		Actual Expenditure (Rs. Mn.)	Allocations utilized as a % of finalized allocations
	Initial Provision (Rs. Mn.)	Final Provision (Rs. Mn.)		
Recurrent	82,203,600	82,203,600	53,921,970	65
Capital	164,700	164,700	99,548	60

3.8 Allocations made to this Department / District Secretariat / Provincial Council as a representative of other Ministries / Departments in terms of F.R. 208

S. No.	Allocated Ministry / Department	Purpose of the provision	Provision		Actual Expenditure (Rs. Mn.)	Utilized Provisions as a % of the Final Provision Made
			Initial Provision (Rs. Mn.)	Final Provision (Rs. Mn.)		
01	Ministry of Public Administration and Home Affairs	Payment of Allowances of Trainee Graduates	798,537	798,537	761,210	95
02	Department of National Planning	Payment of allowances to highly affected families. World Food Programme	632,020	632,020	632,020	100

S. No.	Allocated Ministry / Department	Purpose of the provision	Provision		Actual Expenditure (Rs. Mn.)	Utilized Provisions as a % of the Final Provision Made
			Initial Provision (Rs. Mn.)	Final Provision (Rs. Mn.)		
03	Department of Pensions	Settlement of loan under Advance B Account	.2	.260	.260	100
04	Department of Multi -purpose Development	To incur the cost of electricity at the Matara Training Centre	0.10	0.10	0.10	100

3.9 Performance on Non-financial Asset Reporting

Asset code	Description of Code	Balance as per Board of Survey Report as at 31.12.2021	Balance as per Goods Financial Status Report as at 31.12.2021	To be accounted for in future	Reporting progress as a %
9151	Buildings and Structures	346,958	346,958		100
9152	Machinery	858,295	858,295		100
9153	Lands	453,084	453,084		100
9154	Intangible assets	-	-	-	-
9155	Biological assets	-	-	-	-
9160	Work - in progress	21,651	21,651		100
9180	Assets Leased Out	.	-	-	-

3.10 Auditor General's Report

Accounting Officer

Department of Samurdhi Development.

Head 331- Summary Audit Report of the Auditor General on the Financial Statements of the Department of Samurdhi Development for the year ended 31 December 2022 in terms of Section 11(I) of the National Audit Act, No. 19 of 2018

Financial Statements

1.1 Qualified Opinion

Head 331-The audit of the financial statements of the Department of Samurdhi Development for the year ended 31 December comprising the statement of financial position as at 31 December 2022 and the statement of financial performance and cash flow statement for the year then ended, was carried out under my direction in pursuance of provisions in Article 154(1) of the Constitution of the Democratic Socialist Republic of Sri Lanka read in conjunction with provisions of the National Audit Act No. 19 of 2018 . My comments and observations which I consider on the Financial Statements of the Department of Samurdhi Development in terms of Section 11(I) of the National Audit Act, No. 19 of 2018 appear in this report. The audit report forwarded in pursuance of provisions in Article 154(6) of the Constitution of the Democratic Socialist Republic of Sri Lanka read in conjunction with provisions of Section 10 of the National Audit Act No. 19 of 2018 will be tabled in parliament in due course.

In my opinion, except for the effects of the matters described in paragraph 1.6 of this report, the financial statements give a true and fair view of the financial position of the Department of Samurdhi Development as at 31 December 2022 and its financial performance and cash flows for the year then ended in accordance with Generally Accepted Accounting Principles.

1.2 Basis for Qualified Opinion

My opinion is qualified based on the matters described in paragraph 1.6 of this report. I conducted my audit in accordance with Sri Lanka Auditing Standards (SLAuSs). My responsibility for the financial statements is further described in the Auditor's Responsibilities Section. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

1.3 Responsibilities of the Chief Accounting Officer and Accounting Officer for the Financial Statements

Accounting Officer is responsible for the preparation of financial statements that give a true and fair view in accordance with Generally Accepted Accounting Principles and provisions in

Section 38 of the National Audit Act, No.19 of 2018 and for such internal control as Accounting Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

As per Sub-section 16(1) of the National Audit Act, No. 19 of 2018, the Department 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.

As per Sub-section 38 (1) (c) of the National Audit Act, the Accounting Officer shall ensure that effective internal control system for the financial control of the Department exists and carry out periodic reviews to monitor the effectiveness of such systems and accordingly make any alterations as required for such systems to be effectively carried out.

1.4 Auditor's Responsibilities for the Audit of the Financial Statements

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue the summary report of the Auditor General 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, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Department's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- 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 communicate with the Accounting Officer regarding, among other matters, significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

1.5 Report on Other Legal Requirements

I express the following matters in accordance with Section 6 (d) of the National Audit Act, No. 19 of 2018.

- (a) The financial statements presented for the year under review were consistent with the preceding year.
- (b) My recommendations on the following financial statements for the preceding year had not been executed.

1.6 Comments on Financial Statements

1.6.1 Non-financial Assets

- (a) The value amounted to Rs.1,600,000 collected from the valuation of Rs.2,500,000 the Samurdhi Bank land at Galagama which was valued at Rs.900,000 as at 01 January 2022, had been under stated under non-current assets and reserves in financial statements.
- (b) Even though the land Hipankanda Galkanda which was valued at Rs.5,650,000 has been handed over to the Divisional Secretariat Karadeniya for a medical centre, it had been further shown in financial statements under lands.
- (c) The sum amounting to Rs.7,749,000 of the value of the land which the Matara official quarters situated , had not been shown under official quarters and only the building valued at Rs.3,751,000 had been shown under official quarters.
- (d) The value of electrical items (Microwave Oven) purchased under Expenditure Head No.1205 amounting to Rs.115,000 had been shown under electrical items as Rs.1,150,000.
- (e) Even though the 15 percent of Payee Tax amounted to Rs.172,350 had been paid when paying of Rs.1,149,000 for the purchasing of assets of video camera equipment through voucher No.12/390, it had not been shown by adding to the asset.
- (f) Camera equipment amounted to Rs.879,330 which was purchased in the year 2021, had not been added to the opening balance of the year under review.

1.6.2 Balances of Deposit Accounts

- (a) There was a difference of Rs.124,709,327 between the balance as per the financial statements of 5 General Deposit Accounts and according to the schedules of the Head office and District offices which were presented by the Department .

- (b) Total value of Rs.2,392,568,462 of 05 items which was mentioned in the General Deposit Register had not been included in the individual balance list.

1.6.3 **Losses and Damage**

- (a) It had not been shown in Note (i) in the financial statements in relation to 02 vehicles which were met with an accident in the year 2022 and repaired by spending a sum of Rs.64,850.
- (b) Nine vehicles which were met with an accident and not obtained insurance compensations had been recorded in the Losses and Damage Register as written off from the book. Action had not been taken as per FR 104, 109 and FR 110 in respect of those vehicles and had not been shown under Note (i) in the financial statements.

2 **Financial Review**

2.1 **Management of Expenditure**

Savings had been done from 12 percent to 64 percent from the total net provisions of two Objects. Even though limiting of Capital expenditure within the management of expenditure of public expenditure was mentioned as the reason for the savings, the reason for the saving had been incurring of expenditure for the training programmes relevant to the same Object.

2.2 **Incurring of Commitments and Liabilities**

- (a) Total amount of Rs.947,730 payable to other institutions under the Expenditure Head No.331-1-1-1202 and 331-2-2-1402 had not been included in the Liabilities Register .
- (b) The value of commitments and Liabilities amounted to Rs.3,045,956 shown in the financial statements had not been stated under accounted liabilities of the previous year in the Votes Ledger.
- (c) The value of commitments of Rs.125,521 payable to the officers of the Department had been shown under commitments, contrary to the Public Accounts Circular No.255/2017 dated 27 April 2017.

