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செயற்திறன் அறிக்கை

Performance Report

2014

දිවිනූගුම සංවර්ධන දෙපාර්තමේන්තුව  
வாழ்வின்எழுச்சி அபிவிருத்திதி னைக்களம்  
Department of Divineguma Development

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வீடமைப்பு மற்றும் சமுர்த்தி அமைச்சு

Ministry of Housing & Samurdhi

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## DEPARTMENT OF DIVINEGUMA DEVELOPMENT

### ACKNOWLEDGEMENT

First of all, I would like to thank the entire staff of the Department of Divineguma Development who had worked with dedication in the year 2014 to perform an efficient and quality service for the country and the poor people of the country, whilst achieving the objectives of the Department of Divineguma Development, which was established under the Divineguma Act No 1 of 2013.

Further, on behalf of the entire staff, I am grateful to all relevant officers of the Ministry of Finance, General Treasury and the Ministry of Economic Development for providing the kind cooperation to this Department in serving the people as mentioned above through proper guidance. Also, I recollect with gratitude the kind cooperation and the devotion to duty shown by all the District Secretaries/District Additional Directors General and Divisional Secretaries of the island to properly maintain the development activities, subsidies and social welfare services of the Department.

Finally, I bestow my thanks to all relevant government agencies, other relevant institutions and persons who cooperated in various ways in maintaining the duties of our Department in the year 2014.

**DIRECTOR GENERAL  
DEPARTMENT OF DIVINEGUMA DEVELOPMENT**

## OUR VISION

“A community empowered through livelihood economic activities, eradicating poverty”

## OUR MISSION

“Contributing to the acceleration of national development through empowering the people, development of human capital, promotion of livelihood activities and the development of rural infra structure facilities and making a major contribution to create a prosperous nation, which ensures food security, eradicates poverty and assures social justice”

## **01.Message of the Director General**

The Department of Divineguma Development was established in accordance with the Divineguma Act No 01 of 2013, amalgamating 05 Government institutions, including the three Authorities, the Samurdhi Authority of Sri Lanka established under the Act No 30 of 1995, the Southern Development Authority of Sri Lanka established under the Act No 18 of 1996 and the Up-Country Development Authority of Sri Lanka established under the Act No 26 of 2005 and the two Departments, the Kandyan Peasantry Rehabilitation Department and the Department of the Commissioner General of Samurdhi. In accordance with the provisions of the Divineguma Act, this Department was officially incorporated subsequent to the publication of gazette notification No 1843/47 dated 03<sup>rd</sup> January 2014 by the Hon Minister of Economic Development. Subsequently, the staff of over 26,000 who had served in the above 05 establishments were absorbed into the new Department. The operation of this Department is widespread covering the 25 Districts, the 331 Secretarial Divisions and the 14,022 “Grama Niladhari Wasams” in the island. Further, in accordance with the gazette notification No 1844/69 dated 10/01/2014, 06 zonal offices had been established, and the 25 Districts of the island divided into these 06 zones as shown below and the relevant mechanism was formulated to maintain the control and management of the Department.

<b>Zone</b>	<b>Districts coming under the Zones</b>
● Zone No 01 -	Colombo, Kalutara, Galle, Matara, Rathnapura
● Zone No 02 -	Gampaha, Kurunegala, Kegalle, Puttalam
● Zone No 03 -	Kandy, Matale, Nuwara Eliya, Badulla
● Zone No 04 -	Hambantota, Moneragala, Ampara
● Zone No 05 -	Anuradhapura, Polonnaruwa, Trincomalee, Batticaloa
● Zone No 06 -	Jaffna, Manaar, Vavuniya, Kilinochchi, Mullaitivu

One major objective of this Department is the enhancement of individual, family, group and community based livelihood development activities, galvanizing the national policy for the eradication of poverty and ensuring social justice, to achieve the goal of promoting the economic development process in the island. Another basic aim of the Department of Divineguma Development is the mobilization of the people for a community level national development process by the development and promotion of the micro finance banking system, through the establishment of Divi Neguma community based organizations and by the creation of a national, zonal and district level coordination network for this. In this respect, in accordance with the provisions of the Divineguma Act No 01 of 2013, the Department operates under the three main streams as shown below.

- (1) The Departmental stream with the official structure
- (11) Community based banking system stream
- (111) Community based organization stream

### **(1) The Departmental stream with the official structure**

The composition of the official structure of the Department is as follows. That is, 11 Divisions with the Heads of Divisions of the Divisions of the Head Office, the Director General and Administration, Social Security and Social Welfare, Social Development, Community Based Organizations, Livelihood Development, Information Technology, Media, Community Based Banks and Accounts performing the duties of each Division. In the 06 Zonal Offices, the staff headed by the Additional Directors General (the District Secretaries) and at District level, under the guidance of the Divineguma District Director and his staff, the relevant duties are performed at Zonal and District levels. Community based banking activities, building of community based organizations and the implementation of development projects at village levels are performed by all the other office and the field officers, including Divineguma Managers and Divineguma Development Officers headed by the Divisional Secretaries.

### **(11) Community based banking system stream**

The function of this Division is as follows. That is, this bank system operates through the staff coming under the control of the Director of Micro Finance of the Head Office and through all the staff relevant to the community based banking societies and “maha sangams” relevant to the 331 Secretarial Divisions island-wide and the 1,074 banks operating at “Grama Niladhari Wasam” levels. Through this, disbursement of subsidies, maintenance of the compulsory savings deposits of beneficiaries, granting of micro finance loans to beneficiaries and low income earners, investment of balance funds in sources which bring more benefits and other social welfare activities are also implemented.

As at 31/12/2014, all the banks had investments worth Rs Bn. 48. A sum of Rs Bn. 128 was the total amount of loans granted through various ways to the rural people for whom credit facilities were essential for livelihood purposes. By the end of year 2014, the accrued value of the total loans was Rs Bn. 30. Further, it is anticipated to program all functions of this Division through new technological methods and to provide a more efficient and quality service to the people. Information in respect of the performance of this Division is shown under the Chapter 09.

### **(111) Community based organization stream**

Sections 09, 10, 11 and 12 of the Divineguma Act indicate the provisions in regard to the establishment of the community based organizations. In accordance with the relevant sections of the Act, while community based organizations are due to be established constitutionally and officially, and by now, the constitution relevant to it has been drafted and submitted to the Department of the Attorney General. 38,696 community based organizations had been

established during the year 2014, with the objective of directing the community towards the community based banking and livelihood programme, strengthening the community based organizations, empowering the people and developing them economically, socially and spiritually. In order to achieve the objectives spelled out in the Act, forward tasks are due to be done in the ensuing years. Detailed information in respect of the performance of this Division is shown under the Chapter 05.

### **Livelihood Development Based Development Projects**

The financial provision of Rs. Mn. 3,146.88 made to the Department of Divineguma Development in the year 2014 had been allocated for the implementation of projects centered on livelihood development. Agricultural Development Projects, Animal Husbandry Projects, Self Employment Industrial Development Projects and Marketing Development Projects occupied a major place among the operational projects of the Livelihood Development Division. In this regard, a total of 94,797 projects had been completed spending a sum of Rs. Mn. 1,715.82 in the year 2014. Further, the information about the projects implemented sub-sector and district-wise as shown above, the funds spent for same and the project beneficiaries are shown under the Tables 01, 02 and 03 and the Chapter 06.

### **Performance of Other Divisions**

Detailed information about the performance achieved in respect of the Social Security and Social Welfare Division in the year 2014 is shown under the Chapter 03, and the information about the performance of the Social Development Division is shown under the Chapter 04. In addition, the performance achieved by the Administration Division in the year 2014 as auxiliary services is shown under the Chapter 02, the performance of the Information and Technology Division is shown under the Chapter 07, the performance of the Media Division is shown under the Chapter 08 and details about accounts reports are shown under the Chapter 10.

The Department of Divineguma Development had been officially established on 03/01/2014. Subsequently, the Head Office and the 06 Zonal Offices of the Department were officially located in the latter part of April 2014. As such, what could be achieved during that year were as follows. Thus, the posting of the staff of the 05 government establishments which amalgamated with this Department to offices established at the national, zonal, district and divisional level, matters pertaining to the establishment of office systems at these levels, establishment of Divisions in the Head Office, rational placement of the staff covering a span from the Head Office down to the “Grama Niladhari Wasam” levels, and through this the implementation of the major functions in respect of development, banking services, social security and social welfare and the implementation of all other functions down to grass root levels.

In addition, the absorption of the staff to the Department (that is, 8,373 from the date of the first appointment on a pensionable basis and 14,159 on the basis of new appointments) who had opted to join the Department in terms of the Government policy when the Department was being established, allowing the 1,501 employees who had opted to leave with compensation to leave after paying compensation, and providing the relevant services to 1,068 employees who had served contributing to the Employees Provident Fund and who had opted to serve the Department on the same basis were the main duties done during the year 2014.

In the background described above, facing various practical difficulties and problems, it was an achievement for the Department to have been able to implement island-wide development projects in respect of 94,797 beneficiary families incurring an expenditure of Rs. Mn. 1,715.82. I must also state that through this, it had been possible to achieve to some extent the objectives stated in the Section 04 of the Divineguma Act. Also, this Department has to go a long way to achieve the noble aim of liberating the people from poverty and making them active and fixed stakeholders of the major economic stream of this country, while empowering the low income earning people of this country and accelerating livelihood and economic development. As such, I would like to state that future plans would be prepared and implemented, also with the objective of creating a motivated and dedicated human resource, to achieve this aim in the ensuing years.

**R.A.A.K Ranawaka**  
**Director General**  
**Department of Divineguma Development**

## **2. Performance of the Administration Division**

The Administration Division of the Department of Divineguma Development functions in relation to the establishment, human resources and training and investigation matters. A major function of this Division is attending to the day to day activities faced in the administration and the implementation of policy decisions.

### **2.1 Human Resources Division**

The Administration Branch has been placed under the direct control of the Director of Administration. The number of staff attached to this division is 59. The main function entrusted to the Administration Division is the proper management of human and physical resources, dedication for institutional development and the supply of auxiliary services enabling the achievement of the functions of the various Divisions of the Department.

#### **2.1.1 Main Objectives**

Shown below is the programme of special discussions being taken place and coordination implemented with the Ministry of Economic Development since the establishment of the Divineguma Department up to date regarding this matter.

- ❖ Implementation of the recruitment and promotion procedure.
- ❖ Taking action necessary to maintain good order and discipline of the staff and to facilitate day to day work.
- ❖ Ensuring the good order of the institution.
- ❖ Formulation of the office lay out and the office organization chart

#### **2.1.2 Daily Routine Duties**

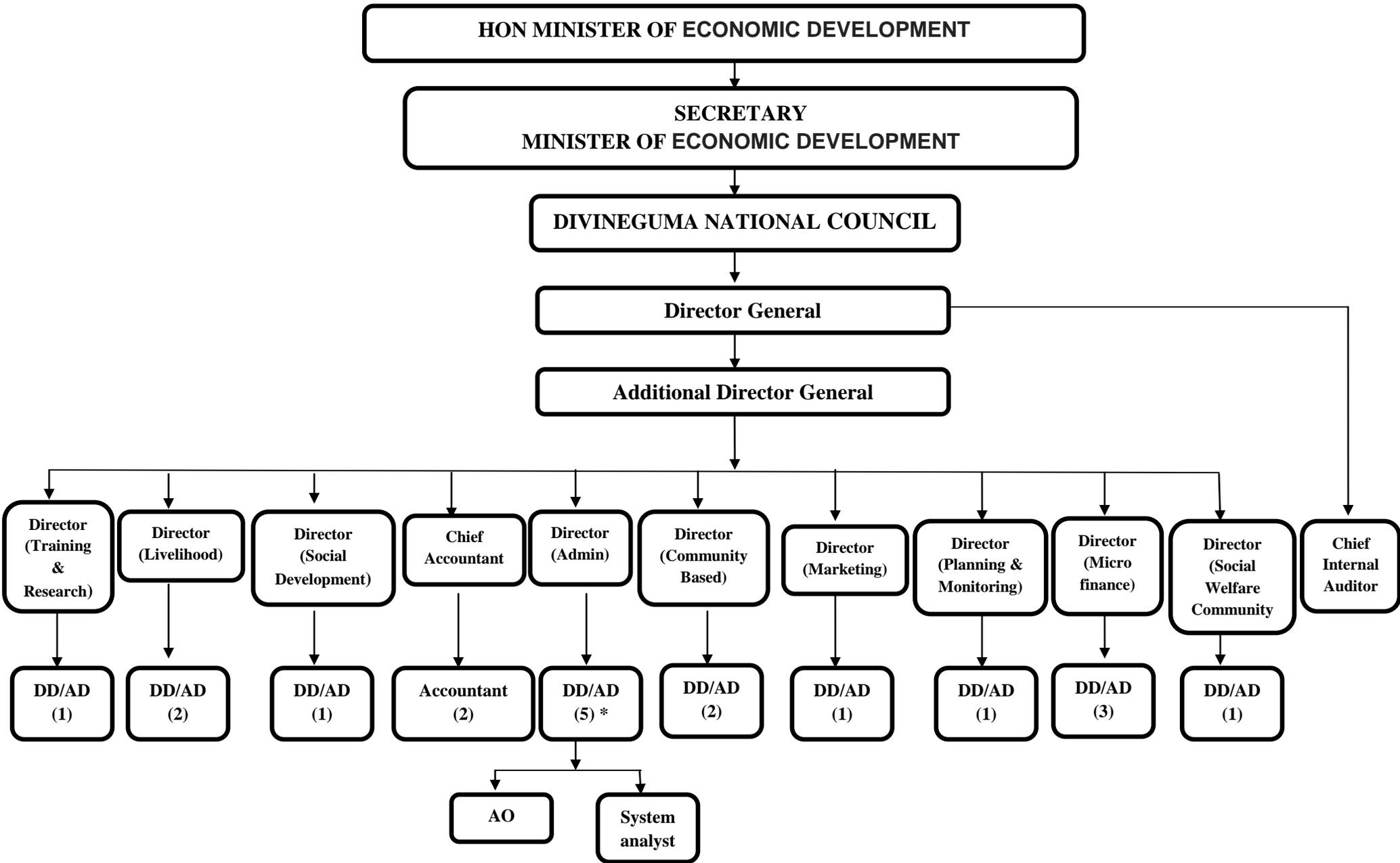
- ❖ Programme of special discussions and coordination implemented with the Ministry of Economic Development since the establishment of the Divineguma Department up to date regarding this matter
- ❖ Attending to the daily tappal
- ❖ Inter-divisional and intra-divisional co-ordination
- ❖ Taking action regarding requests made by the public
- ❖ Taking action regarding requests made by the staff
- ❖ Maintaining and updating of personal files of staff
- ❖ Management of the transport section



<b>Staff of the Financial Division</b>			
Chief Accountant	7	1	6
Chief Internal Auditor	1	0	1
Accountant	27	4	23
Internal Auditor	8	4	4
Financial Assistant	7	1	6
Senior Internal Audit Officer	25	0	25
Internal Audit Officer	78	77	1
Internal Audit Assistant	128	120	8
Sub total	281	207	74
<b>Staff of the Technical Division</b>			
Engineer	6	2	4
Systems Analyst	1	1	0
Translator	7	2	5
Legal Officer	1	1	0
Training and Research Officer	35	10	25
Media Officer	2	1	1
Technical Officer	6	6	0
Information Technology Assistant	365	0	365
<b>Sub total</b>	<b>423</b>	<b>23</b>	<b>400</b>

<b>Other Staff</b>			
Driver	297	133	164
Office Aide (K.K.S.)	441	67	374
Cook	8	1	7
Labourer	16	12	4
<b>Sub total</b>	762	213	549
<b>Grand total</b>	32764	23635	9129

(Source – Departmental Sources)

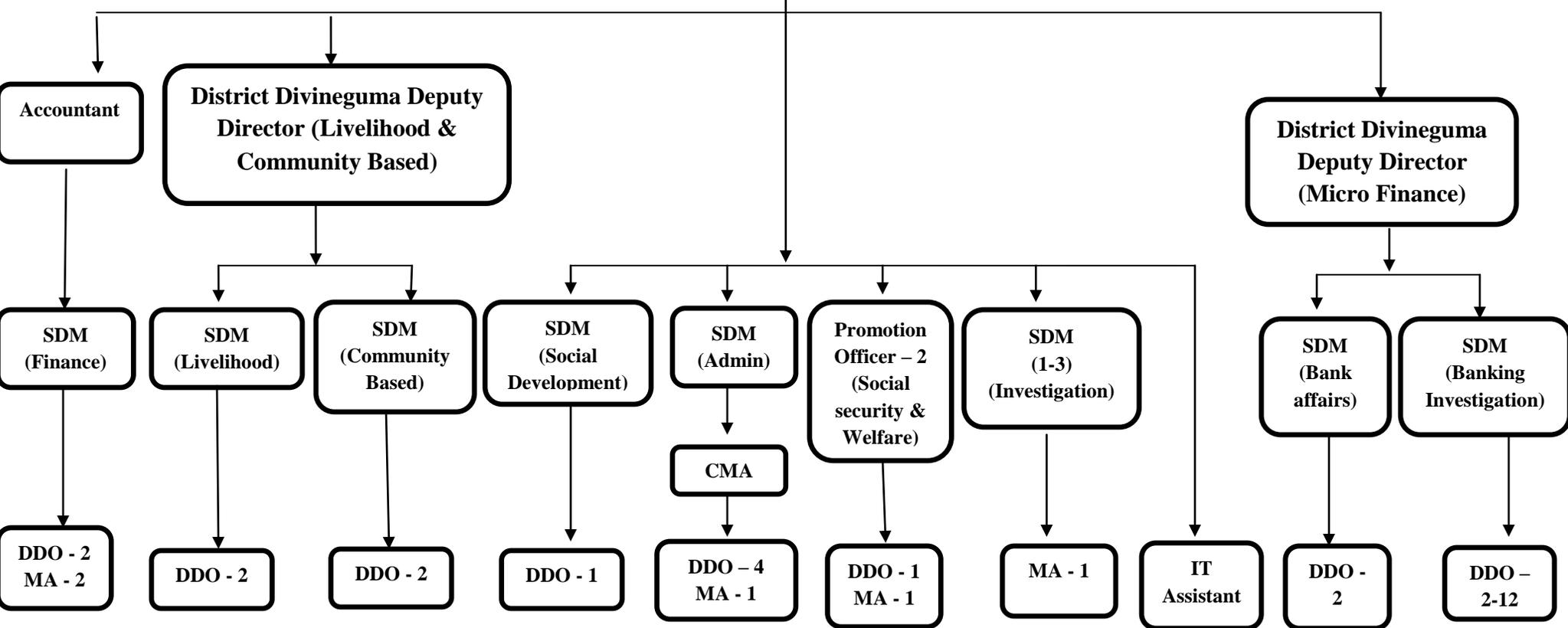


- 1. Admin 2. Legal
- 2. 3. Monitoring 4. Social Welfare 5. Social Security

**Organization chart District Level**

**Additional Director General**

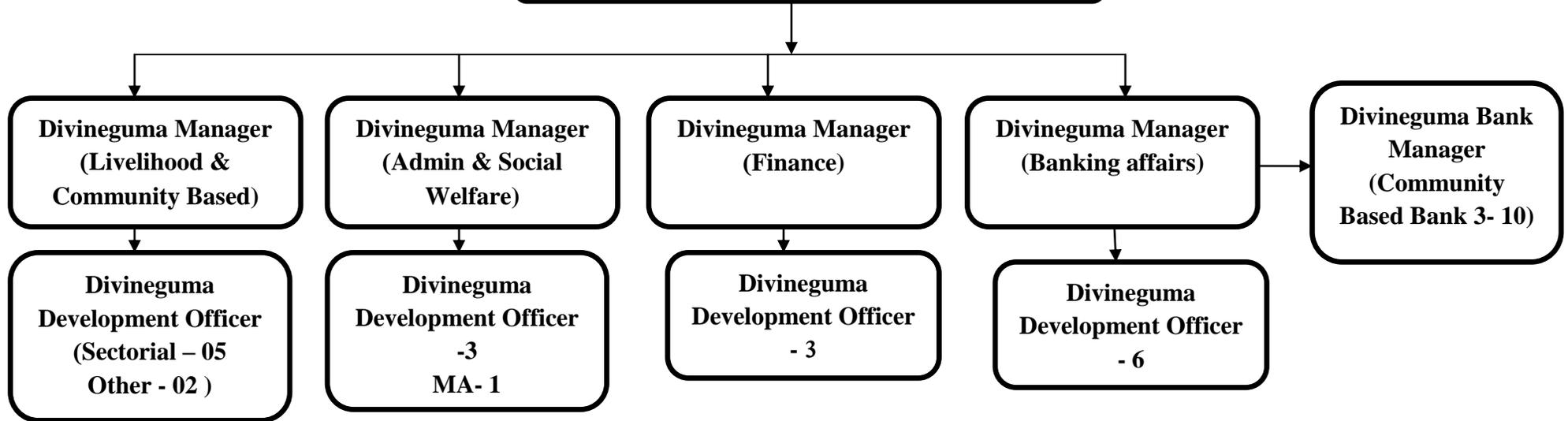
**District Divineguma Director**



**SDM – Senior Divineguma Manager**

**Organization chart Divisional Level**

**Divisional Divineguma Assistant Director**



- ❖ Agriculture
- ❖ Animal Husbandry
- ❖ Fisheries
- ❖ Fruits Crops
- ❖ Handlooms
- ❖ Handicraft
- ❖ Dairy Production
- ❖ Aqua Culture
- ❖ Poultry Management
- ❖ Cattle Management
- ❖ Traditional Industry
- ❖ Bee Keeping      Kitul Production Etc.....

