

43 Agrarian Services Committees in Anuradhapura District - 2022

1. Audit Opinion

1.1 The audit of the financial statements of the 43 Agrarian Service Committees in Anuradhapura District for the year ended 31 December 2022 comprising the statements of financial position as at 31 December 2022 and the statements of financial performance, cash flow statements for the year then ended and notes to the financial statements, including a summary of significant accounting policies was carried out under my direction in pursuance of provisions in Article 154(3) of the Constitution of the Democratic Socialist Republic of Sri Lanka read in conjunction with provisions of the National Audit Act, No.19 of 2018 and Section 58(1) of the Agrarian Development Act, No. 46 of 2000. My comments and observations which I consider should be report to Parliament appear in this report.

1.2 The audit reports had been issued relating to 43 Agrarian Service Committees in Anuradhapura District for the year 2022, a qualified audit opinion was expressed in those reports. The following are the material deficiencies due to the expression of a qualified opinion.

1.3 Financial Statements

1.3.1 Accounting Deficiencies

Audit Observations	Comments of the Management	Recommendation
(a) Even in the year under review, action had not been taken to identify and account for the value of the compost chopping machines / compost shredders machines received by 28 Agrarian Service Committees in December 2021.	That the value of machines will be obtained from district office and accounted	The value of machinery and equipment owned by the Agrarian Service Committees should be identified and accounted
(b) 06 Agrarian Service Committees had not submitted a trading account with financial statements related to compost fertilizer sales.	That the difference between expenditure and revenue has been accounted, because the cost of the closing stock cannot be valued and the value of the opening stock also cannot be find.	Action should be taken to make trading account.
(c) The total stock of expired agrochemicals and fertilizers of 04 Agrarian Service Committees amounting to Rs.647,540 had been stated under current assets in the statement of financial position of the year under review.	These stocks have been submitted to a stock control board for withdrawal and action will be taken according to instructions given by it.	Stock value should be correctly identified and accounted.

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| (d) | The value of 03 machines and equipment, 02 organic fertilizer cutting machines, 08 planting machines, 03 computer machines and 06 grass cutter machines and the value of 26 devices related to the 10 types of machines and 24,000 trays used for planting seeds received as donations to 08 Agrarian Service Committees had not been identified and accounted as non-current assets. | After receiving those values, steps will be taken to identify them as non-current assets in future. | All fixed assets owned by the committee should be valued and accounted. |
| (e) | Trading account related to high price maize fertilizers had not been included a sales income of Rs.88,614,900 and the gross profit or loss related to overpriced maize fertilizers had not been recognized in the statement of financial performance in Kahatagasdigiya Agrarian Service Committee. | That will be corrected | Trading accounts should be made correctly and the correct gross profit or loss should be identified in the financial performance statement. |
| (f) | In the year under review, the balance of the suspense account of Rs.786,172, which had been continuously appearing in the financial statements as an unidentified credit balance for a period of 09 years from 2012 to December 2021 of the Madatugama Agrarian Service Committee, had not been settled. | That the facts about that balance will be found and corrected in the coming years and placed in the account | Arrangements should be made to settle old balances |
| (g) | Although the remaining stock of urea fertilizer of Palugaswewa Agrarian Service Committee as at 31 December 2022 was Rs.4,227,900, the profit of urea fertilizer was shown less than that value because it was not included in the trading account. | No comments | Trade accounts should be prepared correctly |
| (h) | Office equipment amounting Rs.212,750 and computers and accessories amounting Rs.60,626 purchased by the Adiagala Agrarian Service Committee during the year under review had not been accounted under non-current assets. | No Comments | Fixed assets should be shown in the statement of financial position |