2.3 **Certification of Accounting Officer**

Accounting Officer should certify the following matters in terms of provisions set out in Section 38 of the National Audit Act, No. 19 of 2018. However, it had not been so done .

- (a) Ensure that an effective internal control system for the financial control exists in the Department and carry out periodic reviews to monitor the effectiveness of such systems and accordingly make any alterations as required for such systems to be effectively carried out;

the same review should be done in writing and a copy the same document should be presented to the Auditor General. However, it had not been presented that the statements whether carried out such review, to the audit.

- (b) Even though Chief Accounting Officer and Accounting officer shall ensure that all audit queries be answered within the specified time as required by the Auditor-General, Answers had not been given to the audit queries in terms of the Paragraph 3.10 of the report.

2.4 Non-compliance with Laws, Rules and Regulations

Reference to Laws, Rules
and Regulations

Non-compliance

(a) Financial Regulations
of the Democratic
Socialist Republic of Sri
Lanka

(i) F.R.135 and 381(i)

bank current accounts had been maintained in 03 training centers without obtaining the approval of the Treasury.

(ii) F.R.206(3) and (I)

Even though each voucher should certify by two officers for payment of a deposit, 50 paying vouchers (requisition sheets) of total value of Rs.1,388,691,509 relevant to November, December months of the year 2022 had been certified by one officer. The Chief Accounting Officer had not release the requirements of the Paragraph 206(I) and informing it to the Auditor General.

(iii) FR 395 (b)

Even though Bank Reconciliation Statements regarding the transaction position of the end of the each month should be prepared and submitted before 15th day of the following month, the bank reconciliation statement relating to 10 months period of the year 2022 of the Department, had been presented by delaying of 04 to 40 days period.

Even though Employee Loans had been issued in Statements of Revolving Bank Accounts, action had not been taken in terms of Financial Regulations in respect of a cheque amounting to Rs.180,100 which

(iv) F.R.396

was not presented.

Action had not been taken to repair 24 vehicles which were removed from running, can be made to a running condition after repairing, according to the vehicle survey of the year 2019.

(b)Public Administration circular No. 30/2016 dated 29 December 2016.

Human Resource plan had not been prepared as per the Circular and staff agreements had not been prepared for the whole staff.

(c) Public Administration circular No. 02/2018 dated 24 January 2018.

Even though the year ended balance for each deposit accounts categories which are opened, should be compared with individual balance list obtained under CIGAS programme and forwarded to the Department of State Accounts before 28 February of the ensuing year of finance by completing the formats properly to follow up and analysis of deposit account activities, action had not been taken in accordance with the Circular.

(d) Paragraph 7.4 of Public Finance Circular No.2/2020 dated 28 August 2020 and Public Accounts Circular No.243/2015 dated 24 June 2015

2.5 Deposits

- (a) Action had not been taken to settle the sum amounting to Rs.2,374 million which was obtained from the Samurdhi Authority by then Samurdhi Commissioner General Department for payment of Samurdhi subsidies in months of August, September and October in 2013, even passed more than 8 years period.
- (b) The contribution totaling Rs.3,221,847 of Employee Provident Fund relevant to the period from 01 June 2014 to 30 December 2022, had been retained in the deposit account of the Samurdhi office of the Galle District without taking action to remit to the same Fund.
- (c) The sum amounting to Rs.90,318,300 which was remained after payment of subsidies out of the sum amounting to Rs.39,619,307,119 which was credited within the period of May-August 2022 to Samurdhi Banks for the payment of beneficiaries who were registered Samurdhi/Elderly/Disabled and kidney patients waiting list under World

bank aids, had been remitted back to the National Policy Planning Department on 11 April 2023.

- (d) The loans which was obtained by keeping the fixed deposits under the department as sureties for granting COVID subsidies in the years 2020/21, had been issued to Samurdhi Prajambuula Banks. The sum amounting to Rs.177,731,499 which was remained after completion of the payment of subsidies to beneficiaries, had been retained in the General Deposit Account without releasing to the Fund even as at 31 December in the year under review.
- (e) Cash total amounting to Rs.654,589 of 49 cheques which was issued within the period of May 2019 to June 2021 but not presented for the payment had been retained in the General Deposit Account without being act in terms of Financial Regulations.

2.6 Unsettled Balances

A sum of Rs.53,594.67 million had been given from the money remained in compulsory savings accounts of Samurdhi beneficiaries and fund accounts in the department which were established for various objectives, for the various requirements of the government contrary to the same objectives. A sum of Rs.53,294.97 million (with interest) from this amount had been remained for further recovery at the end of the year under review.

2.7 Operation of Bank Accounts

- (a) Action had not been taken to identify and rectify 04 cheques total amounted to Rs.1,068,232 among the unidentified receipts total amounted to Rs.23,182,701 as at 31 December 2022, even as at 30 May 2023.
- (b) Action in terms of Financial Regulations had not been taken relevant to 84 cheques valued at Rs.2,668,654 deposited within the period of 4 to 8 years but unrealized in the bank reconciliation check in December 2022 relevant to Employee Revolving Fund Account.

2.8 Issuance and Settlement of Advances

- (a) The minimum receipt limit according to the budget estimate of the year 2022 was amounted to Rs.280,000,000 but the actual amount received was amounted to Rs.222,888,467. However, the value not reached to the minimum limit of receipts amounted to Rs.57,111,533.

It was observed that the following matters caused in this regard.

- i Even though a sum of Rs.2,88,253 had been recovered in the year 2021 from the loan balances recoverable and older than 2 years , only Rs,511,047 had been recovered in the year under review.
 - ii Even though distress loans amounting to Rs.250,000 each had been given for 6 officers , no any installments had been recovered.
 - iii Recoveries of loan balances of Public Officers Advance Account has been credited to Employee Reward Fund. Eg: Although the balance amounting to Rs.210,652 recoverable from an officer in the District Office Matara has been shown in schedule forwarded with accounts, recoveries had been credited to the Employee Reward Fund.
- (b) Outstanding loan balances elapsed from 01 year to 05 years from 100 employees as at December 2022 amounted to Rs.2,467,073. There were loan balances exceeded 05 years amounted to Rs.302,233, outstanding balance from 4 to 5 years amounted to Rs.922,180 , outstanding loan balance between 3-5 years amounted to Rs.321,336 and outstanding balance between 1-3 years amounted to Rs.921,324 .

3. Operating Review

3.1 Performance

3.1.1. Vision and Mission

- (a) Samurdhi programme had been implemented for the purpose of totally eradicate the poverty alleviation based on units of families by using development projects upgrading socially and economically and contribute youths in the country directly to the development activities. The government had implemented various development programmes for Samurdhi subsidies and social empowering by spending money annually in relation to the mission of the Samurdhi Development Department. Even though a sum of Rs.1,260 million had been spent for various Samurdhi development programmes on empowering of Samurdhi beneficiaries by the Government, a specified target had not been identified on empowerment.
- (b) 312,307 Samurdhi beneficiaries who were identified as Samurdhi beneficiaries in the year 1995 , had been further received subsidies without being empowered , even 29 years has passed as at 2023.
- (c) As beneficiaries empowered annually by the Department, number of beneficiaries 1,958, and 18,629 and 21,189 in the years 2020, 2021 and 2022 respectively had been identified. Action had not been taken in accordance with a plan included in specific targets on the beneficiaries who were empowered annually. Accordingly, relative to the programmes conducted by the Government for the empowerment of Samurdhi beneficiaries annually, the empowerment was taken a minimum level.
- (d) Even though in terms of Circular No.DSD/HO/SW/14/18/04/18 and dated 20 August 2018 Circular No. DSD/HO/SW/14/19/01 and dated 11 February 2021, action should

be taken to cut off the Samurdhi subsidies who are engaged in income earning projects utilizing trained labour and technical skill within the criteria of non eligibility of Samurdhi subsidies , on the recommendation of rural committees, the recommendation of rural committees had not been given to cut off the Samurdhi subsidies of 1,112 Samurdhi beneficiaries in 34 Divisional Secretariat Divisions which the audit test checks done.

