

# 2024

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செயலாற்றுகை அறிக்கை  
**PERFORMANCE REPORT**



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இலங்கை மதுவரித் திணைக்களம்

**EXCISE DEPARTMENT OF SRI LANKA**



இதில், நுகர்வோர் கை கார்ப்பீக கம்பென அமைச்சு  
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**MINISTRY OF FINANCE, PLANNING AND ECONOMIC DEVELOPMENT**





# **PERFORMANCE REPORT**

## **2024**

**Prepared as per the Guidelines No. PFD / RED / COPA / 2019 / 01 dated 30.01.2020 and submitted through the Department of Public Finance of the Ministry of Finance, Economy and Policy Development of the Democratic, Socialist, Republic of Sri Lanka**



## Annual performance Report for the year 2024

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## Content

Page No.

<b>Chapter</b>	<b>01</b>	<b>Institutional Profile / Executive Summary</b>	
1.1		Introduction	137
1.2		Vision, Mission and Objectives, Key Functions and values Of the Excise Department of Sri Lanka	138
1.3		Organizational Structure of Excise Department of Sri Lanka	141
1.4		Geographical Locations of Regional offices of Excise Department of Sri Lanka	142
<b>Chapter</b>	<b>02</b>	<b>Progress and the Future Outlook</b>	
2.1		Special Achievements	145
2.2		Future Goals and challenges	150
2.3		Welfare	152
<b>Chapter</b>	<b>03</b>	<b>Overall Financial Performance of the year</b>	
3.1		Statement of Financial Performance	157
3.2		Statement of Financial Position	158
3.3		Statement of Cash Flows	159
3.4		Statement of Financial Performance – Excise Reward Fund	160
3.5		Statement of Financial Position - Excise Reward Fund	161
3.6		Statement of Cash Flows - Excise Reward Fund	162
3.7		Notes to the Financial Statements	163
3.8		Performance of the Utilization of Allocation	163
3.9		In terms of F.R.208, granting allocations of the excise department of Sri Lanka as a Departmental Agent.	164
3.10		Performance of Reporting Non-Financial Assets	164
3.11		Summary Report of the Auditor General- Excise Department of Sri Lanka	30
3.12		(Sinhala Version) - Annexure 1 Summary Report of the Auditor General – Excise Reward Fund (Sinhala Version) Annexure 2	30
<b>Chapter</b>	<b>04</b>	<b>Performance Indicators</b>	
4.1		Introduction	167
4.2		Performance Indicators of the Institute	169
<b>Chapter</b>	<b>05</b>	<b>Performance of Achieving Sustainable Development Goals (SDG)</b>	
5.1		Introduction	173
5.2		Activities and progress of the Excise Department of Sri Lanka based on the Sustainable Development Goals	174
<b>Chapter</b>	<b>06</b>	<b>Human Resource Profile</b>	
6.1		Cadre Management	181
6.2		Impact of the shortage or excess in human resources on the performance of the institute	181
6.3		Details of vacancies in the year 2021	182
6.4		Human Resource Development (Training Programmes)	185
<b>Chapter</b>	<b>07</b>	<b>Compliance Report</b>	
7.1		Compliance Report on the manner of contribution to the departmental Performance.	191



# Chapter 01

## **Institutional Profile / Executive Summary**

- 1.1 Introduction
- 1.2 Vision, Mission and Objectives and Key functions and values of the Excise Department of Sri Lanka
- 1.3 Organizational Structure of the Excise Department of Sri Lanka
- 1.4 Geographical Locations of the Regional Offices of the Excise Department of Sri Lanka



## 1.1 Introduction

Excise Department of Sri Lanka over one hundred- and eleven-years old history, is a key government revenue collection institution. In addition, the Department carries into effect three-missions as excise revenue, tobacco and beedi tobacco tax management, enforcing the relevant laws and social security. Over the period of one hundred and twelve years from the year 1912, a number of special events were reported and the year 2024 was marked by a strengthened commitment to increasing revenue and contributing government revenue.

I was appointed as the Commissioner General of Excise of the Excise Department of Sri Lanka on the decision of the Cabinet of the Parliament of Sri Lanka on 12.12.2024. Additional Commissioner General of Excise, a Chief Financial Officer, A Commissioner of Excise and an Acting Commissioner of Excise, a Chief Accountant and an Acting Accountant, a Deputy Commissioner of Excise, five Acting Deputy Commissioners of Excise, a Chief Internal Auditor, a Legal Officer, Assistant Director (Information Technology) and two Administrative Officers served in the department for administrative and monitoring activities for the year 2024 that under review.

Furthermore, there is an Audit Division representing the Auditor General's Department and a Statistics Division representing the Department of Census and Statistics.

Department extends an island wide service with 13 Offices of Assistant Commissioners of Excise, 31 Offices of Superintendents of Excise, 56 Excise Stations, 28 liquor manufactories, 14 distilleries, 05 Special Excise Operation Units and a Law Enforcement Division for Drugs. In addition to the above, permanent staff have been deployed in the Excise Units related to Tobacco and Liquor Manufactories.

The revenue target given to the Sri Lanka Excise Department for the year 2024 is 232 billion rupees. The targets were given to collect this total revenue as 230 billion rupees by liquor tax revenue and 2 billion rupees by tobacco tax revenue. In 2024, the Department was able to collect Rs. 225.5 billion in liquor tax revenue and Rs. 1.2 billion in tobacco tax revenue. After accounting for tax deduction (Rs. 12.2 billion), the total excise revenue collected stood at Rs. 226.7 billion. Although the shortage of executive-grade and other officer positions significantly affected the Department's overall performance during the year 2024, it is praiseworthy that a revenue achievement of 98% was realized.

The Excise Officers prosecuted on 37,555 illegal liquor and drug detentions throughout the Island in 2024 and the number of fines collected was 168,785,898.00 rupees. 5,182 violations of license conditions were

reported in excise licensed premises and the composition fees levied were 159,642,538.00 rupees.

In 2024, a total of 69 seizures of illicit thendu leaves brought into the country in violation of the Tobacco Tax Act were reported, resulting in the seizure of 43,975 kilograms of thendu leaves. Consequently, a composition fee of Rs. 18.2 million and Rs. 95 million from the auction of the seized thendu leaves were credited to government revenue.

As of 31st of December 2024, the approved cadre was 1,649 employees, while the actual number in service stood at 1,142, resulting in 507 vacancies equivalent to 31% of the approved cadre. Although 56 executive-grade officer positions were approved, only 21 officers were in service during the year, reflecting a 63% vacancy rate in that category. Achieving 98% of the expected performance target despite operating with less than half the approved number of executive officers is a noteworthy accomplishment.

During the year 2024, 06 Excise Superintendents were assigned, based on seniority, to perform the duties of 08 Deputy Excise Commissioner posts. Additionally, 11 Excise Superintendents appointed to perform/cover/act the duties of Assistant Excise Commissioner posts. 31 Excise Superintendent positions were covered by Chief Excise Inspectors. Applications were called for the promotion of officers to 08 Excise Superintendent posts and 13 Chief Excise Inspector posts.

In the performance of these overall duties, I gratefully recall the support provided by the all officers related to the Ministry of Finance and the Treasury and institutes including Sri Lanka Police, Sri Lanka Customs, Inland Revenue Department, Tourism Promotion Authority, National Dangerous Drugs Control Board, Government Analyst's Department, Sri Lanka Standards Institute, National Authority on Tobacco and Alcohol and the Attorney General's Department to the Sri Lanka Excise Department.

I hereby extend my sincere gratitude to the entire Excise staff—comprising officers from all ranks, including those in Combined and Island-wide Services of the Sri Lanka Excise Department—for their dedicated support in achieving a high level of institutional performance by the Department in the year 2024.



U. L. Udaya Kumara Perera  
Excise commissioner General

**U.L. Udaya Kumara Perera**  
Commissioner General Of Excise  
Excise Department of Sri Lanka  
No. 353, Kotte Road,  
Rajagiriya.

## 1.2 Vision, Mission and Objectives and Key functions and values of the Excise Department of Sri Lanka



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Excise Department of Sri Lanka

*“වගකීමෙන් සුරක්ෂාවට”*  
*“Protection through responsibility”*

### **Vision**

To be the most respectful and responsible government institution dedicated to enhance the public revenue through formally regulating the liquor and tobacco manufacturing.

### **Mission**

“Efficient and effective administration of liquor and other approved alcohol within the country in order to assist economic growth and development through creating incisive awareness programs which are against the improper usage of illegal liquor, dangerous drugs and psychotropic substances abuse by empowering the conformity to all rules and regulations in which we have the power to take action by providing facilities for earning legal trade revenues”

## Objectives

- ∓ Maximizing Revenue collection through risk management and improving compliance of organizational prospect for the assistance of effective decision making at the strategic, operational and tactical levels.
- ∓ To provide facilities for trade through encouraging compliance of stakeholders with the laws pertaining to achieve through perpetual knowledge sharing aimed at enhancing revenue.
- ∓ Effective utilization of risk management principles is the core for achieving the equilibrium between control and providing facilities of liquor and tobacco revenue.
- ∓ Building good faith among the public on efficiency and the honesty at the time of collecting excise tax
- ∓ Regulating production and sale of alcohol, rectified spirit and denatured spirit and other approved intoxicants.
- ∓ Implementation of sustained operations and conducting awareness programs against illegal alcohol and drug use.
- ∓ Implementation of laws, rules and regulations to intercept illegal distillation of spirits and unlicensed distillation of spirits clandestinely.
- ∓ Improving capacity and abilities of employees to make sure sufficient professional and technical staff by incessant training and development.
- ∓ Maintaining dedicated staff for the service having well trained and utmost satisfaction.
- ∓ Prevention of the use of alcohol and liquor and to keep away from the illicit trafficking of drugs and psychotropic substances.
- ∓ Take necessary action to eradicate the toxic drugs and toxic liquor in trade and safeguard the public of them.
- ∓ Maintaining efficient tax system with good relationship of the Ministry of Finance and other external institutes