## **List of Names of the Staff Officers of the Department of Divineguma Development - 2014**

1. Mr R.A.A.K.Ranawaka - Director General
2. Mr R.P.B.Thilakasiri - Additional Director General
3. Mr H.M.Jayatilake Herath - Additional Director General
4. Mr Amarananda Weerasinghe - Additional Director General
5. Mr A.P.S.Ranjith Gunasekera - Additional Director General
6. Mr S.K.Liyanage - Additional Director General
7. Mr R.H.W.A.Kumarasiri - Additional Director General

### **Posts of Chief Accountant**

1. Mr S.M.S.G.RatHnayake
2. Mrs Sunanda Piyaseeli
3. Mr K.M.Kularatne
4. Mr J.M.S.Bandara
5. Mr K.G.S.K.Weerakkody
6. Mr S.S.K.Liyanage
7. Mr S.Balaraja

### **Posts of Accountant**

1. Mr P.A.S.J.Kumara
2. Mr K.K.L.Chandratilake

### **Chief Internal Auditor**

1. Mr T.K.de Costa

### **Posts of Director**

1. Mr C.D.Kaluarachchi - Director (Administration)
2. Mr S.M.R.S.Bandara - Director (Livelihood Development)
3. Mr J.K.Padmasiri - Director (Planning and Monitoring)
4. Mrs Kanthi Dissanayake - Director (Marketing)
5. Mrs Rajini Sriyalatha - Director (Social Development)

### **Post of District Director**

1. Mr. K.A.M. Perera
2. B.A.S. Udayangani
3. Mrs. W.M.T.U. Wijerathna
4. Mrs. M.S.M. Safrass
5. Mr. H.M.C.S.Herath
6. Mr. S.R. Gamage
7. Mr.K.D. Wikramasooriya
8. Mrs. H.M.S.K.K. Herath
9. Mr. S. Thrimantha
10. Mr. P.T.M. Irfan
11. Mrs. H.R. Sirinama
12. Mr. U.P.S.A Piyadasa
13. Mr. B.G. Abesekara
14. Mrs. Chandima
15. Mrs. Jeyahawani Kaneshamurti
16. Mrs.A.A.L. Amarasekara
17. Mr. I.A. Neel Franando
18. Mr. K.A.L. Siril
19. Mr. N.G.J.P. Rohitha
20. Mr. P. Gunaratnam
21. Mr. S.A.N. Priyashantha
22. Mr. Niranjan Ruwan Rajashilpa
23. Mr. Maheshwaran
24. Mr. T.M.K.B. Weerashinha
25. Mr. K. Sasidaran

### **Posts of Deputy Director**

1. Mr Mahesh Perera
2. Mr S.Liyanarachchi
3. Mr H.K.Ranaweera
4. Mrs R.M.L.W.L.Rathnayake
5. Mr B.G.L.R.N.S.Bandara
6. Mr S.R.Wijesekera
7. Mr T.A.Ranasinghe

8. Mr S.Wannigama
9. Mr Kapila Masakorala
10. Mrs S.D.Kalyani
11. Mr Ranjith de Silva
12. Mr S P Wanigatunga

#### **Post of Deputy Internal Auditor**

1. Mr H.Anurawansa

#### **Posts of Assistant Director**

1. Mr Ananda Gamage
2. Mrs M.S.P.Yapa
3. Mrs J.M.M.W.Jayasinghe
4. Mrs W.A.P.M.Weerasuriya
5. Mrs I.D.N.Sanjeewani
6. Mr I.C.J.Gunaratne
7. Mr G.M.D.W.D.Pallawala
8. Mr A.Felix Fernando
9. Mrs W.P.S.Wickremasinghe
10. Mr G.D.R.K.Perera
11. Mrs D.M.K.Dissanayake

#### **Post of Engineer**

1. Mr A.L.M Maheer

#### **Posts of Administration Officer**

1. Mr P.G.Upul Jayashantha
- 3 Mrs B.L.S.Boralugoda

## **2.2 Training and Research Division**

The Training and Research Division was established under the Department of Divineguma Development approximately in the middle of the year 2014. Training programmes started earlier during the duration of the Samurdhi Authority had been taken forward. Accordingly, around 600 officers serving in the Divineguma banking sector had been given training in the subject of micro finance by the Sri Lanka Institute of Bankers. Also, around 600 officers serving in the

Divineguma banks had been given training in the subjects of accountancy and business administration by the Sanasa Campus institute, related to the cooperative thrift society and by the Accountancy and Management Institute. A group which had been sent to undergo training in the above courses is still undergoing training. After the Training and Research Division had been established under the Department of Divineguma Development, it has been planned to implement the following programmes.

### **2.2.1 Work-shop on the Formulation of the Vision, Mission Statement and Objectives of the Institution**

Even though a panel of suitable scholars and well experienced resource personnel had been identified to hold this workshop, the relevant cost estimates and project reports approved and arrangements made to hold it at the Sri Lanka Institute of Development Administration on 3 occasions, it had to be postponed indefinitely due to the heavy engagements of the participants.

### **2.2.2 Awareness Work-shop about the Department of Divineguma Development for Field Officers**

Even though the necessary estimates and plans had been prepared to conduct 437 awareness programmes to brief the officers in all the Secretarial Divisions representing the 25 Districts in the island, Divineguma Banks and the officers working in the field about the Divineguma Programme; as the vision and the mission statement etc. expected to be prepared after the commencement of the work shop mentioned above was required for these workshops as well, and as a result of the failure to conduct the above programme, this programme too could not be carried out.

### **2.2.3 Training of Accountants in the use of Pay Roll and CIGAS Soft-ware to expedite Work in the Accounts Division**

Under this, the Department of Public Finance trained Accountants covering all the zonal offices. This training had been conducted free of charge.

### **2.2.4 Work-shop for the Attitudinal Development of Divineguma Bank Managers**

Conducting this programme has been planned with the objective of training officers serving the 1,074 Divineguma banks spread island wide, with the aim of enhancing customer attraction. This has been planned to be held at the Divisional level.

In addition to the above training programmes, various training programmes had been organized by the then zonal offices and district offices and officers were trained by such means too.

## **2.3 Investigation Division**

### **2.3.1 Aim**

Attending to all investigative matters including all complaints received about irregularities and criminal offences committed by officers working in the institution and audit reports, and making it a good institution devoid of corruption and fraud.

### 2.3.2 Tasks

01. Conducting preliminary investigations
02. Preparation of charge sheets/calling for explanation
03. Holding of formal inquiries
04. Issuing of formal disciplinary orders
05. Consideration of appeals

1. Formal disciplinary inquiry reports relating to year 2014	-	25
2. Orders relevant to formal disciplinary inquiry reports relating to year 2014	-	20
3. Preliminary inquiries/internal audit reports relating to year 2014	-	16
4. No charge sheets have been served relating to year 2014		
5. The Board of Appeal has given the following decisions relating to year 2014:		
• Re-instatement with punishments	-	13
• Mitigation of punishments	-	06
• Rejections	-	18

**Department of Divineguma Development**  
**Livelihood Development Programme - 2014**  
*Proposed Plan and Physical and Financial Progress as at 31.12.2014*

Zone	District	Allocation (Rs.M)	Allocation sent (Rs. M.)	Amount Released (Rs.M.)	Agri Projects		Livestock Projects		Fisheries Projects		Industries Projects		Marketing & Services		Total Projects		Completed Projects	Expenditure (Rs. M)
					No.	Amount (Rs.M)	No.	Amount (Rs.M)	No.	Amount (Rs.M)	No.	Amount (Rs.M)	No.	Amount (Rs.M)	No.	Amount (Rs.M)		
01	Colombo	300.00	255.00	377.1	503	16.25	739	27.06	74	3.86	5676	223.78			6992	270.95	2979	87.6
	Kalutara	160.00	136.00		3449	26.58	551	11.11	57	0.21	2298	55.82	1327	21.77	7682	115.49	6134	77.13
	Rathnapura	180.00	153.00		2318	38.54	340	8.91			2639	84.17	810	20.35	6107	151.97	3472	71.53
	Galle	200.00	170.00		4413	40.62	1186	13.89	497	8.35	4843	75.29	2748	40.82	13687	178.97	7018	84.62
	Matara	140.00	119.00		1527	23.21	264	8.48	1468	10.80	3620	79.03			6879	121.52	3370	57.21
<b>Sub Total</b>		<b>980.00</b>	<b>833.00</b>	<b>377.1</b>	<b>12210</b>	<b>145.20</b>	<b>3080</b>	<b>69.45</b>	<b>2096</b>	<b>23.22</b>	<b>19076</b>	<b>518.09</b>	<b>4885</b>	<b>82.94</b>	<b>41347</b>	<b>838.90</b>	<b>22973</b>	<b>378.09</b>
02	Gampaha	260.00	221.00	437.0	856	16.90	951	24.93	177	6.38	7883	208.92			9867	257.13	4566	116.68
	KurunEgala	280.00	238.00		4764	70.57	3255	90.60	42	1.45	4106	105.50	592	12.38	12759	280.59	5466	135.44
	Puttlam	120.00	102.00		933	16.86	2234	41.71	425	9.24	2012	51.54			5604	119.35	3227	60.17
	Kegalle	180.00	153.00		3120	45.70	1938	24.72	3427	89.24	738	19.17			9223	178.83	6097	96.59
<b>Sub Total</b>		<b>840.00</b>	<b>714.00</b>	<b>437.0</b>	<b>9673</b>	<b>150.03</b>	<b>8378</b>	<b>181.96</b>	<b>4071</b>	<b>106.31</b>	<b>14739</b>	<b>385.13</b>	<b>592</b>	<b>12.38</b>	<b>37453</b>	<b>835.81</b>	<b>19356</b>	<b>408.88</b>
03	Kandy	260.00	221.00	496.3	2479	56.14	2268	62.83	14	1.35	4945	139.68			9706	260.00	8243	206.56
	Matale	80.00	68.00		1061	13.97	592	17.71	2	0.03	1742	47.57			3397	79.28	3397	78.28

	Nuwara-Eliya	100.00	85.00		652	17.12	1315	32.97	10	1.94	936	25.34			2913	77.37	2420	52.06
	Badulla	180.00	153.00		4559	67.77	2352	58.28	19	0.27	1759	48.92			8689	175.24	8421	153.18
<b>Sub Total</b>		<b>620.00</b>	<b>527.00</b>	<b>496.3</b>	<b>8751</b>	<b>155.00</b>	<b>6527</b>	<b>171.79</b>	<b>45</b>	<b>3.59</b>	<b>9382</b>	<b>261.51</b>	<b>0.00</b>	<b>0.00</b>	<b>24705</b>	<b>591.89</b>	<b>22481</b>	<b>490.08</b>
04	Hambantota	100.00	85.00	209.0	1610	27.97	219	7.88	108	3.70	2110	59.75			4047	99.30	2899	64.20
	Moneragala	80.00	68.00		1626	10.10	231	5.71	20	0.43	21948	51.13	38	0.63	23863	68.00	5829	39.46
	Ampara	100.00	85.00		1646	20.98	1891	33.31	192	4.63	1781	40.58			5510	99.50	4472	75.92
<b>Sub Total</b>		<b>280.00</b>	<b>238.00</b>	<b>209.0</b>	<b>4882</b>	<b>59.05</b>	<b>2341</b>	<b>46.90</b>	<b>320</b>	<b>8.76</b>	<b>25839</b>	<b>151.46</b>	<b>38</b>	<b>0.63</b>	<b>33420</b>	<b>266.80</b>	<b>13200</b>	<b>179.58</b>
05	Anuradhapura	140.00	119.00	275.7	5537	55.41	2967	41.27	126	2.64	1202	29.76	508	9.63	10340	138.71	5369	76.50
	Polonnaruwa	116.20	104.20		2560	23.81	3169	33.31	141	1.16	1102	23.50	447	10.30	7419	92.08	6409	73.4
	Trincomalee	110.68	81.12		3260	35.06	1298	27.68	1051	14.62	2119	36.41			7728	113.77	1604	33.32
	Bataloa	60.00	51.00		485	7.73	2333	38.21	91	1.66	386	9.33	247	3.06	3542	59.99	1936	51.01
<b>Sub Total</b>		<b>426.88</b>	<b>355.32</b>	<b>275.7</b>	<b>11842</b>	<b>122.01</b>	<b>9767</b>	<b>140.47</b>	<b>1409</b>	<b>20.08</b>	<b>4809</b>	<b>99.00</b>	<b>1202</b>	<b>22.99</b>	<b>29029</b>	<b>404.55</b>	<b>15318</b>	<b>234.24</b>
Num 06	Vauniya		5.00	25.0	50	1.43	75	2.54	1	0.01	29	1.01			155	4.99	155	4.99
	Jaffna		5.00		55	1.44	88	1.46	29	0.81	33	0.74	14	0.53	219	4.98	219	4.99
	Mannar		5.00		5	0.12	643	4.41	1	0.02	15	0.42			664	4.97	664	4.98
	Mulathi ve		5.00		200	2.00	136	3.00							336	5.00	336	4.99
	Kilinochchi		5.00					45	2.50	50	2.50					95	5.00	95
<b>Sub Total</b>		<b>0.00</b>	<b>25.00</b>	<b>25.0</b>	<b>310</b>	<b>4.99</b>	<b>987</b>	<b>13.91</b>	<b>81</b>	<b>3.34</b>	<b>77</b>	<b>2.17</b>	<b>14</b>	<b>0.53</b>	<b>1469</b>	<b>24.94</b>	<b>1469</b>	<b>24.95</b>
Total		3146.88	2692.32	1820.2	47668	636.28	31080	624.48	8022	165.30	73922	1417.36	6731	119.47	167423	2962.89	94797	1715.82

**Department of Divineguma Development  
Livelihood Development Programme - 2014**

*Proposed Plan and Physical and Financial Progress as at 31.12.2014 (Zonal & District wise )*

Zone	District	Allocation (Rs.M)	Allocation sent (Rs. M.)	Amount Released (Rs.M.)	Proposed Total Projects		Completed Projects	Expenditure (Rs. M)	Achievement in relation to imprest sent %
					No	Amount (Rs.M)			
01	Colombo	300.00	255.00	377.1	6992	270.95	2979	87.6	100.26%
	Kalutara	160.00	136.00		3914	101.84	6134	77.13	
	Rathnapura	180.00	153.00		6107	151.97	3472	71.53	
	Galle	200.00	170.00		13687	178.97	7018	84.62	
	Matara	140.00	119.00		7282	124.7	3370	57.21	
<b>Sub Total</b>		<b>980.00</b>	<b>833.00</b>	<b>377.10</b>	<b>37982</b>	<b>828.43</b>	<b>22973</b>	<b>378.09</b>	<b>100.26%</b>
02	Gampaha	260.00	221.00	437.0	9867	257.13	4566	116.68	93.56%
	Kurunegala	280.00	238.00		12759	280.5	5466	135.44	
	Puttlam	120.00	102.00		5604	119.35	3227	60.17	
	Kegalle	180.00	153.00		9223	178.83	6097	96.59	
<b>Sub Total</b>		<b>840.00</b>	<b>714.00</b>	<b>437.04</b>	<b>37453</b>	<b>835.81</b>	<b>19356</b>	<b>408.88</b>	<b>93.56%</b>
03	Kandy	260.00	221.00	496.30	9706	260.00	8243	206.56	98.75%
	Matale	80.00	68.00		3397	79.28	3397	78.28	
	Nuwara-Eliya	100.00	85.00		2913	77.37	2420	52.06	
	Badulla	180.00	153.00		8689	175.24	8421	153.18	
<b>Sub Total</b>		<b>620.00</b>	<b>527.00</b>	<b>496.30</b>	<b>24705</b>	<b>591.89</b>	<b>22481</b>	<b>490.08</b>	<b>98.75%</b>
04	Hambantota	100.00	85.00	209.40	4047	99.30	2899	64.20	85.76%
	Moneragala	80.00	68.00		23863	68.00	5829	39.46	
	Ampara	100.00	85.00		5510	99.50	4472	75.92	

<b><i>Sub Total</i></b>		<b><i>280.00</i></b>	<b><i>238.00</i></b>	<b><i>209.40</i></b>	<b><i>33420</i></b>	<b><i>266.80</i></b>	<b><i>13200</i></b>	<b><i>179.58</i></b>	<b><i>85.76%</i></b>
<b>05</b>	Anuradhapura	140.00	119.00	<b>275.7</b>	<b>10340</b>	<b>138.71</b>	<b>5369</b>	<b>76.50</b>	<b>84.95%</b>
	Polonnaruwa	116.20	104.20		<b>7419</b>	<b>92.08</b>	<b>6409</b>	<b>73.41</b>	
	Trincomalee	110.68	81.12		<b>7728</b>	<b>113.77</b>	<b>1604</b>	<b>33.32</b>	
	Baticaloa	60.00	51.00		<b>3542</b>	<b>59.99</b>	<b>1936</b>	<b>51.01</b>	
<b><i>Sub Total</i></b>		<b><i>426.88</i></b>	<b><i>355.32</i></b>	<b><i>275.74</i></b>	<b><i>29029</i></b>	<b><i>404.55</i></b>	<b><i>15318</i></b>	<b><i>234.24</i></b>	<b><i>84.95%</i></b>
<b>06</b>	<i>Vauniya</i>		<b>5.00</b>	<b>25.00</b>	<b>155</b>	<b>4.99</b>	<b>155</b>	<b>4.99</b>	<b>99.80%</b>
	<i>Jaffna</i>		<b>5.00</b>		<b>219</b>	<b>4.98</b>	<b>219</b>	<b>4.99</b>	
	<i>Mannar</i>		<b>5.00</b>		<b>664</b>	<b>4.97</b>	<b>664</b>	<b>4.98</b>	
	<i>Mulathive</i>		<b>5.00</b>		<b>336</b>	<b>5.00</b>	<b>336</b>	<b>4.99</b>	
	<i>Kilinochchi</i>		<b>5.00</b>		<b>95</b>	<b>5.00</b>	<b>95</b>	<b>5.00</b>	
<b><i>Sub Total</i></b>		<b><i>0.00</i></b>	<b><i>25.00</i></b>	<b><i>25.00</i></b>	<b><i>1469</i></b>	<b><i>24.94</i></b>	<b><i>1469</i></b>	<b><i>24.95</i></b>	<b><i>99.80%</i></b>
<b><i>Total</i></b>		<b><i>3146.88</i></b>	<b><i>2692.32</i></b>	<b><i>1820.58</i></b>	<b><i>164058</i></b>	<b><i>2952.42</i></b>	<b><i>94797</i></b>	<b><i>1715.82</i></b>	<b><i>94.25%</i></b>

\* Out of money sent to Zone 02, Rs. 30 m has been spent for Puttlam Tile Programme and out of money sent to Zone 04, Rs. 24.95 m has been spent for Hambantota housing scheme.