- (e) The total deposits amounting to Rs.155.1 billion of 4,115,100 of 1,089 Prajamula Banks as at 31 December 2022 and the outstanding balance thereof granted to the beneficiaries was only Rs.68 billion. Investment had been done under a high interest rate of 149 billion as at 31 December 2022 and a low interest of 3 percent had been paid for the savings of Samurdhi beneficiaries. Accordingly, although Prajamula Bank system had been launched with a view to empower the Samurdhi beneficiaries, it was observed at present that contrary to the objective of empowering of Samurdhi beneficiaries, it has been come into operation to gain profits and operating into an economic path.
- (f) Samurdhi beneficiary aids which are monthly remitted to the Prajamula Banks , had been remained in their bank accounts in a long period by certain Samurdhi beneficiaries without being withdrawn monthly. In the audit test check conducted in this regard, it is observed that the amount remained in that manner in the savings accounts of 2,433 Samurdhi beneficiaries in 41 areas in 10 Prajamula banks was Rs.59,951,537(balances more than 10,000).

3.2 **Non achievement of expected Output Level**

- (a) Even though plans had been made to conduct 5 programmes to establish a Samurdhi e-selling network and to grant a standard certificate for Samurdhi productions , it had not been implemented.
- (b) Even though plans had been made for conducting of 15 training programmes on produce of carbonic fertilizer , only 6 programmes had been conducted and according to that, the physical progress had been 40 percent.
- (c) Even though it is expected to conduct 02 workshops under planning and supervisory programmes, the same workshops had not been conducted.
- (d) A sum of Rs.7 million had been allocated to develop 25 new Samurdhi Praja Mula Banks under Micro Finance programme. Out of the same amount, incurring a sum of Rs.4.90 million that is 70 percent of the provisions, full infrastructure facilities of 6 banks had been developed and only 50 percent of the infrastructure facilities of 9 banks had been developed.

3.3 Weaknesses in implementation of Projects

- (a) Even though government contribution of Rs.1,970,000 for 11 projects for 72 beneficiaries of the Keeragala Samurdhi model village in the Kuruwita Divisional Secretariat Division and a sum of Rs.5,824,451 had been granted to 255 beneficiaries for jaggery productions at Malmeeekanda Samurdhi model village in the Divisional Secretariat Division Opanayake, follow up action had not been carried out on the ability to empower by obtaining information on income generation even 4 years has passed by launching these projects.
- (b) A sum of Rs.38,442,329 had been incurred by the Department for 11 model villages in the Gampaha District from the year 2016 to 2020 for the betterment of the livelihood,empowerment of Samurdhi beneficiaries through establishing production villages belonging to 13 Divisional Secretariat Divisions in the Gampaha District. Even though 04 years had been elapsed as at the year 2020 by implementing 06 model villages which were presented for audit, follow up actions relevant to the projects had not been carried out.
- (c) A sum of Rs.293,281,808 had been incurred for 7986 beneficiaries for the implementation of industry, sales, agriculture ,animal husbandry projects within 30 Divisional Secretariat Divisions in Kurunegala District from 2017 to 2021 . At the audit test check, there were instances that providing income generating equipment to the same beneficiary in two instances and providing goods and equipment to the beneficiary by non-identifying the industry of the beneficiary properly as well as providing equipment variant from the business carried out in the previous year when input equipment provided to Samurdhi beneficiaries in the Grama Niladhari areas belonging to 10 Divisional Secretariats selected in the livelihood income generated projects which were put into action. As such ,in providing equipment ,it had not been done a follow up action whether the beneficiary obtained equipment for new project or otherwise for the old project.

3.4 Establishment of SuwaBojun Centers

Even though a sum of Rs.19,748,110 had been incurred for construction of 4 Suwa Bojun Centers in the years 2020 and 2021, it was unable to open those sales centres up to March 2023. However, estimates has been prepared for the expected amount of Rs.19.55 million to spent further for the Suwa Bojun Centres in Habaraduwa, Matugama and Kilinochchi , provision for this purpose had not been provided in the year 2023. Accordingly, it was observed that although 2 years period has passed by commencing of the construction of Suva Bojun Centres ,those are remained fruitless due to non-completion of the work. And further observed that it is not adequate to take action to empower the Samurdhi benefiacieries through earning income by directing to Bojun Centres .

3.5 Financial Irregularities

It had been revealed by the audit reports 2018 and 2019 on 135 frauds at a value of Rs.115,723,619 occurred during the period of 2014-2018 in Samurdhi Banks and Societies. According to the information presented to the audit on 21 April 2023, a sum of Rs.63,817,207 for 15 frauds for the period of 2014-2018, a sum of Rs.172,189,227 for 92 frauds for the period from 2019 to 2023 had been identified. Even though connecting all Samurdhi Banks and Bank Societies to the computer system, it was expected to provide most efficiency service to the customers and minimize the errors and financial frauds done willfully in manual operations, the financial frauds and irregularities reported were at a considerable value.

3.6 Management Weaknesses

3.6.1 Maintaining of Data Systems

(a) Beneficiary Management Module

A sum of Rs.4.3 million had been incurred in the year 2016 for the e-Samurdhi Project for developing of data system by the management module including the information of the Samurdhi beneficiaries and low incomers which was created by the Sri Lanka Information Technology Institution in the year 2012 and again a sum of Rs.4.07 million had been incurred for CRM module in the year 2019. However, the system had not been up dated by entering information to the following sub-module even by the year 2023.

- Information on water and electricity consumption had not been entered
- The information on providing COVID-19 subsidies had not been entered
- The information on the current progress of the livelihood projects and operative condition and the manner of beneficiaries empowered had not been entered.
- To make suspend of the sum amounting to Rs.61.8 million of Samurdhi Niwasa Sanwardhana Lottery prize money of 309 beneficiaries from 2018 to 2021 due to non –updating of the system.
- Information on elderly, disabled, and kidney patients had not been entered.
- When sending monthly subsidies to regional offices, it had been sent excess subsidies due to un availability of accurate data.

(b) Human Resource Management Module

Human Resource Management Module had been commenced with a view to carry out the human resource activities of the Samurdhi Development Department more efficiently. Only the basic information of 97 percent from the staff of 25,235 of the Department as at the date of this report, had been entered. Only 306 personal files had been completed by scanning important documents including educational certificates. Accordingly, the operation of this system which has been identified in the year 2021, was at a preliminary stage even as at 2023.

(c) Prajamula Banks Computer System

Two software as Soft Watch and SLTS had been introduced for carry out the transactions of Samurdhi Prajamula Banks efficiently. This software is used by 1026 Samurdhi Bank

branches and 12 branches which are not connected with the Head Office are used a software older than 10 years. The following deficiencies were observed at the audit test check carried out in 9 Prajamula Banks relevant to operation of the system.

Slow activities in the system due to only a limited payments can be operated, no regularity in recovery of loans, account balances are not accurate, unable to check prior transactions, failure in the computer system time to time, existence of made changes in data due to the software institution has an ability to enter the live data of the Bank, subsidies amounting to Rs.3,857,777 credited to the accounts of 173 beneficiaries belonging to 05 Prajamula Banks had been charged as loan installments due to providing the facility of recovery of loans automatically through the money credited to the beneficiaries by the computer system, were observed in audit test checks.