## **Functions and Values**

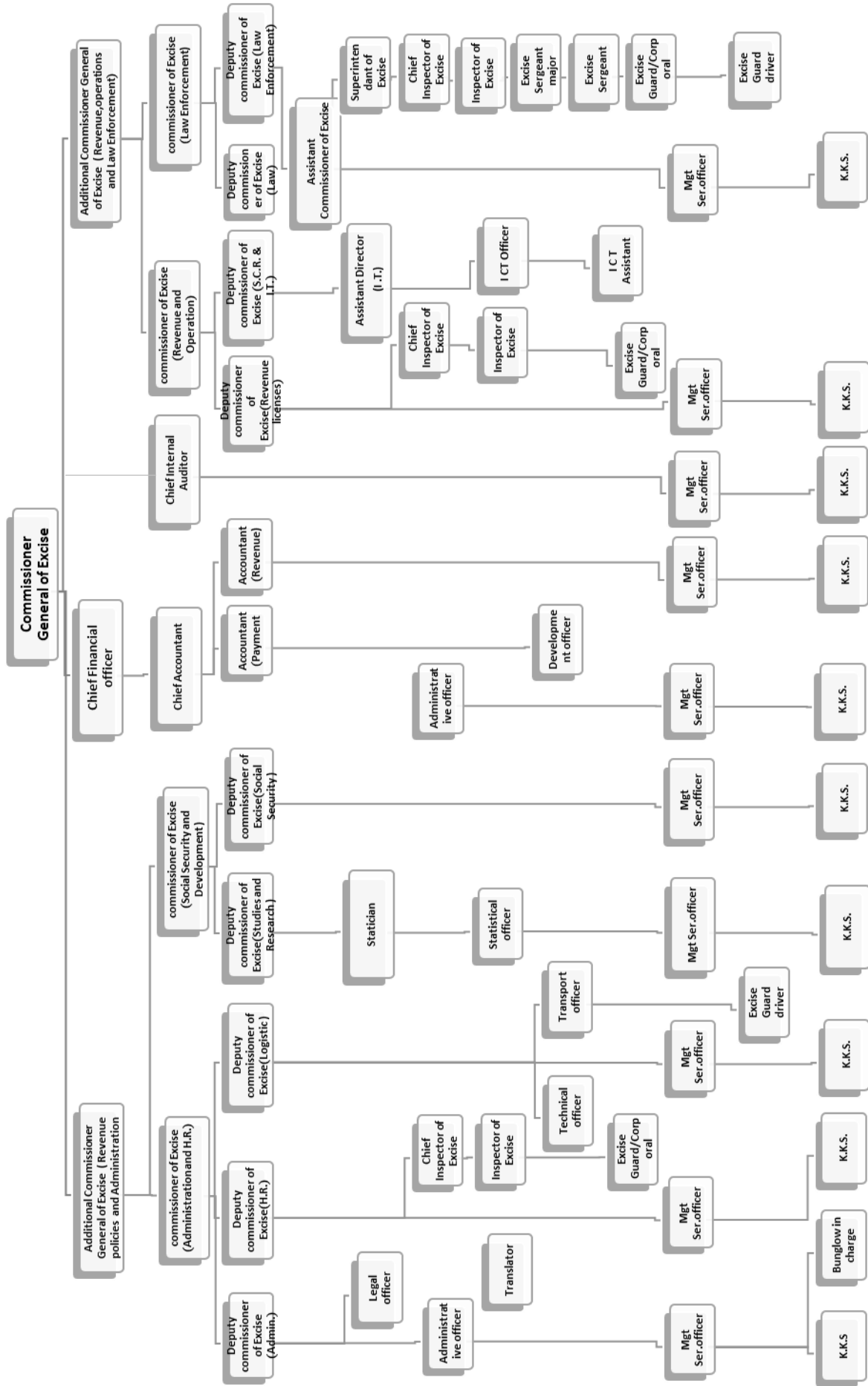
### **Functions**

- ∄ Supervision and control of all Excise licensed premises and the collection of revenue thereof.
- ∄ Efficient and effective implementation of Excise Ordinance and Tobacco Tax Act.
- ∄ Act as a law enforcement institution regarding the Poisons, Opium and Dangerous Drugs Ordinance.
- ∄ Implementation of National Authority of Tobacco and Alcohol Act for the social protection of the nation.
- ∄ Building a close relationship with other law enforcement institutions such as Police, Customs and Inland Revenue Department in Sri Lanka.
- ∄ Make awareness through institutional programs against the illicit liquor and drugs abuse and make aware students and the community about the harmfulness of illicit liquor and dangerous drugs abuse.
- ∄ Implementation of Convention against Illicit Trafficking in Narcotics Drugs and Psychotropic Substances Act No: 01 of 2008.
- ∄ Providing training for all levels of employees within the planned year.
- ∄ Active participation for meetings and discussions with all stakeholders.

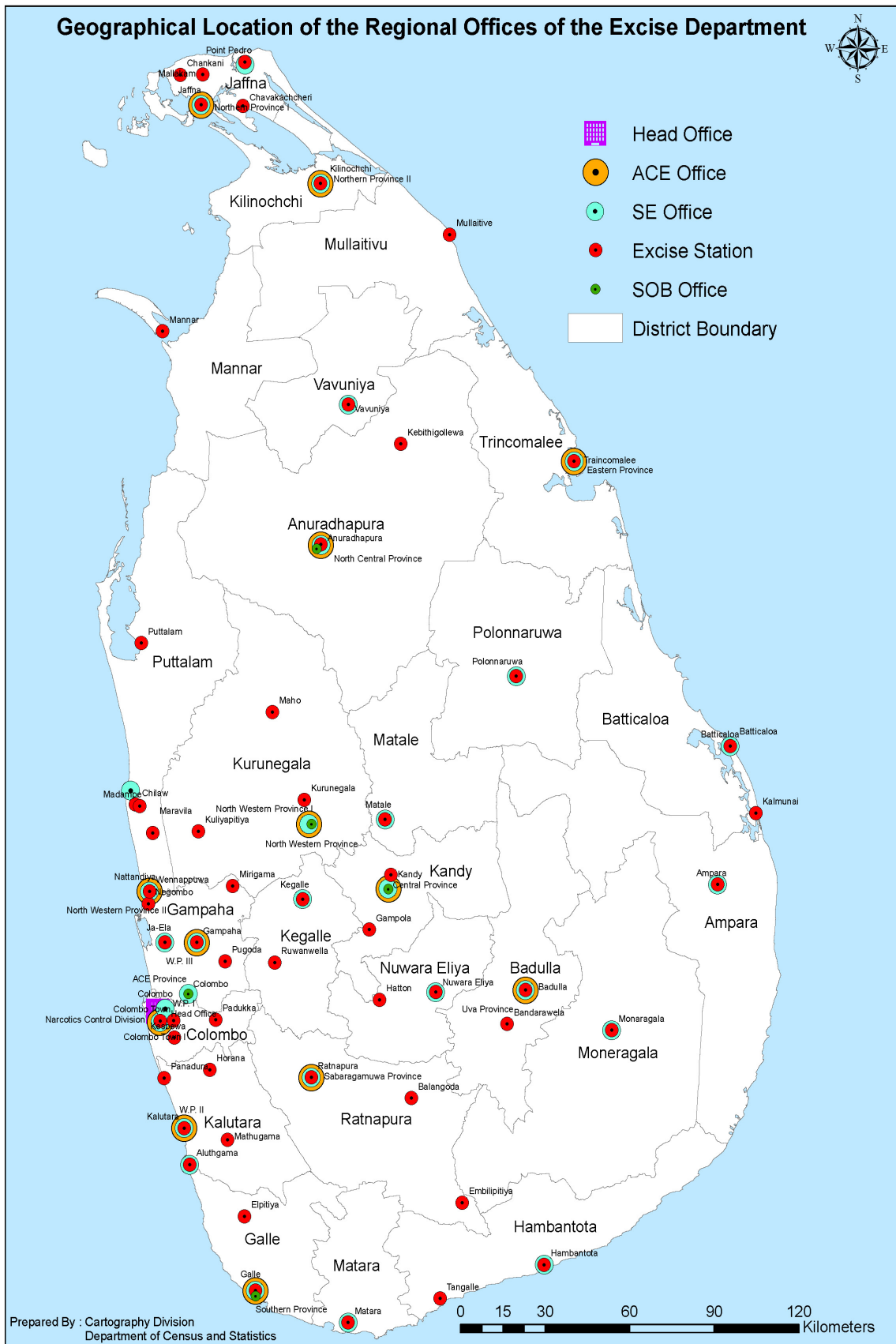
### **Values**

- ∄ Maintaining a culture for granting friendly and transparent service that treated as everyone equally.
- ∄ Having a dedicated staff with a team spirit who can move towards to achieve ultimate goal.
- ∄ Eliminate illicit alcohol and drugs aimed to chasten the children for protective future.
- ∄ Socialized a person having valued human values.
- ∄ Performing within a formal strategic plan.
- ∄ Providing efficient and utmost service to the clients through new technical methodologies.
- ∄ Accurate tax collection through modern technology.
- ∄ Maintain a reliable database.
- ∄ Implementation of programs for reducing the use of toxic drugs and toxic liquor.
- ∄ Maintain good coordination with external institutions.

### 1.3 Organizational Structure of the Excise Department of Sri Lanka



# 1.4 Geographical Locations of the Regional offices of the Excise Department of Sri Lanka



## Chapter 02

### Progress and the Future Outlook

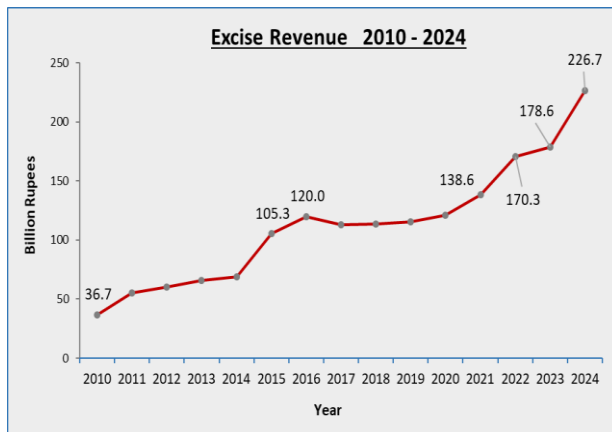
- 2.1 Special Achievements
  - 2.1.1 Revenue
  - 2.1.2 Administration
  - 2.1.3 Information Technology
  - 2.1.4 Law Enforcement
  - 2.1.5 Logistics
  - 2.1.6 Studies & Research
  - 2.1.7 Supply and Chain
  - 2.1.8 Legal
  - 2.1.9 Social Security
  - 2.1.10 Internal Audit
  - 2.1.11 Statistics
  
- 2.2 Challenges – Future Goals
  - 2.2.1 Future goals
  - 2.2.2 Challenges
  
- 2.3 Welfare
  - 2.3.1 Official Welfare
  - 2.3.2 Sports



## 2.1 Progress

### 2 : 1 : 1 Revenue

According to the action plan submitted by the Sri Lanka Excise Department to the Ministry of Finance at the beginning of the year 2024, it was agreed to collect 232 billion rupees in excise duty and tobacco tax revenue and the Ministry of Finance had given a revenue target of Rs. 230 billion for liquor tax and Rs. 2 billion for tobacco tax. Accordingly, liquor tax revenue of Rs. 225.5 billion and tobacco tax revenue of Rs. 1.2 billion were collected, bringing the total revenue collected in 2024 to Rs. 226.7 billion. Furthermore, the Island has received foreign exchange of US\$14.2 million, Euro 235,890 and UK Pounds 96,379 for exported liquor. Compared to 2023, liquor tax revenue in 2024 increased by 27%, while liquor production rose by 1.4%. Additionally, the collection progress for liquor and tobacco tax revenue has reached 98%. Compared to 2023, tobacco tax revenue in 2024 has increased by 18% .



Further, 214.58 billion rupees was able to send to the treasury after the excise duty deduction of 12.2 billion rupees on the exportation of liquor and soft liquor.

### 2 : 1 : 2 Administration

During the year 2024, 06 Excise Superintendents have been assigned duties for 08 Deputy Excise Commissioner posts according to seniority. 11 Excise Superintendents performed/covered the duties of the Assistant Excise Commissioner post.

Applications have been invited on 20.12.2024 to promote officers to 08 Excise Superintendents posts and 13 Chief Excise Inspector posts and to recruit 67 persons on super numeracy basis as per the orders of the Public Service Commission. Competitive examination has been held to recruit 22 Excise Inspector posts on a limited basis and 34 Excise Inspector posts and 100 Excise Regulator posts on an open basis and the results have been released.

A limited competitive examination was held on 2024.05.25 and an interview was held on 2024.07.24 for the recruitment of 11 Excise Guard posts on a limited basis and the results were released on 2024.08.12.

A written examination for the recruitment of 15 Excise Guard Driver posts was held on 2024.07.28 and based on the results, interviews and practical vocational tests were conducted and 12 candidates were qualified. Accordingly, they are scheduled to be appointed in the future.

Furthermore, 886 salary increments have been given to the whole staff. 139 applications have been given benefits under the Agrahara Insurance Loan Scheme and 33 officers of the uniform staff and 03 officers of the civil staff were retired and actions were carried out in relation thereto.

€ As well as, 176 bookings of circuit bungalows belonging to this Department have been made during the year. 60 duty Identity Cards have been issued for the Uniform and Civil staff.