**Department of Divineguma Development  
Livelihood Development Programme - 2014**

*Proposed Plan and Physical and Financial Progress as at 31.12.2014 (District & Sector wise)*

Zone	District	Allocation (Rs.M)	Allocation sent (Rs. M.)	Amount Released (Rs.M.)	Completed Projects											
					Agri		Livestock		Fisheries		Industries		Marketing & Services		Total	
					No.	Amount (Rs.M)	No.	Amount (Rs.M)	No.	Amount (Rs.M)	No.	Amount (Rs.M)	No.	Amount (Rs.M)	No.	Amount (Rs.M)
01	Colombo	300.00	255.00	377.1	300	5.57	278	6.22	29	1.62	2061	67.58	311	6.61	2979	87.60
	Kalutara	160.00	136.00		2753	18.15	238	4.83	33	1.05	2475	42.61	635	10.49	6134	77.13
	Rathnapura	180.00	153.00		1281	17.61	118	2.49			1520	42.11	553	9.32	3472	71.53
	Galle	200.00	170.00		3288	27.01	655	5.49	54	0.78	1944	35.79	1077	15.55	7018	84.62
	Matara	140.00	119.00		801	11.26	101	1.89	501	3.01	1412	32.01	555	9.04	3370	57.21
<b>Sub Total</b>		<b>980.00</b>	<b>833.00</b>	<b>377.10</b>	<b>8423</b>	<b>79.60</b>	<b>1390</b>	<b>20.92</b>	<b>617</b>	<b>6.46</b>	<b>9412</b>	<b>220.10</b>	<b>3131</b>	<b>51.01</b>	<b>22973</b>	<b>378.09</b>
02	Gampha	260.00	221.00	437.0	246	4.91	418	10.38	64	2.93	3171	86.06	667	12.4	4566	116.68
	Kurunegala	280.00	238.00		1546	26.12	1453	43.12	6	0.17	2028	57.72	433	8.31	5466	135.44
	Puttalam	120.00	102.00		562	9.02	1424	21.38	287	6.78	722	18.38	232	4.61	3227	60.17
	Kegalle	180.00	153.00		2017	27.76	1596	10.85	4	0.12	2268	53.23	212	4.63	6097	96.59
<b>Sub Total</b>		<b>840.00</b>	<b>714.00</b>	<b>437.04</b>	<b>4371</b>	<b>67.81</b>	<b>4891</b>	<b>85.73</b>	<b>361</b>	<b>10.00</b>	<b>8189</b>	<b>215.39</b>	<b>1544</b>	<b>29.95</b>	<b>19356</b>	<b>408.88</b>
03	Kandy	260.00	221.00	496.30	2203	31.81	1922	51.31	8	0.24	3372	110.42	738	12.78	8243	206.56
	Matale	80.00	68.00		1061	13.76	592	17.29	2	0.04	1742	47.19			3397	78.28
	Nuwara-Eliya	100.00	85.00		662	7.55	1041	28.09	8	1.66	566	12.52	143	2.24	2420	52.06
	Badulla	180.00	153.00		5136	66.70	1719	41.05	51	0.40	1193	41.10	322	3.93	8421	153.18
<b>Sub Total</b>		<b>620.00</b>	<b>527.00</b>	<b>496.30</b>	<b>9062</b>	<b>119.82</b>	<b>5274</b>	<b>137.74</b>	<b>69</b>	<b>2.34</b>	<b>6873</b>	<b>211.23</b>	<b>1203</b>	<b>18.95</b>	<b>22481</b>	<b>490.08</b>
04	Hambantota	100.00	85.00	209.00	1139	18.4	43	2.03	45	1.16	1477	41.09	195	1.52	2899	64.20
	Moneragala	80.00	68.00		1949	13.96	226	4.29	17	0.38	667	16.79	2970	4.04	5829	39.46
	Ampara	100.00	85.00		1471	18.02	1474	23.55	156	3.66	1171	27.74	200	2.95	4472	75.92
<b>Sub Total</b>		<b>280.00</b>	<b>238.00</b>	<b>209.00</b>	<b>4559</b>	<b>50.38</b>	<b>1743</b>	<b>29.87</b>	<b>218</b>	<b>5.20</b>	<b>3315</b>	<b>85.62</b>	<b>3365</b>	<b>8.51</b>	<b>13200</b>	<b>179.58</b>
05	Anuradhapura	140.00	119.00	275.7	2527	29.06	1557	24.80	73	1.58	989	16.79	223	4.27	5369	76.50

	Polonnaruwa	116.20	104.20		2197	21.85	2604	20.21	69	2.00	1053	25.50	486	3.85	6409	73.41
	Trincomalee	110.68	81.12		594	7.60	18	0.36	208	4.08	318	10.14	466	11.14	1604	33.32
	Bataloa	60.00	51.00		481	7.61	776	30.44	90	1.61	358	8.4	231	2.95	1936	51.01
	<b>Sub Total</b>	<b>426.88</b>	<b>355.32</b>	<b>275.74</b>	<b>5799</b>	<b>66.12</b>	<b>4955</b>	<b>75.81</b>	<b>440</b>	<b>9.27</b>	<b>2718</b>	<b>60.83</b>	<b>1406</b>	<b>22.21</b>	<b>15318</b>	<b>234.24</b>
<b>06</b>	<i>Vauniya</i>		5.00	<b>25.00</b>	50	1.43	75	2.54	1	0.01	26	0.87	3	0.14	155	4.99
	<i>Jaffna</i>		5.00		55	1.44	88	1.46	29	0.81	26	0.70	21	0.58	219	4.99
	<i>Mannar</i>		5.00		5	0.12	643	4.42	1	0.02	12	0.32	3	0.10	664	4.98
	<i>Mulathive</i>		5.00		200	2.00	136	2.99							336	4.99
	<i>Kilinochchi</i>		5.00					45	2.50	50	2.50					95
	<b>Sub Total</b>	<b>0.00</b>	<b>25.00</b>	<b>25.00</b>	<b>310</b>	<b>4.99</b>	<b>987</b>	<b>13.91</b>	<b>81</b>	<b>3.34</b>	<b>64</b>	<b>1.89</b>	<b>27</b>	<b>0.82</b>	<b>1469</b>	<b>24.95</b>
	<b>Total</b>	<b>3146.88</b>	<b>2692.32</b>	<b>1820.18</b>	<b>32524</b>	<b>388.72</b>	<b>19240</b>	<b>363.98</b>	<b>1786</b>	<b>36.61</b>	<b>30571</b>	<b>795.06</b>	<b>10676</b>	<b>131.45</b>	<b>94797</b>	<b>1715.8</b>

## Department of Divineguma Development

### Livelihood Development Programme - 2014

*Proposed Plan and Physical and Financial Progress as at 2014.12.31 (Project Type wise)*

Zone	Project Type										<i>Total</i>	
	Agri Projects		Livestock Projects		Fisheries Projects		Industries Projects		Marketing & Services			
	Completed Projects	Expenditure (Rs. M)	Completed Projects	Expenditure (Rs. M)	Completed Projects	Expenditure (Rs. M)	Completed Projects	Expenditure (Rs. M)	Completed Projects	Expenditure (Rs. M)	Completed Projects	Expenditure (Rs. M)
<b>01</b>	<b>8423</b>	<b>79.6</b>	<b>1390</b>	<b>20.92</b>	<b>617</b>	<b>6.46</b>	<b>9412</b>	<b>220.1</b>	<b>3131</b>	<b>51.01</b>	<b>22,973</b>	<b>378.09</b>
<b>02</b>	<b>4371</b>	<b>67.81</b>	<b>4891</b>	<b>85.73</b>	<b>361</b>	<b>10</b>	<b>8189</b>	<b>215.39</b>	<b>1544</b>	<b>29.95</b>	<b>19,356</b>	<b>408.88</b>
<b>03</b>	<b>9062</b>	<b>119.82</b>	<b>5274</b>	<b>137.74</b>	<b>69</b>	<b>2.34</b>	<b>6873</b>	<b>211.23</b>	<b>1203</b>	<b>18.95</b>	<b>22,481</b>	<b>490.08</b>
<b>04</b>	<b>4559</b>	<b>50.38</b>	<b>1743</b>	<b>29.87</b>	<b>218</b>	<b>5.20</b>	<b>3315</b>	<b>85.62</b>	<b>3365</b>	<b>8.51</b>	<b>13,200</b>	<b>179.58</b>
<b>05</b>	<b>5799</b>	<b>66.12</b>	<b>4955</b>	<b>75.81</b>	<b>440</b>	<b>9.27</b>	<b>2718</b>	<b>60.83</b>	<b>1406</b>	<b>22.21</b>	<b>15,318</b>	<b>234.24</b>
<b>06</b>	<b>310</b>	<b>4.99</b>	<b>987</b>	<b>13.91</b>	<b>81</b>	<b>3.34</b>	<b>64</b>	<b>1.89</b>	<b>27</b>	<b>0.82</b>	<b>1,469</b>	<b>24.95</b>
<i><b>Total</b></i>	<b>32524</b>	<b>388.72</b>	<b>19240</b>	<b>363.98</b>	<b>1786</b>	<b>36.61</b>	<b>30571</b>	<b>795.06</b>	<b>10676</b>	<b>131.45</b>	<b>94,797</b>	<b>1715.82</b>

### 03. Performance of the Social Welfare and Social Security Division

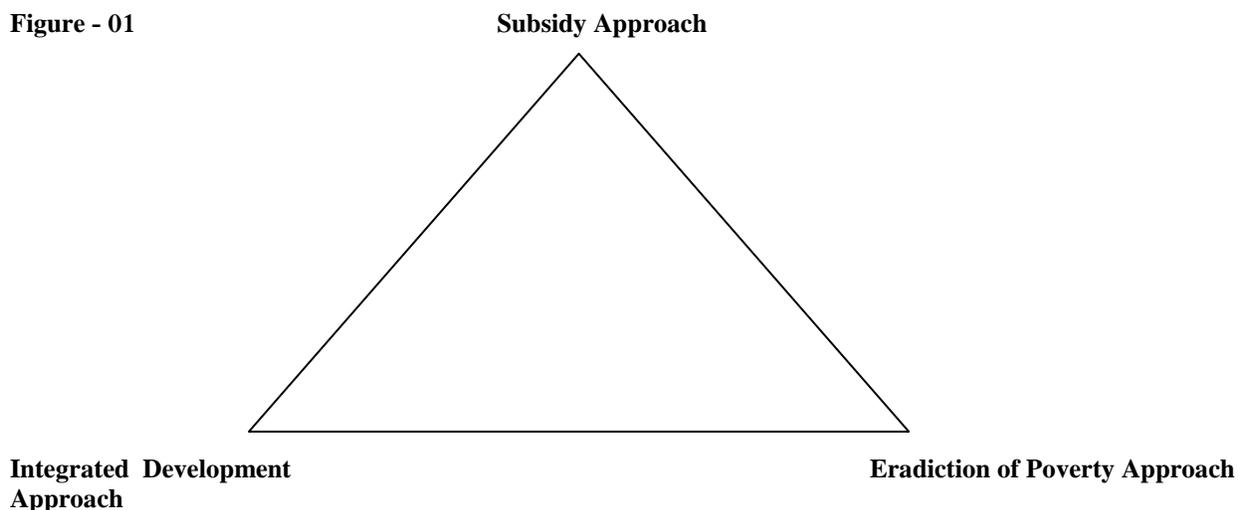
Maintaining stably the economic level of low income earning families so as not to fall below the poverty line and assisting them to be empowered socially and economically.

#### 3.1 The Samurdhi Programme

Prior to the commencement of the Samurdhi Subsidy Programme in the year 1995, the basic objective of most subsidy programmes which operated earlier, was only to provide social welfare.

However, the Samurdhi Subsidy Programme was implemented island-wide with the objective of eradicating poverty through a three-pronged development approach.

Figure - 01



The most important feature of the Samurdhi Subsidy Programme is its development oriented implementation targeting the overall development of the country. As such, this may be described as a strategy to effectively induce and incorporate low income earning families to the overall economic process of the country, enhancing the income levels of their families, whilst providing some financial subsidy to enable them to maintain a minimum living standard.

Even though Samurdi subsidies had been given as grants since 1995, the payment in cash of the subsidies provided so far to beneficiaries through Samurdhi banking societies commenced in accordance with the budget proposals of 2012.

Even during the year 2014 too, this process was implemented throughout the island successfully.

**Table - 02**

**Distribution of the Allowance Related to the Subsidy Programme for the Year 2014**

<b>Value of subsidy Rs</b>	<b>Compulsory saving Rs</b>	<b>Social security Rs</b>	<b>Housing lottery Rs</b>	<b>Amount due to the beneficiary Rs</b>
1500/-	300/-	45/-	10/-	1145/-
1200/-	200/-	45/-	10/-	945/-
750/-	100/-	45/-	10/-	595/-
210/-	155/-	45/-	10/-	-

( Source – Departmental Sources )

**3.1.1 Compulsory Savings**

All beneficiaries are made contributors for compulsory savings, with the objective of familiarizing Samurdhi beneficiaries to savings, and the compulsory savings contributions could be withdrawn for any investment requirement, emergency hospitalization or higher educational requirement.

**3.1.2 Social Security**

Every beneficiary is made a contributor to the security programmes implemented with the objective of preventing families declining economically as a result of any death, marriage, hospitalization and child birth occurring in a Samurdhi beneficiary family.

**3.1.3 Housing Lottery**

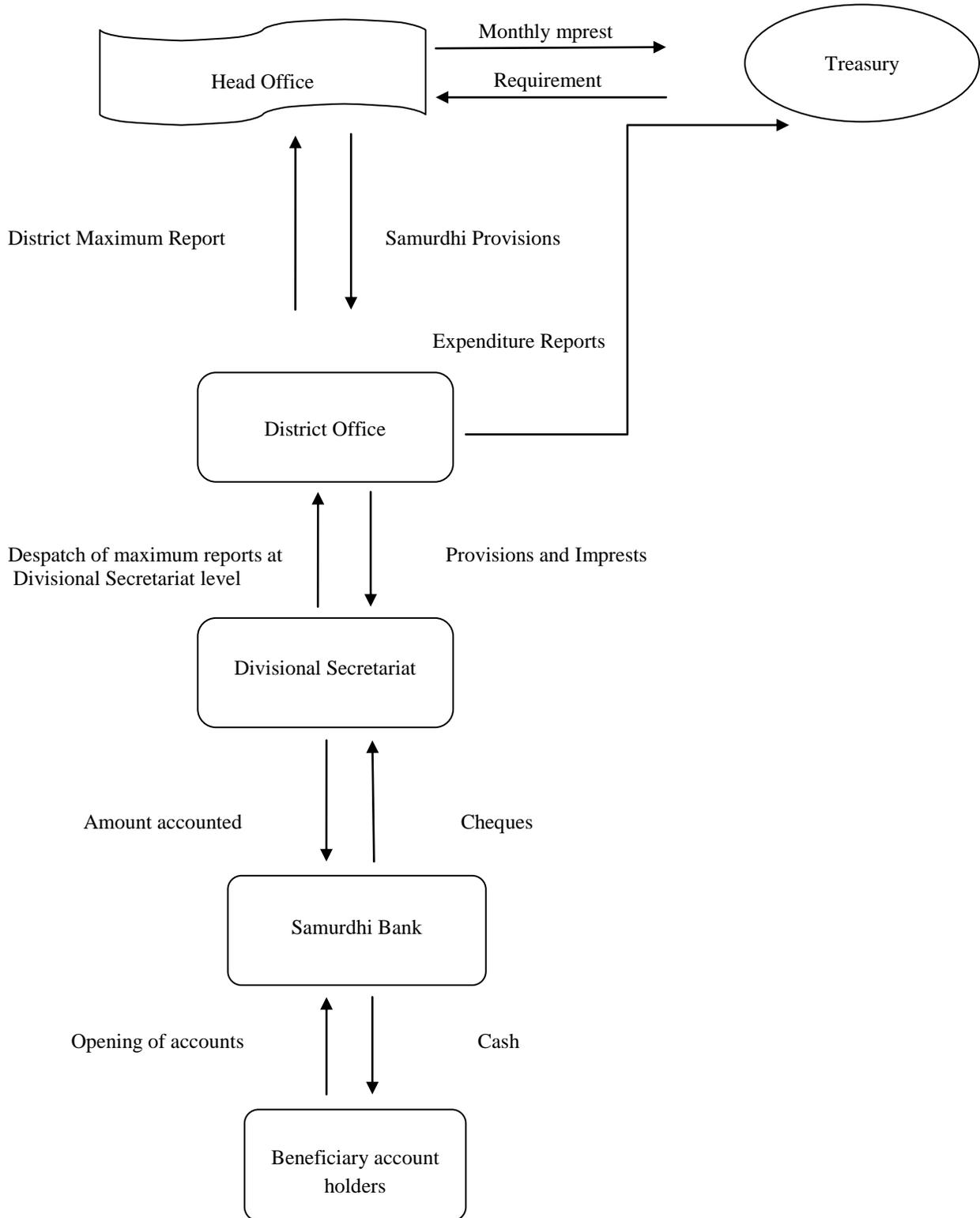
This is a housing fund built up with the contributions of every beneficiary, with the objective of fulfilling the housing requirements of beneficiary families.

**3.1.4 Amount Entitled to the Beneficiary**

Opportunities are provided to obtain goods or services from any place of one's choice to fulfill any food or any other requirement from the cash received by the beneficiary through Samurdhi banks.

Figure - 02

**Process of Samurdhi Provisions Reaching Samurdhi Beneficiaries**



**Table - 03**

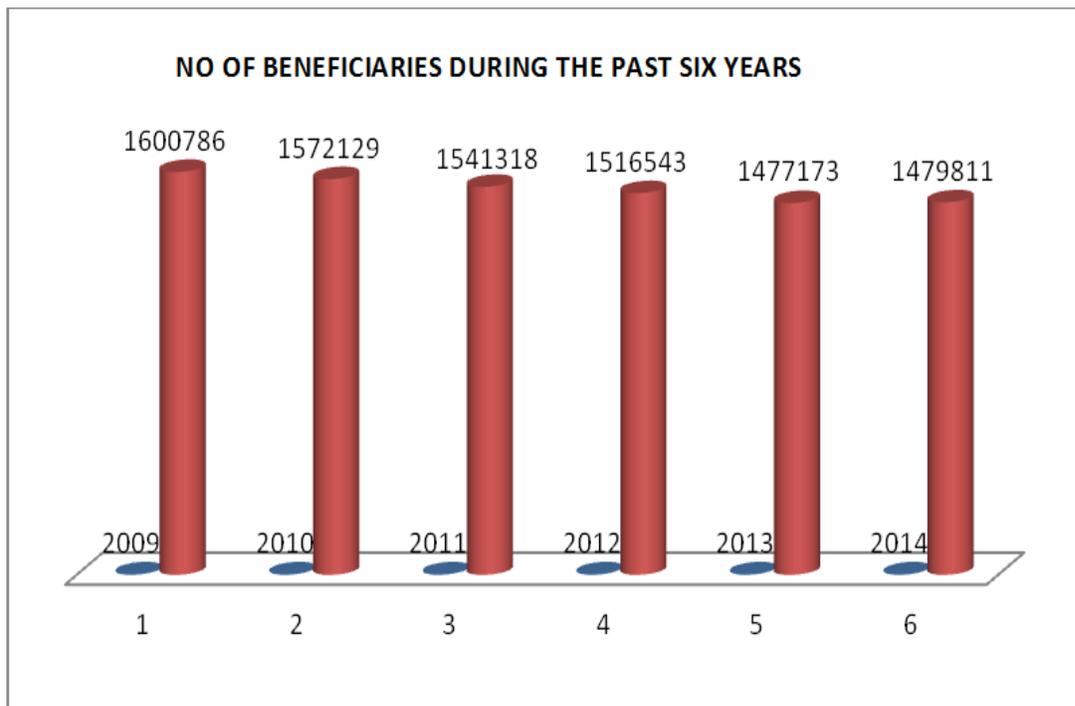
**Number of Samurdhi Subsidy Beneficiaries (2009 – 2014)**

<b>Year</b>	<b>No of Beneficiaries</b>
2009	1,600,786
2010	1,572,129
2011	1,541,318
2012	1,516,543
2013	1,477,173
2014	1,479,811

Source – Departmental Sources

**Chart - 01**

**Expenditure of the Subsidy Programme During the Past Six Years (2009-2014)**



(Source – Departmental Sources )

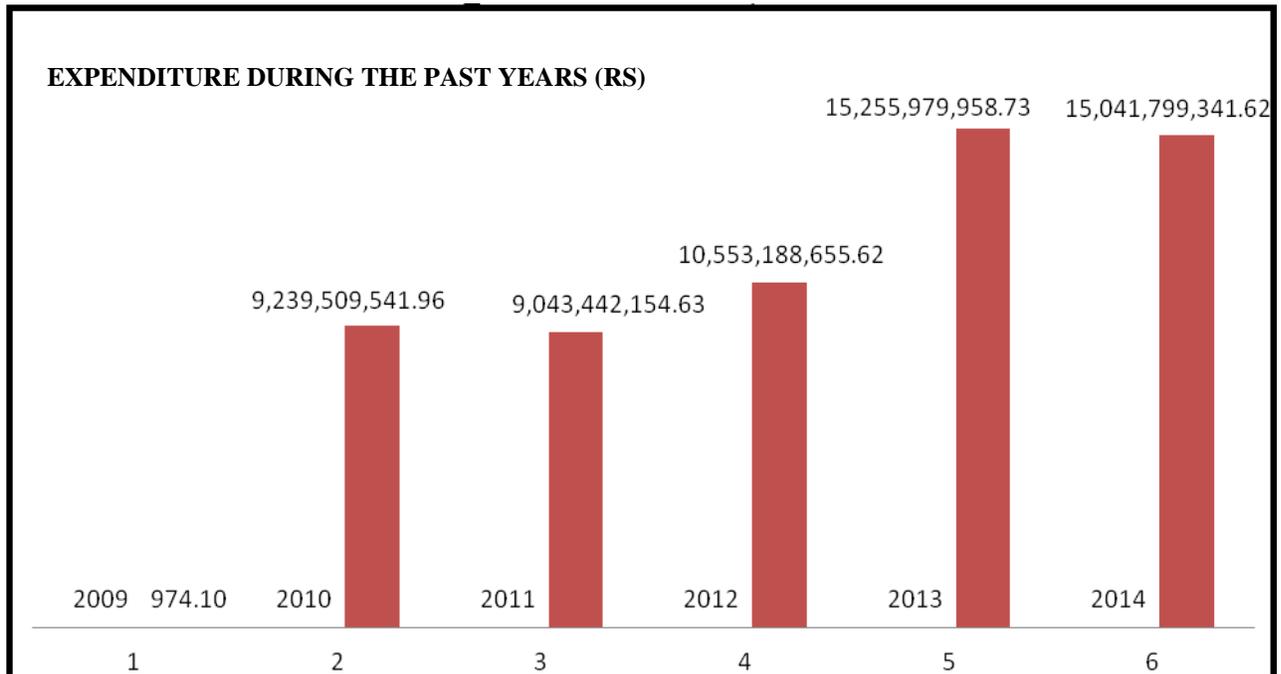
**Table – 04**

**Expenditure of the subsidy programme during the past six years (2009-2014)**  
Relative to the past years, the number of Samurdhi beneficiaries has gradually declined.