3.6.2 Funds belonging to the Department

- (a) Divineguma Development Fund should be established in accordance with the paragraph 36 of Divineguma Act No. 01 of 2013 and all grants, rewards by Banks, Bank societies established by Rewards Act, other contributions, money determined by the Minister from the profit of banks as a percentage, all receipts should be credited to the Consolidated Fund. Even though after that, credited to the Divineguma Fund with the approval of the Parliament, Divineguma Fund had not been established up to date.
- (b) The Department had maintained 6 Funds in terms of Section 45 of the aforesaid Act, Samurdhi Fund and Employee Loans Revolving Fund was at a non-operational condition by now.
- (c) Even though according to the Paragraph 152(b) of the Finance Circular No.2020/01 dated 22 August 2020, if it seems to come into the Funds existed as yet are a National requirement, the same Funds should be approved by a parliament Act, the Samurdhi National Social Fund had been operated without getting approval by a parliament Act.
- (d) The legitimacy of the aforesaid Fund was not presented to the audit and financial statement of the year 2017 of the Fund had been presented to the audit on 22 May 2023. Only 03 projects amounting to Rs.8,481,773 had been implemented in the years 2021 and 2022 by this Fund, which has been established to fulfill social justice among the community. A balance amounting to Rs.91,000,000 had been remained in the Fund as at 31 December 2022. Fixed deposit balance amounting to Rs.91,000,000 has been maintained up to 31 December 2022 by selling flags and registration of societies and only Rs.10,000,000 had been credited to the Consolidated Fund.

3.6.3 **Operation of Prajamula Banks and Bank Societies**

Action had not been taken to amend the Act by establishing statutory provisions in a manner to audit the Divineguma Prajamula Banks and Prajamula Bank Societies by the Auditor General .

3.7 **Uneconomic Transactions**

A sum of Rs.7,723,900 had been spent for launching of “e” paper including purchase of the software as at 31 December 2022.

The number using e paper as at the end of the last quarter 2022 was 56,234 and the number who use e paper app was 21,565 or it was 4.6 percent of the total Samurdhi beneficiaries. Therefore the operation was at a very low level.

3.8 **Payment of Subsidies under Foreign Aids**

A sum of Rs.39,640 had been granted as a financial subsidy under the World Bank Funds in 2022 for minimize the effect of current economic crisis and for establishing social stability and the following matters were observed in this regard.

- (a) Even though cash had been sent to banks according to the registered Samurdhi waiting list as per the data system, though the accounts of 78,604 beneficiaries had been omitted in May, June and July months by the banks due to various reasons , money had been sent to the same beneficiaries.
Non-updating of the data system of the department properly is the reason for this matter.
- (b) At the audit test check conducted at several Prajamula Banks in relation to distribution of subsidies, two Prajamula Banks of 02 Divisional Secretariat Divisions had retained a sum totaling of Rs.55,529,060 of additional allowances as financial subsidies from 22 days to 106 days in Prajamula Banks without distributing to the beneficiaries.

3.9 **Procurement**

- (a) According to the Public Finance Circular No.PFD/08/2019 and dated 17 December 2019, public institutions should follow the e-procurement procedure from the year 2020 and the Department should be registered in the National Electric Public Procurement System. However, the Department had not been registered even up to the date of this report. Even though the purchasing which is done through the shopping method should be done via e procurement method , action had not been taken accordingly.
- (b) When preparing the Procurement Plan, It had not been prepared including detailed procurement activities and procurement time table in accordance with the 4.2.1(c) and 4.2.2(a) of the Government procurement guideline.

3.10 Failure to reply Audit Queries

The period of delaying of reply to 12 audit queries issued in the year under review had ranged from one month to 05 months and replies had not been given for 5 audit queries. The value of transactions that can be calculated relating to those quarries was Rs. 4,254,728,365.

3.11 Failure to implement the Orders given in the Committee held on 16.12.2016

Order No.	Order	Current Position
7.3	Order given to submit a report by conducting internal audit on carrying out printing activities amounting to Rs.54.02 million by the Divineguma Development Department in 6 instances contrary to the Financial Regulations.	Reports on internal investigations were not presented to the audit.
9.1	Purchasing of water inserted containers incurring a sum of Rs.106,873,148 without the approval of the General Treasury , non presentation of information to the audit, and selecting institutes for transportation without calling bids and payments done.	Even though it was mentioned that relevant basic investigations are being done by the Ministry, the information on purchasing was not presented to the audit.
9.4	A sum of Rs.1,954,300 had been incurred for the infrastructure including equipment and chairs which were purchased at Rs.16,629,435 for Divineguma conference and the propagation activities.	Information had not been submitted to the audit even by this time relevant to the distribution of equipment and chairs totaling of Rs.16,629,475.
9.5	A sum of Rs.29,400,000 had been spent for the printing of 5,000,000 Divineguma Lith and it was not confirmed to the audit that all the printings has been distributed.	Reports on internal investigations has not presented up to date.

5. Human Resources Management

The approved and the actual cadre as at 31 December 2022 was as follows.

Category	Approved	Actual staff	Vacant	Excess
Senior	108	79	29	
Tertiary	1942	1646	296	
Secondary	25,509	23,339	2170	2485
Primary	516	417	99	6
Total	28,075	25,481	2,594	2491

The following matters were observed in this connection.

- According to the policy decision of the Government, 2,287 graduate Development Officers had been attached and action had not been taken to revise the approved cadre accordingly. As such 132 employees had been recruited for the post of Samurdhi Manager exceeding the approved cadre.
- Attachments had been done without reviewing of the staff relevant to the duties of the Head office, duties of the District offices, duties of each Prajamula Bank zones under the District and duties to be done according to the post of the officer.
- Number of 108 officers of the post of Samurdhi Manager had been attached to the Head office. However, 123 managers had been appointed to the bank staff for acting duties and covering up duties of the Prajamula Banks and a sum of Rs.4,096,380 had been paid in the year 2022 as acting allowances. Accordingly, it was observed that the staff was not deployed in a manner to do the duties of the Department efficiently.
- According to Section 25 (3) of the Divineguma Act, the Attorney General had informed that it was contrary to the law, appointing of government servants with pensions on a permanent basis for Community Based Bank staff as per the letter of Director General of the Department of Management Services dated 05 July 2019 and officers who had attached to the Department under 44 (e) i and ii of the Divineguma Act and already working in the Community Based Bank Societies should be considered as released to the institutions on a temporary basis and although it had been informed that the separate posts for the bank cadre should be approved in future and after that arrangements should be made to recruit accordingly for the vacant posts, actions had not been taken up to date in respect of that

matter and the Department had paid salaries from the Expenditure Head of the Department for 7605 number of bank cadre. The amount paid for the year 2022 was Rs.4,295.25 million.

- (e) It is failure to approve the promotion scheme up to date for the officers who are appointed to the Departmental service with the continuous contribution to the Employee Trust Fund and Employee Provident Fund without having contribution to the pension scheme and the number of said employees are 546 as at 31 December 2022 and the number made retirement as at that date had been 41
- (f) Even though the actual cadre of the Department had been shown in the estimate as 24,647 according to the annual appropriation Act, the number actually salaries are paid was 25,481. Accordingly it was problematic in audit that the payment of salaries for the remaining number of 389 employees except from the 445 officers of Combined Service which are not included in the annual budget estimate.