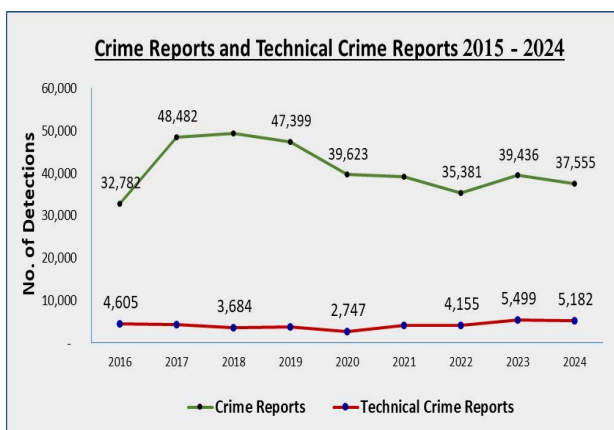
€ Under the Right to Information Act, necessary responses were sent to 68 information requests received by the Department.

### 2 : 1 : 3 Information Technology

Providing necessary recommendations and approvals for import and export activities related to excise duty by online through the ACYCUDA system of the Sri Lanka Customs Department as well as providing training and information technology facilities for the related officers.

The second draft of the Schedule of Requirements -SOR was prepared for the Department under the implementation of the orders of the Committee on Public Accounts and supervised by the Committee on Ways and Means. The government institutions that data to be exchanged as well as the data to be exchanged through the proposed system were identified. A specialist consultant has been appointed to carry out this project. The Ministry of Finance has also given approval thereto. It is expected that bids for this project will be invited in January 2025.

### 2:1:4 Law Enforcement (Crimes)



€ The government was able to obtain rupees 159,642,538.00 as composition fees by submitting 5,182 technical crime reports related to violation of licensing conditions through entire supervision and administration of excise licensed premises in island wide in the year 2024.

€ A 100-day special detention program was successfully implemented from 2024.05.20 to 2024.08.27. During these 100 days, 13,198 successful detentions were completed. The external objectives expected through this were to successfully achieve the revenue targets of the department, to achieve the relevant revenue target by suppressing the brewing and use of illicit spirits spreading throughout the country at the domestic and commercial levels, and to protect public health and create a better society through the suppression of illicit drugs spreading throughout the Island.

€ A total of Rs. 168,785,898.00 in fines was collected through the prosecution of 37,555 illicit liquor and drug detentions.

€ 934 complaints were received through the Special Telephone Number (hot line) 1913 which is operated 24 hours to link closely with the public and to make priority to the public complaints and those complaints were immediately sent to the Excise Regional Offices.

€ Procurement process had been done with the coordination of the Ministry of Defense and the Navy for purchasing of 140 - 9mm pistols for the law enforcement activities and self defence of officers and 118 firearms were purchased to the Excise Department in the year 2023. Further, 4,000 rounds of ammunition were purchased for these 118 firearms in the year 2024. This will allow for higher level detentions that can be conducted by the law enforcement officers with the self-defense in the field.

## 2:1:5 Logistics

€ Maintaining a central laboratory to keep high standards of all locally manufactured liquor, imported liquor, raw materials of alcohol distillation, etc. which is the prime objective of the Excise Department and to direct quality products to the market is a major requirement. Accordingly, a provision of Rs. 100 million was approved in the 2023 budget to establish this central laboratory in a modern building belonging to the department, affiliated to the Pugoda Excise Office, and the construction work of the laboratory will have reached its final phase by the end of 2024.



Laboratory – Jaffna



Laboratory - Pugoda

€ By the date 31.12.2024, the number of freehold lands belonged to the Excise Department was 30 and actions have been taken to acquire 13 lands and the acquisition of 14 lands was completed.

€ At present, approximately 70% of the vehicles owned by the department are over 20 years old. As given the significant costs associated with their repairs, these vehicles are increasingly unfit for regular transportation use.

€ 25 regional stations of the Sri Lanka Excise Department operate on a rental basis.

€ Maintenance work has been carried out on the circuit bungalows owned by the department.

## 2:1:6 Research and Studies

€ The Sri Lanka Excise Department initiated the establishment of a Central Excise Laboratory in 2021, with the objective of testing the quality of both domestically produced and imported liquor. By the end of 2024, the necessary equipment and infrastructure facilities had been procured. Testing activities are scheduled to commence in 2025, following the recruitment of qualified personnel. In addition, a small-scale laboratory is currently operational at the Siduwa Distillery premises, and plans are underway to establish a similar facility in the Kopay area of Jaffna.

€ Obstacles have been occurred to control the manufacturing of artificial toddy as no proper standards have been prepared for natural toddy within Sri Lanka. Accordingly, necessary researches to establish standards for coconut toddy have been initiated linking with studies and research unit of Excise Department of Sri Lanka, Sri Lanka Standards Institution, Department of Government Analyst and externally Industrial Technological Institute. Toddy samples have been collected from selected sources in accordance with expert recommendations, and the analysis has been completed. Based on the findings, draft

standards for toddy have been developed, and public advertisements have been published on the official website of the Sri Lanka Standards Institution to invite comments from the public. The finalized toddy standards, incorporating the feedback received, will be published by the Sri Lanka Standards Institution.

∅ In addition, standards for arrack, beer and country-made foreign liquors have been established and an expert committee has been appointed to address matters related to the said standards and legal provisions under the Excise Ordinance. Furthermore, as emphasized by the Parliamentary Committee on Public Accounts, the publication of standards for liquor manufactured from spirits through a gazette notification has been identified as a timely and necessary measure to safeguard consumer health and safety. In line with this, preparations are underway to formulate standards for sake, cider, and wine in the year 2025.

∅ 28 manufactories of bottling hard liquor, Beer and Sake, 13 distilleries, and 15 warehouses are under the supervision of this department. The liquor manufactured by the above manufactories that issued to the market after the monitoring of their quality by the 56 Regional offices of Excise. It was provided that 125 sets of hydrometers to each excise stations and units by expending an amount of 29.7 million rupees.

∅ A Research is also scheduled to be conducted on illegal spirits circulating in Sri Lanka.

∅ In addition, it undertakes the preparation of the Department's Annual Performance Report as well as the annual and quarterly action plans.

### **2:1:7 Supply Chain Regulation**

∅ In accordance with Excise Notification No. 04/2019, the commencement of affixing security stickers on imported foreign liquor took place on 15th July 2019. Subsequently, Excise Notification No. 10/2021 was

published, specifying 3rd January 2022 as the date of commencement for affixing security stickers and digital marks on country-made liquor bottles. At present, in compliance with Excise Notification No. 07/2021, security stickers and digital marks are affixed to both country-made and imported foreign liquor manufacturers.

∅ In the year 2024, the Supply Chain Regulatory Division earned a total of Rs. 217,939,108.00 from the sale of Paper-Based Stickers (Local), Digital Codes (Local), and Paper-Based Stickers (Foreign) issued to liquor manufactories.

∅ During detentions carried out in 2024 concerning the affixing of fake security stickers, the maximum composition fee and the relevant tax amounts were duly collected by furnishing the corresponding tax amounts, 3% delay charges, and industrial crime reports related to the said liquor bottles.

### **2:1:8 Legal**

∅ Operating under the direct supervision and authority of the Commissioner General of Excise, this unit is primarily responsible for executing legal functions assigned by him, drafting relevant legal documents, and coordinating with external government institutions—particularly the Attorney General's Department and the Department of Public Fiscal Policy.

∅ In 2024, the Legal Division, functioning under the direction of the Deputy Commissioner of Excise (Legal), carried out its responsibilities with the support of legal officers as well as uniformed and non-uniformed staff.

∅ The Legal Division plays a vital role in strengthening the legal framework of the Excise Department to support its overall performance. This includes maintaining effective coordination with the Attorney General's Department in relation to fundamental rights applications and writ petitions filed against the Excise Department,

preparing and submitting necessary statements and documentation for such cases, providing legal advice on matters related to administration and licensing, and contributing to the drafting of legislation, including notifications.



**Conducting drug prevention programs for schools**



**Conducting drug prevention programs for government institutions**

**2:1:9 Social Security**

This division organizes drug prevention programs in government institutions such as schools, with the aim of safeguarding public well-being and health. It also undertakes measures to mitigate environmental pollution associated with the liquor industry. In 2024, waste bins were installed near liquor shops to address environmental concerns arising from the improper disposal of empty liquor bottles. Additionally, a total of 277 drug prevention

programs were conducted across the island during the year.

**4:3:32'Kpvt pciCwf kw'**

Progress under the 2024 Action Plan (Internal Audit Plan) has reached 110%, exceeding the originally expected target. This includes the completion of audits related to deductions from manufacture income on exports (Rs. 10,042,397,564.36) and specific investigations assigned by the Commissioner General of Excise have been completed and all relevant reports have been submitted.

**4:3:33'Uc vku'leu'**

≠ The primary function of this unit is to compile and analyze statistical data related to the liquor industry regulated by the Excise Department.

≠ The unit is responsible for preparing statistical reports and presentations for submission to government institutions such as the Ministry of Finance, the Central Bank, and Parliament. The unit also provides statistical data in response to requests from government agencies and international organizations.

**Kō rigo gpw vku'qhi'Kpvt pciCwf kw' qpgvct { "Hwpf 'H' Tgeqo o gpf vku'leu'**

≠ Based on the recommendations proposed by the International Monetary Fund (IMF) to increase the revenue of government institutions with the objective of improving Sri Lanka's economic situation, the following committees have been established in the Excise Department.

**3'Gucdikuj o gpv'qhi'c'Tkml'O pci go gpv'Wpk' hqt " o pci lpi " cpf " ko r t qxlpi " vj g" gzekug' t gxpwg"**

This unit conducts special inspections of liquor manufactories, distilleries, toddy manufactories and liquor shops operated by liquor selling licensees and detects irregularities and initiate legal proceedings where applicable.

## **2 Establishment of a Financial Intelligence Unit (FIU) in the Excise Department of Sri Lanka.**

- € A Memorandum of Understanding (MoU) was signed between the Financial Intelligence Unit of the Central Bank of Sri Lanka and the Excise Department on 09.01.2024. As per the MoU, a unit comprising of dedicated and capable professionals/experts was established to carry out the relevant functions.
- € An action plan was prepared on 19.07.2024 to implement policies under the Prevention of money laundering and combating the terrorist of financing.
- € This unit intends to share intelligence information related to matters related to combating money laundering and terrorist financing and that information with relevant stakeholders.
- € This unit effectively shares categorized data on detentions conducted by the Excise Department and data on excise revenue with stakeholders.

## **3 Establishment of an Internal Administration Unit (IAU)/ Complaints Management Investigation Unit**

This unit investigates complaints regarding various irregularities of officers. This unit helps in increasing excise revenue by investigating various frauds, corruption, irregularities, etc.

- € An Internal Administration Unit has been established on 2024.07.26 as per the recommendations of the International Monetary Fund Report No. 23/340 on Sri Lanka.
- € Subsequently, as per the Presidential Secretary's Circular No. PS/SB/CURCULAR 2/2025, every government institution has been strengthened in parallel with the establishment of this Internal Administration Unit.

- € The unit has received 11 complaints on various matters, out of which 06 have been concluded thus far. The remaining complaint reports have been called and are at the investigation stage.
- € In addition, with the intervention of the Internal Administration Unit, the Code of Ethics for the Sri Lanka Excise Department was modernized and issued in three languages on 2024.08.15 and it has been provided to all officers of the department and confirmed that it has been received.

### **2:2 Future Goals and Challenges**

#### **2:2:1 Future Goals.**

#### **Reaching the revenue target of Rs. 242 billion.**

- € The revised target of tax revenue for liquor and tobacco given by the Ministry of Finance for the year 2024 was 232 billion rupees, and a revenue target of 242 billion rupees has been given for the upcoming year 2025. The revenue target given for the year 2025 is 242 billion rupees, a 4.3% higher revenue target compared to the revised revenue target for the year 2024. The new tax policy sets revenue targets of Rs. 240 billion from liquor tax and Rs. 2 billion from beedi tax for the year 2025.
- € Amending the Tobacco Tax Act to enable the issuance of excise notifications that ensure proper tax collection by re-registering all manufacturers involved in the beedi industry and the registration of their trademarks under the Intellectual Property Act.
- € Strengthen excise revenue collection by leveraging the Risk Management Unit to identify necessary measures and implement strategies to mitigate associated risks.

