Mission

To undertake, promote and facilitate Standardization, Measurement, Quality Assurance and related activities in all sectors of the national economy in order to;

- Increase productivity and maximize the utilization of resources;
- Facilitate internal and external trade;
- Achieve socio-economic development;
- Enhance international competitiveness of products and services;
- Safeguard the interests of consumers.

whilst improving the quality of work life of employees of the Institution.

Vision

To be the premier national organization providing leadership to uplift the quality of life of the nation, through standardization and quality improvement in all sectors of the economy. The organization shall be a model of excellence, having a self-motivating organizational culture fulfilling the aspirations of the beneficiaries of its services as well as its employees.
TO: THE HONOURABLE MINISTER OF INDUSTRY AND COMMERCE

Honourable Sir,

In terms of the Section 14 (2) of the Finance Act No. 38 of 1971 I have the honour to submit herewith on behalf of the Members of the Council of the Sri Lanka Standards Institution the Annual Report covering the period from 2013-01-01 to 2013-12-31.

Yours faithfully,

Dr. M S Aneees
CHAIRMAN
SRI LANKA STANDARDS INSTITUTION
2015-03-19
Address

No. 17, Victoria Place
Elvitigala Mawatha
COLOMBO 8

Tel : 2671567-72,
2697039, 2674618
Fax : 2687523, 2671579, 2672617, 2672616
E-mail: slsi@slsi.lk
Website: http://www.slsi.lk

Telephone Nos.

Chairman 2671573
Director General 2671574

DIVISIONS

Scientific Standards Division 2672614
Engineering Standards Division 2672612
Quality Assurance Division 2671578
Laboratory Services Division 2694985
Metrology Division 2674619
Systems Certification Division 2672613
Documentation & Information Division 2672615
Training Division 2685546
Marketing & Promotion Division 2694981
Administration Division 2671576
Finance Division 2671577
Product Certification Division 5626204
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Organizational Structure

Chairman and Members of the Council

Director General

Deputy Director General

Director Engineering

Director Marketing & Promotion

Director Product Certification

Director Metrology

Director Quality Assurance

Director Finance

Director Administration

Director Standards

Director Documentation & Information

Director Training

Director Systems Certification

Director Lab

Senior Deputy Director(s) Internal Audit

Senior Deputy Director(s)
Message from the Chairman

It is my great pleasure to send this massage to the Annual Report 2013. 2013 was another year of progress in the journey of promoting standardization and quality assurance in industry and commerce.

SLSI's strategy has contributed to generate sustainable returns for the economy of the country in keeping with international standards as envisioned in the Government long term development plan 'Mahinda Chinthana Vision for the Future'.

It is encouraging to learn that SLSI has established a versatile framework for driving long term success by carefully examine the volatility of the external markets and has managed to increase its presence in the industry and commerce by various activities such as formulating national standards, certification of products, quality assurance of products, ISO 9001 quality management system certification, ISO 14001 environmental management systems certification, ISO 22000 HACCP food safety certification, ISO 50001 energy management certification, energy labelling, testing services, calibration and training of industry personnel on standardization quality management.

2013 was another year which has been made significant progress in the financial performance in a challenging economic environment. I wish to express my sincere thanks to Dr. L N Senaweera - Director General and the staff for playing their role with dedication and team spirit.

2014 will be as challenging as 2013. I believe that the Action Plan of the SLSI would help to address tomorrow’s challenges and to ensure long term success of the Institution.

I take this opportunity to thank Hon. Patali Champika Ranawaka - Minister of Technology and Research, Ms. Dhara Wijayatilake Secretary to the Ministry of Technology and Research and all the Council Members who have played a catalytic role by leading our way forward in effective manner.

Last not least, I thank Director General, all of our employees and business partners for the remarkable contribution they made in 2013 towards attaining the objects of the SLSI.

Dr. Kithsiri Dissanayake
Chairman
Message from the Director General

I have pleasure in presenting you with the Sri Lanka Standards Institution's Annual Report for the year 2013.

Sri Lanka Standards Institution (SLSI) has carried out its services in the year 2013 according to a well developed Action Plan which contains ambitious targets, not only to ensure the continued deliverance of excellent services to our stakeholders, but also for the development of the SLSI services whilst paving the way to make the Institution a results-oriented, self-sufficient and economically viable one.

It can be seen from our past performance, as outlined in this document that SLSI has worked with different organizations and partners to ensure that the Institution is in a positive position to address the challenges which lie ahead and I commend all who have been involved.

There is still a lot of work to be done and I am confident, with the continued dedication of SLSI staff, and support of the Governing Council including Chairman, that the ambitious objectives outlined in the SLSI Corporate Plan will be delivered to enhance and improve the services of the Institution in the coming years whilst passing the benefits to everyone in the country.