M.T.I.Gamage
Senior Assistant Auditor General
For the Auditor General

Chapter - 04 Performance Indicators

4.1 Performance Indicators of the Institution

S. No.	Programme	Specific Indicators	Quality Output as a Percentage (%) of the Expected Output		
			- %100 %90	- %75 %89	- %50 %74
01	Social welfare Programme	1 Providing Samurdhi Subsidies to 1,760, 485poor families.	100%		
		2 Providing emergency financial assistance from Rs. 3000/= to Rs. 5000/ = under World Bank Assistance to 2,575,366 families Samurdhi Beneficiaries -Existing and Waiting Listed -2,415,910 Elderly Assistance Beneficiaries 131,152 Disability Assistance Beneficiaries 25,072 and, CKD Payment Beneficiaries 3,232.who has affected by economic difficulties.	100%		
		3 Providing emergency financial assistance from Rs. 3000/= to Rs. 5000/ = under Asian Development Bank Assistance to 2,989,924 families Samurdhi Beneficiaries - Existing and Waiting Listed – 2382445 Elderly Assistance Beneficiaries 90,545. Disability Assistance Beneficiaries 90,545 CKD Payment Beneficiaries 4,3254 who has affected by economic difficulties	100%		
02	Social Security Programme	1 Providing Social Security Benefits to 161, 874families receiving Samurdhi Subsidy.	100%		
		2 Giving Sipdora Scholarships to A / L students of Samurdhi beneficiary families.	100%		

S. No.	Programme	Specific Indicators		Quality Output as a Percentage (%) of the Expected Output		
				- %100 %90	- %75 %89	- %50 %74
03	Livelihood Development Programme	1	Providing assistance for 122 beneficiaries in green gram, cashew and chilli plantations under the supplementary cropping programme.			40%
		2	Providing of plants and seed stuffs to 140,210 for home gardeners for development of gardens at divisional level under Garden Development Programme.		70%	
04	Enterprise Development Programme	1	To raise the living standard of 175 Samurdhi entrepreneur families, by improving 07 Samurdhi Suva Bojun Stalls.			60%
		2	Conducting 230 trade fairs.		80%	
		3	Conducting 275 Entrepreneurship Development Programmes for samurdhi entrepreneurs.		85%	
		4	Providing vocational guidance training under tertiary education for 8,000 children of samurdhi and low-income families.		80%	
05	Housing Development Programme	1	Providing financial assistance for the development of 9,676 housing units under the Housing Development Programme.	95%		
06	Social Development Programme	1	Conducting 335 World Poverty Alleviation Day celebrations and World Children's Day celebrations programmes under social development.	100%		
07	Community Based Organizing Programme	1	Conducting 26 training programmes for the members of the Community Based Organizations			50%

S. No.	Programme	Specific Indicators		Quality Output as a Percentage (%) of the Expected Output		
				- %100 %90	- %75 %89	- %50 %74
08	Information Technology Programme	1	Development of digital infrastructure facilities in 357 Samurdhi Offices			60%
		2	Computerization of 150 Community Bank Societies, out of 200 Samurdhi Community Based Banks		75%	
		3	Conducting of 92 Information Technology Training Programmes	90%		
09	Human Resources Development Programme	1	Implementation of 12 Training Programmes for capacity building of Departmental Employees			72%
		2	Development of 03 Training Centers owned by the Department			55%
10	Microfinance Programme	1	Providing Micro Finance Loan Facilities to 292,331 Samurdhi Beneficiaries.			70%
		2	Development of infrastructure facilities of 15 new Samurdhi Community Based Banks			70%
11	Media and Publicity Programme	1	Advertising of 38 “Samurdhi Udanaya” Television Programmes			73%
		2	Publication of 24 E Samurdhi newspapers	100%		
12	Planning and Operation Programme	1	Conducting 185 District Progress Review Meetings		80%	
		2	Preparation of the Performance Report 2021 of the Department and printing 25 copies of it and present it to the Parliament	100%		

Chapter-05-Performance in achievements of the Sustainable Development Goals (SDG)

5.1 Identified Sustainable Development Goals

Goal/ Objective	Goal	Achievement Indicators	Percentage of Achievements so far (%)		
			0% - 49%	50% - 74%	75% - 100%
01 Eradicate Poverty	To eradicate extreme poverty for all people everywhere in the world by 2030.	Providing a monthly subsidy to meet the consumption needs of 17 lakh Samurdhi beneficiary families.			100%
		Empowering 41,389 Samurdhi subsidized families.	42%		
		Upgrading the living standards of the 140,210 families who are engaged in gardening by providing plants and planting materials Under the Garden Development Programme,		70%	
		Providing microfinance credit facilities to 210,765 families to improve the income generation of samurdhi and low-income families		62%	
	Implementation of nationally appropriate social security measures for all persons, including those of lower income levels.	Providing social security benefits to enhance the social security of 197,162 affluent and low-income Samurdhi subsidized families.			75%
		Raising the educational level of 314,039 children from subsidized families studying higher education by providing monthly scholarship under the Sipdora Scholarship Programme			78%
		Providing emergency financial assistance from Rs. 3000/= to Rs. 5000/= under World Bank Assistance to 2,575,366 families Samurdhi Beneficiaries -Existing and Waiting Listed -2,415,910 Elderly Assistance Beneficiaries 131,152 Disability Assistance Beneficiaries 25,072 and, CKD Payment Beneficiaries 3,232.who has affected by economic difficulties.			100%

Goal/ Objective		Goal	Achievement Indicators	Percentage of Achievements so far (%)		
				0% - 49%	50% - 74%	75% - 100%
			Providing emergency financial assistance from Rs. 3000/= to Rs. 5000/= under Asian Development Bank Assistance to 2,989,924 families Samurdhi Beneficiaries -Existing and Waiting Listed – 2382445 Elderly Assistance Beneficiaries 90,545. Disability Assistance Beneficiaries 90,545 CKD Payment Beneficiaries 4,3254 who has affected by economic difficulties			100%
		Ensuring equal rights of access to financial services, including appropriate new technology and microfinance.	Providing microfinance loans to 292,331 people through the banking system of samurdhi families to raise the standard of living of samurdhi and low-income families.			80%
08	Economic growth, promotion of perfect, productive and decent employment	Encouraging the establishment and development of small and medium scale enterprises	Development of 07 Samurdhi Suva Bojun stalls.		60%	
			Implementation of 276 entrepreneurship development programmes to encourage Samurdhi Entrepreneurs.		74%	
			Conducting 230 samurdhi sale fairs to create marketing opportunities for both samurdhi and low-income producers.		69%	
09	Making cities and settlements perfect, safe, strong and sustainable.	Ensure access to adequate safe and affordable housing and basic services for all and improve slum houses.	Providing financial assistance for improvement of 7,018 houses of Samurdhi beneficiary families.			80%

5.2 Achievements and Challenges in meeting Sustainable Development Goals

- i. To provide samurdhi subsidy to 1,760,485 poor families and meet their consumption needs. A sum of Rs.4,500/=, Rs. 3,200/=, Rs.1,900/= and Rs.420/= financial subsidies were given monthly to the beneficiaries under this, under 04 categories, and the financial value of the subsidies given in the year 2022 was Rs. 36,622.81.
- ii. Under the Sipdora Scholarship Programme, which is implemented with the aim of raising the educational level of the children of Samurdhi Beneficiary Families studying advanced level, the financial assistance of Rs.1,500/= per month was given for a period of 24 months totaled to Rs.36,000 and a number of 1,257,725 Samurdhi students have been given Sipdora scholarships in the year 2022 and the total value of the scholarships awarded was Rs. 10,587 million accordingly.
- iii. Providing social security benefits to a total of 221,621 families for 19,190 births, 40,472 marriages, 107,694 beneficiaries affected by diseases, and 54,265 deaths to increase the social security of Samurdhi beneficiary families. Under this, the financial value of the social security benefits provided was Rs. 3,618.78 million.
- iv. A programme to provide emergency financial assistance to samurdhi and low-income and other group families (disabled elders and kidney disease families) who faced difficulties due to the economic recession in the country, was implemented under the financing of the World Bank and the Asian Development Bank. Accordingly, a monthly financial assistance of Rs.3,000/- to Rs.5,000/- was provided for a total of 2,575,366 families belonging to the above categories under the World Bank financial assistance in between May and July 2022 period of time. The total value of the financial assistance provided was Rs.39,619.31 million.