#### **Conducting researches to provide consumers with liquor that is less harmful to health and ensure the availability of high-quality liquor.**

**Increasing tourist arrivals by granting of F.L 7/8, F.L. 11, 22 B, and Boutique Villa permits approved by the Tourism Board.**

- **Taking action on complaints filed against officers by the Internal Administration Unit (IAU).**
- **Identifying all the requirements of the proposed RASED system and selecting a developer through a national open procurement process. Software development will be carried out in a modular manner, and the department's IT infrastructure will be upgraded accordingly.**

### **2:2:2 Challenges**

**Circulation of illicit liquor in the country and liquor is being released into the market with fake stickers bearing security seal marks.**

- Although there were various problems in the beginning of the sticker management system, they are being minimized and the sticker and digital marks are being applied to all liquor bottles. However, errors in digital marks printing and the circulation of fake stickers in the market are major challenges faced by the department.

**The regulation of beedi production as a domestic industry, along with the imposition of import duties and the illegal import of thendu leaves by sea, remains a major challenge.**

**Impact of the shortage of secondary and tertiary officers to conduct detentions island-wide.**

- Revenue collection is significantly impacted by the shortage of senior officers at the head office, particularly due to the retirement of experienced uniformed staff. Additionally,

crime reports island-wide by 2025, with progress reviewed on a monthly basis.

- The necessary work to establish a central laboratory in a modern building belonging to the department, attached to the Pugoda Excise Station, was initiated in 2021. A provision of Rs. 100 million was approved in the 2023 budget proposals for its future activities, and as the work in its final phase by 2024, the central laboratory is scheduled to open in 2025.

**Conducting social security activities by making drug-related detentions.**

- Taking necessary steps to build a drug-free Sri Lanka by implementing drug prevention programs across the Island.

**Taking steps to recover arrears of taxes in accordance with the agreement of the Attorney General's Department and the Ministry of Finance.**

- Amending and legalizing the relevant acts to suspend the licenses and manufacturing activities of licensees who have arrears of taxes and taking legal actions thereto.
- Introducing practical percentages regarding wastes and issuing excise notifications to manage taxes levied on wastes.

**Purchasing new vehicles and construction of permanent buildings to carry out duties efficiently**

- Purchasing new vehicles as it is costly to repair old vehicles.
- 25 regional offices of the Sri Lanka Excise Department are operating on a rented basis, and government buildings are being sought or new buildings are being constructed for these locations.

**Increasing tourist arrivals by granting of F.L 7/8, F.L. 11, 22 B, and Boutique Villa permits approved by the Tourism Board.**

- Taking action on complaints filed against officers by the Internal Administration Unit (IAU).
- identifying all the requirements of the proposed RASED system and selecting a developer through a national open procurement process. Software development will be carried out in a modular manner, and the department's IT infrastructure will be upgraded accordingly.

**2:2:2 Challenges**

**Circulation of illicit liquor in the country and liquor is being released into the market with fake stickers bearing security seal marks.**

- Although there were various problems in the beginning of the sticker management system, they are being minimized and the sticker and digital marks are being applied to all liquor bottles. However, errors in digital marks printing and the circulation of fake stickers in the market are major challenges faced by the department.

**The regulation of beedi production as a domestic industry, along with the imposition of import duties and the illegal import of thendu leaves by sea, remains a major challenge.**

**Impact of the shortage of secondary and tertiary officers to conduct detentions island-wide.**

- Revenue collection is significantly impacted by the shortage of senior officers at the head office, particularly due to the retirement of experienced uniformed staff. Additionally,

there is a critical shortage of officers at both tertiary and secondary levels.

**Currently, about 70% of the vehicles owned by the department are over 20 years old, making repairs increasingly costly.**

- The Sri Lanka Excise Department has given special attention to the proper collection and recycling of empty bottles and beer cans used in liquor manufacturing. In this regard, discussions have been held with the Central Environmental Authority and other relevant external institutions, and iron-made bins have been installed near liquor outlets. Measures are being taken to regulate the recycling of the collected empty beer cans therein.

**2:3 Welfare**

- A proposal was submitted to the Ministry of Finance to provide an incentive allowance (25% of the basic salary) to motivate all staff working in the Excise Department, who are committed to increasing government revenue, and after the approval of the Cabinet, the incentive allowance was paid from the year 2024.
- A cafeteria was maintained in the year 2024 for the welfare of the employees of the Sri Lanka Excise Department.

**2.3.2 Sports**

**2024 Public Service Athletics Festival**

**Women's Shot Put**

20-30 Age Group

3rd Place

Women Excise Corporal W. J Maheshika

**110M Hurdles**

31-40 Age Group

3rd Place

Excise Inspector M D T Amilatissa

**400M Hurdles**

3rd Place

Excise Corporal L.N Kodagoda



**100m x 4 Relay (Men)**

3rd Place

Excise Inspector M D T Amilatissa

Excise Inspector D L J N Liyanage

Excise Corporal B S Kumara

Excise Corporal L N Kodagoda

**High Jump**

51-60 Years Age Group

1st Place

Excise Inspector J G S Wijeratne

**Long Jump**

1st Place

Excise Inspector J G S Wijeratne

**2024 Public Service Cricket Tournament**

1. Match between Excise Department A Team and Southern Provincial Council A Team  
**Winner - Excise A Team**

2. Match between Excise A Team and Prison A Team

**Winner - Excise A Team**



3. Match between Excise Department H Team and Ceylon Tea Board H Team

Winner - Excise H Team

4. Excise H Team and Ceylon Electricity Board H Team

**Winner - Excise H Team**





## **Chapter 03**

### **Overall Financial Performance of the year**

- 3.1 Statement of Financial Performance
- 3.2 Statement of Financial Position
- 3.3 Statement of Cash Flows
- 3.4 Statement of Financial Performance –Reward Fund
- 3.5 Statement of Financial Position –Reward Fund
- 3.6 Statement of Cash Flows –Reward Fund
- 3.7 Notes to the Financial Statement
- 3.8 Performance of the Utilization of Allocation
- 3.9 In terms of F.R.208, granting allocations of the excise department of Sri lanka as a departmental agent.
- 3.10 Performance of Reporting Non-Financial Assets
- 3.11 Summary Report of the Auditor General – Excise Department of Sri Lanka (Sinhala Version) – Annexure 1
- 3.12 Summary Report of the Auditor General – Excise Reward Fund (Sinhala Version) – Annexure 2



### 3.1 Statement of Financial Performance

Statement of Financial Performance for the period ended 31st December 2024					ACA-F
Revised Budgetary Provisions 2024	Note	Actual			
		2024	2023		
Rs.		Rs.	Rs.		
-	Reverse Receipts			-	
-	Income Tax	1	-	-	
232,000,000,000.00	Taxes on Domestic Goods and Service	2	214,583,521,358.00	171,273,655,832.00	ACA-1
-	Taxes on International Trade	3	-	-	
-	Non Tax Revenue and Others	4	-	-	
<b>232,000,000,000.00</b>	<b>Total Revenue Receipt (A)</b>		<b>214,583,521,358.00</b>	<b>171,273,655,832.00</b>	
-	Non-Revenue Receipts		<b>3,449,024,290.00</b>	<b>1,764,656,721.00</b>	
-	Treasury Imprest		2,209,570,000.00	1,458,000,959.00	ACA-3
-	Deposits		1,188,778,755.00	254,662,745.00	ACA-4
-	Advance Accounts		50,675,535.00	51,993,017.00	ACA-5
-	Other Ledger Accounts Receipts		-	-	
-	<b>Total Non-Revenue Receipts (B)</b>		<b>3,449,024,290.00</b>	<b>1,764,656,721.00</b>	
-	<b>Net Total Revenue Receipts and Non Revenue C = (A)+(B)</b>		<b>218,032,545,648.00</b>	<b>173,038,312,553.00</b>	
-	<b>Treasury Remittance (D) and Non Revenue E = (C)-(D)</b>		<b>215,512,702,254.00</b>	<b>169,672,076,255.00</b>	
			<b>2,519,843,394.00</b>	<b>3,366,236,298.00</b>	
-	Deducted for : Expenditure				
-	Recurrent Expenditure		<b>2,356,782,858.00</b>	<b>3,049,367,108.00</b>	
1,055,364,000.00	Wages,Salaries and Other Employ	5	1,053,091,312.00	888,601,238.00	
1,352,300,000.00	Other Goods and Services	6	1,298,271,015.00	2,154,636,847.00	ACA-2(ii)
7,000,000.00	Subsidies,Grants and Transfers	7	5,420,531.00	6,129,023.00	
-	Interest Payments	8	-	-	
-	Other Recurrent Expenditure	9	-	-	
<b>2,414,664,000.00</b>	<b>Total Recurrent Expenditure (F)</b>		<b>2,356,782,858.00</b>	<b>3,049,367,108.00</b>	
	Capital Expenditure		<b>126,911,122.00</b>	<b>235,218,685.00</b>	
67,400,000.00	Rehabilitation and Improvement of Capital Assets	10	40,661,243.00	33,555,451.00	
987,750,686.00	Acquisition of Financial Assests	11	77,349,931.00	196,488,034.00	
-	Capital Assests	12	-	-	ACA-2(ii)
-	Acquisition of Capital Assests	13	-	-	
20,000,000.00	Capacity Building	14	8,899,948.00	5,175,200.00	
-	Other Capital Expenditure	15	-	-	
<b>1,075,150,686.00</b>	<b>Other Capital Expenditure (G)</b>		<b>126,911,122.00</b>	<b>235,218,685.00</b>	
	Deposit Payments		149,842,627.00	202,366,622.00	ACA-4
	Advance Payments		39,702,842.00	38,729,596.00	ACA-5
	Other Main Ledger Payments		-	-	
	<b>Main Ledger Payments (H)</b>		<b>189,545,469.00</b>	<b>241,096,218.00</b>	
	<b>Total Expenditure I = (F+G+H)</b>		<b>2,673,239,449.00</b>	<b>3,525,682,011.00</b>	
-	<b>Balance as at 31st December J = (E-I)</b>		<b>(153,396,055.00)</b>	<b>(159,445,713.00)</b>	
	<b>Balance as per Treasury Imprest Statement</b>		<b>(153,849,812.00)</b>	<b>(159,445,713.00)</b>	ACA-7
	<b>Treasurt Imprest Balance as at 31st December</b>		<b>453,757.00</b>		ACA-3
			<b>(153,396,055.00)</b>	<b>(159,445,713.00)</b>	

### 3.2 Statement of Financial Position

			ACA-P	
<b>Statement of Financial Position</b>				
<b>as at 31st December 2024</b>				
			<b>Actual</b>	
	<b>Note</b>		<b>2024</b>	<b>2023</b>
			<b>Rs.</b>	<b>Rs.</b>
<b><u>Non-Financial Assests</u></b>				
Property, Plant and Equipment	ACA-6		2,290,807,260.00	2,179,655,327.00
<b><u>Financial Assests</u></b>				
Advance Accounts	ACA-5/5(A)		131,325,930.00	142,298,622.00
Cash and Cash Equivalents	ACA-3		453,757.00	-
<b>Total Assests</b>			<b>2,422,586,947.00</b>	<b>2,321,953,949.00</b>
<b><u>Net Assests/Equipment</u></b>				
Net Assests of Treasury			(1,284,877,933.00)	(234,969,113.00)
Net Property and Equipment Reserve			2,290,807,260.00	2,179,655,327.00
Rent and Work Advance Reserve	ACA-5(B)			
<b><u>Current Liabilities</u></b>				
Deposit Accounts	ACA-4		1,416,203,863.00	377,267,735.00
Imprest Balance	ACA-3		453,757.00	-
<b>Total Liabilities</b>			<b>2,422,586,947.00</b>	<b>2,321,953,949.00</b>
Detailed Accounting Statement in ACA format No. 01 to 07 presented in pages from accounts presented in the pages from 06 to 34 and Notes to accounts presented in pages 35 to 63 form and integral parts of these Finance Statements have been prepared in complying with the Government Financial Regulations 150 and 151 generally accepted Accounting Principles No.06/2024 and dated 16.12.2024 whereas most appropriate Accounting Policies are used as disclosed in the Notes to the Financial Statement 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				
We hereby certify that an effective internal control system for the financial control exists in the reporting entity and control periodic reviews to monitor the effectiveness of internal control system for the financial control and accordingly make alteration an required for the system to be effectively				
.....			.....	
Chief Accounting Officer			Chief Financial Officer/Chief Accountant/	
Name :K.M.Mahinda Siriwardhana			Director (Finance)/ Commissioner (Cash)	
Designation :Secretary			Name:G.Ajitha Chandani	
Date :			Date :	

3.2 The signed copy of the Statement of Financial Position as at 31 December 2024 is attached in the Sinhala version (Page 24).