Year	Expenditure Rs
2009	9,274.10
2010	9,239,509,541.96
2011	9,043,442,154.63
2012	10,553,188,655.62
2013	15,255,979,958.73
2014	15,041,799,341.62

Source – Departmental Sources

**Chart – 02 Graphical Display of Subsidy Programme Expenditure from 2009 to 2014**



Source – Departmental Sources

Table - 05

## District-wise Distribution of the Samurdhi Subsidy Allowance

District	Rs.210/-	Rs.750/-	Rs.1200/-	Rs.1500/-	Total Number of Beneficiaries
Colombo	1,787	48,650	0	237	50,654
Gampaha	7,731	106,481	4,273	315	118,800
Kalutara	6,241	46,033	11,748	115	64,137
Kandy	7,944	61,041	21,002	114	90,101
Matale	3,330	35,743	3,466	194	42,733
Nuwara Eliya	8,124	24,946	6,617	15	39,702
Galle	8,250	55,284	9,126	53	72,713
Matara	4,982	50,076	12,799	32	67,889
Hambantota	6,830	26,812	21,520	5	55,167
Jaffna	0	38,873	10,374	4,660	53,907
Manaar	0	2,636	7,875	2,655	13,166
Vavuniya	2,805	8,234	846	102	11,987
Mullaitivu	44	2,088	7,198	1,714	11,044
Kilinochchi	0	3,109	6,059	2,565	11,733

District	Rs.210/-	Rs.750/-	Rs1200/-	Rs.1500/-	Total Number of Beneficiaries
Batticaloa	17,296	62,143	84	2	79,525
Ampara	14,324	57,720	2,858	108	75,010
Trincomalee	8,175	28,385	2,208	600	39,368
Kurunegala	9,338	120,091	20,030	485	149,944
Puttalam	1,752	38,034	15,671	15	55,462
Anuradhapura	5,671	48,124	8,743	474	63,012
Polonnaruwa	4,484	21,742	3,235	112	29,573
Badulla	6,419	27,553	22,956	45	56,973
Moneragala	7,397	30,445	9,209	96	47,147
Ratnapura	12,311	56,983	42,419	143	111,856
Kegalle	8,881	37,866	21,428	33	68,208
Total	154096	1039092	271,734	14,889	1,479,811

### **3.1.5 Nutrition Programme**

#### **3.1.5.1 Commencement and Development**

The Department of the Commissioner General of Samurdhi commenced the nutrition programme with the objective of raising the nutrition levels of pregnant and feeding mothers of Samurdhi beneficiary families. This is one of the major subsidy programmes being implemented by the Department of the Commissioner General of Samurdhi. The development of this programme is as shown below:

- Through this programme which commenced in the year 1992 as the infant milk powder subsidy programme to raise the nutrition level of new born babies of poor families, a monthly milk powder stamp of the value of Rs. 50/- was given to infants until they completed one year of age, thereby giving them the opportunity to buy at least 2 packets of milk powder per month.
- To encourage mothers to breast feed babies, with effect from July 1994, this was reorganized as the special food stamp programme centered on the nutrition of mothers.
- In 1994, a special food stamp was given to mothers of newly born babies of poor families for a period of 12 months from the month of birth, and the beneficiary was entitled to a monthly allowance of Rs.100/- to purchase food required from cooperative outlets.
- Even though the Poor Relief Food Stamp Programme of 1995 was terminated and the Samurdhi Programme commenced, this nutrition subsidy programme continued centered on Samurdhi beneficiary families.
- Under this programme being implemented with the concept of raising child and maternity nutrition, with effect from April 2000, on a Government decision, the monthly allowance of Rs.100/- currently given to a beneficiary under this programme was increased to Rs.150/- and implemented.
- Also, as only members of a very few low incoming earning families had turned up to obtain benefits, during that year this situation was changed, and action had been taken to enable families residing in estates also to duly obtain benefits entitled to poor families.

#### **3.1.5.2 Present Position of Nutrition Programme**

This programme was expanded throughout the 330 Secretarial Divisions covering the entire island, making the pregnant mothers relief programme of the Mahinda Chinthana manifesto a reality.

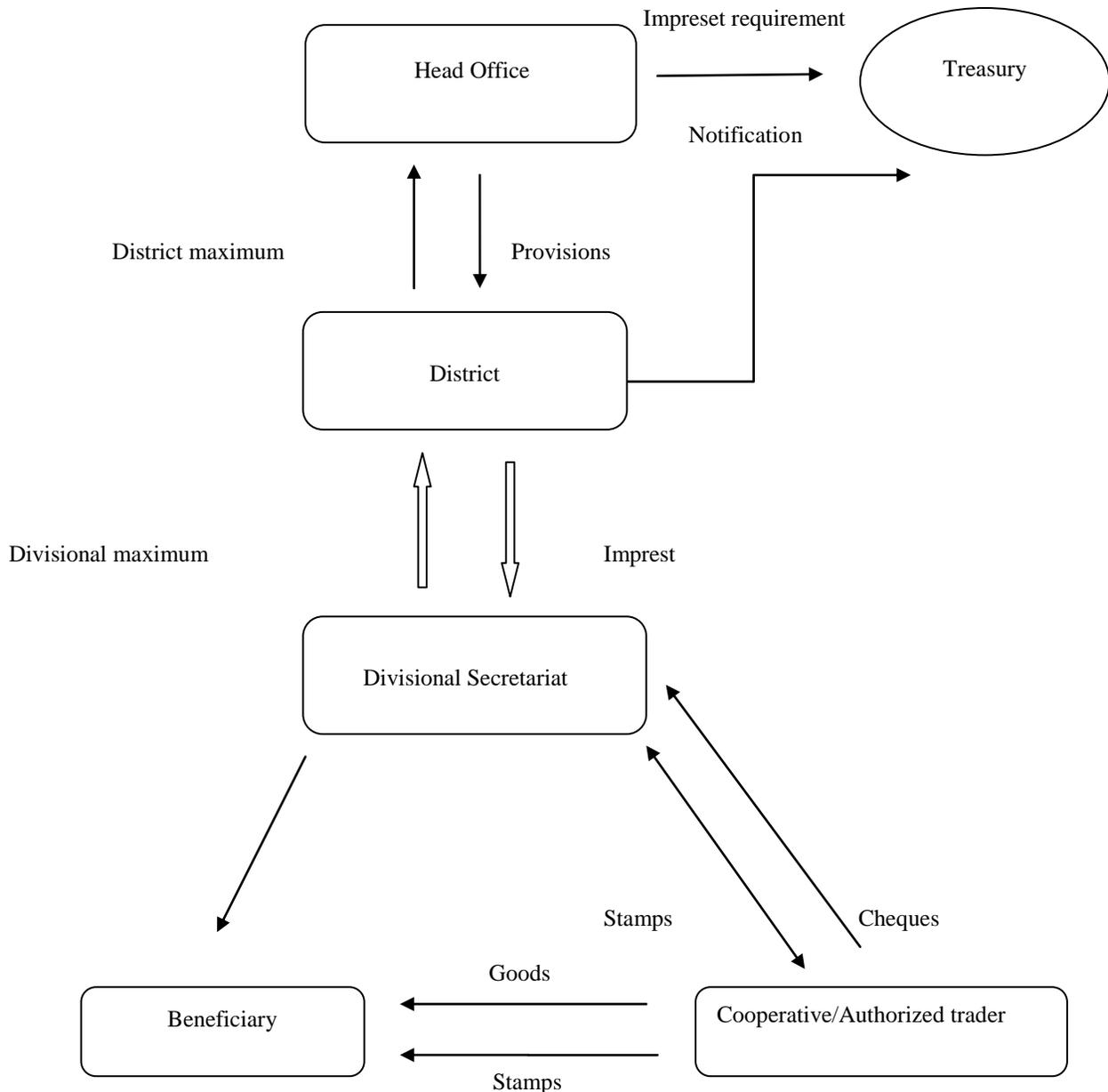
Accordingly, a stamp card comprising 20 stamps worth Rs.500/- is being given monthly to pregnant and feeding mothers, out of which the first 08 stamps are reserved for the pre maternal period and the balance 12 for the feeding mothers.

The following foodstuff is provided through it:

- ❖ White/Red Kekulu/Samba/Nadu rice – 5 kg
- ❖ Gram/Cowpea/Green gram/Lanka Dhall/Mysore Dhall-500g
- ❖ Eggs/Sprats/Dry Fish/Salmon  
(8 eggs or sprats or dry fish equivalent to its value)

The items of food of this nutrition basket are issued through a cooperative local or through an authorized trader.

### 3.4.3 Process of the Nutrition Hamper Reaching the Beneficiaries



### **3.5 Social Security Programme**

The Social Security Fund is being managed by a board of trustees, and it has been established with effect from 01<sup>st</sup> January 1997 by a trust deed. This board of trustees comprises a member nominated by the Minister in charge of the subject and four officially nominated members, and the Commissioner General of Samurdhi is its *ex officio* Chairman.

The Social Security Programme has been set up to be a support to move towards prosperity through one's own effort, whilst engaging Samurdhi beneficiaries and their family members in economic and social activities, to ensure the social security and protection of Samurdi subsidy beneficiaries.

Keeping the said objectives in foremost, with the aim of precluding opportunities for the further social and economical decline in the face of thousands of obstacles faced by members of beneficiary families in their life journey, the under mentioned benefits have been provided:

- Rs.5000/= for the first and second live births taking place in a beneficiary family
- Rs.3000/= for the marriage of the beneficiary or a child
- Rs.6000/= for a maximum of 30 days per year at the rate of Rs.200/= per day for the hospitalization of the beneficiary or the spouse.

In addition, through the Sipdora Scholarship Programme based on the criteria of stressing the poverty line, action has been taken to pay Rs.1000/= monthly for a schooling period of two years to students of Samurdhi beneficiary families spread island wide, who have passed the General Certificate of Education Advanced Level with good results

## 04. Performance of the Social Development Division

**Social development means the overall development of all aspects of society. The main objective here is the creation of an environment replete with spiritual development.**

Details of programmes implemented by this Division during the year 2014 in respect of social development are shown below.

- Taking measures to highlight the social importance of all disadvantaged social groups
- Identifying social factors causing poverty and applying remedies for same.
- Implementation of programmes to enhance the social and cultural values of low income earners and the children of such families.
- Building a family replete with spiritual and moral development.

### 4.1 Current Function

During the year 2014, the Social Development Division planned to implement island wide spiritual and social development programmes operating concurrent to the Divi Neguma National Development Programme, by using the above funds. In addition to this, the targets of the Social Development Programmes of this year had been achieved utilizing the funds of the Social Development Foundation.

### 4.2 Anti-Liquor and Anti-Smoking Programme

- ❖ The basic objective was the creation of a liquor free village replete with moral values, by educating about the socio economic dangers of the use of drugs and tobacco, which has become a major challenge to the economic development of low income earners.
- ❖ The Anti Liquor programme which was implemented at national level during the past years was implemented this year too with further improvements, and regionally identified programmes were also implemented at regional level.
- ❖ With the participation of government and nongovernmental organizations special Anti Liquor Programmes were implemented at District, Divisional and Wasam levels.
- ❖ Prominent among the activities undertaken during this year were bringing pressure for the successful compliance of the National Authority on Tobacco and Alcohol Act through the

community, discouraging the use, publicity and sale of cigarettes and briefing traders about the principles of the Act.

#### **4.2.1 International Anti-Smoking Day – 31<sup>st</sup> May.**

Use of drugs and smoking play a major role among the factors affecting poverty. Therefore, based on the International Anti Smoking Day, on the 31<sup>st</sup> May of every year, various programmes are being implemented at national, district and divisional levels. In addition, an island wide Flag Day programme has also been launched with the aim of diverting for the development of the country the money spent for smoking, and the income derived thus is credited to the Social Development Funds at divisional level.

Flags with the motto “Awaken the country. Be free from liquor. Enhance life” have been printed and distributed island wide. In this respect, Rs Mn 3.49 had been spent. The total income derived through this had been Rs Mn. 90.

Such monies are utilized to implement drug abuse prevention programmes, child abuse and suicide prevention programmes, construction and repair of low income earners’ houses, provision of sanitary facilities, hygienic programmes, regional development, various welfare programmes and disaster programmes. Further, social welfare programmes such as scholarship programmes for the development of the education of the children of low income earners are being implemented.

#### **4.3 Annual Flag Income (2007-2014)**

**Table - 06**

<b>Year</b>	<b>Flag Income (Rs)</b>
2007	51.9
2008	68.1
2009	83.2
2010	79.3
2011	86.3
2012	123.5
2013	124.7
2014	90.0

Source – Departmental Sources

### 4.3 Social Development Foundation

There are funds in the Social Development Foundations established at the level of all Secretarial Divisions made up of deposits of flag income earned on the International Anti Smoking Day. Utilizing these funds, social development programmes are implemented in each of the Secretarial Divisions. Accordingly, shown below are the programmes implemented by the Social Development Foundations island wide in the year 2014.



Table – 07

#### Progress of the Programmes Implemented with the Funds of Social Development Foundations

Programme Implemented	No of Programmes	Amount Rs
Anti-Liquor Programme	1833	5,736,410.00
Child Protection Programme	2775	12,897,936.00
Sisu Diriya Scholarships	2532	9,418,249.00
Schooling of children not going to school	1309	2,590,120.00
International Day Commemoration Programme	1141	6,481,697.00
Programme for the Disabled	918	4,576,668.00
Cultural and Spiritual Development Programme	3313	7,227,861.00
Repair of houses	1003	14,990,408.00
Construction of houses	357	17,350,723.00
Sanitation Programmes	1804	25,575,754.00
Other programmes	1870	11,415,925.00
<b>Total</b>	<b>18855</b>	<b>107,715,533.00</b>

### **4.3 Implementing a Proper Scheme to Protect Children in the Village**

- Organizing an active Childrens Club in every village and the implementation of programmes to enhance these Childrens Clubs.
- Organizing of aesthetic programmes, cultural competitions and quiz programmes relevant to subject knowledge for members of Childrens Clubs of all wasamas. and the mustering of children around aesthetic programmes, vocational guidance and cultural centers had been implemented island wide.

#### **4.3.2 Familiarization of Children in Savings and Thrift (Sisuraka/Kekulu Accounts)**

The objective of this programme is the lining up of the present generation of children for the future, by embellishing the world of children full of creative skills who have to take over the future by developing their skills and developing them physically, mentally and spiritually. By now, there are 14,000 active Childrens Clubs and approximately 300,000 have obtained membership.

#### **Embellishment of the Cultural and Literal Skills of Members of Children’s Clubs**

This time too, in order to embellish the cultural and literal skills of members of Children’s Clubs and to bring up such skills to the national level, Zonal, Divisional and District competitions had been held in each District. For this purpose, children of Sinhala and Tamil Children’s Clubs took part in 15 events under 03 age groups.



While a sum of Rs Mn. 2.931 had been spent for the Children’s Club competitions in the 25 Districts, the national competition is due to be held in the year 2015.



#### **4.4 “Isurumath Niwahanak” Housing Development Programme**

Under the theme “a prosperous home”, it had been planned to promptly repair items which required repairs in respect of the houses of Divineguma beneficiaries.

In this respect, it was expected to provide this allocation in 04 stages, subject to a maximum of Rs. 10,000/= for the repair (supply of roofing sheets/construction of roof/construction of walls/plastering, preparation of work site etc) of the houses of low income earners. At its first stage, an allocation of Rs. 2500/- had been given to low income earners.

Beneficiaries - 1,197,111

Amount - Rs Mn 2,993.00

#### **4.5 “Rataviru” Housing Programme**

This programme is implemented jointly by the Ministry of Economic Development/Ministry of Foreign Employment Promotion and Welfare under the guidance of the Samurdhi Authority of Sri Lanka and the Sri Lanka Bureau of Foreign Employment.

No of applications selected for the grant of loans	-	25001
No granted loans	-	8171
No of houses of which construction is over	-	5899



This programme is implemented by the Samurdhi Authority of Sri Lanka through the island wide net work of Samurdhi banks, especially to make a reality of the housing dream of emigrant workers who earn foreign exchange for Sri Lanka.

This programme had been started for the protection and welfare of the children of those emigrant workers by providing loans of Rs 300,000/= each at an interest rate of 10%.

## 05. Performance of the Community Based Organizations Division

Empowerment of the people through community based organizations, regional organizations and district committees by developing knowledge, attitudes and skills to raise the social and economic conditions of the individual, family and the community, for the strengthening of human and physical resources.

### 5.1 Programme for the Briefing of Officers and Beneficiaries at District Level

Various welfare programmes have been implemented to eradicate poverty in developing countries in the south Asian region. When compared to countries in the Asian region, Sri Lanka occupies a prominent place in the implementation of welfare programmes.

In the past, most of the welfare programmes in Sri Lanka had been implemented based on the welfare approach. However, from about the past three decades these programmes had come close to the community through social mobilization and the participatory development process. Programmes which had been based on this strategy became more successful.

As a result of this, it became possible to make the poor people, who had been ignored from the development process, to become true stake holders in national development. The Divineguma scheme can be pointed out as an extraordinary occasion where the people had been directly incorporated into the national development programmes.

An outstanding feature is the direct use of the participatory development approach for the empowerment of the people related to this programme economically, socially and spiritually. Through this, the Divineguma scheme had made a major contribution towards the overall economic development.

The Divineguma Act No 01 of 2013 came into being to make this position more stable. An outstanding feature is that this Act contains development programmes which fulfill the welfare needs of the people. Section 09 of this Act clearly states that every development programme should be community centered. It is stated there that Divineguma community based organizations should be organized so as to cover each Grama Niladhari wasam or several such wasams, covering the entire island. The community based organizations so commenced should obtain the participation of all Divineguma beneficiaries and those beneficiaries who voluntarily contribute to this.

As mentioned in the Divineguma Act, all development activities to be performed by the Divineguma Department should be done with the total participation of the people based on community centered organizations. Divisional organizations and District Committees too should be established concurrent to the forming of community based organizations.

The establishment, updating, maintenance and management of all these organizations as well as the monitoring of all activities of these societies is done by the Community based organizations Division established under the Department of Divineguma Development.

Accordingly, through the implementation of the function of this Division coming under the Department of Divineguma Development, societies made up of small groups, which are the smallest organized units related to the people should be empowered by assembling and organizing them. This can be done by strengthening community based organizations and the establishment of new community based organizations.

### **5.1.1 Function to be performed**

The requirement was felt for conducting awareness programmes for officers belonging to the Department of Divineguma Development serving in the Districts regarding the Divineguma Act, its function, aims and objectives, for carrying out the functions mentioned above. As this is being established under a new Act of the Department of Divineguma Development, awareness about it is essential. As such, an awareness programme had been planned to be implemented to fulfill those matters.

Accordingly, an awareness programme about the functions and objectives of the Department had been conducted in May and June 2014. (The progress of these programmes is shown in the annexes)

The basic objective here is to prepare the necessary foundation necessary to build a strong net work of community based organizations by making the officers and the people aware of the Department and its functions. That is, to inculcate to the officers the basic awareness necessary about the functions of the Act. For this purpose, one day awareness programmes had been held at District level. The following subjects were covered by this programme.

### **5.1.2 The following are Relevant to achieve this Objective:**

- Divineguma development approach.
- Identification of opportunities and possibilities to minimize poverty by providing micro financial services.
- Making use of strategies and the necessary methodologies to be followed in building Divineguma community based organizations.
- Clarifying the function of the officer to achieve the objectives of the Department of Divineguma Development.

An attempt had been made to provide a basic understanding to the officers and the beneficiaries about the function of Divineguma through this programme. Under table 08 are shown the expenditure reports in respect of the programmes conducted for each District.

Table - 08

## Provisions Allocated and Projects Completed - 2014

Serial No	Zone	District	No of programmes	Dates held	Where held	No of participants	Provisions released (Rs)
1	No 1	Colombo	1	2014.06.06	Bishop College	740	458,609.00
2		Kalutara	1	2014.06.27	Pradeshiya Sabha Auditorium, Matugama	1000	355,400.00
3		Galle	2	2014.06.26	Hall D, Vocational Training Center, Galle.	1368	520,440.00
4		Matara	2	2014.06.17	Town Hall Auditorium/Weligama Town Hall Auditorium	1300	540,900.00
5		Ratnapura	2	2014.06.18	Auditorium, Sabaragamuwa Provincial Council/Samudhi Reception Hall	800	384,000.00
6	No 2	Gampaha	2	2014.06.03/04	Sanasa Hall, Naiwala	2100	716,300.00
7		Kurunegala	2	2014.05.29/ 2014.06.05	Town Hall, Kurunegala	2600	869,800.00
8		Puttalam	1	2014.05.30	Cooperative Theater, Madampe	790	336,200.00
9		Kegalle	1	2014.05.27	St Joseph Girls School	852	284,980.00
10	No 3	Kandy	2	2014.06.23/24	Maha Maya Balika Vidyalaya	1800	774,780.00
11		Nuwara Eliya	1	2014.06.26	Town Hall, Nuwara Eliya	799	291,570.00
12		Matale	1	2014.06.20	Town Hall, Matale	857	353,962.00
13		Badulla	1	2014.06.16	Library Auditorium, Uva Provincial Council	990	377,100.00
14	No 4	Hambantota	1	2014.06.28	Sri Lanka – Singapore Community Welfare Center	1133	389,470
15		Moneragala	1	2014.07.11	Mahinda Rajapakse Conference Hall, Wellawaya	723	262,900.00
16		Ampara	2	2014.07.17/ 2014.07	Ampara Kachcheri – Sinhala. Town Hall, Sammanthurai - Tamil	300 700	391,400.00

17	No 5	Anuradhapura	3	2014.06.10/25/27	Meeting Hall, North Central Provincial Council	1283	607,275.00
18		Polonnaruwa	1	2014.06.23	Pulathisi Intellectual Forum	881	359,705.00
19		Trincomalee	2	July 2014.		393	188,655.00
20		Batticaloa	2	2014.06.27/28	Derba Hall	750	299,200.00
21	No 6	Jaffna	2	July 2014.	Weerasingham Hall	900	747,400.00
22		Kilinochchi	1	July 2014.	District Cooperative Hall	500	225,700.00
23		Mullaitivu	1	August 2014	Pradeshiya Sabha Building	500	225,700.00
24		Vavuniya – Sinhala and Tamil	2	July Aug 2014	District Secretariat	496 214	344,100.00
25		Manaar	1	Aug 2014	Town Hall	500	225,700.00
	<b>Total</b>					<b>23559</b>	<b>10,531,246.00</b>

Source – Departmental Sources

## 06. Performance of the Livelihood Development Division

With the inception of the Department of Divineguma Development in the year 2014, the main objective of this Department was the implementation of livelihood development programmes to empower the individual, the family and the group at economic and social levels, moving in accordance with the Divineguma Act, and for this purpose, the Ministry of Economic Development had allocated a provision of Rs Mn 3060 to this Department.