An emergency financial aid allowance of Rs.3,000/- to Rs.5,000/- was given to a total of 2,989,924 families under the above family categories during the period from September to November 2022 under the Asian Development Bank financial assistance. The total value of the financial aid given was Rs. 44,579.20 million.
- v. To provide support to 122 beneficiaries under the additional cropping programme for green pea, peanuts and chilies plantations. The amount spent was Rs.1.45 million.
- vi. Under the Garden Development Programme, saplings and planting materials were provided to 1,140,210 gardeners for garden development at domain level. The amount spent was Rs. 14.02 million.
- vii. A sum of Rs.200,000/- for 6,680 beneficiaries under housing lottery programme, Rs.600,000/- housing assistance for 980 beneficiaries, a sum of Rs.200,000/- housing assistance for 1,045 beneficiaries and Rs.100,000/- housing assistance for 971 beneficiaries were also provided under the Housing Lottery Programme. The total value of the financial aid given was Rs. 1,413.94 million.

- viii. Being able to improve the standard of living of 175 families of Samurdhi Entrepreneurs by improving 07 Samurdhi Suva Bojun Stalls. The amount spent was Rs. 105.23 million.
- ix. Providing of microfinance credit facilities valued at Rs. 38,164 for 346,615 beneficiaries , for business development, livelihood development, self-employment and consumer needs of samurdhi and low-income earners under subsidized interest rates by 1,089 Samurdhi Community Based Banks located all over the island . A number of 296,546 Arunalu Loans implemented with community Based Organizations in 4583 Grama Niladhari Divisions amounting to Rs. 1,013 million have been paid to the beneficiaries.
- x. The growth of the value of deposits of Samurdhi Banks as compared to last year was Rs. 19,397. Accordingly, strengthening the existing banking system to accomplish the great task of empowering the low-income community through microfinance in line with the basic objectives of the Samurdhi Development Department.
- xi. Development of 19 new banks and banking societies with the aim of expanding Samurdhi Community Based Bank service and increasing credit facilities. The total amount spent was Rs.04.90 million.
- xii. Conducting 230 fairs in 25 Districts with the aim of providing marketing facilities for selling the products of Samurdhi Beneficiaries by holding fairs.
- xiii. Conducting 275 Entrepreneurship Development Programmes and providing entrepreneurship trainings to 11,300 entrepreneurs to encourage Samurdhi Entrepreneurs.
- xiv. Providing vocational guidance training under tertiary education to 8,000 children from samurdhi and low income families.
- xv. To computerize 1089 Samurdhi Community Based Banks and 335 Samurdhi Community Based Bank Societies for beneficiary transaction efficiency.
- xvi. Implementation of 335 World Poverty Eradication Day celebrations and World Children's Day celebration programmes at local level under social development.
- xvii. A summary on the economic and social benefits achieved by the programmes carried out by the officers and community leaders of the Samurdhi Development Department even in the view of the Covid epidemic situation in 2020, 2021 and the subsequent economic and political changes are shown below.

	Cost Benifit	2020	2021	2022
1	Expenditure (Rs.Mn)	67,567.06	74,156.50	83,368.30
2	Benefit value (Rs.Mn)	156,297.83	130,363.29	149,422.86
	*Economic Benifit	148,415.93	122,918.66	141,473.83
	*Social Benifit	7,881.90	7,717.63	7,949.63



Chapter - 06 - Human Resource Profile

6.1 Human Resources Management

Approved Cadre (As per approved staff on 05.07.2019)		Actual Cadre	Vacancies
Senior	108	79	29
Tertiary	1,942	1,646	296
Secondary	25,509	23,339	2,170
Primary	516	434	99
Total	28,075	25,481	2,594

6.2 How the shortage or excess of Human Resources has affected the performance of the organization

The optimal staff composition required for this Department to operate Samurdhi Banking System and other funds has been prepared and forwarded to the Management Services Department in October. As the approval for the same is in the final stage, it is expected to carry out formal recruitment for the vacant posts immediately after receiving the approval. Many challenges have to be faced due to the delays in the work.

6.3 Human Resources Management

6.3.1 Introduction

Based on the primary objective of poverty alleviation, the Samurdhi Development Department should give the necessary knowledge and training to the internal staff who actively contribute to the development programs implemented by the Department throughout the island. Accordingly, implementation of training programmes to represent all staff of the Department to provide subject-specific training to equip our officers with the necessary knowledge, attitudes and paradigms to carry out those programmes efficiently and accurately with more closer to serve the public.

6.3.2 Vision of Human Resource Development Department

“Creating strong human capital for a poverty-free Sri Lanka in 2030”

6.3.3 Mission

To create a strong human resource within the Department with the necessary knowledge, skills, attitudes and paradigms to empower the poor and get contributed to the national economy.

6.3.4 Objectives

- To create a perfect resource group in the Department and making all the staff a highly skilled human resource.
- To generate a talented staff to achieve the Mission of the Department.
- To create perfect human resource with positive attitude through proper management.
- To make the officers who act as mediators with the beneficiary community who contribute directly to the Samurdhi movement into a staff with effective and efficient characteristics.
- To assist in meeting the targets of the whole Department for the year 2022 .
 - a) Empowerment of Samurdhi beneficiary families
 - b) Making the entire banking system profitable and act as per the provisions in the Samurdhi Act.
- Provision of necessary facilities to operate Samurdhi Banks in a manner of enhancing customer attraction.

6.3.5 Implemented Projects - in the year 2022

01. Directing Officers to follow Educational and Professional Courses

Course fees were paid to the respective institutes for the courses that the officers choose personally with the aim of encouraging Departmental Officers to follow higher education courses and professional training courses to develop their professional skills.

02. Diploma Course in Social Works

Officers have been sent for training by paying 50% of the course fee for the Diploma Course in Social Work conducted by the National Institute of Social Development.

03. Subject specific Training Programmes

- i. Capacity development training was provided for office assistants related to their duties.
- ii. Training of Management Assistants.
Residential trainings were provided to management assistants assigned to all Districts including institutional, administrative and accounting related activities. Likewise, subject-specific training to new development officers in

- Kurunegala, Kalutara were given relating to their subject. Also, the Acting Managers of Kalutara District were given knowledge related to their scope.
- iii. Conducting Certificate Courses in Social Work for Samurdhi Development Officers.
A certificate course on social work, which includes matters directly related to the duties of Samurdhi Development Officers, are conducted through ZOOM technology.
 - iv. Information was given through ZOOM technology about entering data into the Human Resource Module and how to use that data for various purposes.
 - v. Management Assistants were trained in organizational administration and accounting activities with the view of developing their knowledge.

Capacity Development Training Programme conducted for the Driving Staff

A residential training program was conducted for all drivers in the Department for the capacity development of drivers including responsible performance of their role as a driver, proper maintenance of vehicles and technical matters that must be known as a driver.

04. Directing Development Managers to follow Post Graduate Diploma Courses in Community Development and Planning.

The officers of our Department have been directed to study the above mentioned Postgraduate Diploma Course conducted by the University of Peradeniya. The contents mentioned here have been prepared in relation to the development programmes and strategies implemented for the community to overcome poverty. Providing that knowledge to our officials helps to make the programmes implemented to eradicate poverty more accurate.

