Format (No. 01)

COMMITTEE ON PUBLIC ACCOUNT – 2ND REPORT 2021

Parliamentary series No 290

Name of the Institutions – State Ministry of Batik, Handloom and Logical Apparel Products

(At present there is no ministry by this name. The scope has been placed under the Ministry of Industries by Gazette No. 2289/43 dated 22.07.2022.)

Shortcomings identified by the Committee for the year 2021	**Action taken by the Institution to rectify the Shortcomings /Current Status**
Part 01 - 81.0	
The register of Losses had not been updated and maintained.	Since no losses were reported for the year 2021 the register of losses was not started and currently, the deficiency is corrected and a register of losses is started and updated.
In terms of State Accounts Circular No.171/2004 of 11.05.2004, the first, the second, and the third password passwords of the software system was not changed every three months.	Passwords were not changed as only graduate trainees recruited to the newly formed Ministry and who have no payroll software system handling experience the Chief Accountant used the payroll software to perform payroll processing on his own. The relevant officers have been given formal training on the use of the Payroll software and assigned the payroll processing duties to them. After the assignment of duties of salary, passwords have been changed once every 03 months.
At least 02 meetings of the Audit & Management Committee had not been held per year	Officials of the State Ministry of Batik, Handloom and Local Garments as well as the government institutions under it were affected by the "COVID-19 epidemic and had to be closed down the office from time to time, so Audit Management Committee Meetings could not be held. Audit Management Committee Meetings have been held after office works have returned to normal.

A suitable liaison officer appointed to coordinate the implementation of the provision of the circular and the details of the nominated officer were not sent to the Comptroller General's Office in terms of paragraph 13 of the aforesaid Circular.	Shortcomings reported in 2021 were corrected and a suitable Liaison officer was appointed and sent to the Comptroller General's Office to carry out the work in due course.
The excesses of deficits that were disclosed through the BOS and other relating recommendations, actions were not carried out during the period specified in the circular.	Due to the restrictions, rules, and guidelines in response to the COVID-19 pandemic imposed on government offices, there was a delay in taking recommended action on excesses and deficiencies identified in the Board of Survey. Necessary actions have been taken to correct those and prevent the same errors from happening again.
Log books on all vehicles were not maintained on up to date basis.	After this shortcoming was detected, necessary measures were immediately taken and the log books of each vehicle are being updated and maintained.
Fuel consumption of vehicles belonging to the Ministry/ department had not been re tested in terms of the provisions of paragraph 3.1 of the Public Administration Circular No. 30/2016 of 29.12.2016	In the year 2021, it was difficult to implement the fuel combustion tests due to some control measures of the COVID-19 epidemic in the country, like nationwide curfews travel restrictions, etc. Currently, fuel combustion tests are conducted duly.
Part 02 - 44.00	
There was no register maintained to keep records of information provided / not provided in response to requests made by the public.	Currently, Necessary actions are being taken to maintain the relevant documents.
There were no records maintained to document complaints received about not furnishing information required by the Public and to provide explanations on action taken with regard to such complaints.	Currently, Necessary actions are being taken to maintain the relevant Register.
A website had not been created or maintained to provide information about the institute to the public.	After the existing Ministry of State was established as a division of the Ministry of Industry, necessary measures were taken to include and update all the information for the website.

The website that is maintained by the institution does not provide an opportunity for the Public to lodge complaints or to give comments.	After the existing Ministry of State was established as a division of the Ministry of Industry, necessary actions were taken to Correct those shortcomings.
The Institution had failed to identify the sustainable development goals applicable to its scope.	After the existing Ministry of State was established as a division of the Ministry of Industry, several training workshops to identify SDGs were conducted for relevant officials, and currently, development Goals are introduced and progress is regularly monitored.
The targets to be reached to achieve the identified sustainable goals had not been decided.	After the existing Ministry of State was established as a division of the Ministry of Industry, several training workshops to identify the targets to be reached to achieve identified SDGs were conducted for relevant officials, and currently, the targets have been identified and progress of those are regularly monitored.
The indicators to measure the progress of implementation of Sustainable Development Goals had not been set.	After the existing Ministry of State was established as a division of the Ministry of Industry, several training workshops to identify the Indicators to measure the progress of implementation of SDGs were conducted for relevant officials, and currently, Key Performance Indicators are identified, and the progress of those are regularly monitored.
A methodology had not been formulated to monitor and evaluate the application of citizen /Client charter by the institutions.	Necessary action has been taken to correct those shortcomings and, methodology has been introduced to monitor and indicate the implementation of the citizen /Client charter.
The Audit Opinion about the accounts of the institution had been a disclaimed opinion or unfavorable opinion.	In the year 2021, due to the prevailing COVID-19 pandemic, several control measures were imposed on government institution activities; accordingly, only priority tasks have been identified and implemented. Even though several shortcomings can be identified, overall, no abnormal errors fraud, or irregularities have occurred.