Dr L N Senaweera
Director General/CEO
Corporate Information

Name of the Institution: Sri Lanka Standards Institution

Statutory Status: A statutory body established under the Act No 06 of 1984

Principal Office: No. 17, Victoria Place, Elvitigala Mawatha, Colombo 03.

Telephone: 011-2671567-72, 2697039, 2674618

Website: http://www.slsi.lk

E mail: sisi@slsi.lk

Fax: 011- 2687523, 2671579, 2672617, 2672616

Board of Directors as at 2013-12-31

Eng. Dr. D M D O K Dissanayake Chairman
Dr. L N Senaweera Vice Chairman
Mr. Lakshitha Jayawardhana Director General/CEO
Mr. Epa Dayaratna Council Member
Dr. (Mrs.) B C L Athapattu Council Member
Mrs. G L D Dahanayake Council Member
Eng. B N I F A Wickramasuriya Council Member
Prof. W L Sumathipala Council Member
Mr. M G Lalith Ananda Council Member
Eng. K S M Silva Council Member
Mr. S T S Arulanthan Council Member

Total No. of Employees: 311

Auditors: Auditor General, Auditor General’s Dept. No. 306/72
Polduwa Road, Battaramulla.

Bankers: Bank of Ceylon – Super Grade Branch
### MEMBERS OF THE COUNCIL - SLSI

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
<th>Experience</th>
<th>Appointed Terms</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mr. Kanchana Ratwatte</td>
<td>Chairman</td>
<td>LLB(Colombo), Attorney-at-Law</td>
<td>up to 2013-07-29</td>
</tr>
<tr>
<td>Dr. D M O K Dissanayake</td>
<td>Chairman</td>
<td>Ph.D(SNU), PG.Dip(IIRS), B.Sc.Eng.(Hons), Dip. in Mgt., C.Eng., MIESL, MGISSL</td>
<td>with effect from 2013-07-30</td>
</tr>
<tr>
<td>Dr. Lalith Nimal Senaweera</td>
<td>Director General</td>
<td>Ph.D(Mgt.), MBA (Col), B.Sc. (Hons.), DIP QC (Netherlands), FCQI-CQP(UK), FRSS(UK), MIMgt(UK), PASQ (USA), Lead QMS/EMS Auditor IRCA, (UK)</td>
<td>up to 2013-07-29</td>
</tr>
<tr>
<td>Mr. E G Somapala</td>
<td>Council Member</td>
<td>B.Sc, M.Sc., F.I.Chem,C former Govt. Analyst (S.L)</td>
<td>up to 2013-07-29</td>
</tr>
<tr>
<td>Mr. W I Tissera</td>
<td>Council Member</td>
<td>B.A Econ. (Hons.), Peradeniya, M.Com. (Australia), Fellow Member of Public Finance &amp; Accountancy (FPFA)</td>
<td>up to 2013-07-29</td>
</tr>
<tr>
<td>Prof. Srimali Fernando</td>
<td>Council Member</td>
<td>MBBS, Dip. in Medical Microbiology, University of Colombo, M.Sc. University of London</td>
<td>up to 2013-07-29</td>
</tr>
<tr>
<td>Mr. Epa Dayaratne</td>
<td>Council Member</td>
<td>B.A Econ. (Hons.) Peradeniya, Post Graduate Dip. In Econ. Colombo Campus, Dip. In Industrial and Labour Management, RVB Netherlands</td>
<td>up to 2013-07-29</td>
</tr>
<tr>
<td>Mrs. G L D Dahanayake</td>
<td>Council Member</td>
<td>B Sc Eng (Hons) (Cey), MEngSc (NSW, Australia) CEng;MIET, FIE (Sri Lanka), Member, New York Academy of Sciences</td>
<td>from 2013-02-22 to 2013-08-08</td>
</tr>
<tr>
<td>Dr. I M K Fernando</td>
<td>Council Member</td>
<td>B.Sc. (Physics) Hons. University of Colombo, Ph.D University of Colombo</td>
<td>up to 2013-10-05</td>
</tr>
<tr>
<td>Dr. IMK Fernando</td>
<td>Council Member</td>
<td>B.Sc., M.S., (USA) Ph.D (USA)</td>
<td>w.e.f. 2013-07-30</td>
</tr>
<tr>
<td>Prof. W L Sumathipala</td>
<td>Council Member</td>
<td>Eng. B N I F A Wickremasurya</td>
<td>w.e.f. 2013-08-14</td>
</tr>
<tr>
<td>Dr. Eng. Dr. B C Liyanage Attapattu</td>
<td>Council Member</td>
<td>Eng. K S M Silva</td>
<td>w.e.f. 2013-09-17</td>
</tr>
<tr>
<td>Mr. M G Lalith Ananda</td>
<td>Council Member</td>
<td>B.Sc. Eng. (Moratuwa), M Eng (Osaka), Ph.D (Osaka), C Eng., MIESL</td>
<td>up to 2013-09-03</td>
</tr>
<tr>
<td>Mrs. S T S Arulananthan</td>
<td>Council Member</td>
<td>Eng. Dr. B C Liyanage</td>
<td>w.e.f. 2013-09-26</td>
</tr>
<tr>
<td>Mr. Kosala Wickramanayake</td>
<td>Council Member</td>
<td>B Sc in Business Administration and Economic USA, Past President of Chamber of Commerce, President of Chamber of Small Industry</td>
<td>up to 2013-09-07</td>
</tr>
<tr>
<td>Mr. Lakshitha Jayawardhana</td>
<td>Council Member</td>
<td>Eng. B N I F A Wickremasurya</td>
<td>w.e.f. 2013-08-14</td>
</tr>
<tr>
<td>Mr. Jayantha Fernando</td>
<td>Council Member</td>
<td>B.Sc. (Physics) Hons. University of Colombo, Ph.D University of Colombo</td>
<td>up to 2013-09-07</td>
</tr>
<tr>
<td>Mr. Kosala Wickramanayake</td>
<td>Council Member</td>
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<td>up to 2013-09-07</td>
</tr>
<tr>
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<td>up to 2013-07-29</td>
</tr>
<tr>
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<td>Council Member</td>
<td>B.A Econ. (Hons.) Peradeniya, Post Graduate Dip. In Econ. Colombo Campus, Dip. In Industrial and Labour Management, RVB Netherlands</td>
<td>up to 2013-07-29</td>
</tr>
<tr>
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<td>Council Member</td>
<td>B Sc Eng (Hons) (Cey), MEngSc (NSW, Australia) CEng;MIET, FIE (Sri Lanka), Member, New York Academy of Sciences</td>
<td>from 2013-02-22 to 2013-08-08</td>
</tr>
<tr>
<td>Eng. D Laldena</td>
<td>Council Member</td>
<td>Eng. D Laldena</td>
<td>up to 2013-07-29</td>
</tr>
<tr>
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<td>Council Member</td>
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<td>from 2013-02-22 to 2013-08-08</td>
</tr>
</tbody>
</table>