In addition to these financial provisions, the Ministry of Economic Development made a further provision of Rs Mn 86.88 for the implementation of livelihood projects of people's representatives, and thereby the total of approved provisions became Rs Mn 3146.88.

Accordingly, based on theme "From door to door, from village to village", with the objective of reducing expenditure within the family unit and opening sources of additional income through domestic agriculture and industries or the creation of employment opportunities through the service sector, action had been taken to implement the Divineguma Development Programme 2015.

After the establishment of the Department of Divineguma Development as described above, to expedite development activities, for guiding towards a targeted approach and for administrative convenience, the 25 Districts have been demarcated into 06 Zones. Out of the provisions of Rs Mn 3060 allocated, during the first stage 150 electorates had been given Rs Mn 20 each, and the relevant officers and coordinating committees had been vested with the capability of adjusting to Secretarial Divisions according to the project requirements. In this connection, it must be specially mentioned that action had been taken to provide cash imprests in respect of the relevant financial provisions to Divineguma Zones.

Accordingly, livelihood development projects under the 05 major programmes as shown below had been implemented, and the Livelihood Development Division was able to complete 94,797 productive projects at a cost of Rs Mn 1715.82.

1. Agricultural Development Programme
2. Livestock Development Programme
3. Fisheries Development Programme
4. Industrial and Entrepreneurship Development Programme
5. Marketing Development Programme



In addition to the above mentioned programmes implemented with Treasury provisions, the ability to acquire the capital necessary annually to enhance livelihoods through the Livelihood Cyclic Fund also, operated through the Divineguma community based banking unions belonging to the Department of Divineguma Development, must be especially mentioned at this juncture.

Accordingly, shown below are the investments made, along with the Treasury provisions allocated at Zonal level and the projects completed:

Table – 09

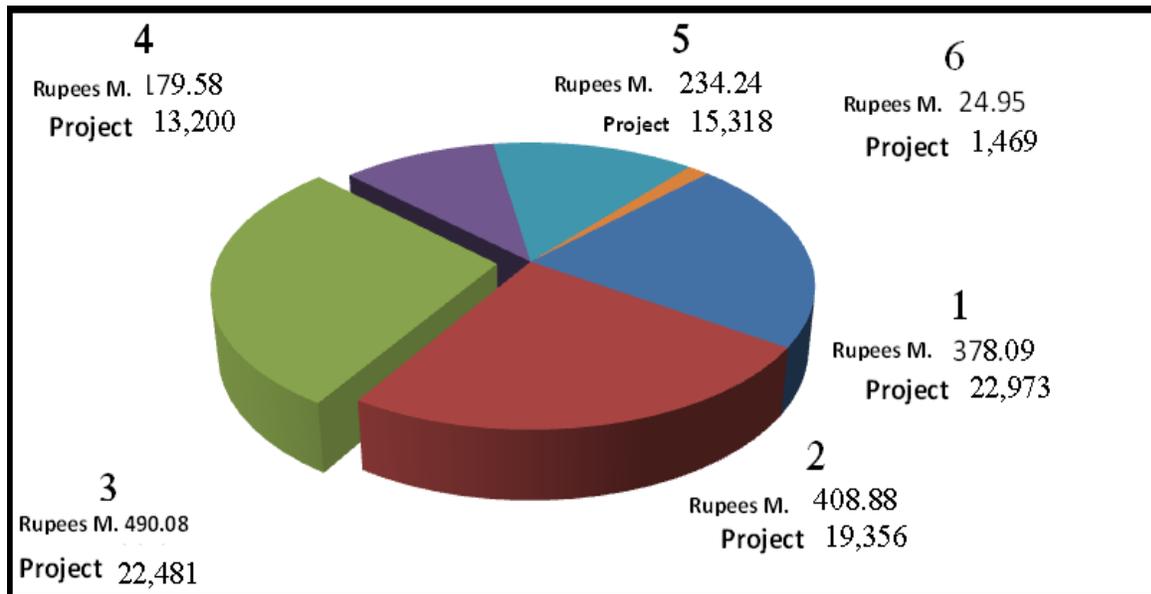
**Provisions Allocated and Projects Completed**

Zone	No of Electorates	No of Districts	Provisions Allocated (Rs)	Provisions Sent (Rs)	No of Projects Completed	Investment Made (Rs Mn)	No of Beneficiary Families
No 01	48	05	975.00	833.00	22,973	378.09	22,973
No 02	41	04	835.00	714.00	19,356	408.88	19,356
No 03	31	04	615.00	527.00	22,481	490.08	22,481
No 04	11	03	275.00	238.00	13,200	179.58	13,200
No 05	16	04	421.88	355.32	15,318	234.24	15,318
No 06	13	05	25.00	25.00	1,469	24.95	1,469
<b>Total</b>	<b>160</b>	<b>25</b>	<b>3146.88</b>	<b>2692.32</b>	<b>94,797</b>	<b>1715.82</b>	<b>94,797</b>

Source – Departmental Sources

\* Statistical data about the district-wise investments indicated above is shown in Annex 01

Chart – 3 **No of Projects Completed at Zonal Level and the Investments Made**



Source – Departmental Sources

\*Above calculations have been made in accordance with the Treasury provisions given.

Accordingly, in the course of implementing the above projects at Grama Niladhari wasam level so as to cover each Grama Niladhari wasam, action had been taken to open up avenues of livelihood by allocating provisions in accordance with the following criteria, paying more attention to economically and socially disadvantaged families, as well as widowed, disabled and families of women, low income earners and also for beneficiaries with some level of income.

**Table -10 Progress Summary of Completed Livelihood Development Projects**

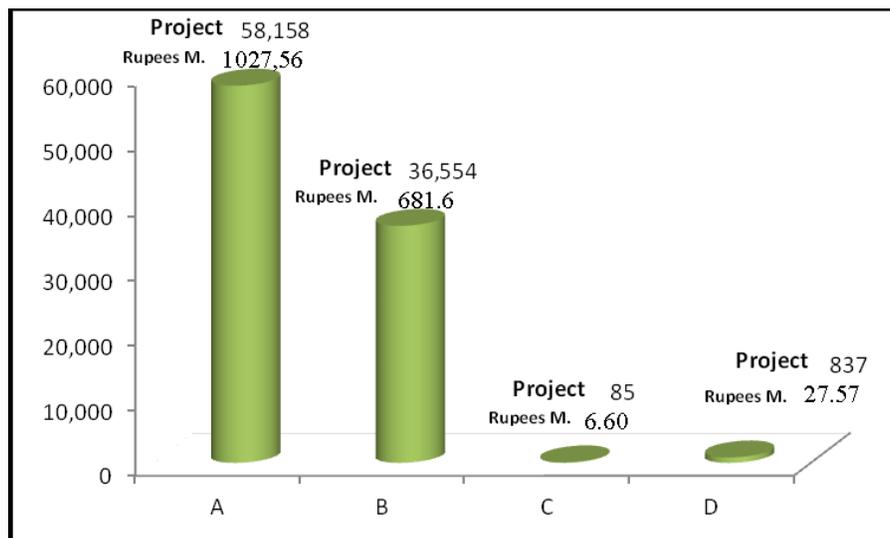
<b>Project criteria</b>	<b>Total no of projects</b>	<b>Amount provided (Rs Mn.)</b>
A - 100 % Project grant	58,158	1027,56
B –Payment of 50% of project amount and recovery in installments	36,554	681.60
C - Payment of 100% of project amount and recovery in installments	85	6.60
D – Implementation of project with Livelihood Cyclic Funds	837	27.59
<b>TOTAL</b>	<b>95,634</b>	<b>1743.35</b>

Source – Departmental Sources

- Project grants up to a maximum of Rs.75,000/= for economically and socially disadvantaged families, as well as widowed, disabled and families of women and low income earners – A
- Payment of 50% of required project amount up to a maximum of Rs.75,000/= for beneficiaries with some income level and recovery in installments to the cyclic fund – B
- Recovery of 100% of project money in installments – C
- Implementation of project with existing livelihood cyclic fund – D

**Chart 03**

**Progress of Completed Livelihood Projects**



Source – Departmental Sources

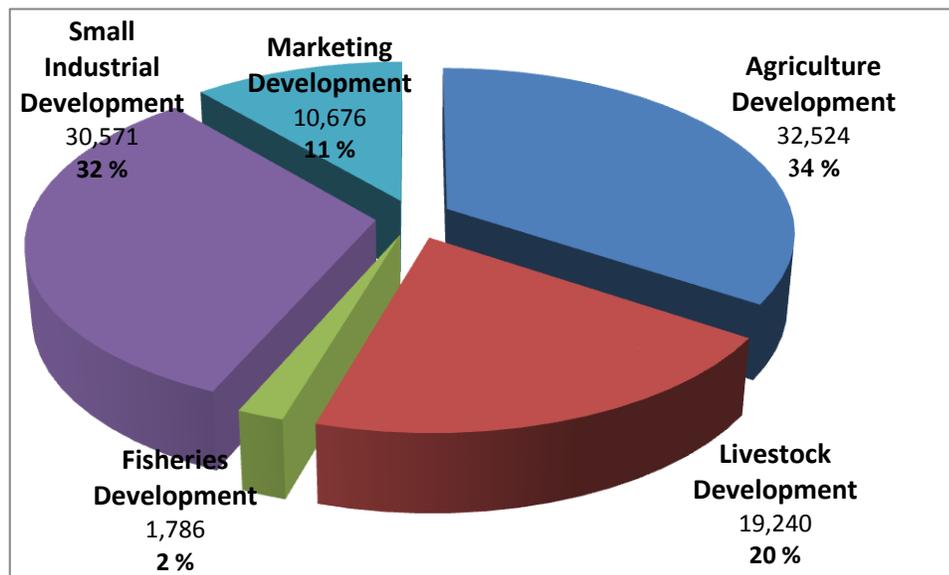
Shown below is the physical and financial progress of livelihood projects implemented and completed with funds given from Treasury provisions and livelihood cyclic funds, in accordance with the criteria above, programme wise:

**Table - 11 Financial and Physical Progress Programme-wise**

<b>Programme</b>	<b>No Completed</b>	<b>Cost (Rs Mn)</b>	<b>No of Beneficiaries Brought under Project</b>
Agricultural Development	32,524	388.72	32,524
Live Stock Development	19,240	363.98	19,240
Fisheries Development	1,786	36.61	1,786
Industrial and Entrepreneurship Development Programme	30,571	795.05	30,571
Marketing Development	10,676	131.45	10,676
<b>Total</b>	<b>94,797</b>	<b>1715.81</b>	<b>94,797</b>
From livelihood cyclic fund	837	27.59	837

Source – Departmental Sources

Chart - 05 Quantitative and Percentage-wise Contribution in the Livelihood Field



Source – Departmental Sources

### 6.1. Agricultural Development Programme

Under this programme to provide a life line to cultivate the day to day requirements of vegetables, fruits as well as local food crops by managing one’s home garden properly and to open up additional sources of income by making proper use of the time wasted by housewives, it became possible under the Divineguma Programme to direct beneficiaries to the 32,524 projects implemented at a cost of Rs Mn 388.73, thereby enhancing the living standards of their families.



In analyzing especially the projects implemented in the field of agriculture development shown below, it is evident that more attention had been paid to the creation of additional sources of income

In this connection, the Divineguma Programme was able to provide the funds required to improve tea cultivation projects. Also, a common feature is that action had been taken to provide capital goods such as water pumps, water tanks, spraying machines, water pipes, mammoties, wheel barrows and garden forks essential to the people for day to day agricultural activities.

Also, it becomes clearer that attention had been drawn towards additional sources of income due to the inclination of a majority of the beneficiaries for the growing of exotic flowers, cultivation of pepper, bee keeping, cultivation of cinnamon, cultivation of big onions and fruits.

**Table – 12 Analysis of Completed Agricultural Development Projects**

Type of project	Number	Quantity of Plants/Equipment/Goods/Inputs/Animals	Expenditure (Rs Mn)	No of Beneficiaries
Agricultural wells	102	102	2.35	102
Agricultural eqpt sets	3,744	36,761	44.34	3,744
Water tanks	3,684	3,702	34.82	3,684
Home garden tools	4,446	16,269	28.99	4,446
Rubber plants	925	26,409	3.44	925
Sprayers	2,972	3,053	37.35	2,972
Tea cultivation	6,834	4,204,870	80.85	6,834
Cultivation of exotic flowers	1,076	64,989	16.06	1,076
Nursery equipment	1,041	6,123	19.11	1,041
Manufacture of kitul treacle	57	70	0.60	57
Water pumps	3,543	3,612	69.66	3,543
Pepper plants	1,141	178,497	19.42	1,141
Mushroom cultivation	465	1,175	9.65	465
Bee keeping	272	1,014	1.49	272
Cultivation of fruits	1,167	55,240	4.98	1,167
Cultivation of vegetables	177	2,434	1.38	177
Safe houses	175	175	5.30	175
Cultivation of ground nuts	50	50	0.67	50
Cultivation of ginger	53	53	1.00	53
Cultivation of maize	62	13,755	0.43	62
Cultivation of cinnamon	338	107,306	4.84	338
Big onions	200	200	2.00	200
<b>Total</b>	<b>32,524</b>	<b>4,725,859</b>	<b>388.73</b>	<b>32,524</b>

Source – Departmental sources

## 6.2 Live-stock Development Programme

It became possible to implement 19,240 projects under the Live Stock Development Programme required by 19,240 beneficiaries spending a sum of Rs Mn 363.98, under the Divineguma Livelihood Development Programme.

In this respect, more financial assistance had been given for breeding of milch cows, and every District had taken action for the rehabilitation of milch cow farmers, an objective of livelihood programmes.

Also, there was an inclination to obtain milk required for daily consumption as well as to obtain an additional income. However, the inclination of the majority of beneficiaries for poultry farming was a special feature here, and action had been taken to distribute about 386,446 chicks to beneficiaries.



**Table - 13 Analysis of Completed Live-stock Development Projects**

Type of Project	Number	Quantity of Eqt/Goods/Inputs/Animals	Expenditure (Rs Mn)	No of Beneficiaries
Chicks	11,846	369,771	114.10	11,846
Breeding of milch cows	3,379	3,574	152.41	3,379
Construction of cattle sheds	1,817	3,272	42.67	1,817
Piglets	90	323	1.76	90
Breeding of goats	1,503	4,912	40.76	1,503
Poultry sheds	291	1,182	4.06	291
Animal equipment	274	3,362	5.08	274
Goat sheds	4	7	0.04	4
Breeding of buffaloes	36	43	3.10	36
<b>Total</b>	<b>19,240</b>	<b>386,446</b>	<b>363.98</b>	<b>19,240</b>

Source – Departmental Sources

### 6.3 Fisheries Development Programme

Our Department was able to provide financial assistance to enhance the fishing activities of 1,786 fishermen beneficiaries by spending a sum of Rs Mn 36.61 under the Fisheries Development Programme. Through the analysis of the fisheries projects shown below, it can be pointed out that being able to help the beneficiaries engaged in fishing in respect of fishing gear, and equipment which is a prerequisite for them, was something special.

Table - 14

**Progress of Fisheries Development Programmes**

Type of project	Number	Quantity of machinery/goods/inputs/animals	Expenditure (Rs Mn)	No of beneficiaries
Fisheries gear/eqpmt	1,077	3,552	23.27	1,077
Breeding of exotic fish	132	6,2149	2.28	132
Breeding of inland fish	52	3,0131	2.25	52
Inland fish tanks	6	9	0.86	6
Supply of boats	71	83	3.71	71
Aquatic plants	53	303	2.54	53
Life jackets	359	359	0.99	359
Fishery products	36	36	0.71	36
<b>Total</b>	<b>1,786</b>	<b>96,622</b>	<b>36.61</b>	<b>1,786</b>

Source – Departmental Sources

**6.5 Industrial and Entrepreneurship Programme**

The Industrial and Entrepreneurship Programme can be pointed out as the project that has received much attention in the Divineguma Livelihood Development Programme of 2014, as it is quite apparent from the analysis shown below as to how a larger slice of the financial provisions had been spent for this out of the allocations made for the Districts.

In this respect, it was possible to provide the financial provisions required to obtain 40,414 items of machinery and capital goods for 30,571 beneficiaries engaged in various industries, spending a sum of Rs Mn 795.05.

**Table - 15 Analysis of completed Industrial and Entrepreneurship Development Projects**

Type of project	Number	Quantity of Machinery/Goods/Inputs/Animals	Expenditure (Rs Mn)	No of Beneficiaries
Sewing machines	11,471	12,051	330.84	11,471
Carpentry tools	4,727	6,869	154.27	4,727
Grinders	2,137	2,502	44.29	2,137
Welding kits	2,247	2,531	42.21	2,247
Compressors	926	942	25.18	926
Production of sweets/bites	578	876	10.30	578
Manufacture of jewellery	66	90	1.12	66
Fancy goods	82	82	1.11	82
Handicrafts	235	695	9.88	235
Masonry kits/eqpmt	2,421	6,308	46.01	2,421
Electrical eqpmt	577	825	12.05	577
Hotel/bakery eqpmt	1,568	2,488	37.61	1,568
Tailoring	1,599	1,629	41.19	1,599
Small industries	684	708	16.85	684
Rattan industry	58	82	0.68	58
Paddy boiling barrels/boilers	318	318	4.78	318
Candle making	95	95	2.83	95
Manufacture of c'nut oil	72	72	1.58	72
Gold industry	20	20	0.18	20
Pottery	83	321	2.38	83
Rubber production machines	28	28	1.12	28

Coil based products	263	266	4.40	263
Grass cutting machines	316	316	4.19	316
<b>Total</b>	<b>30,571</b>	<b>40,114</b>	<b>795.05</b>	<b>30,571</b>

Source – Departmental Sources

## 6.5 Marketing Development Programme

Under this programme, which has been implemented with the objective of enhancing the existing economic and social levels of beneficiaries who are already engaged in various livelihood trades, it could be pointed out through the project analysis shown below, that it was possible to provide 15,936 items of capital equipment required for the marketing purposes of 10,688 beneficiaries, incurring an expenditure of Rs Mn 131.45.



**Table - 16 Analysis of completed Marketing Development Projects**

Type of project	Number	Quantity of Equipment/Goods/Inputs	Expenditure (Rs Mn)	No of Beneficiaries
Mobile vehicles/mobile sales outlets	472	472	8.74	472
Gas cylinders/Grinders	715	786	6.46	715
Electronic scales	730	739	10.38	730
Refrigerators	535	535	20.28	535
Glass almirahs	671	685	10.28	671
Beauty salon equipment	797	929	17.59	797
Photography equipment	41	50	2.02	41
Repair of vehicles/bicycles	199	364	5.57	199
Communication eqpt	44	45	1.75	44
Catering equipment	625	1,208	6.13	625
Electrical equipment	146	254	1.82	146
Domestic trade/shops	5,026	8,970	34.15	5,026
Production of sweets/bites	504	534	3.19	504
Marketing of spice products	45	45	1.25	45
Marketing of milk products	55	55	0.65	55
<b>TOTAL</b>	<b>10,688</b>	<b>15,936</b>	<b>131.45</b>	<b>10,688</b>

Source – Departmental Sources

## 6.6 Livelihood Revolving Fund

In the year 2007, the Livelihood Cyclic Fund was started at Samurdhi banking union level by recovering 50% by way of installments from the investments made by the Samurdhi Authority of Sri Lanka for income generating projects, under the Jathika Saviya Gampubudu Livelihood Development Programme.

To this cyclic fund so commenced are accumulated recoveries of installments under livelihood projects implemented annually, and livelihood loans are also given from this. This is a financial asset owned by the Department of Divineguma Development, and has become a very convenient source of acquiring capital.

**Table - 17 Physical and financial progress of the Livelihood Cyclic Fund for the year 2014**

	No of projects implemented	Amount spent (Rs Mn)
Livelihood Revolving Fund	837	27.59

Source – Departmental sources

Since the inception of the cyclic fund up to 31/12/2014, through the 1074 Divineguma banking unions 70,684 livelihood project loans had been given, and a sum of Rs Mn 1,717.79 spent in that behalf.