05. Providing NVQ Level IV certificate for A+ group under RPL Methodology.

It has been directed to Sri Lanka Vocational Training Authority for providing NVQ Level IV certificate under RPL method as an additional professional qualification to the officers who have followed the A+ course and have 04 years of work experience working at the banks and other offices levels attached to the Information Technology Division of the Samurdhi Development Department in all Districts. The program of issuing these certificates have been commenced by sending officers for practical tests in March/April 2022.

06. Certificate Course in Social Work

Certificate Course in Social Works is being conducted jointly with National Institute of Social Development (NISD) for Grade ii and iii Samurdhi Development Officers of the Department with the aim of developing skills in Social Works. Accordingly, providing additional knowledge to the officers working in 25 Districts through ZOOM technology for 06 months in this training programme.

07. Certificate Course in Accounting and Business Studies

The above training program is conducted for Samurdhi Managers and Development Officers working in Samurdhi Micro Finance Banks and Banking Societies jointly with Sri Lanka Institute of Chartered Accountancy and Business Studies. Actions are being taken to provide the necessary knowledge by conducting the above training program for 06 days under locally and internationally recognized syllabus with the aim of making our banking system more efficient and effective by giving knowledge and training on management, accounting, banking and other standard methods followed in local public and private banks.

08. Maintenance and Running of Samurdhi Training Centres.

Essential repairs were carried out at the training centers located in Matara, Samanala Lake and Nillamba, which are used for the staff training of the Samurdhi Department. Also, essential equipment were purchased to carry out the activities of the centers.

2022 - Physical and Financial Progress of Implemented Projects

Index No.	Training Programme	No. of Employees Trained	Duration of the Programme	Total Investment (Rs.000)		Nature of the Programme (Local/Foreign)	Output/ Knowledge Gained
				Local	Foreign		
Local Training Programmes							
1	Officer Training Programmes organized by Head Office						
	1. Capacity Development Programme - Driver	87	02 Days	550,000.00		Local	A number of 87 Departmental drivers were trained . The essential facts and technical knowledge that drivers need to know were imparted in this training programme.
	2. Awareness Program for District Managers on Community Development.	12	01 Day	7,260.00		Local	A number of 12 Managers were informed about the subject of Community Development.
2	1. Payment of Professional Development Course fees.	8		358,350.00		Local	Course fees paid for 8 officers. The additional knowledge needed to carry out Departmental activities were provided.
	2. Granting NVQ Level 4 certification for A+ officers.	188	03 Months			Local	Evaluation of the professional skills of officers who have completed the A+ course.
	3. Payment of 50% of the course fee (60000/ x39 = 2340000) for Samurdhi Managers for Reading for Post Graduate Diploma (Community Development) in University of Peradeniya.	39	12 Months			Local	Providing knowledge to 39 Managers regarding new strategies for poverty alleviation. It is possible to acquire additional knowledge from this for duties.

Index No.	Training Programme	No. of Employees Trained	Duration of the Programme	Total Investment (Rs.000)		Nature of the Programme (Local/Foreign)	Output/ Knowledge Gained
				Local	Foreign		
	4. Payment of 50% of course fees to follow Diploma in Social Works conducted by NISD for Samurdhi Development Officers	22	06 Months	330,000.00		Local	To provide the necessary knowledge to strengthen the employment activities of Samrudhi Development Officers.
	Sub - Total			1,245,610.00			
3	Officer training programs organized by district offices						
	1. Conducting a capacity development training program for K.K.S Officers in all Districts	75	02 Days	263,051.65		Local	Knowledge of the essential facts to be known by the K.K.S Officers was imparted.
	2. Training Programme of Acting Kalutara District Managers	41	02 Days	35,300.00		Local	Made aware on the essentials matters to know about the scope of duties.
	3. Capacity Development Training for Assistant Managers in all Districts	57	03 Days			Local	The professional knowledge of management assistants was developed through this.
	4. Conducting an Enterprise Development Training Programme for newly appointed Development Officers in Kurunegala District	55	01 Day	15,250.00		Local	The enterprise development knowledge of Development Officers was developed.
	5. Training of Mannar District Officers on Human Resource Module	22	01 Day	17,000.00		Local	Prepare personal files efficiently and accurately at low cost

Index No.	Training Programme	No. of Employees Trained	Duration of the Programme	Total Investment (Rs.000)		Nature of the Programme (Local/Foreign)	Output/ Knowledge Gained
				Local	Foreign		
	6. Training on processing of pension for Officers in North East Regions	112	01 Day	130,400.00		Local	Preparation of pension files efficiently and accurately
	7. Online Training on Human Resource Module - For District/Regional Officers	441	01 Day	13,500.00		Local	Prepare personal files efficiently and accurately and at low cost
4	Directing of suitable officers for overseas training opportunities conducted by the External Resources Department.	50				Foreign	
	Sub - Total			474,501.65			
	Total			1,720.111.65			
Expenditure Head 331-02-02-003-02509							
5	i. Samanala Wewa Training Centre			985,625.37			Refurbishment of canteen and installation of Exhaust fans
	ii. Nillamba Training Centre			1,963,405.84			Renovation of hostel, canteen, bathrooms, playground
				388,779.25			Purchase of equipment
				337,159.10			Payment of retention fees
	iii. Matara Wewa Training Centre			1,439,156.44			Repair of security gate and walls
				78,279.76			Purchase of equipment
				776,000.00			Purchase of Desktop, Multimedia, Projector, Laptop
				183,630.00			Repair of Elevator
				158,700.00			Elevator service charges
	Sub - Total			6310735.76			

Index No.	Training Programme	No. of Employees Trained	Duration of the Programme	Total Investment (Rs.000)		Nature of the Programme (Local/Foreign)	Output/ Knowledge Gained
				Local	Foreign		
6	Programmes organized for District Officers						
	1. Online Training on Human Resource Module - For Subject Managers	225	01 Day	31,500.00		Local	Prepare personal files efficiently and accurately at low cost
	2. Training on processing of pension for Officers in all Districts	85	03 Days	433,455.00		Local	Preparation of pension files efficiently and accurately
	3. Payment of course fees for Certificate in Social Work conducted by NISD for Samurdhi Development Officers	700	06 Months	1,187,500.00		Local	Providing the necessary knowledge to strengthen the work activities of Samrudhi Development Officers.
	4. Conducting a Bank Officer Training Programme in Monaragala and Kalutara Districts.	110	01 Day	103,950.00		Local	Providing the necessary knowledge to strengthen the work of officers
	5. Conducting a Capacity Development Training Programme in Kalutara District	60	02 Days	65,550.00		Local	Providing the necessary knowledge to strengthen the duties of officers
	6. Conducting a Capacity Development Training Programme in Kurunegala District	200	02 Days	130,240.00		Local	Providing the necessary knowledge to strengthen the duties of officers
	7. Japanese Language Training Programme for Samurdhi Beneficiary Families in Kurunegala District	264	01 Day	47,760.00		Local	Providing the necessary knowledge to strengthen the duties of officers
	8. Regional Audit Officer Meeting	135	01 Day	85,875.00		Local	
7	Officers Training Programmes organized by Head Office						
	1. Payment of Higher Education Course fees	06	06 Months	457,950.00		Local	This was done by providing the officers with the necessary additional knowledge to carry out Departmental activities

Index No.	Training Programme	No. of Employees Trained	Duration of the Programme	Total Investment (Rs.000)		Nature of the Programme (Local/ Foreign)	Output/ Knowledge Gained
				Local	Foreign		
	2. Conducting Capacity Development Training Programme for MN II Officers	146	02 Days	93,750.00		Local	Providing the necessary knowledge to strengthen the duties of officers
	3. Salary -Training Metropolitan Campus	3	03 Days	54,000.00		Local	
	7. Training of Officers in Investigation Unit	20	01 Day	30,229.00		Local	Providing the necessary knowledge to strengthen the duties of officers.
	Sub - Total			2,721,759.00			
	Total			9,032,494.76			
8	Conducting training course on accounting and business studies by CMA institute for bank staff	298	06 Days	6,348,550.00		Local	Carrying out banking activities in Samurdhi Micro Finance Banking System as per standard procedures
	Sub – Total (Micro-finance Banking Provisions)			6,348,550.00			
	Total			17,101,156.41			