### 3.3 Statement of Cash Flows

	ACA-C	
<b>Cash Flow Statement for the year ended 31st December 2024</b>		
	Actual	
	2024 Rs.	2023 Rs.
<b>Cash flow from operating Activities</b>		
Total Tax Receipts	214,583,521,358.00	171,273,655,832.00
Fees, Fines, Penalties and License	-	-
Profits	-	-
Non-Revenue Receipts	-	-
Revenue collected from the Other Heads	118,189,880.00	135,663,272.00
Impresed Received	2,209,570,000.00	1,458,000,959.00
Advance Receipts	42,856,171.00	44,682,987.00
Deposit Receipts	1,188,778,755.00	254,662,745.00
<b>Total cash generated from operations (A)</b>	<b>218,142,916,164.00</b>	<b>173,166,665,795.00</b>
<b>Deducted for: Expenditure</b>		
Personal Emoulements and Operating Payments	2,346,072,472.00	3,037,900,985.00
Subsides and Transfer Payments	5,420,531.00	6,129,023.00
Expenditure on the Other Heads	2,013,843.00	7,223,672.00
Impreset Settlement to Treasury	215,512,702,254.00	169,672,076,255.00
Advance Payments	31,574,501.00	31,320,831.00
Deposit Payments	149,842,627.00	202,366,622.00
<b>Total cash deducted for cooperation (B)</b>	<b>218,047,626,228.00</b>	<b>172,957,017,388.00</b>
<b>Net Cash Flow (C) = (A) - (B)</b>	<b>95,289,936.00</b>	<b>209,648,407.00</b>
<b>Cash flows from Investing Activities</b>		
Interest	-	-
Dividends	-	-
Divestiture Proceeds and Sale of Physical Assests	-	-
Recoveries from on Lending	-	-
<b>Total cash generated from Investing (D)</b>	<b>-</b>	<b>-</b>
<b>Cash deducted for: Expenditure</b>		
Investment	94,836,179.00	210,039,366.00
<b>Total cash deducted for Investing Activities E</b>	<b>94,836,179.00</b>	<b>210,039,366.00</b>
<b>Net cash flows from Investing Activities (F) = (D) - E</b>	<b>(94,836,179.00)</b>	<b>(210,039,366.00)</b>
<b>(G) = (C) + (F)</b>	<b>453,757.00</b>	<b>(390,959.00)</b>
<b>Cash Flows from Financial Activities</b>		
Local Borrowings	-	-
Foreign Borrowings	-	-
Grants Received	-	-
<b>Total cash generated from Financial Activities (H)</b>	<b>-</b>	<b>-</b>
<b>Deducted for : Expenditure</b>		
Repayments of Local Borrowings	-	-
Repayments of Foreign Borrowings	-	-
<b>Total cash deducted for Financial Activity (I)</b>	<b>-</b>	<b>-</b>
<b>(H) - (I)</b>	<b>-</b>	<b>-</b>
<b>Net changes of the cash (K) = (G) + (J)</b>	<b>453,757.00</b>	<b>(390,959.00)</b>
Opening balance as at 01st January	-	-
Closing balance as at 31st December	453,757.00	-

### 3.4 Statement of Financial Performance –Reward Fund

#### Statement of Financial Performance for the year ending 31 December 2024 (Rupees)

	2024	2023
<b><u>Revenue</u></b>		
Receipts of Composition fees	159,642,538	162,558,319
Cigarettes fines	4,254,400	10,732,540
<b>Total Revenue</b>	<b>163,896,938</b>	<b>173,290,859</b>
<b><u>Expenditure</u></b>		
Payments of Rewards	36,860,836	89,465,894
Payment for the Government Revenue – Composition Revenue 15%	23,946,381	24,383,747
Payment for the Government Revenue - Cigarettes fines 75%	3,190,800	8,049,405
Allocated for Tobacco Fund	1,063,600	2,683,136
Special Raids	-	-
Other	-	-
Deductions		32,755
Depreciations (Schedule 01)	11,421,663	11,707,328
Refund to Licensees	5000	
<b>Total Expenditure</b>	<b>76,458,250</b>	<b>136,322,265</b>
<b>Surplus/(Deficiency)</b>	<b>87,408,658</b>	<b>36,968,594</b>

Prepared by:- Sgd.

Checked by:- Sgd.

Sgd.

**G.Ajitha Chandani**  
Chief Financial Officer

3.4 The signed copy of the Statement of Financial Performance – Excise Reward Fund is attached in the Sinhala version (Page 26).

### 3.5 Statement of Financial Position –Reward Fund

#### Excise Department of Sri Lanka –Excise Reward Fund Statement of Financial Position as at 31 December 2024

Monetary Unit –Rupees	2024	2023
<b>Assets</b>	-	-
<b>Current Assets</b>	-	-
T.C.R Receipts and Payment Account	311,340,660	229,635,702
Receivable Composition fees	-	-
Receivable cigarettes fines	-	-
	311,340,660	229,635,702
<b>Non Current Assets</b>		
Land and Buildings (Schedule 02)	47,134,000	47,134,000
Vehicles (Schedule 03)	454,771	606,361
Furniture and Equipment (Schedule 04)	6,879,101	9,172,135
Electronic equipment (Schedule 05)	4,223	5,280
Office Equipment (Schedule 06)	42,654,489	44,858,986
Sport items (Schedule 07)	2,011	2,514
Library Books (Schedule 08)	13,034	16,293
Other Equipment (Schedule 09)	2,972	3,397
Purchase of Depreciation assets	-	-
Depreciation Reserve fund	42,103,687	30,686,023
	139,248,288	132,480,989
<b>Total Assets</b>	450,588,948	362,116,691
<b>Liabilities</b>	-	-
<b>Short term Liabilities</b>	-	-
Composition fees payable to Government Revenue	-	-
cigarettes fines payable to Government Revenue	-	-
Payable to Tobacco Fund	-	-
Payable amount as rewards	-	-
<b>Long Term Liabilities</b>	-	-
Payable to tobacco funds	25,427,350	24,363,751
<b>Net Assets</b>	425,161,598	337,752,940
<b>Net Assets /Equity</b>	-	-
Accumulative Fund	337,752,940	300,719,620
Previous year adjustments		64,726
Surplus / (Deficiency)	87,408,658	36,986,594
<b>Total Equity</b>	425,161,598	337,752,940

3.5 The signed copy of the Statement of Financial Position – Excise Reward Fund is attached in the Sinhala version (Page 27).

### 3.6 Statement of Cash Flows - Excise Reward Fund

#### Excise Department of Sri Lanka – Reward Fund

Cash flow statement for the year ended 31 December 2024  
(In Rupees)

	2024	2023
<b><u>Cash flows from operational activities</u></b>		
<b>Receipts</b>		
Receipts of Composition Fees	159,642,538	172,209,513
Receipts of cigarette fines	4,254,400	11,692,940
Total Receipts from operational activities	<b>163,896,938</b>	<b>183,902,453</b>
<b>Payments</b>		
Composition Reward Money	36,860,836	96,704,291
Public Revenue	27,137,181	34,601,132
For Special Raids	-	-
Depreciation Reserve Fund ( Schedule 01)		11,707,328
Repayments for Licensees	5,000	-
Other		3,771,335
Total payments from operational activities	<b>64,003,017</b>	<b>146,784,086</b>
Net Cash Flows	<b>99,893,921</b>	<b>37,118,367</b>
<b><u>Cash flows from Investment activities</u></b>		
Purchasing of Hydrometers	(6,767,300)	-
Depreciation Reserve Fund ( Schedule 01)	(11,421,663)	-
Net cash flows from Investment activities	<b>(18,183,963)</b>	-
Net increase/decrease of cash	81,704,958	37,118,367
Cash at the beginning of the period	229,635,702	192,517,335
<b>Balance as at 31.12.2023</b>	<b>311,340,660</b>	<b>229,635,702</b>

Prepared by :- Sgd.

Checked by:- Sgd.

Sgd.  
G. Ajitha Chandani  
Chief Financial officer

3.6 The signed copy of the Statement of Cash Flows – Excise Reward Fund is attached in the Sinhala version (Page 28).

### 3.7 Notes to the Financial Statement

#### Performance of the Revenue Collection

Revenue Code	Revenue Code Description	Revenue Estimation		Collected Revenue	
		Prior Estimation (Rs.)	Last Estimation (Rs.)	Amount (Rs.)	As a % of the Last Revenue Estimation (Rs.)
1002.04.01	Liquor	230,000,000,000.00	230,000,000,000.00	213,389,597,989.00	92.78
1002.06.00	Tobacco Tax	2,000,000,000.00	2,000,000,000.00	1,193,923,369.00	59.70

### 3.8 Performance of the Utilization of the Allocated Provisions

Type of Provision	Allocated Provisions		Actual Expenses (Rs.)	Utilized provisions as a percentage (%) of the last allocated provisions that spent
	Prior allocated Provisions (Rs.)	Last allocated Provisions (Rs.)		
Recurring	2,310,500,000.00	2,414,664,000.00	2,356,782,858.00	97.60
Capital	1,068,700,000.00	1,075,150,686.00	126,911,122.00	11.80

**3.9 In terms of F.R.208, granting allocations of the Excise Department of Sri Lanka as a departmental agent in the year 2024.**

Not available

**3.10 Performance of Reporting Non-Financial Assets**

Assets Code	Assets Code Description	Balance as per the Inventory Survey reports as at 31.12.2024	Balance as per the Financial Position Report as at 31.12.2024	To be accounted for in the future	Reporting the progress as %.
9151	Buildings and Structures	530,597,207.71	530,597,207.71		100%
9152	Machinery	907,804,584.29	907,804,584.29		100%
9153	Lands	403,505,000.00	403,505,000.00		100%
9154	Intangible Assets	3,803,200.00	3,803,200.00		100%
9155	Biological asserts	-	-		-
9160	Ongoing works	190,803,318.24	190,803,318.24		100%
9180	asserts that leased	254,293,950.00	254,293,950.00		100%

**Annexure**

**3.11 Summary Report of the Auditor General- Excise Department of Sri Lanka (Sinhala Version) - Annexure 1**

**3.12 Summary Report of the Auditor General – Excise Reward Fund (Sinhala Version) Annexure 2**

## Chapter 04

### Performance Indicators

- 4.1 Introduction
- 4.2 Performance Indicators of the Institute
  - 4.2.1 Administrative Division
  - 4.2.2 Revenue Division
  - 4.2.3 Law Enforcement Division
  - 4.2.4 Accounts Division
  - 4.2.5 Internal Audit Division
  - 4.2.6 Human Resources Division
  - 4.2.7 Information Technology Division
  - 4.2.8 Transport & Logistics Division
  - 4.2.9 Studies & Research Division
  - 4.2.10 Statistic Division
  - 4.2.11 Supply Chain Regulation Division
  - 4.2.12 Legal Division
  - 4.2.13 Social Security Division



## 4.1 Introduction

The performance indicators of the institution have been prepared for each and every division in accordance with the action plan submitted to the Ministry of Finance for the year 2024. According to the revised action plan for the year 2024, the revenue target granted to the Excise Department of Sri Lanka was 232 billion rupees. The Excise Department of Sri Lanka has given 214.58 billion rupees as revenue to the Treasury, it is with the tax deduction of 12.2 billion rupees, and then the total collected revenue was 226.7 billion rupees. Accordingly, the progress of revenue collection has been recorded as 98% after 112 years departmental history despite the various crises faced by the country in the year 2024, achieving this progress is a matter of pleasure.