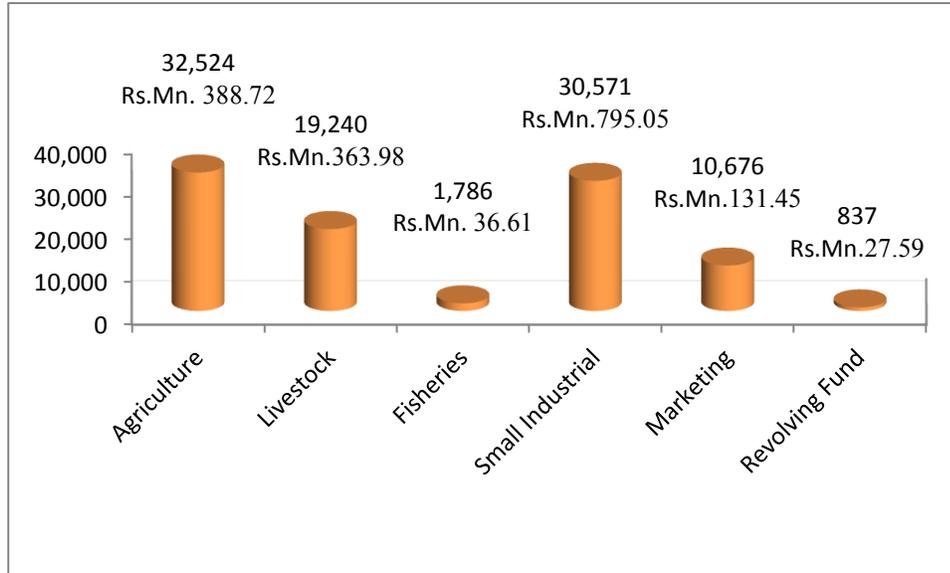
**Table - 18 Overall investment and Analysis**

Programme	Numbers completed	Expenditure (Rs Mn)	No of beneficiaries brought under project
Agricultural Development	32,524	388.72	32,524
Live Stock Development	19,240	363.98	19,240
Fisheries Development	1,786	36.61	1,786
Industrial and Entrepreneurship Development Programme	30,571	795.05	30,571
Marketing Development	10,676	131.45	10,676
Livelihood Development	837	27.59	837
<b>TOTAL</b>	<b>95,634</b>	<b>1743.4</b>	<b>95,634</b>

Source – Departmental Sources

Chart – 06

**Comparative Overall No of Projects and Investments Project-wise**



Source – Departmental Sources

Table - 19

**Department of Divineguma Development**  
**Livelihood Development Programme – 2014**  
**Physical and Financial Progress as at 2014.12.31**

Zone	District	Provisions allocated (Rs Mn)	Provisions given (Rs Mn)	Imprests released (Rs Mn)	Projects completed										Overall	
					Agriculture		Live stock		Fisheries		Industries		Marketing and Services			
					Amount	Exps (Rs Mn)	Amount	Exps (Rs Mn)	Amount	Exps (Rs Mn)	Amount	Exps (Rs Mn)	Amount	Exps (Rs Mn)	Amount	Expen. (Rs)
No 01	Colombo	300.00	255.00	377.1	300	5.57	278	6.22	29	1.62	2061	67.58	311	6.61	2979	<b>87.60</b>
	Kalutara	160.00	136.00		2753	18.15	238	4.83	33	1.05	2475	42.61	635	10.49	6134	<b>77.13</b>
	Ratnapura	180.00	153.00		1281	17.61	118	2.49			1520	42.11	553	9.32	3472	<b>71.53</b>
	Galle	200.00	170.00		3288	27.01	655	5.49	54	0.78	1944	35.79	1077	15.55	7018	<b>84.62</b>
	Matara	140.00	119.00		801	11.26	101	1.89	501	3.01	1412	32.01	555	9.04	3370	<b>57.21</b>
<i>Sub total</i>		<i>980.00</i>	<i>833.00</i>	<i>377.10</i>	<i>8423</i>	<i>79.60</i>	<i>1390</i>	<i>20.92</i>	<i>617</i>	<i>6.46</i>	<i>9412</i>	<i>220.10</i>	<i>3131</i>	<i>51.01</i>	<i>22973</i>	<i>378.09</i>
No 02	Gampaha	260.00	221.00	437.0	246	4.91	418	10.38	64	2.93	3171	86.06	667	12.4	4566	<b>116.68</b>
	Kurunegala	280.00	238.00		1546	26.12	1453	43.12	6	0.17	2028	57.72	433	8.31	5466	<b>135.44</b>
	Puttalam	120.00	102.00		562	9.02	1424	21.38	287	6.78	722	18.38	232	4.61	3227	<b>60.17</b>
	Kegalle	180.00	153.00		2017	27.76	1596	10.85	4	0.12	2268	53.23	212	4.63	6097	<b>96.59</b>
<i>Sub total</i>		<i>840.00</i>	<i>714.00</i>	<i>437.04</i>	<i>4371</i>	<i>67.81</i>	<i>4891</i>	<i>85.73</i>	<i>361</i>	<i>10.00</i>	<i>8189</i>	<i>215.39</i>	<i>1544</i>	<i>29.95</i>	<i>19356</i>	<i>408.88</i>
No 03	Kandy	260.00	221.00	496.30	2203	31.81	1922	51.31	8	0.24	3372	110.42	738	12.78	8243	<b>206.56</b>
	Matale	80.00	68.00		1061	13.76	592	17.29	2	0.04	1742	47.19			3397	<b>78.28</b>
	N'Eliya	100.00	85.00		662	7.55	1041	28.09	8	1.66	566	12.52	143	2.24	2420	<b>52.06</b>
	Badulla	180.00	153.00		5136	66.70	1719	41.05	51	0.40	1193	41.10	322	3.93	8421	<b>153.18</b>
<i>Sub total</i>		<i>620.00</i>	<i>527.00</i>	<i>496.30</i>	<i>9062</i>	<i>119.82</i>	<i>5274</i>	<i>137.74</i>	<i>69</i>	<i>2.34</i>	<i>6873</i>	<i>211.23</i>	<i>1203</i>	<i>18.95</i>	<i>22481</i>	<i>490.08</i>
No 04	H'tota	100.00	85.00	209.00	1139	18.4	43	2.03	45	1.16	1477	41.09	195	1.52	2899	<b>64.20</b>
	M'gala	80.00	68.00		1949	13.96	226	4.29	17	0.38	667	16.79	2970	4.04	5829	<b>39.46</b>
	Ampara	100.00	85.00		1471	18.02	1474	23.55	156	3.66	1171	27.74	200	2.95	4472	<b>75.92</b>
<i>Sub total</i>		<i>280.00</i>	<i>238.00</i>	<i>209.00</i>	<i>4559</i>	<i>50.38</i>	<i>1743</i>	<i>29.87</i>	<i>218</i>	<i>5.20</i>	<i>3315</i>	<i>85.62</i>	<i>3365</i>	<i>8.51</i>	<i>13200</i>	<i>179.58</i>
No 05	A'pura	140.00	119.00	275.7	2527	29.06	1557	24.80	73	1.58	989	16.79	223	4.27	5369	<b>76.50</b>

	Polonnaruwa	116.20	104.20		2197	21.85	2604	20.21	69	2.00	1053	25.50	486	3.85	6409	<b>73.41</b>
	Trincomalee	110.68	81.12		594	7.60	18	0.36	208	4.08	318	10.14	466	11.14	1604	<b>33.32</b>
	<b>Batticaloa</b>	60.00	51.00		481	7.61	776	30.44	90	1.61	358	8.4	231	2.95	1936	<b>51.01</b>
	<i>Sub total</i>	<i>426.88</i>	<i>355.32</i>	<i>275.74</i>	<i>5799</i>	<i>66.12</i>	<i>4955</i>	<i>75.81</i>	<i>440</i>	<i>9.27</i>	<i>2718</i>	<i>60.83</i>	<i>1406</i>	<i>22.21</i>	<i>15318</i>	<i>234.24</i>
<b>No 06</b>	<i>Vavuniya</i>		<i>5.00</i>	<i>25.00</i>	50	1.43	75	2.54	1	0.01	26	0.87	3	0.14	155	<b>4.99</b>
	<i>Jaffna</i>		<i>5.00</i>		55	1.44	88	1.46	29	0.81	26	0.70	21	0.58	219	<b>4.99</b>
	<i>Manaar</i>		<i>5.00</i>		5	0.12	643	4.42	1	0.02	12	0.32	3	0.10	664	<b>4.98</b>
	<i>Mullaitivu</i>		<i>5.00</i>		200	2.00	136	2.99							336	<b>4.99</b>
	<i>Kilinochchi</i>		<i>5.00</i>					45	2.50	50	2.50				95	<b>5.00</b>
	<i>Sub total</i>	<i>0.00</i>	<i>25.00</i>	<i>25.00</i>	<i>310</i>	<i>4.99</i>	<i>987</i>	<i>13.91</i>	<i>81</i>	<i>3.34</i>	<i>64</i>	<i>1.89</i>	<i>27</i>	<i>0.82</i>	<i>1469</i>	<i>24.95</i>
	<b>Grand total</b>	<b>3146.88</b>	<b>2692.32</b>	<b>1820.18</b>	<b>32524</b>	<b>388.72</b>	<b>19240</b>	<b>363.98</b>	<b>1786</b>	<b>36.61</b>	<b>30571</b>	<b>795.06</b>	<b>10676</b>	<b>131.45</b>	<b>94797</b>	<b>1715.8</b>

Source – Departmental Sources

## **07. Performance of the Information Technology Division**

Providing assistance to give a faster and quality service to the people, by the frequent use of information technology in respect of the functions of the Department of Divineguma Development enhancing efficiency and productivity.

### **7.1 Implementation of the ‘E-Divineguma’ Programme**

Updating data about all officers through the human resources management module and the management of data of about 26,000 officers of the Department of Divineguma Development using the human resources management module.

7.2 Updating data about Grama Niladhari wasams and beneficiaries through the Customer Relationship Management module.

7.3 Project and programme management in respect of projects done in 2014.

7.4 Under the programme for the computerization of Divineguma community based banks, completion of the software with the 8 banks coming under the pilot project.

Completing the making of the software so that it could interact with the Divineguma community based bank computer software, and extending it to banks which have by now been provided with hardware.

7.5 Preparation of the data system in respect of the lottery draw of the Samurdhi Housing Development Lottery for 2013.

7.6 Updating and maintaining the official website of the Department of Divineguma Development. Giving publicity to circulars issued by the institution.

## **8. Performance of the Media Division**

The main function of the Media Division is keeping the common people of the country and other concerned parties constantly informed about development projects and social welfare, social security and social development programmes implemented annually by the Department of Divineguma Development to minimize the poverty in the country through the embellishment of the living standards as a result of the livelihood development activities, whilst ensuring social justice.

### **8.1 Objective**

Giving publicity relevant to the building up a communication pattern, shouldering the development tasks and the efforts made by low income earning segments of society for the minimization of poverty, subjecting the Samurdhi campaign to a broad dialogue, making its growth more productive and meaningful and propagating it among the people.

### **8.2 Project**

Utilizing the electronic and printed media to implement more productively and meaningfully Divineguma development projects, which give a helping hand for the national economic development of the country.

#### **8.2.1 Use of the Electronic Media**

Commencement of a half hour radio programme called Divineguma “Dorin Dorata” covering 07 channels based on the Sri Lanka Broadcasting Corporation. This programme is broadcast on Saturdays over the Commercial, National, Rajaratne and Ruhunu services from 11 am to 11.30 am, on Sundays over the Kandurata service from 11.30 am to 12 noon and on Tuesdays over the Wayamba service from 8 am to 8.30 am. In addition to this, as customer benefits, in these series of publicity programmes, 10 taped messages of 60 seconds each, awareness messages of 30 seconds thrice a day, and advanced notice plus 10 second customer presentations have been broadcast.

Accordingly, 12 half hour radio programmes and 270 announcements have been made by way of short advertisements and taped parts in respect of the Divi Neguma Development Programmes.

### **8.3 Printed Media Matters**

Bringing to the notice of the Director General daily news items published in the national news papers in respect of the Divineguma development project, taking relevant action through coordination with the respective Divisions.

Publishing notices, column notifications, letters and reports in national newspapers in respect of events taking place from to time, and publishing of hand bills, journals, souvenirs and booklets and taking other action by way of broad media coverage.

## **9. Performance of the Community Based Banking Division**

### **Community Based Banking Division**

The “Credit Division” of the Samurdhi Authority, started in the year 1996 was renamed the “Banking Finance” Division in the year 1998, as a result of policy changes in keeping with the times. Accordingly, the Banking Finance Division deals not only with micro finance matters, but also encourages the savings habit among the Divineguma beneficiaries. However, the Samurdhi Authority of Sri Lanka has been transformed into the Department of Divineguma Development in accordance with the Divineguma Act No 01 of 2013. Banking unions and maha sangams which hitherto had been under the Samurdhi Authority of Sri Lanka were named community based banking unions and community based banking societies under the Department of Divineguma Development.

#### **9.1 Vision**

Making the Divineguma Community Based Banks and Divineguma Community Based Banking unions, which provide an excellent service to the Divineguma beneficiaries and Divineguma low income earners, sustainable, profitable and efficient.

#### **9.2 Mission**

“Building a net work of profitable and efficient Divineguma Community Based Banks and Divineguma Community Based Banking unions, which provide an excellent service to its Divineguma beneficiaries and Divineguma low income earners, marching forward with the micro financing necessary for Divineguma beneficiaries and Divineguma low income earners with financial literacy to stand up on their own, in the task of building a national economy”.

#### **9.3 Introduction**

With the inauguration of the Samurdhi Authority of Sri Lanka in the year 1996, the “Credit Division” was opened as another Division of it.

This Division was renamed the “Banking Finance” Division in the year 1998, due to the contemporary changes which had taken place.

In accordance with the Samurdhi Authority of Sri Lanka Act No 10 of 1996, Samurdhi banking unions were established in 1996 to implement the national Samurdhi campaign, with the objective of promoting savings among the low income earners, thereby enhancing the investment potential, to provide the

capital (credit facilities) required for the development of goods and services, to minimize informal loans and through it to rescue them from the clutches of indebtedness, and to establish a profitable institutional frame work.

#### **9.4 Objectives**

01. Promotion of savings habits of Divineguma beneficiaries.
02. Improving investment opportunities.
03. Providing credit facilities to Divineguma beneficiaries to increase their income through enhancing production potential.

The Banking Finance Division became the main steering office of the Divineguma community based maha sangam and community based banking unions established accordingly, and the steering of those institutions to achieve the following objectives became the responsibility and function of the Banking Finance Division.

1. Issue of operating instructions, circular instructions in regard to all operational matters including credit facilities, deposits and security of community based banking unions and community based maha sangams, and updating same.
2. Providing (refinancing) credit facilities necessary to maintain business operations of community based banking unions methodically
3. Providng staff loans to the staff of the Department of Divineguma Development.
4. Investing of the funds of community based banking unions and community based maha sangams productively.
5. Introduction of new technology and computerization to community based banking unions and community based maha sangams
6. Identifying problems, short comings and trends of banking unions.
7. Conducting of awarenes programmes and training programmes for the staff.
8. Making random visits to check the internal control of banking unions.
9. Maintaining protection (insurance) systems required for the proper operation of the community based banking system.
10. Referring policy matters required for the operation of the community based banking unions to the board of directors and implementation of decisions.
11. Transmission of information and data required about community based banking unions to relevant agencies, and follow up of progress.

Accordingly, the functions of the Banking Finance Division are twofold:

1. Samurdhi Banking unions programme
2. Activities in the Banking Finance Division.

#### **9.4.1 Community Based Banking Societies Programme**

Setting up of the banking unions had been implemented in seven stages, and by 31/12/2014, there were 1073 banking unions operating in all districts, including the north and the east.

From this perspective, the network of branches which started as community based banking unions, which during a short span of time has become the largest micro financial institutional structure spread island wide in the field of the local micro finance, and the community based banking union system has achieved an outstanding rating internationally in the field of micro finance. The community based banking union system which has achieved an outstanding place among the giants of micro finance while conforming to the objectives of poverty eradication has reached a special place in the collection of deposits, and following the new technological banking methodologies has commenced the computerization of banking unions which is in operation.

By the end of the year 2013, there were 822 banking unions which had reached financial viability. By the end of the year 2014, the number of such banking unions became 752 due to various financial problems.

#### **Progress of Membership of Banking Societies and Share Capital – 31.12.2014**

Divineguma beneficiaries are eligible to be members of the community banking union on the purchase of a share of Rs.500/=, and become share holders of the bank.

Table - 20                      **Progress of Membership of Banking Societies – 2000 – 31.12.2014**

<b>Year</b>	<b>Female</b>	<b>Male</b>	<b>Total</b>	<b>Growth relative to previous year</b>	<b>Growth rate %</b>
2000	943,142	628,094	1,571,236	326,300	26
2001	1,042,158	663,905	1,706,063	134,827	9
2002	1,149,226	716,833	1,866,059	159,996	9
2003	1,275,273	777,222	2,052,495	186,436	10

2004	1,351,769	806,470	2,158,239	105,744	5
2005	1,428,848	824,846	2,253,694	95,455	4
2006	1,516,985	853,604	2,370,589	116,895	5
2007	1,575,509	872,490	2,447,999	77,410	3
2008	1,641,872	859,900	2,501,772	53,773	2
2009	1,691,112	896,947	2,588,059	86,287	3
2010	1,830,840	970,693	2,801,533	213,475	8
2011	1,881,808	987,740	2,869,548	68,015	2
2012	2,079,173	1,078,546	3,157,719	288,171	9
2013	2,199,135	1,121,833	3,320,968	163,249	5
2014	2,389,133	1,214,461	3,603,594	282,626	7.8

Source – Departmental Sources

Figure one shows the expansion of the membership during 14 years. When compared to the year 2013, the year 2014 also showed a relative expansion in banking union membership and the growth rate was 7.8%. Even when financial institutions had to face economic situations due to various economic and social problems, this implies the trust the customers placed in our community based banking unions.

Especially, special loan schemes such as *Viduli Athwela*, *Divi Neguma Isura* and *Rata Viruwo* introduced through Samurdhi banks during the latter half of the year 2014 had been contributory to this situation.

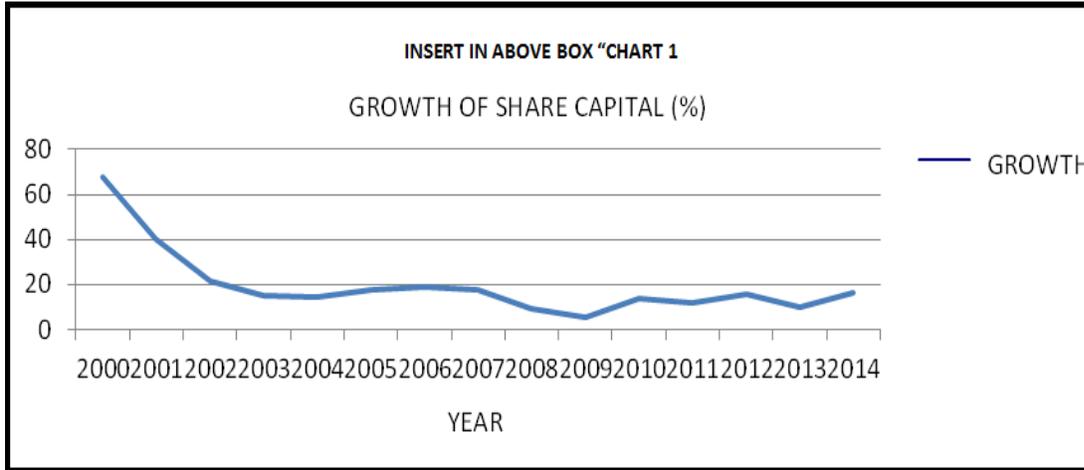
**Table – 21****Amounts Paid by Members for Shares as at 31.12.2014**

<b>Year</b>	<b>Amount ( Rs Mn)</b>	<b>Growth</b>	<b>Growth Rate</b>
2000	985.16	397.98	67.80
2001	1,383.15	397.99	40.40
2002	1,679.79	296.64	21.40
2003	1,930.37	250.57	14.90
2004	2,206.62	276.25	14.30
2005	2,601.01	394.40	17.90
2006	3,096.44	495.42	19.00
2007	3,639.53	543.10	17.50
2008	3,989.90	350.37	9.63
2009	4212.416	222.516	5.58
2010	4790,470	578,054	13.72
2011	5,370.53	580.06	12.11
2012	6380	1009.69	18.00
2013	7,101.00	721.00	10.15
2014	8,499.50	1,398.50	16.45

Source – Departmental Sources

Chart – 07

Growth of Share Capital (%)



Source – Departmental Sources

Chart 2 shows the expansion of the share capital during 14 years. During the initial stage, although the progress of the share capital showed a rapid rise of 68%, the increase ratio has declined sharply during the past few years. Though there was a rise in the share capital during the current year relative to the previous year, the rate of growth has declined relative to the previous year. However, when taking into consideration the growth of the share capital during the current year, an upward trend of the share capital rate is indicated. While analyzing this situation further, attention must be paid to formulating future plans of the Banking Finance Division to contribute to ensuring the viability of the Banking unions.

The share capital which was 7,101 million in the year 2013 has shown a growth up to 6380 million in the year 2014.

**Table – 22**

**Banking Societies Deposit Programme**

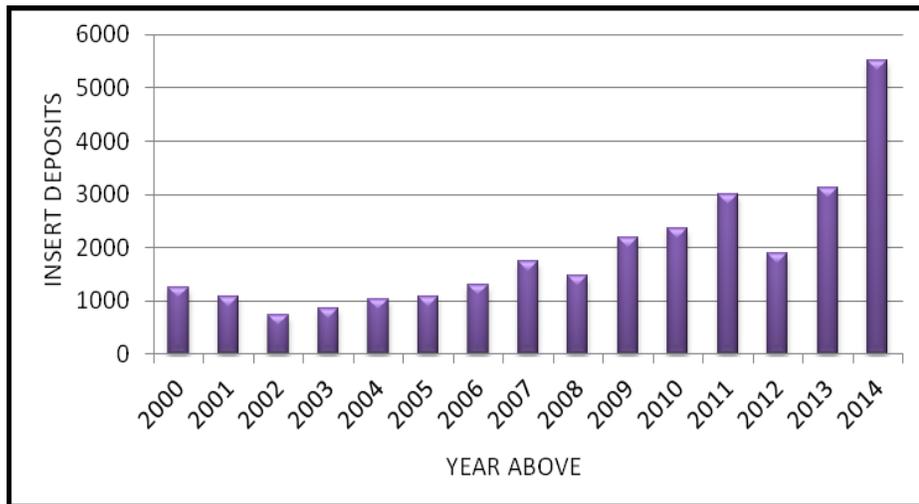
**Deposits (Member, Non-member, Group, ‘Lama’ and ‘Diriya Matha’)**

Year	Numbers	Growth	Amount (Rs Mn.)	Growth
2000	2,645,574	1,220,922	2,033.45	1,264.50
2001	3,035,233	389,659	3,111.16	1,077.71
2002	3,296,569	261,336	3,857.10	745.94
2003	3,680,786	384,217	4,710.80	853.70
2004	3,989,539	308,753	5,751.81	1,041.01
2005	4,229,575	240,036	6,824.88	1,073.07
2006	4,394,498	164,923	8,131.66	1,306.78
2007	4,613,504	219,006	9,875.63	1,743.97
2008	5,081,229	467,725	11,356.79	1,481.16
2009	5,167,854	86,625	13,536.65	2,179.86
2010	5,505,853	337,999	15,906.77	2,370.12
2011	5,524,025	18,172	18,907.33	3,000.56
2012	6,280,484	682,459	22,168.917	3201.58
2013	6,383,307	176,823	23,916.57	3,117.52
2014	6,822,409	439,102	29,436.10	5,519.53

Source – Departmental Sources

**Chart - 08**

**Growth of Deposits**



A sum of 5,519.5 million rupees had been deposited during the year 2014, indicating further trust in the banking union programme, and the special deposit development programme implemented targeting especially Banking unions has had an effect on this expansion. When compared to other competitive micro finance institutions, achieving such a growth should be appreciated.