(continued...)

### Footnote

- APPOINTED IN TERMS OF SLSI ACT NO. 6 OF 1984
- SECTION:6.1 (a) and 7 (1)
- SECTION:6.1 (a) and 7 (1)
- SECTION:6.1 (a)
- SECTION:6.1 (a)
- SECTION:6.1 (b)
- SECTION:6.1 (c)
- SECTION: 6.1.(d)
- SECTION: 6.1.(e)
- SECTION:6.1 (f)
- SECTION:6.1 (g)
- SECTION:6.1 (h)
- SECTION:6.1 (i)
- SECTION:6.1 (j)
- SECTION:6.1 (k)
- SECTION:6.1 (l)
SENIOR MANAGEMENT TEAM

Mr. Kanchana Ratwatte
Chairman Upto 2013-07-29
L L B (Colombo), Attorney-at-Law

Dr. D M D O K Disanayake
Chairman with effect from 2013-07-30
Ph.D(Mgmt.), MBA (Col), B.Sc. (Hons.), DIP QC (Netherlands), FCQI-CQP(UK), FRSS(UK), MIMgt(UK), FASQ (USA), Lead QMS/EMS Auditor IRCA, (UK)

Mrs. Samanthi Narangoda
Director (Eng.) upto 2013-06-30
Director (System Certification) w.e.f. 2013-07-01
B.Eng., P G Dip Mgt(OUSSL), MBA(Sr J-PIM), M (IET), QMS Auditor (IRCA UK, EMS Auditor

Mrs. W N N Satharasinghe
Director (Product Certification) upto 2013-06-30
Director (Standardization) w.e.f. 2013-07-01
B.Sc., M. Sc, ISO 14000 EMS Auditor, OHSAS 18001 Auditor, NQA Examiner

Mrs. Harshani Sahabandu
Senior Deputy Director (Admin.) upto 2013-03-17
B A (special)

Mr. K M C B Senaratne
Director (Administration) w.e.f. 2013-03-18
MDefS, B Sc (Mgt), EDBA, MISMM

Mr. B D Ariyaratne
Director (D & I) upto 2013-06-30
Director (Marketing & Promotion) w.e.f. 2013-07-01
B.Sc.,(Special), M I P (SL)

Mr. S P Pannila
Senior Deputy Director (Finance ) upto 2013-04-02
C I MA Stage A, B & Professional Part 1

Mr. M R Ghani
Director (Finance) w.e.f. 2013-04-03
FCA, FSCMA, M.Sc. (Mgt.) (USJ)