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| (i) | High price fertilizer maize sales of Rs.536,625 and purchases of Rs.944,018 had been understated to the high price fertilizer (maize) trading account of the Saliyapura Agrarian Services Committee. | That will be corrected | Sales revenue should be accurately matched to the profit and loss calculation |
| (j) | According to the balance verification letter submitted by the bank, the balance of the fertilizer investment account of Saliyapura Agrarian Committee was Rs.36,304,023 as at 31 December 2022 and according to the statement of financial position, the balance was Rs.50,304,024, due to this, the balance of the fertilizer investment account was overstated by Rs.13,999,999. | That will be corrected | Current asset values should be accurately stated in the statement of financial position. |
| (k) | As at 31 December 2022, the stock of MOP fertilizer amounting Rs.23,550 and the stock of urea (paddy cultivation) amounting Rs.287,670 physically held in the Rajangana Agrarian Service Committee warehouse had not included in the remaining stock, so the total assets of the reviewed year had been understated in that value. | That the profit and loss was not calculated for those urea stocks, the government did not make adjustments for the final stock due to the same amount being given back when the fertilizer was given in the 2022/23 Maha season. | The remaining stock should be shown in the financial statements. |
| (l) | Opening stock of seeds amounting Rs.327,800 had not been included in the trading account and room rental income amounting Rs.70,200 had not been included in the financial performance statement in Cornwewa Agrarian Services Committee. | That it was not included in the opening balance of the trading account due to it was not recorded as the opening stock of the Maha season. | The opening stock should be stated to the trading account |
| (m) | As at 31 December of the year under review, 26,800kg of urea valued at Rs.5,360,000 in the warehouse of Kapugollawa Agrarian Service Committee had not been accounted as stock. | That this will be corrected in the coming year | The balance stock should be accounted correctly. |
| (n) | According to the quantitative stock account and stock verification report, the final stock of urea for paddy in the Mihintale Agrarian Service Committee was Rs.11,911,300, but final stock had not been recorded in the urea trading account for paddy. | That will be corrected | The closing stock should be accounted |

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| (o) | In the quantitative stock account of Bulnawa Agrarian Service Committee, the stock of urea fertilizer of Rs.480,000 and the stock of MOP fertilizer of Rs.5,825,430 as at 31 December of the year under review had not been shown in the trading accounts. | That stock of fertilizers is to be sold and all proceeds are to be sent to the Deputy Commissioner, due to this has not been taken into account in the preparation of the trading account. | Stock balances should be taken correctly into the financial statements. |
| (p) | As at 31 December of the year under review, the value of the stock of maize urea fertilizer amounting Rs.1,305,000 and the stock of urea fertilizer for rice cultivation amounting Rs.5,376,600 in the Shravastipura Agrarian Services Committee had not been stated in the statement of financial position. | That this stock has been recorded in the Quantitative Stock Account and will be presented in the Statement of Financial Position in future. | Stock balances should be taken correctly into the financial statements. |
| (q) | According to the ledger, the sales income of maize fertilizer related to the reviewed year of Alayapattuwa Agrarian Service Committee was Rs.38,898,750, but, it had been taken Rs.254,250 less as Rs.38,644,500 to the trading account. | That due to the changes in stock book corrections, the sales revenue has been under-recorded in the trading account and will be adjusted to the accumulated fund in future. | Stock books should be maintained properly up-to-date |
| (r) | 30,000 kg of ERP fertilizer in the warehouse of Padavi Parakramapura Agrarian Service Committee as at 31December of the year under review had not been valued and accounted. | That it will be accounted in the coming year | The stock value should be properly identified and accounted. |
| (s) | As at 31 December of the year under review, 19,761kg of urea and 179 bushels of seeds valued at Rs.4,766,630 in the warehouse of Samipathnuwara Agrarian Services Committee had not been accounted as stock. | No comments | The stock balance value should be properly identified and accounted. |
| (t) | The final stock values related to rice fertilizer urea, corn fertilizer urea and MOP fertilizer of Pemaduwa Agrarian Services Committee were Rs.1,850,400, Rs.600,000 and Rs.4,875,000 respectively and those values had not been taken to the Statement of Financial Position. | That will be corrected in the future. | The stock balance should be properly accounted. |

- (u) The stock value of rice urea fertilizer which was Rs.1,857,660 and the stock value of MOP fertilizer which was Rs.3,710,070 as at 31 December of the year under review had not been taken to the Statement of Financial Position in Anuradhapura Agricultural Service Committee. The stock shall be given to the committee and the sale shall be made at the prices decided on various occasions and the full amount shall be paid to the department. The stock value should be correctly identified and accounted.