By considering all the divisions of the Department that contributed to the overall performance of the Excise Department of Sri Lanka, it can be pleurably cited that the progress of the Internal Audit Division, liquor and drug awareness and social welfare activities of the Social Security Division and industrial crime reports for excise licenses of the Law Enforcement Division has exceeded 100% and it can be stated with pleasure that 100% progress has been made in the activities of the Accounts Division, the Legal Division, the Information and Technology Division, providing online facilities through the ASYCUDA system, and the Social Security Division ensuring the safety of the public from health hazards through the provision of standardized liquor. Further, it should also be appreciated that the other 5 divisions have kept on their progress between 90% - 100%.

The progress of the Administration branch showed a performance of 95% and during the year 2024, 06 Excise Superintendents were assigned, based on seniority, to perform the duties of 08 Deputy Excise Commissioner posts. Additionally, 11 Excise Superintendents performed/covered/performed on acting basis the duties of Assistant Excise Commissioner posts, while 31 Excise Superintendent positions were covered by Chief Excise Inspectors. Applications were called for the promotion of officers to 08 Excise Superintendent posts and 13 Chief Excise Inspector posts, as well as for the recruitment of 67 individuals to the Superintendent grade, in accordance with the orders of the Public Service Commission. A competitive examination was conducted for the limited recruitment of 22 Excise Inspector posts and the open recruitment of 34 Excise Inspector posts and 100 Excise Guard posts, and the results have been released.

When considering other divisions that demonstrated progress between 90% and 100%, notable performances include the Revenue Division in the collection of liquor taxes, the Law Enforcement Division in the implementation of relevant orders and execution of detentions, the Information Technology Division in updating the website, the Transport and Logistics Division in transportation activities, as well as the Studies and Research Division, the Statistics Division, and the Supply Chain Regulation Division, all of which performed their duties at levels close to 100%.

The progress of the Revenue Division in collecting tobacco tax revenue remained within the range of 50% to 74%. The

basic research required for the standardization of Natural Toddy, initiated by the Research and Development Division in 2022, was successfully completed in 2024, achieving a progress level of approximately 90%. Budget proposals for 2023 included provisions for establishing a laboratory to conduct the necessary research to verify whether the prescribed standard of alcohol is being delivered to consumers. About 90% of the

work on this initiative was completed in 2024, and the laboratory is expected to commence operations in 2025. However, it is remarkable achievement that progress of 10 main divisions of the department is obtained higher value than 90% accordingly, actual output of total performance of the department of the excise department of Sri Lanka as a percentage of expected output is shown a higher successful progress.

## 4.2 Performance Indicators of the Institute (Based on Action Plan 2024 )

Divisions of the Department	Specific Indicators		Actual output as a percentage (%) of the expected output				
			>100%	90 % - 100%	75% - 89 %	50 % - 74 %	0% - 50%
4.2.1 Administrative Division	Establishment and Administrative functions			95%			
4.2.2 Revenue Division	Collection of expected revenue for 2024	Liquor		98%			
		Tobacco tax			60%		
4.2.3 Law Enforcement Division	Enforcement of relevant laws and acts and Drug crime reports and tobacco related raids.			96.2%			
	Technical crime reports for excise licenses		115%				
4.2.4 Accounts Division	All accounting activities of the year 2024			100%			
4.2.5 Internal Audit Division	Internal audit program to be completed in the year 2024		110%				
4.2.6 Human Resources Division	Trainings for all officers and Capacity Building of Officers			100%			
4.2.7 IT Division	Updating the web site			90%			
	Implementing new projects	Transferring data to the RAMIS system through the interface					45%
		Facilitate online system through ASYCUDA system	100%				
		Preparation of RASED Project					45%
		Coordinating the providing of infrastructure needed to implement the sticker project and contracting for it.			80%		
4.2.8 Transport & Logistics Division	Construction activities of proposed buildings and Transport and other related duties			90%			
4.2.9 Studies & Research Division	Studies			95%			
	Research activities			90%			
4.2.10 Statistic Division	Statistics activities and Issuing Data			95%			
4.2.11 Supply Chain Regulation Division	Sticker Project	Local		95%			
		Foreign		95%			
4.2.12 Legal Division	Legal requirements and expected new trends			100%			
4.2.13 Social Security Division	liquor and drug awareness and social welfare activities		150%				
	Ensuring the safety of people from health hazards by providing standardized liquor			100%			



# **Chapter 05**

## **Performance of Achieving Sustainable Development Goals (SDG)**

- 5.1 Introduction
- 5.2 Activities and Progress of the Excise Department of Sri Lanka based on the Sustainable Development Goals



## 5.1 Introduction

The National Policy on Sustainable Development is a strategic initiative that mandates implementation by all government institutions, educational entities, and civil society organizations in Sri Lanka. This policy is overseen by the Council on Sustainable Development, which established under the provisions of the Sustainable Development Act No. 19 of 2017. Its primary objective is to guide the country toward achieving the 17 Sustainable Development Goals by the year 2030. As a key institution responsible for generating government revenue to support Sri Lanka's sustainable development goals, the Sri Lanka Excise Department has taken proactive steps in aligning with this national policy. In the process of introducing its Action Plan for the year 2022, the department entered into agreements with the heads of each division to actively pursue 5 of the 17 Sustainable Development Goals. The selected goals are Goal 1, Goal 3, Goal 12, Goal 16, and Goal 17. A detailed discussion on this initiative can be found in Chapter 5.2.

In line with the above objectives, the implementation of Goal 1 – the eradication of poverty in all its forms and dimensions – remains a priority. To support this effort, the Sri Lanka Excise Department collected Rs. 226.7 billion in revenue in the year 2024, which was credited to the Treasury to be utilized for the development and well-being of all citizens of Sri Lanka. A critical aspect of poverty alleviation is the elimination of illicit alcohol and liquor, which significantly hinder both individual welfare and broader economic progress. In this regard, the Excise Department plays a

vital role, making a notable contribution toward this purpose.

In recognition of the fact that tobacco use poses significant health risks, a new tax policy on beedi was introduced effective from 1<sup>st</sup> of January 2023, (Tobacco Act No. 08 of 1999) and this policy aims both to discourage tobacco consumption and to generate additional government revenue, while providing necessary relief to the public. As part of its implementation, all beedi manufacturers are required to register and tax-levying measures have been initiated. It is acknowledged that curbing the use of liquor and tobacco cannot be achieved solely through enforcement actions against illegal activities. Therefore, reducing consumer demand is also a key priority. To support this goal, massive social awareness campaigns and other relevant concurrent institutions implement to raise public awareness.

The Sri Lanka Excise Department dedicated to promoting the health and well-being of the poor and vulnerable, in alignment with Sustainable Development Goal 3. One of the key strategies employed is the annual increase of taxes on liquor and tobacco manufacturers, aimed at reducing public purchasing power and, consequently, lowering consumption. Additional measures include stricter controls on the availability of liquor, ensuring that legally produced liquor meets established quality standards, conducting regular public awareness programs to discourage liquor consumption, and collaborating with relevant institutions to mitigate environmental harm.

In alignment with Sustainable Development Goal No. 12 that ensuring sustainable consumption and production patterns — all liquor manufacturers have been encouraged to comply with the directives and regulations issued by the Central Environmental Authority. They also expect to follow the recommendations and instructions of relevant local authorities, particularly in matters concerning boiler operations and water purification processes, in order to protect natural water sources and ensure clean air ventilation. Furthermore, to mitigate environmental pollution caused by the improper disposal of bottles, cans, and related waste following liquor consumption, a total of 1,650 waste bins have been installed near liquor shops across the island.

regular instructions to ensure that everyone has access to justice and that those arrested are not subjected to torture, ill-treatment and violence. In order to reduce bribery and corruption in all measures taken to secure government revenue, all duties are being carried out in an effective, accountable and transparent manner. Accordingly, regular officer training, awareness programs to prevent bribery and corruption, and training necessary for law enforcement officers to perform their duties without social violence were constantly carried out. The entire staff, including the Commissioner General of Excise, are committed to working tirelessly to achieve the fundamental goals of sustainable development in the Sri Lanka Excise Department by the year 2030.

Under Sustainable Development Goals 16 and 17, all uniformed personnel are being given

## 5.2 Activities and Progress of the excise department of Sri Lanka based on the Sustainable Development Goals

- The sustainable development goals have been identified and those goals have been prepared and included to the action plan – 2022.
- Targeted sustainable development goals of the year 2022 and the specific activities for this are as follows.

Goals	Targets	Indicators of the achievement	Progress of the Achievement up to date		
			0% -49%	50% -70%	75%-100%
<b>Goal - 01</b> Eliminate the poverty in all the ways in every where	➤ Contribute to the development of the country through collection of taxes efficiently and effectively and appropriately crediting taxes to the Treasury for economic and social development and infrastructure development.				✓
	➤ Eliminate the poverty and development of social security by efficient and effective law enforcement on illicit liquor and dangerous drugs.				✓
	➤ Conduct awareness programs for creating social development on effective control of liquor and dangerous drugs and its bad effects by selection of villages in every Divisional Secretary's Division.		✓		

	<ul style="list-style-type: none"> <li>➤ Developing rural economy through increasing annual taxes or increasing prices to discourage the purchase of liquor and tobacco products.</li> <li>➤ A new tax called Beedi Tobacco Tax was imposed on Beedi manufacture in terms of the Act No.08 of 1999 dated 31.02.2022 and providing relief to the community by discouraging the purchase of Beedi and revenue that received, credited to the state revenue.</li> <li>➤ Actions are taken to reduce or decrease liquor and tobacco consumption through awareness programs on liquor and tobacco consumption and its bad effects.</li> </ul>					✓
<b>Goal - 03</b>  Ensure healthy lives and promote well-being for all at all ages	<ul style="list-style-type: none"> <li>➤ Preparation of standards for all liquors by linking with the Sri Lanka Standards Institution to ensure the quality of the liquor manufactured legally.</li> <li>➤ Reduce and control the spread of illicit liquor and tobacco manufactures for protecting health and living standards. +</li> <li>➤ Establishment of social security through implementing effective prevention programs</li> <li>➤ Law enforcement on dangerous liquor for the wellbeing of the general public</li> <li>➤ Controlling the sale of liquor and tobacco related manufactures for the persons under 21 years of age.</li> <li>➤ Preparation of specific standards for palm, coconut, and Kitul in order to control the illegal manufacturing of local toddy.</li> <li>➤ Conduct awareness programs for communities of all levels and prevent them of the danger of addiction to liquor and drugs to the human lives.</li> <li>➤ Installation of bins near liquor shops to collect and recycle discarded bottles and cans after consumption of liquor to prevent environmental pollution for the benefit of public health.</li> </ul>					✓  ✓  ✓  ✓  ✓  ✓  ✓  ✓