The institution had not identified three performance indicators which can measure the progress of performing the functions of the institute so as to make its function clear. in line with para 12.1 of the Public Finance Circular No. 02/2020 dated 28.08.2020.	Currently, necessary actions were taken to correct those shortcomings., and Performance indicators are identified.

Dr. Ramesh Pathirana (P. M.)

Minister of Industries

Dr. Ramesh Pathirana (M.P.)
Minister of Industries
Ministry of Industries
No. 73/1, Galle Road,
Colombo 03.

Format (No. 01)

COMMETTEE ON PUBLIC ACCOUNT – 2ND REPORT 2021

Parliamentary series No 290

Name of the Institutions – State Ministry of Rattan, Brass, Pottery, Furniture and Rural Industrial Promotion

(At present there is no ministry by this name. The scope has been placed under the Ministry of Industries by Gazette No. 2289/43 dated 22.07.2022.)

Shortcomings identified by the Committee for the year 2021	Action taken by the Institution to rectify the Shortcomings /Current Status
Part 01 -93.0	
➢ Answers had not been submitted to all the internal audit quarries within one month	At Present, answers for internal audit queries are submitted within one month
➢ The emblem of the state had not been painted on all pool vehicles.	Although the necessary arrangements had been made to paint the national emblem on the vehicles under the State Ministry, it couldn't be completed due to the abolition of the Ministry. Accordingly, necessary action is being done to paint national emblem on the vehicles.
➢ Loan balances in arrears for over one year had not been settled.	These loan balances are taken over Ministry of Science & Technology. At present necessary actions are taken to recover these loan balances.
➢ The staff had been recruited/ attached exceeding the approved limit.	At the time of recruitment of new Development Officers, were assigned on the basis of service requirement and later arrangement have been made to approve the posts.
Part 02-88.0	
➢ The Citizens/ Clients Charter had not been prepared or applied properly.	The Ministry's Citizens/ Clients Charter was prepared but due to the abolition of the Ministry, it could not be implemented.
➢ A methodology had not been formulated to monitor and evaluate the application of Citizen/ Client Charter by the institutions.	Although a method was prepared for monitoring and evaluation, it could not be implemented due to the abolition of the ministry.

Dr. Ramesh Pathirana (M. P.)
Minister of Industries

Parliamentary Publication Serial No-290

Name of the Institution- State Ministry of Gem and Jewellery Related Industries.

Evaluation of financial compliance and operational performance of government agencies, provincial councils and local governments through online information management system – 2021

Part 1

Sub no	Deficiencies identified by the committee	Actions taken to correct deficiencies and current status
1	Fixed assets register had not been updated maintained.	The fixed asset register is updated and maintained From the year 2022.
2	Register of Audit queries had not been updated and maintained.	The audit query register is maintained continuously from the year 2022 onwards.
3	The internal audit programme had not been submitted to the Auditor General in terms of Financial Regulations M.R.134(2).	The State Ministry of Gem and Jewellery Related Industries was abolished on 9th May 2022 and currently operates as a division under the Ministry of Industries and copies of internal audit reports are sent to the Auditor General.
4	The information about purchased of assets and disposals relating to year 2018 had not been submitted to the Comptroller General's office in terms of paragraph 07 of the Asset Management Circular No 01/2017 of 26 june 2017.	The State Ministry of Gem and Jewellery Related Industries was established on 30 August 2020, and no purchases or disposals have taken place in 2018. Currently operating as a division under the Ministry of Industries, all asset purchases and are disposals reported to the Comptroller General.
5	A suitable liaison officer appointed to coordinate the implementation of the provisions of the circular and the details of the nominated officer were not sent to the comptroller General's office in terms of paragraph 13 of the aforesaid circular.	In 2021 these task has not been completed but in 2022 an officer has been appointed and reports to the Comptroller General.
6	Documents to confirm ownership of all vehicles were not in possession.	The work related to this is being updated.
7	The emblem of the state had not been painted on all pool vehicles.	Currently under the Ministry of Industry as a division, work is being done to paint the Emble of state for the pool vehicles.
8	Fuel consumption of vehicles belonging to the Ministry/Department had not been re-tested in terms of the provisions of paragraph 3.1 of the public administrations circular No.30/2016 of 29.12.2016.	There are two pool vehicles in the primary Industries Division of the Ministry of Industries, Among them fuel combustion was tested in one vehicle. The rest of the vehicle and the vehicles attached to the state minister of primary Industries and his private staff will be inspected.