1.3.2 Un-reconciled Control Accounts or Reports

Audit Observations	Comments of the Management	Recommendation
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(a) There was a discrepancy of Rs.188,075 between the values indicated in the statement of financial position and the values indicated in the trial balance in relation to two assets subjects of two Agrarian Service Committees.	No comments	Inconsistencies should be corrected
(b) There was a discrepancy of Rs.445,229 between the balances shown in 09 ledger accounts of 05 Agrarian Services Committees and the balances shown in the financial statements.	That will be corrected	Inconsistencies should be corrected
(c) There was a discrepancy of Rs.1,052,590 between the balance shown in the stock books of 03 Agrarian Service Committees and the stock balance shown according to the physical stock verification reports.	That will be corrected	Inconsistencies should be corrected
(d) There was a discrepancy of Rs.315,662 between the balances according to the stock books and the stock balances shown in the quantitative stock account in relation to three stock items of the Alayapattu and Muriyakada Agrarian Services Committees.	That will be corrected	Inconsistencies should be corrected
(e) There was a discrepancy of Rs.8,090,324 between the stock balance shown in the statement of financial position and the stock balances according to the stock books and	That will be corrected	Inconsistencies should be corrected

stock verification reports of 05 agrarian service committees.

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| (f) | There was a discrepancy of Rs.12,365,458 between the stock balance shown in the financial statements and the balance shown in the stock verification report and/or quantitative stock account of 08 Agrarian Service Committees. | That will be corrected | Inconsistencies should be corrected |
| (g) | There was a discrepancy of Rs.88,427,024 between the sale value of maize fertilizer and the rental and unloading of maize fertilizer and those value in the ledger accounts according to the trading account of the Kahatagasdigiya Agrarian Service Committee. | That the value shown in the relevant accounts and the sum of the values in the ledger accounts will be recorded correctly. | The correct balance should be identified and adjustments made to the accounts |
| (h) | There was a discrepancy of Rs. 1,174,022 between the net value of the plant and equipment according to the trial balance and those balances according to the fixed assets register of the Kallanchiya Agrarian Service Committee. | No comments | Inconsistencies should be corrected |

1.3.3 Lack of Written Evidence for Audit

Audit Observations -----	Comments of the Management -----	Recommendation -----
Due to the non-availability of fixed assets register, confirmation letters of ownership, balance confirmations letters, stock register, age analysis for the 36 assets subjects of Rs.62,809,580 stated in the financial statements relevant to the 34 agrarian services committees and 38 liability subjects of Rs.187,804,875, general reserve of Rs.1,026,329 in Kapugollawa agrarian services committee and a income item of Rs.243,906 in Kabithigollawa agrarian services committee, they could not be satisfactorily verified in the audit.	That will be given written instructions to the regional officers to correct these deficiencies in 2023 accounting reports and enter the necessary notes, reports, documents, etc. to present the correct information.	Arrangements should be made to submit relevant evidence to verify the balance of assets and liabilities.

1.4 Non-compliances with Laws, Rules, Regulations and Management Decisions etc.

Instances of non-compliance with the following laws, rules and regulations were observed.

Reference to Laws, Rules and regulations etc.	Non-compliance	Comment of the Management	Recommendation
(a) Section 14(3) of Agrarian Development Act, No. 46 of 2000	The amount of Rs.2,269,633 of inheritance money of 02 Agrarian Service Committees for many years had not been dealt with according to the referred clauses.	That the money will be paid after finding out to whom this inheritance money should be paid.	The provisions of the Act should be followed
(b) Section 52(1) of Agrarian Development Act, No. 46 of 2000	Although agricultural programs should be prepared before each cropping season, 04 Agrarian Service Committees had not been done so.	That will be done in the future	The provisions of the Act should be followed
(c) Section 06 of treasury circular No. 107 dated 16 October 1981	The bail money had not been taken from the officers authorized to act on cash and stocks by 30 Agrarian Service Committees.	That will be done in the future	It should be done according to circular
(d) Paragraph 17(3)(a) of Agrarian Services Commissioner General's circular No.107 dated 16 October 1987	Although the approval of the Agrarian Service Committee should be obtained for all payment vouchers, but the 04 Agrarian Service Committees had not been done regarding 213 vouchers totaling Rs.25,208,552.	That the vouchers will be submitted for the approval of the Appointments Committee and corrected.	It should be done according to circular
(e) Circular No.07/2014 (107 amended) dated 22 August	Although the maximum amount that can be	That the distance to the bank, transportation	It should be done according to