<p><b>Goal - 12</b></p> <p>Ensure sustainable consumption patterns and patterns of manufacturing</p>	<ul style="list-style-type: none"> <li>➤ Conducting community awareness programs for controlling consumption of liquor and tobacco</li> <li>➤ Calculation of annual per capita consumption of liquor to control illicit liquor and controlling per capita consumption of liquor accordingly.</li> <li>➤ Introducing a safety sticker for alcohol to facilitate tax administration and to control access to the substitute market and to protect health.</li> <li>➤ The effective and efficient monitoring of liquor and tobacco manufactories for ensuring liquor and tobacco with high standards.</li> <li>➤ Actions are taken for issuing Certificates of Environmental Safety, Boiler Certificates and Water Purification Certificates of the Central Environmental Authority to all liquor manufactories.</li> </ul>		✓		✓
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<p><b>Goal - 16</b></p> <p>Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels</p>	<ul style="list-style-type: none"> <li>➤ Taking action to build a peaceful environment for the community through enforcement of law effectively on dangerous drugs, illegal liquor and tobacco products</li> <li>➤ Providing necessary training and awareness to all officers to perform their duties legally.</li> <li>➤ Creating necessary environment for all staff to perform their duties responsibly.</li> <li>➤ Create conducive environment to perform duties in a legal environment by implementing a legal division.</li> <li>➤ Granting at least 12 hours training to all male and female officers either institutionally or externally.</li> <li>➤ Equal opportunities granted for the promotions of female officers and no discrimination on the basis of gender by granting opportunities with reasonable salary for both male and female.</li> <li>➤ Ensuring effective employment through making effective use of the revenue from the legally manufactured liquor and tobacco industry for sustainable development and economic development.</li> </ul>			<p style="text-align: center;">✓</p> <p style="text-align: center;">✓</p> <p style="text-align: center;">✓</p> <p style="text-align: center;">✓</p> <p style="text-align: center;">✓</p> <p style="text-align: center;">✓</p> <p style="text-align: center;">✓</p>	<p style="text-align: center;">✓</p> <p style="text-align: center;">✓</p> <p style="text-align: center;">✓</p> <p style="text-align: center;">✓</p> <p style="text-align: center;">✓</p> <p style="text-align: center;">✓</p>
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<p><b>Goal -17</b></p> <p>Strengthening and revitalizing the requirements by implementing global cooperation for sustainable development</p>	<ul style="list-style-type: none"> <li>➤ Granting and protecting the annual collection of liquor and tobacco tax revenue to the treasury.</li> <li>➤ Introducing ERMS and RASED systems to expedite revenue collection process through introduction of new technology.</li> <li>➤ Protecting excise revenue through use of Fool Proof Sticker or digital printing which is a globally popular security measure.</li> </ul>				<p style="text-align: center;">✓</p> <p style="text-align: center;">✓</p> <p style="text-align: center;">✓</p>
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## **Chapter 06**

### **Human Resource Profile**

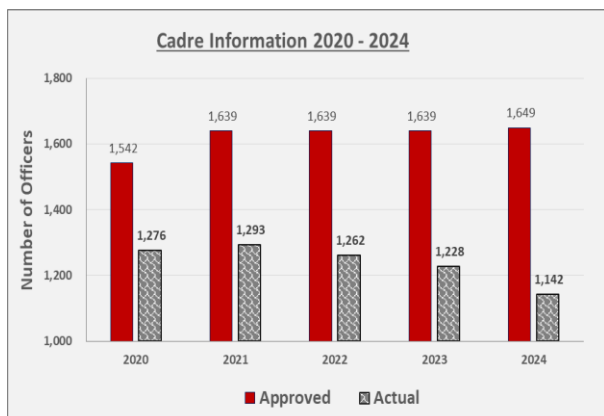
- 6.1 Cadre Management
- 6.2 The impact of the shortage or excess in human resources for the  
Performance of the excise Department of Sri Lanka
- 6.3 Details on vacancies
- 6.4 Human Resource Development
  - 6.4.1 Method of the training programs contributed to the  
Performance of the institute
  - 6.4.2 Human Resource Development- Training Programmes



## 6.1 Cadre Management

	As at 31.12.2024		
	Approved Cadre	Actual Cadre	Vacancies
Senior	70	18	52
Territory	381	273	108
Secondary	1,052	770	282
Primary	146	81	65
<b>Total</b>	<b>1,649</b>	<b>1,142</b>	<b>507</b>

## 6.2 Impact on human resource shortage or surplus for the performance of the Excise Department of Sri Lanka.



- During the year 2024, the Administration Division has assigned duties to 06 Excise Superintendents according to seniority for 08 Deputy Excise Commissioner posts. 11 Excise Superintendents performed/covered duties and worked on actioning basis in the Assistant Excise Commissioner posts. The duties of 31 Excise Superintendent posts were covered by Chief Excise Inspectors. Applications have been called for the promotion of officers for 08 Excise Superintendent posts and 13 Chief Excise Inspector posts.
- Applications have been invited for the promotion to 13 posts of Chief Excise Inspectors under tertiary level promotions. A matter concerning seniority in this regard has

been referred to the Public Service Commission for its guidance. Furthermore, a competitive examination was conducted for the recruitment of 22 Excise Inspectors on a limited basis and 34 Excise Inspectors on an open basis. The results of the examination have been released, and interviews for the eligible candidates are scheduled to be conducted in due course.

- Examination was held for the recruitment of one hundred (100) Excise Guards on an open basis under secondary level promotions, and interviews for the qualified candidates are also scheduled to be held in the near future.

- Examinations and interviews have been conducted for the recruitment of 11 Excise Guard positions on limited basis, and the relevant promotions are scheduled to be granted in due course. Additionally, a written examination was held for the recruitment of 15 Excise Guard Driver positions. Based on the results, interviews and practical vocational tests were conducted, and 12 candidates were deemed qualified. Accordingly, they are scheduled to receive appointments in the near future.
- The role of the department has expanded in recent times; however, due to government-imposed restrictions on new recruitment, the vacancy rate within the departmental staff has risen significantly to 31%. As a result of this

staff shortage, many departmental functions have been adversely affected. The less number of officers has also made it difficult to assign detention targets to the remaining staff, which directly impacts the department's drug prevention efforts.

- Additionally, steps have been taken to grant 886 salary increments to all staff members of the department. Measures have also been implemented to provide benefits for 139 applications under the Agrahara Insurance Loan Scheme. Furthermore, 33 uniformed staff officers and 3 civil staff officers retired during the period, and the necessary administrative actions were duly carried out.

### 6.3 Details of vacancies in the year 2024

Post	Number of Vacancies	Status to the date 31.12.2024	Period that the vacancy existed
Additional Commissioner General of Excise (Revenue Operations and Law Enforcement)	1	The vacancy remains unfilled due to the absence of a suitably qualified candidate who meets the eligibility criteria outlined in the approved recruitment procedure for appointment to the position.	
Additional Commissioner General of Excise (Revenue Policy and Administration)	1	This post has been vacant since 27.09.2024	03 months
Commissioner of Excise (Social Security and Development)	1	This post has been vacant since 31.12.2022	02 years

Commissioner of Excise (Revenue and Operations)	1	This post has been vacant since 01.01.2024	12 months
Commissioner of Excise (Law Enforcement)	1	This post has been vacant since 31.12.2022	02 years
Deputy Commissioner of Excise (Administration)	1	This post has been vacant since 28.10.2021	03 years and 02 months
Deputy Commissioner of Excise (Human Resources)	1	This post has been vacant since 31.12.2022	02 years
Deputy Commissioner of Excise (Logistics)	1	This post has been vacant since 31.12.2022	02 years
Deputy Commissioner of Excise ( Studies and Research )	1	This post has been vacant since 28.12.2023	01 year
Deputy Commissioner of Excise (Social Security)	1	This post has been vacant since 20.07.2021	03 years and 05 months
Deputy Commissioner of Excise (Supply Chain Regulation and IT)	1	This post has been vacant since 31.12.2022	02 years
Deputy Commissioner of Excise (Law Enforcement)	1	This post has been vacant since 31.12.2022	02 year
Deputy Commissioner of Excise (Revenue/Licenses)	1	This post has been vacant since 31.12.2022	02 year
Deputy Commissioner of Excise (Law)	1	This post has been vacant since 31.12.2022	02 year

Assistant commissioner of Excise	13	These positions became vacant following the retirement of senior-level officers. Interviews have been conducted for the recruitment of 07 Assistant Excise Commissioners, and the applications have been submitted to the Public Service Commission for approval.	
Superintendent of Excise	21	These positions became vacant due to the retirement of senior-level officers. Applications have been called for promotions to 08 Excise Superintendent (Limited) posts.	

## 6.4 Human Resource Development

The Human Resources Division of the Excise Department of Sri Lanka is performed under the direct supervision of a Commissioner of Excise and Deputy Commissioner of Excise to lead the Human Resources Division with the objective of organizing the human resources correctly with the intention of achieving institutional as well as individual improvement by development of knowledge, skills and attitudes of the human resources of the Excise Department. In addition, it is supervised under the Additional Commissioner General of Excise (Policy Administration). The Sri Lanka Excise College located in Panadaragama of Kurunegala district is used for the implementation of training programs of the Excise Department and the auditorium of the head office and the places owned by external institutions are used for this purpose.

In accordance with the action plan prepared for the year 2024, it had been decided to provide minimum twelve hours training for all uniform staff as well as all island and combined service staff.

During the year 2024, all uniformed staff were provided with full understanding and knowledge of the law as well as the documents of the Department and public administrative laws and regulations. Special training programs on public finances were implemented for the staff grade officers of this Department. Further, special training opportunities are provided by external institutions for Development Officers, Management Service Officers and Uniformed Staff. Two training programs were implemented for every officer to acquire his language proficiency through learning Tamil language as per the 18/2020.

Apart from that, workshops were held regarding manufacturing manufactories, distilleries, warehouse duties as well as legal regulations of the Tobacco and Liquor Authority and the Department arranged to provide special training for drivers regarding the cars of the National Apprenticeship Board. Creating a group of officers capable of achieving the goals and objectives by strengthening and developing human resources of the Excise Department and beyond that, drug prevention programs have been implemented for youth and school children and various organizations on liquor and drug abuse in the outer society. Accordingly, in the year 2024, the Human Resources Division has conducted 16 training programs and has managed all activities by spending an amount of Rs. 1,696,500.00.

Despite the severe financial constraints resulting from the ongoing economic and social crisis in the country, the department was able to achieve its training objectives, even though the implementation of many planned programs was hindered.

In 2024, a total of 16 training programs were successfully conducted, with the participation of approximately 1,416 officers, all of whom were awarded certificates. Notably, all these programs were carried out under the direct supervision of an Additional Commissioner General of Excise, with the support of an Excise Commissioner, a Deputy Excise Commissioner, a Chief Excise Inspector, a Development Officer, and an Office Assistant. Further details of the training programs conducted by the Human Resources Division are provided in section 6.4.2.

#### **6.4.1 Contribution of Training programmes for the performance of the Institution.**

Human resources are identified as the most important resource of any institution. The proper preparation for fulfilling the objectives of the institution is delegated to the human resources division. Employee training and employee development are considered an essential requirement for achieving institutional goals as well as individual aspirations. In order to increase employee efficiency and effectiveness, it is expected to create self-confidence on the employees through employee training. In this process, employee motivation and job satisfaction will increase employee performance and employee motivation through updating knowledge, skills and attitudes. The Human Resources Division directly intervenes for development of the uniformed staff of the Excise Department as well as the officers of the Combined Service.

In the year 2024, 16 training programs have been conducted in which nearly 1416 officers participated and a certificate was also awarded to them.

In addition to these programmes, nearly 20 drug prevention programs were implemented

in schools, youth centers, liquor manufactories and vocational training centers without charging money (free of charge) for preventing the youth from drugs and various anomalous situations as a social service. Despite the absence of government provisions allocated for conducting these programs, it is commendable that the Excise Department has undertaken these initiatives, supplementing them with its own resources. Further, the Human Resources Division has assigned officers of the Excise Department to make aware the officers within the Department and outside Semi-Government Institutions.