#### **9.4.2 Community Based Bank Societies Credit Programme**

- Under the banking union credit scheme, entrepreneurship potential of low income earners including Divineguma beneficiaries is identified, and small credit facilities are provided to build an environment necessary to escape poverty through self sustenance.
- Introduction and implementation of several special credit programmes to cater to capital funds and urgent financial requirements of members.
- Under this, for self employment and for income generating projects under the self employment, Mihi Jaya, Kirula development, Yovun Diriya and livelihood loan programmes, loans of Rs.100,000/- to Rs.250,000/- are released. Facilities are available to obtain loans up to Rs.75000/= for funds required for cultivation. Under the Kirula development credit scheme implemented during the latter half of the year 2010, the credit limit of Rs.100,000/= hitherto followed was increased to a limit of Rs.250,000/=.
- The banking union is prepared to throw a life line to members to fulfill their housing requirements, by giving loans subject to a maximum of Rs.50000/=, to build a house, complete a partly finished house or for requirements like house repairs.
- Members have been provided relief through the consumer, distress and Swashakthi loan schemes to obtain without difficulty loans for their financial requirements in an emergency, without getting into the clutches of usurers. Under the Viduli Ath Wela credit scheme started during the end of the year 2010, credit facilities are made available up to a maximum of Rs. 30,000/= to Samurdhi beneficiary and low income earning members of Banking unions.
- At present, in respect of loans given for income generating loan projects an interest rate of 8% for Samurdhi beneficiary members and 10% for low income earners is charged, while the interest rate for other loans is 12%. (except for Swashakthi and Viduli Athwela loans).
- 274,840 members had been given loans totaling a sum of Rs Mn 11,010 during the year 2014.

- The rate of recovery of loans in the year 2014 was 98.2 (installments due ahead are also included). The bad debt rate is 4 per cent.

**Table - 23 Issue of Loans as at 31.12.2014**

Year	Number (Cumulative)	Amount (Rs. Mn.)	Grant of Loans during the Year Rs Mn
1999	209,818	966.31	966.31
2000	481,475	2,788.50	1,822.19
2001	813,334	5,552.75	2,764.24
2002	1,016,392	7,448.08	1,895.33
2003	1,340,126	10,503.30	3,055.22
2004	1,697,866	13,977.81	3,474.51
2005	2,149,135	20,725.03	6,747.22
2007	2,952,840	32,843.04	6,807.93
2008	3,450,469	42,757.37	9,914.36
2009	3,721,662	48,352.73	5,595.36
2010	4,160,596	58,531.61	10,178.88
2011	4,682,822	71,721.04	13,189.43
2012	5,085,275	87,046.00	15,324.96
2013	5,360,115	98,056.00	11,010.00
2014	6,388,489	127,805.40	29,749.40

Source – Deptmental Sources

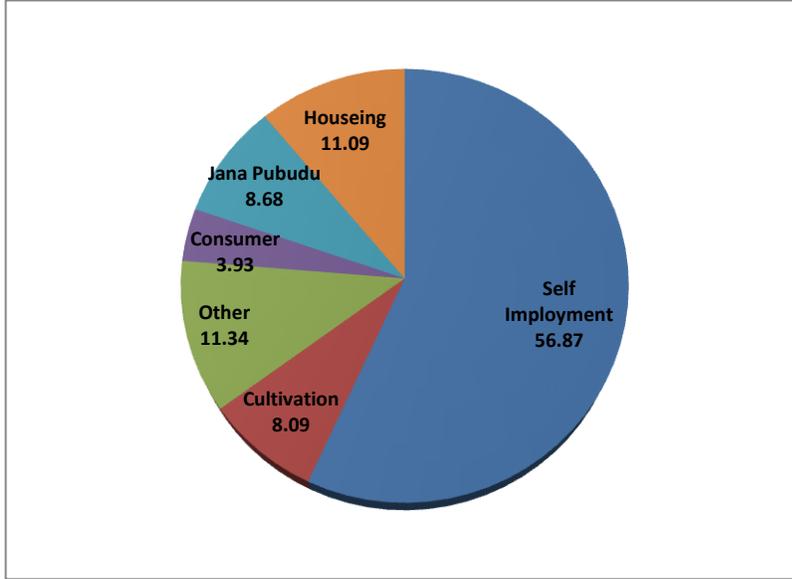
**Table- 24 Classification of Loans Cumulative as at 31.12.2014**

Type of Loan	Rs Mn	Contribution
Self Employment	72,680	56.87
Cultivation	10,350	8.09
Other (Mihijaya, Fisheries, Swasakthi, Distress, Kirula Loans, Yowun Diriya)	14,501	11.34
Consumer	5,035	3.93
Janapubudu	11,100	8.68
Housing	14,131	11.09
<b>Total</b>	<b>127,797</b>	<b>100.00</b>

Source – Deptmental Sources

Chart - 09

Classification of Loans



Source – Departmental Sources

**9.4.3 Investment of Surplus Funds of Banking Societies (Fixed Deposits and Treasury Bills)**

With the objective of getting the maximum returns for the assets of banking unions, funds found surplus after releasing loans for loan applicants have been authorized to be invested in state banks only in accordance with Treasury circular instructions, through maha sangams. Through this, it is envisaged to strengthen the maha sangams also financially.

**Table – 25 Investment of Surplus Funds of Community Based Banking Societies**

Year	Amount (Rs Mn)	Growth	Rate
2000	1,620	1,038	178.00
2001	3,175	1,555	95.99
2002	5,097	1,922	60.54
2003	5,914	817	16.03
2004	7,828	1,914	32.36

2005	7,417	-411	(5.25)
2006	9,936	2,519	33.96
2007	13,791	3,855	38.80
2008	18,833	5,042	36.56
2009	24,039	5,206	27.64
2010	27,248	3,209	13.35
2011	39,048	11,800	43.31
2012	42,098	3,050	7.81
2013	55,690	13,592	32.29
2014	48,309	(7,381)	(15.27)

Source – Departmental sources

**Chart - 10 Percentage of Growth of Funds**

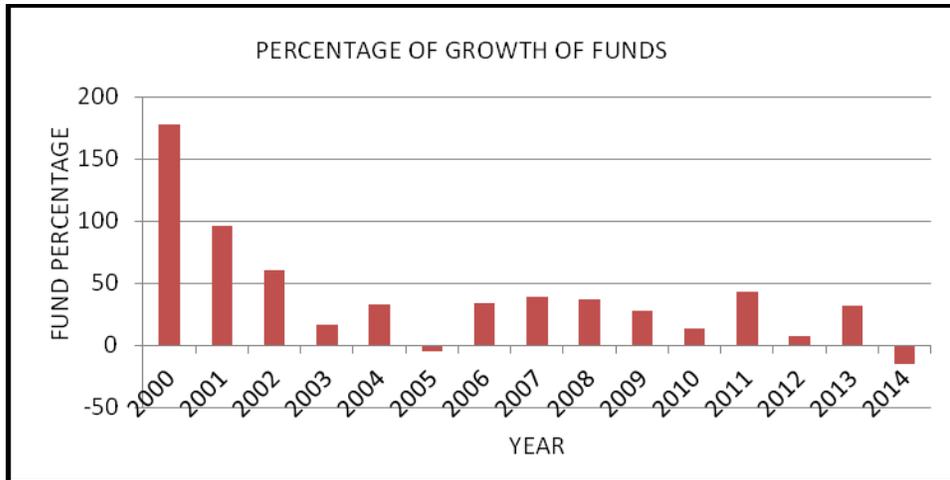


Chart 10 shows the investment of surplus community based banking union funds. Even though a high rate of investment was shown during the inaugural period of banking unions, subsequently, it has declined. Due to the expansion of the credit programme, amounts investable had dwindled gradually. It is a positive indication.

### 9.4.4 Activities within the Banking Finance Division

While the Banking Finance Division operates as the financial monitoring unit of all community based banking unions and maha sangams established throughout Sri Lanka, and associated to these, a significant function is being carried out within the Division.

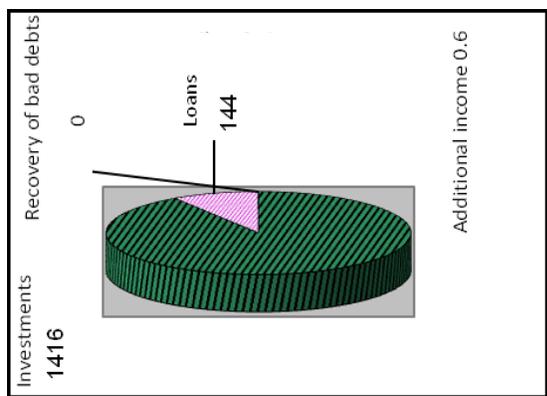
Acting accordingly, the Banking Finance Division bears all its expenditure, and in addition, travelling expenses of audit officers, costs of preparation of annual reports of Banking unions and training expenditure come under this. Also, granting of refinancing loans to Banking unions, reimbursement of Mihijaya loans and supply of funds for staff loans are done through the income of the Banking Finance Division. This Division also spends for promotion and propaganda activities relating to Banking unions.

**Table – 26 Shown below is the Overall Income and Expenditure of the Banking Finance Division:**

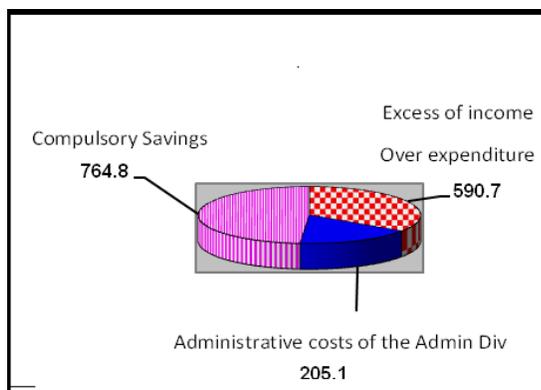
Income	Rs Mn	Expenditure	Rs Mn
From investments	1,416	Interest paid for compulsory savings	764.8
From loans	144	Administrative expenses of the Division	205.1
Recovery of bad debts	0	Excess of income over expenditure	590.7
Additional income	0.6		
	1,560.6		1,560.6

Source – Departmental sources

**Chart - 11 Income**



**Chart - 12 Expenditure**



Source – Departmental Sources

The following staff is employed for the management functions of the Banking Finance Division which is engaged in operating banking matters, implementation of the staff loan programmes, progress matters and other operational matters.

**Table - 27 Staff of the Banking Finance Division**

<b>S/No</b>	<b>Post</b>	<b>Appd cadre</b>	<b>Present strength</b>
1	Director	01	
2	Deputy Director	02	1
3	Assistant Director	04	2
4	Samurdhi Manager	40	38
5	Samurdhi Dev Officer	20	17
6	Clerks	03	2
7	Computer data recordists	03	0
8	Typist	01	1
9	Office Aide	03	2
10	Driver	03	1

Source – Departmental Sources

As mentioned above, the functions of the Banking Finance Division maybe analyzed as shown below:

#### **9.4.5 Compulsory Savings Procedure of Community Based Banking Societies**

##### **Introduction**

The Compulsory Savings Programme was inaugurated to get low income earners to get used to saving more and more and for their future prosperity. In this connection, saving a certain portion of the government subsidy monthly is identified as compulsory savings.

Out of the subsidy coupons issued by the Samurdhi Commissioners Department to the value of Rs.1500, Rs. 1015, Rs. 900 and Rs.615, sums of Rs 300, Rs.200, Rs.150 and Rs.100 are respectively saved as

compulsory savings. The basic objective of this program is to get down this money to the Banking Finance Division so that a creditable return to the satisfaction to the beneficiaries could be bestowed by short term investment of it in state banks under a high interest rate. This programme is being implemented mainly in two stages:-

01 Compulsory Savings sent from Nov 1999 to date - The compulsory savings of the relevant Samurdhi beneficiaries are remitted monthly by the Divisional Secretariats to the Banking Finance Division in favour of the various beneficiaries' Banking unions for investment.

02 For the period 1995 to October 1999, out of the funds invested in the Peoples Bank and the Bank of Ceylon, 25% of the funds of the reliable customer beneficiaries' had been remitted to the Banking Finance Division and invested. The Head Office does not make investments in respect of compulsory savings, as the banking unions themselves make the relevant investments since March 2012.

Details of compulsory savings funds invested in the Authority are shown below:

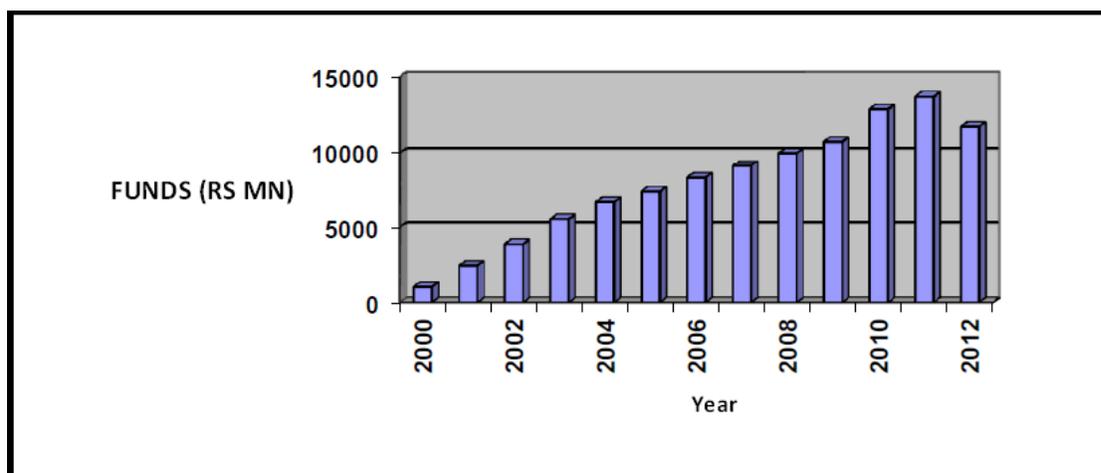
**Table 28 - Compulsory Savings Remitted for Investment as at 31.12.2014**

<b>Year</b>	<b>Funds Rs Mn</b>	<b>Growth</b>	<b>Growth %</b>
2000	1,045		-
2001	2,424	1,379	131.96
2002	3,852	1,428	58.91
2003	5,510	1,658	43.04
2004	6,652	1,142	20.73
2005	7,349	697	10.48
2006	8,282	933	12.70
2007	9,099	817	9.86
2008	9,960	861	9.46
2009	10,738	778	7.81
2010	12,886	2,148	20.00
2011	13,702	816	6.33
2012	11,726	(1,976)	(14.42)
2013	12,760	1,034	8.82

Source – Departmental Sources

Chart- 13

**Compulsory Savings for Investment as at 31.12.2014**



Source – Departmental Sources

**9.4.5.1 Payment of Compulsory Savings Interest**

Compulsory savings received by the Banking Finance Division are invested through the investment unit and, from the benefits received, interest is paid to the various community based banking unions at the end of the year. Similarly, with the aim of mobilizing and strengthening Divineguma societies, since the year 2006, the payment of this interest is done through the community based banking unions. In the same manner, with the objective of introducing technical and productive systems to community based banking societies and banking sangams, since the year 2008, the payment of interest for compulsory savings investments was done through direct remission to the Maha sangam account. Through this, it was possible for the Banking Finance Division to earn around 3 million rupees annually as an additional income. The interest rate paid for compulsory savings to beneficiaries (through the limiting of the cash in transit period to one day) is on a higher level, when compared to other competitive commercial banks, and this is a special privilege bestowed on the account holding beneficiaries.

**Figure – 29**

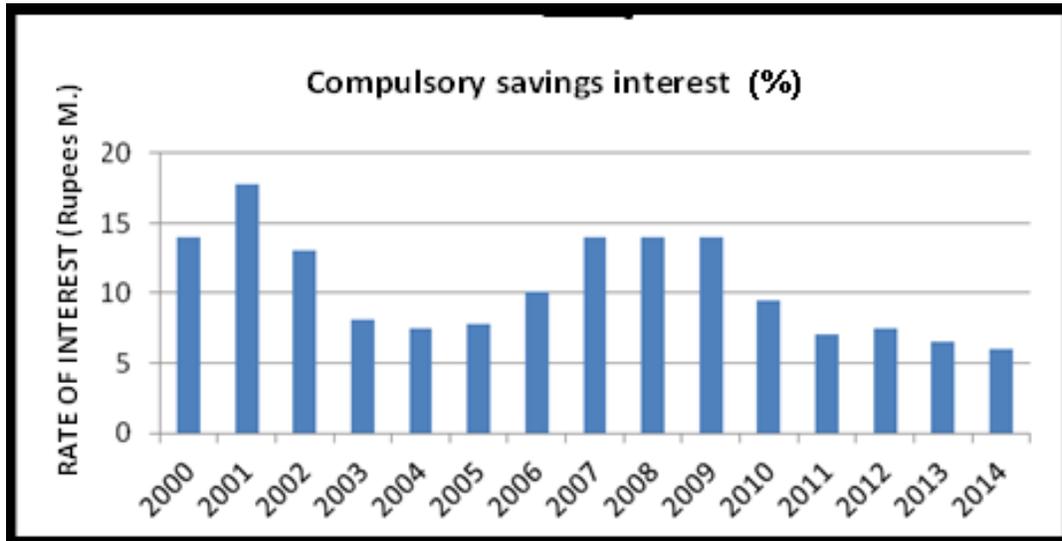
**Interest for Compulsory Savings**

Year	Paid %
2000	14.00
2001	17.75
2002	13.00
2003	8.10
2004	7.50
2005	7.75
2006	10.06

2007	14.00
2008	14.00
2009	14.00
2010	9.50
2011	7.10
2012	7.50
2013	6.50
2014	6.00

Source – Departmental Sources

Chart - 14 **Compulsory Savings Interest (%)**



Source – Departmental Sources

Even though there was a sharp decline in the interest rate in the money market during the year 2014, the ability to pay an interest rate of 6.0% to the banking unions for compulsory savings should be appreciated. (During this year, the commercial banks paid only an interest rate of 5% for their savings).

#### 9.4.6 Loan Scheme

The Banking Finance Division has, whilst procuring the funds necessary for the loan schemes implemented by Banking unions, has also launched several loan schemes for the permanent staff of the Department of Divineguma Development also. Accordingly, the loan programmes implemented by the Banking Finance Division can be classified as follows:

2.2.1 Loan scheme for beneficiaries.

2.2.2 Loan scheme for the staff.

#### 9.4.6.1 Loan Scheme Implemented for Beneficiaries

##### (1) Refinancing Loan Scheme

Banking unions give loans from deposits accumulated by the relevant beneficiaries themselves. For this purpose, Banking unions are authorized to give only up to 80 percent of the total deposits. To offset the financial difficulties arising due to loans granted beyond this limit, the Banking Finance Division provides refinancing facilities to Banking unions, at interest rates lower than charged by banks. Credit facilities are provided for income generating projects such as self employment, cultivation, fisheries, animal husbandry, trading and services. Re financing loan scheme materials are effected through community based societies, and the Banking Finance Division gives loans to community based societies at 4%. Community based societies give re financed credit funds to community based banking unions at an interest rate of 7%.