- 2014 retained by the difficulties and circular committee clerk daily is receiving money after Rs.10,000, but the 22 3.00 pm. Are reason for Agrarian Service this Committees had retained money ranging from Rs.10,116 to Rs.6,912,934 in 571 cases during the year under review.
- (f) Financial Regulation 110 of the Financial Regulation of the Democratic Socialist Republic of Sri Lanka Although a register should be maintained regarding damages and losses, 14 Agrarian Service Committees had not been done so. That will be made arrangements to prepare a loss and damage register. It should be done according to the Financial Regulations.
- (g) Financial Regulation 247 and 257 of the Financial Regulation of the Democratic Socialist Republic of Sri Lanka Although all the vouchers should be certified by the certified officer, but 130 payment vouchers totaling Rs.65,394,478 of 04 Agrarian Service Commissions had not been done so. That was corrected It should be done according to the Financial Regulations.
- (h) Financial Regulation 262(2) of the Financial Regulation of the Democratic Socialist Republic of Sri Lanka All the paid vouchers and the documents confirming them should be stamped "paid" with the date of payment and a short signature, but the 5 Agrarian Service Committees had not been done so in relation to 146 vouchers totaling Rs.44,887,456. That paid vouchers will be stamped "PAID" and placed short signed with the date of payment It should be done according to the Financial Regulations.
- (i) Financial Regulation 264(1) of the Financial Regulation of the Democratic Socialist Republic of Sri Lanka Although a receipt must confirm that the money mentioned in every payment vouchers had That it will be done accordingly in the future It should be done according to the Financial Regulations.

Republic of Sri Lanka been received by the donor, but the requirement had not been fulfilled in respect of 142 vouchers totaling Rs.112,385,282 of 09 Agrarian Service Committees.

1.5 Transactions not Confirmed by Sufficient Authority

Audit Observations -----	Comments of the Management -----	Recommendation -----
For a long time, the 18 account balances of the value of Rs.1,169,660 brought forward in the financial statements of the Katiyawa Agrarian Service Committee had been reconciled against the accumulated fund without the approval of the District Agricultural Development Commissioner.	That the Deputy Commissioner of Agricultural Development has been informed to remove these old balances separately from the accumulated fund in the year 2023 and this balance has not been removed and the account balances have been reduced only as may be identified in case of need.	Arrangements should be made to reconcile the accumulated fund with the approval of the District Agricultural Development Deputy Commissioner.

2 Financial Review

2.1 Financial Results

The surplus of Rs.13,469,488 had been earned by 39 committees out of 43 agrarian services committees whilst the 04 agrarian services committees had been earned a deficit of Rs.1,197,487 under the operational results of the reviewed year. As for the previous year, a surplus of Rs.18,912,558 had been earned by 38 agrarian services committees whilst 05 agrarian services committees had been earned a deficit of Rs.963,320. The growths in financial results were mainly due to increase in committee fertilizer income, fixed deposit interest income and acreage tax income. Decline in financial results were mainly due to decrease in sales revenue of higher priced fertilizers and increase in corporate and administrative expenses.

3 Operating Review
3.1 Management Inefficiencies

Audit Observations	Comments of the Management	Recommendation
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(a) The water level gauges received by 05 Agrarian Service Committees in the year 2019 had been passed for almost 04 years, but they had not been given to the relevant parties.	Although farmers' organizations have been informed to carry water level gauges, they have not been carried so far and it is difficult to install them, as the water in the tanks is full filled and they are working to install them in the future.	Arrangements should be made to install the relevant water level gauges.
(b) 154 outstanding balances of Rs.27,343,752 were stated in the statement of financial position as accounts payable of 25 agrarian service committees for many years without settling and it was carried forward in the financial statements.	That the necessary arrangements will be made to settle the expenses to be paid in the future.	Arrangements should be made to settle the due balances
(c) Adequate action had not been taken to settle 186 accounts receivable balances amounting to Rs.31,194,861 which had been carried forward for many years in the statement of financial position of 28 Agrarian Service Committees.	It has been directed to the Deputy Commissioner of Agricultural Services to settle the outstanding balances shown in the audit.	Arrangements should be made to settle the outstanding balances quickly
(d) 119 liters of expired organic liquid fertilizer received for free distribution, 810 kg of Eco Bio liquid fertilizer, stock of agrochemicals amounting Rs.3,929, 09 stock balances of Rs.138,034 in non-physical but in financial statements and 916 bottles of Golden Liquid Fertilizer amounting Rs.326,325 and 44 bottles of Rhyzodan Liquid Fertilizer amounting Rs.38,720 were in the warehouses of 05 Agrarian Service Committees.	That the stock will be removed from the books in the future	Arrangements should be made to use before expiry.
(e) 59 tanks, 111 irrigation canals and 87 agricultural roads in 13 jurisdictions of the Agricultural Service Committee needed to be reformed.	That the tanks and agricultural roads to be repaired have been informed	Arrangements should be made to carry out the renovation work as soon as possible