Chapter 07 – Compliance Report

PS. No.	Requirement Need to be Applied	Compliance status (Compliance / Non-compliance)	If not, give a brief explanation	Accurate decision - making measures that are proposed to prevent non-compliance in the future
1	The following financial statements / accounts have been submitted on the due date			
1.1	Annual Financial Statements	Complied.		
1.2	Advances to Public Officers' Account	Complied.		
1.3	Business and Product Advance Account (Commercial Advance Account)	Not applicable	Commercial Advance Accounts are not maintained.	
1.4	Stores Advance Account	Not applicable.	Stores Advance Accounts are not maintained.	
1.5	Special Advance Account	Not applicable	Special Advance Accounts are not maintained.	
1.6	Other	Not applicable	Other Advance Accounts are not maintained.	
2	Maintenance of Books and Documents. (Rs. 445)			
2.1	Updating and maintaining the Register of Fixed Assets as per Public Administration Circulars 267/2018	Complied		
2.2	Updating and maintaining personal payroll documents / personal payroll cards	Complied.		

No.	Requirement that should be applied	Compliance status (Complied / Non-compliant)	If not comply, give a brief explanation	Accurate decision actions that are proposed to prevent non-compliance in the future
2.3	Updating and maintaining the audit query list	Complied.		
2.4	Updating and maintaining the internal audit record	Complied.		
2.5	Prepare all monthly account summaries (CIGAS) and submit to the Treasury on the due date	Complied.		
2.6	Update and maintain cheques and Money Order Register	Complied.		
2.7	Update and maintain Inventory	Complied.		
2.8	Update and maintain Stock Register	Complied.		
2.9	Update and maintain the Register of Losses and Damages	Complied.		
2.10	Update and maintain the Register of Liabilities	Complied.		
2.11	Updating and maintaining the Receipt Book Register (GA-N20)	Complied.		
03	Representation of functions for financial control (Rs. 135)			
3.1	Financial Powers should be delegated within the institution	Complied.		
3.2	It should be informed within the institution about the delegation of financial powers	Complied.		
3.3	Delegation of powers so that each transaction is approved by two or more officers	Complied		
3.4	When using Government Payroll Software Package, taking actions as per the control of the Accountants as per State Accounts Circular No. 171/2004 dated 11.05.2014	Complied		

No.	Requirement that should be applied	Compliance status (Compliance / Non-compliance)	If not complied, give a brief explanation	Accurate decision actions that are proposed to prevent non-compliance in the future
04	Preparation of Annual Plans			
4.1	Preparation of Annual Action Plan	Complied		
4.2	Preparation of Annual Procurement Plan	Complied		
4.3	Preparation of Annual Internal Audit Plan	Complied		
4.4	Prepare the Annual Estimate and submit it to the National Budget Department (NBD) on the due date.	Complied		
4.5	Presentation of the Annual Cash Flow Statement to the Treasury Operations Department on the due date	Complied		
5	Audit Queries			
5.1	All the audit queries should be answered by the date fixed by the Auditor General	Complied		
6	Internal Audit			
6.1	Preparation of Internal Audit Plan - after discussing with the Auditor General at the beginning of 2019, F.R. 134 (2) DMA /1	Not applicable	Queries issued must be answered.	Arrangements have been made to bring answers through the district audit units.
6.2	Reply to all Internal Audit Reports within one month.	Complied		
6.3	Submission of copies of all internal audit reports to the Department of Management Audit in terms of sub-section 40 (4) of the National Audit Act No. 19 of 2018 .	Complied		

No.	Requirement that should be applied	Compliance status (Compliance / Non-compliance)	If not complied, give a brief explanation	Accurate decision actions that are proposed to prevent non-compliance in the future
6.4	Copies of all Internal Audit Reports submitted to the Auditor General in accordance with Financial Regulation 134 (3) .	Complied		
7	Audit and Management Committees			
7.1	It should have maintained at least 04 Audit and Management Committees during the relevant year according to DMA Circulars 1-2019.	Complied		
8	Assets Mangement			
8.1	Submitting information on purchases and misappropriation of assets to the Comptroller General's Office according to the Chapter 07 of the Asset Management Circular No. 01/2017.	Complied		

09. සංවර්ධන වැඩසටහන්වලට අදාළ ඡායාරූප Photographs related to Development Programs அபிவிருத்தி நிகழ்ச்சித் திட்டம் தொடர்பான புகைப்படங்கள்

➤ ජීවනෝපාය සංවර්ධන අංශය Livelihood Development Sector வாழ்வாதார அபிவிருத்திப் பிரிவு

“ හරිත දෑයක් “ ජාතික ගෙවතු
වගා වැඩසටහන

“Harith Dayak” - National
Home Gardening Program

ஹரித்தயக் - தேசிய வீட்டுத்
தோட்ட நிகழ்ச்சித்திட்டம்



➤ සමාජ සංවර්ධන හා පරිසර අංශය - සමෘද්ධි නිවාස ලොතරයි දිනුම් ඇදීම. Social Development Sector - Samurdhi Housing Lottery Draw சமூக அபிவிருத்திப் பிரிவு - சமுர்த்தி வீடமைப்பு லொத்தர் சீட்டிழுப்பு

දියතලාව, පිටරත්මලේ, ආරච්චිකට්ටුව ප්‍රාදේශීය ලේකම් කොට්ඨාශවල ලොතරයි දිනුම්කරුවන්
Housing Lottery Winners at Diyatalawa, Pitarathmale and Arachchikattuwa DS Division
வீடமைப்பு லொத்தர் சீட்டிழுப்பு வெற்றியாளர்கள் - தியத்தலாவ, பிதறத்தமு ரூ ஆராச்சிக்கட்டு பிரதேச செயலகப் பிரிவு



සමෘද්ධි ප්‍රතිලාභී පවුල්වල කායික
මානසික සෞඛ්‍ය ප්‍රවර්ධන වැඩසටහන
ප්‍රා/ලේ කොට්ඨාසය- අක්මීමණ
Physical and mental health
promotion programs for Samurdhi
beneficiary families
DS division-Akmeemana
சமுர்த்திப் பயனாளிக்
குடும்பங்களுக்கான உடல் மற்றும்
மனநல மேம்பாட்டுத்திட்டம்
பிரதேச செயலகப்பிரிவு -
அகம்மீமண



ලෝක ළමා හා වැඩිහිටි
දිනට සමගාමී සමාජ
සංවර්ධන වැඩසටහන
Social development
program concurrently
with World Children
and Elderly Day
உலக சிறுவர் மற்றும்
முதியோர் தினத்துடன்
இணைந்ததான சமூக
அபிவிருத்தி
நிகழ்ச்சித்திட்டம்



සිප්දොර ශිෂ්‍යත්ව-
පුත්තලම දිස්ත්‍රික්කය
Sipdora Scholarship -
Puttalam District
சிப்தொர புலமைப்
பரிசில் - புத்தள
மாவட்டம்



බැංකු පරිගණකගත කිරීම-
පුත්තලම / දිස්ත්‍රික්කය
Bank Computerized
Programme - Puttalam/
இணைவசைஉவ
வங்கி கணனி
மயப்படுத்தல்
நிகழ்ச்சித்திட்டம் -
புத்தளம் மாவட்டம்