The Human Resource Division has been able to work to lead the task of organizing correctly with the intention of achieving institutional as well as individual improvement by developing the human resources of the Excise Department with knowledge, skills and attitudes through the performance of the above-mentioned functions, as the mission of the Human Resources Division of the Sri Lanka Excise Department.

## 6.4.2 Human Resource Development - Training programmes

Serial No	Name of the training Program	Place of the training Program held	No. of employees trained	Total Investment (Rs'000)	Output/Knowledge Gained
01	Manufactory, warehouse, distillery training	Head Office	135	130,000.00	E.C, E.I, E.S.M, E.S, E.G - Maintenance of manufactory documents.
02	Right to Information Act and Disciplinary Procedures of Public Officers	Head Office	286	315,000.00	A.E.C,E.I,E.G – Disciplinary Procedures Company Law
03	Court Duties and Court Procedures	Panadaragama Excise School	300	325,000.00	E.C.,E.I,E.S.M,E.S,E.G Studying practical court duties by a moot court
04	Auditing/Auditing Activities/Introduction of Audit Queries	Head Office	100	130,000.00	D.E.C,A.E.C,Officers In-Charge Annual Plan, Financial Documents and Annual Reports
05	Tamil Proficiency Training Course 150 hours (Department of Official Languages) (Programme 02)	Online	200	344,000.00	For the Civil Staff and the Departmental Staff of the Excise Department
06	Administration Law	Head Office	90	90,000.00	D.E.C,A.E.C, Excise Superintendent Company Registration Law
07	Stores Management and Inventory	Nipunatha Piyasa	02	20,000.00	Management Assistant - Stores Management
08	Vehicle Maintenance/Driver Effectiveness/Marking motion records	Orugodawatta German Technology School	80	100,000.00	E.Driver- Discipline and Office ethos
09	Workshop on Disciplinary Procedures, Financial Regulations and Office Systems	Head Office	105	12,000.00	Development Officers, Management Services Officers  Disciplinary Procedures, Financial Regulations and Office Systems

10	<p>Training Programme (External Local institute)</p> <ul style="list-style-type: none"> <li>○ Training regarding the Excise Laboratory</li> <li>○ Counselling Course</li> </ul>	<p>1.Association of Testing Laboratory</p> <p>2.Smart Mind Counselling and Training</p>	<p>5</p> <p>1</p>	<p>87,500.00</p> <p>35,000.00</p>	<p>Excise Inspectors - Training regarding the Excise Laboratory</p> <p>Excise Inspector- Counselling</p>
11	Workshops on making aware the laws and prevention related to tobacco and alcohol.	National Authority on Tobacco and Alcohol	112	-	E.I.,C.I.P
		<b>Total</b>		<b>1,696,500.00</b>	

## **Chapter 07**

### **Compliance Report**

7.1 Compliance Report on the manner of contribution to the departmental Performance.



**7.1 Compliance Report on the manner of contribution to the departmental Performance.**

No.	Applicable Requirement	Compliance Status (Complied/Not Complied)	Brief explanation for Non-Compliance	Corrective actions proposed to avoid non-compliance in future
1	<b>The following financial statements/accounts have been submitted on due date</b>			
1.1	Annual financial statements	Complied		
1.2	Advance to public officers account	Complied		
1.3	Trading and Manufacturing Advance Accounts (Commercial Advance Accounts)	Not Applicable	1.This account is not relevant to the Excise Department of Sri Lanka (EDSL)	
1.4	Stores Advance Accounts	Not Applicable	2.This account is not relevant to the EDSL	
1.5	Special Advance Accounts	Not Applicable	3.This account is not relevant to the EDSL	
1.6	Others	Not Applicable	4.This account is not relevant to the EDSL	
2	<b>Maintenance of books and registers (FR 445)</b>			
2.1	Fixed assets register has been maintained and update in terms of Public Administration Circular 267/2018	Complied		
2.2	Personal emoluments register/ Personal emoluments cards has been maintained and update	Complied		
2.3	Register of Audit queries has been maintained and update	Complied		
2.4	Register of Internal Audit reports has been maintained and update	Complied		
2.5	All the monthly account summaries (CIGAS) are prepared and submitted to the Treasury on due date	Complied		

2.6	Register for cheques and money orders has been maintained and update	Complied		
2.7	Inventory register has been maintained and update	Complied		
2.8	Stocks Register has been maintained and update	Complied		
2.9	Register of Losses has been maintained and update	Complied		
2.10	Commitment Register has been maintained and update	Complied		
2.11	Register of Counterfoil Books (GA – N20) has been maintained and update	Complied		
03	<b>Delegation of functions for financial control (FR 135)</b>			
3.1	The financial authority has been delegated within the institute	Complied		
3.2	The delegation of financial authority has been communicated within the institute	Complied		
3.3	The authority has been delegated in such manner so as to pass each transaction through two or more officers	Complied		
3.4	The controls have been adhered to by the accountants in terms of State Account Circular 171/2004 dated 11.05.2014 in using the Government Payroll Software Package	Complied		
4	<b>Preparation of Annual Report</b>			
4.1	Preparation of the annual action plan.	Complied		
4.2	Preparation of the annual procurement report	Complied		
4.3	Preparation of the annual audit report.	Complied		
4.4	Preparation and Submission of the annual estimate to the Department of National Budget by the prescribed date	Complied		
4.5	Submission of the annual cash flows to the Department of	Complied		

	Treasury Operations by the prescribed date.			
5	<b>Audit queries</b>			
5.1	All the audit queries have been replied within the specified time by the Auditor General	Complied		
6	<b>Internal Audit</b>			
6.1	The internal audit plan has been prepared at the beginning of the year after consulting the Auditor General in terms of Financial Regulation 134(2) ) DMA/1 -2019	Complied		
6.2	All the internal audit reports have been replied within one month	Not Complied	The responses have been delayed due to the department functions with 106 regional offices and lack of officers.	Relevant officials have been informed to give priority to audit queries.
6.3	Copies of all the internal audit reports have been submitted to the Management Audit Department in terms of Sub-section 404(4) of the National Audit Act No. 19 of 2018	Complied		
6.4	All the copies of internal audit reports have been submitted to the Auditor General in terms of Financial Regulation 134(3).	Complied		
7	<b>Audit and Management Committee</b>			
7.1	Minimum 04 meetings of the Audit and Management Committee have been held during the year as per the DMA Circular 1 -2019	Complied		
8	<b>Asset Management</b>			
8.1	The information about purchases of assets and disposals was submitted to the Comptroller General's Office	Complied		

	in terms of Paragraph 07 of the Asset Management Circular No. 01/2017			
8.2	A suitable liaison officer was appointed to coordinate the implementation of the provisions of 13 the circular and the details of the nominated officer was sent to the Comptroller General's Office in terms of Paragraph 13 of the aforesaid circular	Complied		
8.3	The board of survey was conducted and the relevant reports submitted to the Auditor General on due date in terms of Public Finance Circular No. 05/2016	Complied		
8.4	The excesses and deficits that were disclosed through the board of survey and other relating recommendations, actions were carried out during the period specified in the circular	Complied		
8.5	The disposal of condemn articles had been carried out in terms of FR 772	Complied		
9	<b>Vehicle Management</b>			
9.1	The daily running charts and monthly summaries of the pool vehicles had been prepared and submitted to the Auditor General on due date	Complied		
9.2	The condemned vehicles had been disposed of within a period of less than 6 months after condemning	Complied		

9.3	The vehicle logbooks had been maintained and updated	Complied		
9.4	The action has been taken in terms of F.R. 103, 104, 109 and 110 with regard to every vehicle accident	Complied		
9.5	The fuel consumption of vehicles has been re -tested in terms of the provisions of Paragraph 3.1 of the Public Administration Circular No. 30/2016 of 29.12.2016	Complied		
9.6	The absolute ownership of the leased vehicle log books has been transferred after the lease term	Complied		
10	<b>Management of Bank Accounts</b>			
10.1	The bank reconciliation statements had been prepared, got certified and made ready for audit by the due date	Complied		
10.2	The dormant accounts that had existed in the year under review or since previous years settled	Complied		
10.3	The action had been taken in terms of Financial Regulations regarding balances that had been disclosed through bank reconciliation statements and for which adjustments had to be made, and had those balances been settled within one month	Complied		
11	<b>Utilization of Provisions</b>			
11.1	The provisions allocated had been spent without exceeding the limit	Complied		
11.2	The liabilities not exceeding the provisions that remained at the end of the year as per the FR 94(1)	Complied		
12	<b>Advances to Public Officers Account</b>			

12.1	The limits had been complied with	Complied		
12.2	A time analysis had been carried out on the loans in arrears	Complied		
12.3	The loan balances in arrears for over one year had been settled	Not Complied	Loan balances of officers who have vacated the service and those who have been interdicted are available.	Relevant legal actions are being taken to recover the loan balances.
13	<b>General Deposit Account</b>			
13.1	The action had been taken as per F.R.571 in relation to the lapsed deposits	Complied		
13.2	The control register for general deposits had been updated and maintained	Complied		
14	<b>Imprest Account</b>			
14.1	The balance in the cash book at the end of the year under review remitted to TOD	Complied		
14.2	The ad -hoc sub imprests issued as per F.R. 371 settled within one month from the completion of the task	Complied		
14.3	The ad -hoc sub imprests had not been issued exceeding the limit approved as per F.R. 371	Complied		
14.4	The balance of the imprest account had been reconciled with the Treasury books monthly	Complied		
15	<b>Revenue Account</b>			
15.1	The refunds from the revenue had been made in terms of the regulations	Complied		
15.2	The revenue collection had been directly credited to the revenue account without credited to the	Complied		

	deposit account			
15.3	Returns of arrears of revenue forward to the Auditor General in terms of FR 176	Complied		
16	<b>Human Resource Management</b>			
16.1	The staff had been maintained within the approved cadre	Complied		
16.2	All members of the staff have been issued a duty list in writing	Complied		
16.3	All reports have been submitted to MSD in terms of their circular no.04/2017 dated 20.09.2017	Complied.		
17	<b>Provision of information to the public</b>			
17.1	An information officer has been appointed and a proper register of information is maintained and updated in terms of Right To Information Act and Regulation	Complied.		
17.2	Information about the institution to the public have been provided by Website or alternative measures and has it been facilitated to appreciate / allegation to public against the public authority by this website or alternative measures	Complied.		
17.3	Bi - Annual and Annual reports have been submitted as per section 08 and 10 of the Right to Information Act	Not Complied.	Reports will be sent from the year 2025.	
18	<b>Implementing citizens charter</b>			
18.1	A citizen's charter/ Citizens client's charter has been formulated and implemented by the Institution in terms of the circular number 05/2008 and 05/2018(1) of Ministry of Public Administration and Management	Complied		

18.2	A methodology has been devised by the Institution in order to monitor and assess the formulation and the implementation of Citizens Charter / Citizens client's charter as per paragraph 2.3 of the circular.	Complied		
19	<b>Preparation of the Human Resource Plan</b>			
19.1	A human resource plan has been prepared in terms of the format in Annexure 02 of Public Administration Circular No.02/2018 dated 24.01.2018.	Complied.		
19.2	A minimum training opportunity of not less than 12 hours per year for each member of the staff has been ensured in the aforesaid Human Resource Plan	Complied.		
19.3	Annual performance agreements have been signed for the entire staff based on the format in Annexure 01 of the aforesaid Circular	Complied.		
19.4	A senior officer was appointed and assigned the responsibility of preparing the human resource development plan, organizing capacity building programs and conducting skill development programs as per paragraph No.6.5 of the aforesaid Circular	Complied.		
20	<b>Responses Audit Paras</b>			
20.1	The shortcomings pointed out in the audit paragraphs issued by the Auditor General for the previous years have been rectified.	Complied.		