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| (f) | Although the long-term debt balance of Kekirawa Agrarian Services Committee worth Rs.2,069,576 has been shown in the financial statements for many years, but it has not been settled. | That it is a loan amount due for machinery received from the department and that it will be settled in future | Arrangements should be made to settle the relevant loan balance |
| (g) | Due to the fact that the insurance money collected from the farmers amounting to Rs.279,957 was retained by the Madatugama Agricultural Service Committee without sending it to the Agricultural Insurance Board, it could not receive relevant insurance benefits to the farmers. | This balance is a balance that has been coming for a long time. That this will be settled and payment will be made to the relevant institution in the future | Arrangements should be made to send the relevant money to the Agricultural Insurance Board immediately |
| (h) | A cheque worth Rs.450,000 written for the open a fixed deposit in the Regional Development Bank in Muriyakadawala Agrarian Service Committee in 2011 had been credited to his personal account by an officer of the committee and legal action had not been taken to recover the amount and the related interest amount or action to recover these amount by the agrarian service committee. | That the Deputy Commissioner will be consulted regarding that money and will be done further activities. | Arrangements should be made to recover the relevant money quickly. |
| (i) | The arrears of Rs.163,215 due from the year 2014 due to a shortage of stock from an officer employed by the Gambirigaswewa Agrarian Service Committee had not been collected and had been listed as debtors in the financial statement. | No comments have been made in this regard. | The due amount should be recovered quickly |
| (j) | According to the judgment regarding an amount of Rs.1,025,642 which was to be received by the Shravastipura Agricultural Service Committee from a private rice mill owner under the 2005/2006 Maha season paddy purchase programme, it was decided to pay Rs.30,000 monthly to the Agrarian Service Committee within three years effective from 12 July 2012, but a further amount of Rs.995,642 should have been charged. | That the amount of Rs.995,642 has stopped in the middle of payment and recovery will be done after investigation. | Actions should be taken to recover the relevant money |

3.2 Operating Inefficiencies

Audit Observations -----	Comments of the Management -----	Recommendation -----
Under the project of producing 100 metric tons of organic fertilizers, 12 Agrarian Service Committees had been earned only Rs.3,635,016 sales income from the amount of organic fertilizers produced at a cost of Rs.10,012,860 and deterioration in quality of the fertilizer due to the placed on the surface floor and wild spawning and aged, so remaining stock of the fertilizer was in unsaleable condition.	That the arrangements will be taken to cover production costs.	Compost fertilizer projects should be actively maintained

3.3 Idle or underutilized Property, Plant and Equipment

Audit Observations -----	Comments of the Management -----	Recommendation -----
(a) The compost shredder machines had been received by 28 Agrarian Service Committees in the year 2021 remained idle without being used for compost production as at 15 February 2023 which was the audit date.	Although these machines have been provided, the tractors need to use them have not been provided and that they will be used in the future.	Machines should be utilized efficiently
(b) Under the Climate Smart Irrigation Agriculture Project, 02 paddy cutting machines , 10 paddy planting machines and 16000 trays had been received for 03 agrarian service committees remained idle for more than a year.	That in the future arrangements have been made to conduct demonstrations using the paddy planting machines	Arrangements should be made to utilize the machines
(c) In the years 2021 and 2022, 12 pieces of equipment under 05 types of machinery were received by the Horowpathana Agrarian Service Committee and remained idle as at 23May 2023, which was the audit date and these machines were in the center premises in an unsafe manner.	That a premises is currently being constructed for the parking of machinery and equipment at the center site by the Climate Smart Irrigation Project.	Arrangements should be made to utilize the machines