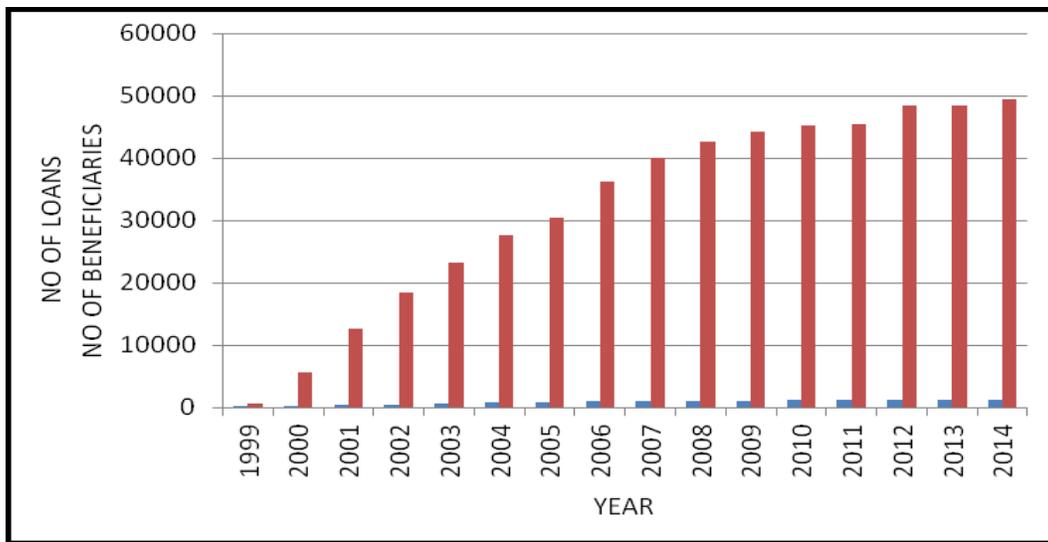
**Table – 30 Progress of the Refinancing Loan Programme as at 31/12/2014**

<b>Year</b>	<b>Amount Of Loans</b>	<b>No Of Benefi-Ciaries</b>	<b>Amount Released Rs Mn</b>	<b>Rate Of Recovery</b>
1999	11	523	3.00	100
2000	175	5,578	52.00	92
2001	324	12,588	117.00	101
2002	472	18,400	177.00	100
2003	637	23,223	233.00	100
2004	786	27,605	283.00	101
2005	849	30,351	315.80	102
2006	971	36155	389	100
2007	1040	40008	450	100%
2008	1072	42631	499.71	100%
2009	1097	44180	523.58	100%

2010	110	45284	571.11	91%
2011	1,112	45,399	581.42	95%
2012	1,132	46,145	613.12	100
2013	1,163	48,460	710.91	100
2014	1,175	49,332	761.64	100

Source - Departmental Sources

**Chart- 15 Progress of the Re-Financing Loan Scheme as at 31.12.2014**



Source - Departmental Sources

**(11) Reimbursement of Mihijaya (8%, 10%) Concessionary Interest**

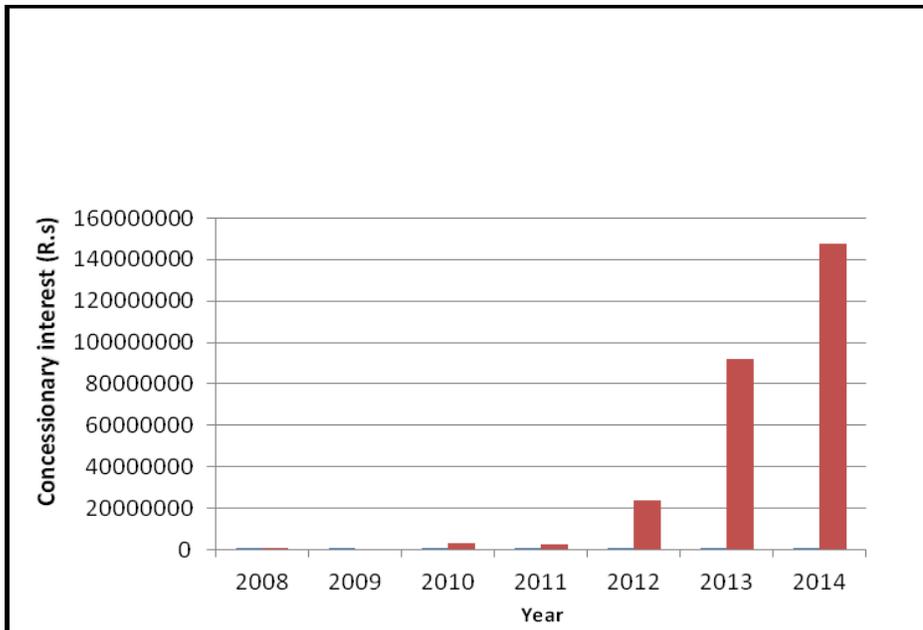
The Sabanda, Jana Pubudu and Gedera Naya loan schemes had been suspended during the year 2010, and as an alternative to this loan scheme, self employment, Piyasa and Mihi Jaya programmes are being implemented. Accordingly, the Banking Finance Division reimburses the concessionary interest for all income generating project loans given by the community banking unions. The objective of this is the minimization of the financial losses of banking unions. Concessionary interest is not reimbursed in respect of interest charged after 31/12/2013, and during this year too, concessionary interest was given only for interest charged up to 31/12/2013.

**Table – 31 Concessionary Interest given to Banking Societies as at 31.12.2014**

<b>Year</b>	<b>Amount</b>
2008	250,143.00
2009	-
2010	3,108,269.00
2011	2,496,830.25
2012	23,566,040.32
2013	91,706,854.90
2014	147,685,633.11

Source - Departmental sources

**Chart - 16 Concessionary Interest given to Banking Societies**



Source - Departmental Sources

### **(111) The ‘Viduli Athwela’ Loan Programme**

With the aim of making electricity available for everyone, the Ministry of Power and Energy inaugurated the *Viduli Athwela* Programme, for Divineguma beneficiary and low income earning families. This programme is being directed by the Ministry of Economic Development and the Ministry of Power and Energy, while the Samurdhi Authority of Sri Lanka (presently the Department of Divineguma Development) and the Ceylon Electricity Board are contributing actively in this behalf.

The Banking Finance Division provides funds required to implement this subsidized “*Viduli Athwela*” credit programme through the island wide network of Divineguma community based bBanking unions for it to be put into operation simultaneously.

The anticipated benefits of this programme are:

1. The strengthening of the economy through making productive the small industries and marketing developments programmes carried out or intended to be carried by low income earners.
  11. Increased demand for loans for the Divineguma development programme resulting in new members assembling with community based banking unions, thereby increasing deposits.
  111. Possibility of increasing the income of the Banking unions due to the service charges provided by the Banking Finance Division.
- IV. Further development of the financial stability, efficiency and trust of the community based banking societies

The maximum loan payable to beneficiaries for this *Viduli Athwela* programme is Rs.30,000/-, and recoveries would be made through installments including the principal and an annual interest of 12% during a period of 60 months.

After obtaining loan applications from the relevant consumer service center, and after being duly filled in under operating instruction no. 5, eligible applications would be forwarded to the Electricity Board with the recommendations of the Divineguma Development Officer, Divineguma Manager and the Divisional Secretary respectively, and electricity facilities provided thereafter.

The bilateral agreement between the Samurdhi Authority of Sri Lanka (presently the Department of Divineguma Development) and the Ceylon Electricity Board pertaining to this *Viduli Athwela* credit programme had been signed in the year 2010, and no loans had been given during that year.

The bilateral agreement between the Department of Divineguma Development and the Ceylon Electricity Board pertaining to this *Viduli Athwela* credit programme had been signed for the year 2014 too.

**Chart – 32 Progress of the Viduli Athwela Loan Programme as at 31.12.2014**

Year	Details of loans given by the Banking Finance Division to the Ceylon Electricity Board			Details of Loans given by the Banking Finance Division to Beneficiaries/Low Income Earners	
	No of Loans	Amount (Rs Mn)	Outstanding Amount (Rs Mn)	No of Loans	Amount (Rs Mn)
2011	02	350	335.08	20694	354
2012	07	747	675.32	44932	853
2013	09	1080	861.67	64520	1237
2014	13	1537	1106.18	80153	1537

Source – Departmental Sources

#### 9.4.6.2 Loan Scheme for the Staff of the Department of Divineguma Development

##### ➤ Consumer Credit Scheme

Under this programme which was launched in February 2004, loans up to a maximum of Rs.50000/- were given at an interest rate of 9% to Samurdhi Development Officers only up to 2008. Now this loan scheme is open to all members of the staff. Payback period is 60 months. From 18/10/2008 the sum of Rs.50,000/= has been increased to Rs.100,000/=. By 18.12.2014 this programme had been decentralized to the districts.

**Table 33 Staff Loans as at 31.12.2014 (Cumulative)**

No of loans given	Amount (Rs Mn)
28118	1869.09

Source – Departmental Sources

➤ **Housing Loan Scheme**

In June 2004, this loan scheme was inaugurated for the permanent staff of the Department of Divineguma Development, and financial provisions are allocated from the earned income of investments made by the community Banking Division. Under this loan scheme, credit facilities are given to purchase land, build a new house and for new additions or extension to a house. The loan amount has been increased from Rs.200000/- to Rs. 500000/- and the interest rate is 12%. Payback period of the loan has been extended to 15 years. Under the housing loan scheme, the following loans had been issued as at 31/12/2014. With effect from 01/01/2010, the relevant rate of interest had been brought down to 10%. By 01/11/2014 the recovery of these loans too had been decentralized to the districts.

**Table 34 – Housing Loans as at 31/12/2014 (Cumulative)**

<b>No of Loans given</b>	<b>Amount (Rs Mn)</b>
2129	905.08

Source – Departmental Sources

➤ **Motor Cycle Loan Scheme**

In November 2004, this programme was inaugurated and financial provisions are allocated for this from the earned income of investments made by the Banking Finance Division. This programme has been limited only to the permanent staff of the Department of Divineguma Development. Motor cycle loans are given subject to a maximum of Rs.150,000/- at the interest rate of 10 per cent per annum, with a payback period of 60 months. After 31/12/2014, it has been vested to issue of motor cycle loans at district level. By 01/11/2014 the recovery of these loans too had been decentralized to the districts.

**Table 35 - Motor cycle Loans as at 31/12/2014 (Cumulative)**

<b>No of Loans given</b>	<b>Amount (Rs Mn)</b>
4067	368.03

Source – Departmental Sources

#### **9.4.7 Staff Physical Injury Insurance**

Under this programme, members are paid compensation for physical injuries sustained during cash robberies whilst transporting daily collections of community based banking unions to commercial banks. The Staff Physical Injury Compensation Insurance Fund had been implemented with effect from October 2005, and every bank union should pay Rs.1000/- annually to this Fund and obtain insurance cover.

The maximum amounts which could be claimed under this scheme:

Samurdhi Managers -Rs.200,000/-.

Samurdhi Development Officers - Rs.150,000/-.

During the year 2014, under this programme a sum of Rs.808,400/- has been received through the Banking unions by way of insurance premia.

#### **9.4.8 Insurance of cash in hand of Divineguma Banking Societies**

- Through this, losses would be reimbursed caused due to thefts or robberies whilst transporting cash in hand belonging to Divineguma community based banks from such banking unions to commercial banks and vice versa.
- Taking into consideration the daily liquidity requirements of bank societies and maha sangams, inquiries may be made from the Banking Finance Division regarding this insurance cover. For this, the annual installments should be sent to the Banking Finance Division, and the necessary steps have been organized to provide the insurance cover. Its progress as at 31<sup>st</sup> December, 2014 is that 1069 banking unions and 270 maha sangams have obtained this insurance cover.
- Installments sent by the Banking unions and maha sangams (including physical injury insurance premia) are credited to a fund created by the Banking Finance Division and invested profitably and the fund expanded.
- For the year 2014, a sum of Rs.11,631,909/= had been remitted by Banking unions by way of cash in hand insurance premia. During the year 2014, a sum of Rs. 44,930/50 had been paid as compensation in respect of one incident.

#### **9.4.9 Financial Operations of Banking Societies and Banking “Maha Sangams”**

In respect of banking societies and maha sangams, an annual audit report has been prepared at the end of each financial year, that is from 1<sup>st</sup> of January to 31<sup>st</sup> December, covering all operations. The authority for the preparation of these audit reports had been given to the

Accountants of the Divisional Secretariats. However, as this was not being done properly, the services of Accounts in Government/Semi government institutions were obtained and utilized as external Audit Officers to prepare audit reports in respect of the relevant years for which audit reports had not been prepared.

After the year 2006 upto date, the accounts for the relevant years are audited and financial statements prepared by the Internal Audit Division and submitted with the audit opinion to the Community Based Banking Division.

#### **9.4.10 Bank Monitoring Unit**

For the purpose of monitoring whether the operational process of the Divineguma community based banking unions and banking sangams are functioning properly in accordance with the operational instructions and circulars issued by the Banking Finance Division, for the necessary guidance and keeping in view the objective of increasing productivity and efficiency of the overall banking sangam system, a “Bank Monitoring Unit” has been established in the community based Banking Division, and the following functions will be carried by this unit:-

- ❖ Follow up action regarding complaints received through audit queries, audit investigation reports and from other sources, rectification of short comings discovered thereby, and referring relevant matters to the Internal Audit, Legal Investigations and other divisions, and the co-ordination of necessary matters.
- ❖ Taking action to rectify short comings in accounting matters, establishment matters and daily activities of Divineguma community based banking unions and banking sangams, providing the necessary guidance and the protection of the customers.
- ❖ Providing necessary guidance regarding the balancing of single entry trial balances, mobile banking services, amalgamation of Divineguma Banking unions and issuing necessary instructions for the rehabilitation of banking operational activities of banks damaged by natural disasters, and taking action to rectify matters.
- ❖ The “Bank/Banking Union Regulatory and Monitoring Units” contribute to improving the productivity of Divineguma Banking unions and maha sangams through operational instructions and guidance necessary to banking sangams and maha sangams to cope up with their various timely requirements.
- ❖ Banking Maha Sangam Regulatory and Monitoring Units have been set up in all the 25 districts, to facilitate providing the necessary assistance in cases of requirements cropping up suddenly, for continuous monitoring and for ease of coordination. During the year 2014, 3 progress reviews had been held at national level in respect of the Banking Maha Sangam Regulatory and Monitoring Units, and a large number of issues identified there had been settled in that year itself.

#### **9.4.11 Training Activities**

The training unit of the Banking Finance Division engages in training a staff of 1073 in the Samurdhi banking union network and a staff of 317 working in maha sangams in banking functions and other subjects.

The function of this Division is to perfect the knowledge, skills and positive attitudes of the banking staff, in order to provide the customer community with an efficient and productive service.

Accordingly, every banking officer is given a basic training course in banking matters and the accounting process, which gives an understanding about banking procedures. In addition, action will be taken to train unskilled staff of the maha sangams about functions of the maha sangams and their accounting procedures.

#### **9.4.12 Management Information Unit**

Management of the data of the 1073 community based banking unions is done by the Management Information Unit of the Banking Finance Division. Accordingly, every banking union has to send a monthly progress report on the prescribed format to the Information and Management Unit, and it has been planned to process such data and analyze the condition of the banking unions and submit data and to create a ratio analysis necessary for the evaluation of progress of Banking unions and to evaluate Banking unions based on it. Further, action has been taken to transmit to the Banking Finance Division data about Banking unions and maha sangams utilizing computer technology.

With the successful computerization of community based banking unions, this unit continues to analyze and evaluate the prevailing conditions of Banking unions to make them more productive and efficient.

#### **9.4.13 Marketing Promotion Unit**

The Banking Finance Division has taken action recently to introduce to the community based banking union field the principles of marketing, which is an important sector in banking. Accordingly, the marketing unit of the Banking Finance Division has launched special programmes for the purpose of promotion of deposits in community based banking unions.

- ❖ In the year 2014, with the objective of preserving for future generations Sinhala cultural traditions and national games, and for giving publicity to community based banking unions among the people, 1000 New Year festivals were held covering every bank union. For this

purpose, the Banking Finance Division has given a sum of 10.5 million rupees to Banking unions.

- ❖ In the year 2014, the under mentioned 8 programmes were formulated and implemented to promote savings in community based banking unions.
  - I. To correspond with the Sinhala and Hindu New Year, an Avurudu Ganu Denu week was named and through it, deposits worth 1,489 million rupees were collected.
  - II. To commemorate the International Womens Day, on 08<sup>th</sup> March, 2014, the Diriya Matha savings promotion strategy was successfully launched in the 1073 banking unions.
  - III. Based on the World Childrens Day, Childrens Deposits Promotion Programmes were implemented.
  - IV. Promotion programme based on the Thai Pongal festival.
  - V. Promotion programme based on the Christmas festival.

#### **9.4.14 General matters**

##### **Other Programmes and Activities Carried out by the Division during the New Year**

- ❖ For the year 2014, an action plan was prepared with five targets spread gradually over the year for banking unions, and banking unions were directed towards it.

As most banking unions are now in the process of being computerized, by now, through Internet facilities, the Management Information Unit of the Head Office has commenced obtaining the relevant data, and the necessary guidance has been given.

- ❖ The progress of enhancing infra structure facilities of Banking unions and maha sangams in the year 2014 under government allocations is shown below:-

**Table 36 – Details about Construction, Repair, Extensions and Purchases of Land in Respect of Banking ‘Sangams’ and Banking Societies**

<b>Programme</b>	<b>Number of projects</b>	<b>Monetary progress (Rs mn)</b>
Newly constructed bank union and maha sangam buildings	33	43.53
Repaired bank union and maha sangam buildings	04	2.82
Extensions	25	24.05
Purchase of land	04	4.22

Source – Departmental Sources

- ❖ During the year 2014, a sum of Rs. 2,270,837/= had been paid as travelling expenses to Accountants and Investigation Officers for visiting Banking unions and maha sangams.
- ❖ Sri Lanka Telecom has been selected to develop the software required to computerize the banking unions in other districts in addition to the districts of Ratnapura, Hambantota and Moneragala, where banking unions have been computerized. Also, action has been initiated to build a data bank of beneficiaries in all banking societies.

Appropriation Account 2014

Vote Head No: 218

Name of Department : Department of the Commissioner General of Samurdhi

Programme no according to annual estimates	Name of programme according to annual estimates	(1)	(2)	(3)	(4)	(5)	(6)	Page no (according to form DGSA 2)
		Budgetary estimate allocations (Rs.)	Supplementary provisions and supplementary estimate allocations (Rs.)	Virement under FR 66 and FR 69 (Rs.)	Total net allocations(1+2+3)	Total expenditure (Rs.)	Net result Savings/excess	
					(1+2+3) (Rs.)		(4-5) (Rs.)	
	<u>Recurrent</u>	-						
1	Operational programme	15,500,125,000	4,000,000	48,888,300 -48,888,300	15,504,125,000	15,503,083,403	1,041,597	
	Sub total (Recurrent)	15,500,125,000	4,000,000	0	15,504,125,000	15,503,083,403	1,041,597	
	<u>Capital</u>	-						
1	Operational programme	5,800,000	0	0	5,800,000	427,500	5,372,500	
	Sub total (Capital)	5,800,000	0	0	5,800,000	427,500	5,372,500	
	Grand total	15,505,925,000	4,000,000	0	15,509,925,000	15,503,510,903	6,414,097	

Source – Departmental Sources

Details of accounts submitted in forms D G S A 2 to D G S A 10 in pages 02 to 21 and other details stated in notes nos i to iv (b) are contents of this appropriation account. As such, it is hereby certified that the figures stated in the above account had been prepared in accordance with the related accounting details and notes, that the relevant accounts had been reconciled with Treasury books and that those have been confirmed as correct.

Accounting Officer

Name : R A A K Ranawaka  
Post : Director General  
(Department of Divineguma  
Development)  
Date:

Chief Accountant

Name : R M M G Ratnayake  
Post : Chief Accountant  
(Department of Divineguma  
Development)  
Date:

Chief Accounting Officer

Name: G H L Wimalasiri Perera : Secretary  
(Ministry of Housing and Samurdhi)  
Date:

Vote Head No: 305.

Name of Department : Department of Kandyan Peasantry Rehabilitation

Programme no according to annual estimates	Name of Programme According to Annual Estimates	(1)	(2)	(3)	(4)	(5)	(6)	Page no (according to form DGSA 2)
		Budgetary Estimate Allocations (Rs.)	Supplementary Provisions and Supplementary Estimate Allocations (Rs.)	Virement under FR 66 and FR 69 (Rs.)	Total net Allocations (1+2+3) (1+2+3) (Rs.)	Total Expenditure (Rs.)	Net result Savings/Excess (4-5) (Rs.)	
2	<u>Recurrent</u>	-						2
	Developmentl programme	20,275,000	0	0	20,275,000	18,866,678	1,408,232	
	Sub total (Recurrent)	20,275,000	0	0	20,275,000	18,866.678	1,408,232	
2	<u>Capital</u>	-						
	Developmentl programme	1,350,000	0	0	1,350,000	1,318,298	31,702	
	Sub total (Capital)	1,350,000	0	0	1,350,000	1,318,298	31,702	
	Grand total	21,625,000	0	0	21,625,000	20,185,066	1,439,934	

Source – Departmental Sources

Table - 39

**Appropriation Account - 2014**  
**Vote no - 105**

Serial no	Vote code head	Provisions	Expenditure	Balance
01	105-2-1-1-2105	397194500.00	1882896604.21	1189048395.79
02	105-2-1-2-1503	9255000000.00	8619601398.14	635398601.86
03	105-2-1-2-2201	41102209.63	47612114.15	2387885.85
04	105-2-1-3-1503	64786063.97	91060182.72	25939817.28
05	105-2-1-3-2201	8320685.45	42968963.48	7031036.52
06	105-2-1-4-1503	20333573.33	20533692.54	5966307.46
07	105-2-1-4-2201	10814229.44	25000000.00	0.00

Source – Departmental Sources

Details of accounts submitted in forms D G S A 2 to D G S A 10 in pages 02 to 21 and other details stated in notes nos i to iv (b) are contents of this appropriation account. As such, it is hereby certified that the figures stated in the above account had been prepared in accordance with the related accounting details and notes, that the relevant accounts had been reconciled with Treasury books and that those have been confirmed as correct.

Chief Accountant  
Name : R M M G Ratnayake  
Post : Chief Accountant  
(Department of Divineguma Development)  
Date:

Chief Accounting Officer  
Name: G H L Wimalasiri Perera : Secretary  
(Ministry of Housing and Samurdhi)  
Date:

Accounting Officer  
Name : R A A K Ranawaka  
Post : Acting Director General  
(Department of Divineguma  
Development)  
Date:

**Note**

Whilst no estimate had been approved through the budget to incur expenditure of the Department for the year 2014, expenditure had been incurred utilizing the provisions allocated to the Samurdhi Authority of Sri Lanka, the Southern Development Authority of Sri Lanka, the Up Country Development Authority of Sri Lanka, Department of the Commissioner General of Samurdhi and the Department of Kandyan Peasantry Rehabilitation, which had been absorbed into the Department of Divineguma Development.