9	Bank reconciliation statements had not been prepared, certified and submitted for audit by the due date.	All bank reconciliation statements up to December 2023 have been prepared and submitted with copies to the Auditor General.
	Part 2	
Sub no	**Deficiencies identified by the committee**	**Actions taken to correct deficiencies and current status**
1	A website had not been created and maintained.	Although preliminary work was planned to create a website for the Ministry of State, the work was stopped due to the abolition of the Ministry of State. As it currently exists as a division under the Ministry of Industry, the information related to the division is shown on the website.
2	Citizen/client charter not been properly prepared.	Citizen / Client charter prepared.
3	Human resource plan not been prepared.	A human resource plan is prepared.
4	per performance contracts with staff.	Developed performance agreements and signed performance agreements with staff.
5	Less than 50% of training opportunities provided out of planned training opportunities.	In the year 2023, all the training programs planned by the primary industry sector have been conducted.
6	The audit opinion on the account of the Institution had been a disclaimed opinion or an unfavorable opinion.	The Auditor General has submitted a qualified audited opinion in the year 2021. The deficiencies shown in it have been corrected by now.

Dr. Ramesh Pathirana (M.P.)
Minister of Industries
Ministry of Industries.

Format (No. 01)

Parliamentary Series No: 290

Institution Name: Department of Registrar of companies

Part I : 94.00

	Deficiencies identified by the committee mentioned in the report	Steps taken by the institution to rectify the deficiencies / current status
1	The excesses and deficits that were disclosed through the board of survey and other relating recommendations, actions were not carried out during the period specified in the circular .	The price committee was appointed on 15.03.2022 for the valuation of commodities which were recommended to sale by the committee of the Board of Survey 2021. The price committee submitted their report on 09.12.2022 and secretary has given approval to sale according to the F R 747 on 27.12.2022. Auction of goods has been held on 29.12.2022 and collected income Rs. 211,260/= has been credited to the government Revenue.
2	Daily running records and monthly summaries of the pool vehicles were not prepared and submitted to the Auditor General.	At present, the drivers are informed in writing and the driving records and monthly summaries are duly sent to the Auditor General.
3	Loan balances in arrears for over 1 year had not been settled	Arrangements are being made as per the instructions of the Public Accounts Department to settle the loan balance. **Transferred** T.M.V. Peiris - Attorney General's Department (1989.01.17) - Rs. 10,935.00 M.G. Madduma Bandara - Walasmulla Zonal Education Office (2000.09.02)- Rs. 32,540.00 K.K.D.RA. Hemachandra - Ministry of Plan Implementation (1998.07.01)- Rs. 77,266.00 **Retired,** W.A. D. S. Wijetunga - Rs. 200,200.00 This loan amount has ben collected as monthly installment from Mrs. M.W.M.M.K. Wijerathne (Management Service Officer) is working in the Election Commission who is the guarantor **VOP** K.A. Fernando - Rs. 17,000 Legal Action is being taken to recover this loan amount.
4	Not handed over the Duty list to all the staff	By now duty lists have been made to all staff.

Format (No. 01)

Parliamentary Series No: 290

Institution Name: Department of Registrar of companies

Part II :75.00

	Deficiencies identified by the committee mentioned in the report	Steps taken by the institution to rectify the deficiencies / current status
1	A human resource plan drafted in keeping with the provisions of public administration was not available.	A human resource plan is prepared.
2	Performance agreement covering the entire staff had not been drafted or entered.	Performance contracts are currently being prepared.
3	A senior officer of the institution had not been named for the preparation of human resource development plans and to implement capacity and skill development programs.	For this, the Assistant Registrar General of Companies, Mr. R.R.S.C. Ratnayake has been appointed.
4	Out of the training opportunities planned, the extent of training opportunities granted, was less than 50%.	Due to the covid epidemic in 2021, it was not possible to gather officers for training activities, so only essential training courses were conducted through the communal system.

Dr. Ramesh Pathirana (M.P.)
Minister of Industries

Parliamentary Series No. 290

Name of Institution - Department of Textile Industry

Evaluation of Financial Compliance and Operational Performance of Government Institutions, Provincial Councils and Local Government Institutions through online Information Management System – Fiscal Year 2021

Sub no.	Deficiencies identified by the committee mentioned in the report	Actions taken by the organization to correct deficiencies and current status
1.	The internal audit programme had not been prepared to the Auditor General in terms of Financial Regulation 134(2)	Even though, several requests had been made to Ministry of Public Administration to appoint an Internal Auditor, appointment was not made until now. Therefore, Secretary of Ministry of Industries did an internal arrangement as Chief Internal Auditor of the Small and Medium Enterprise Development Division of the Ministry of Industry have been assigned Internal Auditor's functions from 02.08.2023 of the Department of Textile Industry and Internal Audit Program will be prepared and send properly.
2.	Citizen/client charter had not been prepared properly	The citizen charter has been properly prepared and a committee has been appointed for follow-up and to make necessary amendments accordingly.
3.	Performance agreements covering the entire staff had not been drafted or entered	Now performance agreement has been drafted and duties assigned to officials.
4.	Out of the training opportunities planned, the extent of training opportunities granted, was less than 50%	In 2023, all the necessary training programs planned by the Department have been conducted.

Dr. Ramesh Pathirana (M.P)
Minister of Industries
Ministry of Industries