4 Agrarian Banks

	Audit Observations -----	Comments of the Management -----	Recommendation -----
(a)	There were 119,197 agrarian families in 28 committee areas, and compared to the total amount of agrarian families in the committee areas, the number of Peramaga child deposit accounts was as low as 1.63% as 1945.	Annual targets have been given to the Agricultural Research and Production Assistants officers and they will be informed further	Action should be made to increase the number of Peramaga children deposits.
(b)	According to paragraph 2.6.2.(1) of the Circular No. 04/2012 dated 29 February 2012 of the Commissioner General of Agricultural Development, the formation of small groups in the domains and their active participation with the Agrarian Bank is the responsibility of the Agricultural Research and Production Assistant Officers in charge of the domain, but there were 152,516 agrarian families in the 34 jurisdictions, the number of small groups dealing with the Agricultural Bank was 5302.	The annual targets have been given to the Agricultural Research and Production Assistant officers and that they were further informed.	That the Agricultural Research and Production Assistant Officers should work to form small groups in the domain and involve them actively with the Agricultural Bank.
(c)	Out of the maize loans that had been issued by Rambewa and Kahatagasdigiliya Agrarian Banks in the year 2015/2016 there was an outstanding total amount of Rs.2,359,923 in the amount of Rs.578,271 and Rs.1,781,652 respectively, as at 31 December 2022 almost 06 years have passed, but the loan has not been recovered.	That the 2015/2016 maize arrears farmers have referred to court to collect money	Arrangements should be made to recover outstanding debts and arrangements should be made to recover debts on time
(d)	According to 1.6 (ii) of Agricultural Development Commissioner General's Circular No. 04/2012 (Farmer Banks) dated 29 February 2012, although it is the intention of the Agrarian Bank to develop the saving capacity of the farming community and thereby assist in developing their investment power, accounts that have not been deposited for	That the Agricultural Research and Production Assistants officers are informed and will be worked to increase deposits	Should be done according to the circular provisions.

many years, accounts with deposits of only Rs.100 and 116 inactive accounts limited to the initial deposit amount were observed during the audit regarding 12 Agrarian Service Committees.

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| (e) | 159 of the 317 women farmer organizations established in 2016 and thereafter in 07 Agrarian Service Committees were limited to the initial deposit only. | That the active women farmers' organizations make compulsory deposits and other farmers' organizations will be encouraged for collect deposits in the future. | Necessary steps should be taken to grow savings |
| (f) | According to paragraph 3.4.2 of Agricultural Services Department Circular No. 04/2012 dated 29 February 2012, although the maximum period for settlement of agricultural loans is 06 months, arrears of Rs.57,921,279 were to be collected from 3421 farmers in 31 Committees during the period from 01 to 24 years from 1998/1999 Maha season to 2021/2022 Maha season. | That the loan arrears farmers have been referred to the tribunal and the court | Necessary steps should be taken to recover the arrears |
| (g) | 47 outstanding loan balances amounting to Rs.2,316,570 from the project loan issued by Kekirawa Agrarian Bank from a period of 03 to 08 years had not been recovered by 31 December 2022. | That a loan balance of Rs.1,329,829 from 03 years to 08 years should be collected from 29 farmers as at 24 May 2023. | Debt collection process should be maintained efficiently |
| (h) | During the period from 2001 to 2007, Adiala Farmers Bank issued agricultural loans of Rs.1,064,497 in 161 occasions and could not be referred to the tribunal due to the absence of related loan applications, agreements and vouchers. | Due to the fact that the loan applications and contracts related to the loans issued during this period were not properly completed, the debtors cannot be found in truth. | Loan applications and loan agreements and vouchers related to loan issuances should be maintained securely |
| (i) | According to the Financial Regulation 104 (a) investigation conducted in the year 2013 regarding a financial fraud related to the Mihintale Agrarian Bank pilot project, an amount of Rs.1,958,550 was to be collected from two officers as at 31 December 2022. | According to the Financial Regulation 104 investigation, even though the officers were informed, the money has not been paid so far, so the head office has also been informed and requested to make arrangements to recover the money. | Arrangements should be made to collect the relevant amount quickly. |

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| (j) | Analytical reports on delinquent debtors should be prepared and information should be obtained through the relevant forms and arrangements should be made to collect the delinquent loans promptly, but even as on 24 April 2023, which was the audit date regarding the overdue loans of Rs.2,592,712 of Palagala Agricultural Bank, had not been done so. | That the loan arrears will be recovered quickly | Actions should be taken to recover outstanding debts quickly |
| (k) | Due to missing loan agreements and some agreements not being signed in Horovpotana Agrarian Bank, it was not possible to take legal action to collect 50 loan balances with a total value of Rs.551,394 for the period from 07 to 20 years and the necessary action had not been taken regarding responsible parties. | That the Deputy Commissioner of Agricultural Development has been informed to take action on this | Arrangements should be made to keep corporate books and documents in safety |
| (l) | Kabithigolleva Agrarian Bank maintained the deposits of Rs.1,503,032 worth of 3355 depositors, but deposit ledgers were not maintained in the appropriate format to record the deposits and interest had not been calculated quarterly for the deposits and the deposit balances had not been maintained up-to-date. | That will be corrected | Deposit accounts should be maintained up to date |