Mrs. K Hendavitharan
Director (M & P) upto 2013-06-30
Director (Quality Assurance) w.e.f. 2013-07-01
B.Sc (Hons), M.Sc (Food Science & Technology) Professional
Member of IFT (Illinols) Dip M, MCIM

Mr. A Ekanayake
Director (Training) w.e.f. 2013-06-30
Director (System Certification) upto 2013-06-30
Director (Training) w.e.f. 2013-07-01
B.Sc. (Sp), M.Sc.-Physics, ISO 9000 Lead Auditor, NQA Examiner

Mrs. S Ganewatte
Director (Training) upto 2013-06-30
Director (Documentation & Information) w.e.f. 2013-07-01

Mr. W G M S Perera
Senior Deputy Director (Internal Audit Unit) Licentiate Certificate
The Institute of Chartered Accounts of Sri Lanka
The Sri Lanka Standards Institution (SLSI) was established as the Bureau of Ceylon Standards under the Bureau of Ceylon Standards Act No. 38 of 1964. This Act was repealed in 1984 by the Act No. 6 of 1984 renaming the organization as Sri Lanka Standards Institution (SLSI) and empowered with the primary responsibility of promoting Standardization and Quality Management practices in Sri Lanka.

The following main objectives have been assigned to the Institution in terms of the provisions of this Act:-

Preparation of Standards on a national and international basis.
Promotion of standardization and quality control in industry and commerce.
Establishment of laboratories, library and other relevant facilities for furthering the practice of standardization and quality control.
Examination and testing of products, commodities and materials as well as processes and practices used in the manufacture of locally produced products, commodities and materials.
Making arrangements or providing facilities for the testing and calibration of instruments, and other apparatus in compliance with the required Standards.
Providing and arranging facilities for undertaking research in Standardization and Quality control.
Operation of a Certification marks scheme.
Certification of quality of commodities, materials and other products.
Promotion of Standardization and Quality control.
Providing for co-operation with any person, association or organization outside Sri Lanka having objectives similar to the Institution.
Co-ordination of the efforts of producers and users for improvement of commodities, materials, products, processes and methods.

**Human Resources**

The total number of staff at the beginning of the year 2013 was 307. The Institution has initiated action to fill the vacant posts and as a result number of vacancies has already been filled.

The Institution has provided foreign & local training to staff as part of the capacity building in order to enrich their knowledge so that they can contribute effectively in carrying out their tasks. Furthermore, the Institution has initiated actions to develop and enhance the technical competence of the executive staff category of employees by providing them with the necessary, appropriate technical related training during the year 2013.
Highlights of the year 2013

The Institution was able to achieve an increased income during the year 2013, compared to the year 2012 by offering its services efficiently and effectively to the industry and trade, ensuring that the Institution maintained its overall excess of income over the expenditure making the Institution as self-sufficient and viable during the year 2013. The total income generated during the year 2013 was LKR 484.881 million whereas in the year 2012 the generated income was LKR 408.572 million. As a consequence of this, net surplus over the expenditure for the year 2013 was LKR 83.731 million whereas the same figure for the year 2012 was LKR 70.446 million. These financial results have led to increase the income per employee for the year 2012 to 2013 from LKR 1.44 million to LKR 1.56 million.

47 New National Standards including ISO Adoptions were formulated during the year 2013; covering Engineering and Scientific fields in addition to that 124 standards have been revised/ amended/ withdrawn/ superseded or adopted during the year 2013.

A total number of 30 workshops / meetings / awareness programmes on Food Safety, Quality Management and Standardization concepts had been conducted. 10 GMP awareness programmes were carried out in association with Vidatha Centres to educate the Small and Medium Sector Organizations (SME Sector) and to improve the quality of products manufactured by these SMEs. A total number of 124 Training programmes on Standardization and Quality Management had been carried out.

The Institution celebrated the World Standards Day and the National Quality Week in 2013 October and the theme of the year 2013 given by the International Organization for Standardization (ISO) was “International Standards ensure positive change”. The Institution participated in the exhibition “DAYATA KIRULA” held in Kuliapitiya, Kurunegala District and number of other exhibitions organized by Public sector to educate the general public on SLSI services.

To mark World Quality Month a “Quality Walk” was organized in November 2013 by the SLSI with the prime intention of creating a quality culture within the country. Large number of leading companies in Sri Lanka participated in this event. The theme of the quality day was “Making Collaboration Count” which reflects recent trends in increased collaboration between public, private and non-profit organizations and also the need for internal collaboration between quality professionals and the business community.

An electronic newsletter “Standards Alert” which gives current information on Standards of other countries was prepared and disseminated to other Institutions via e-mail as such information is vital to ensure smooth trade facilitation within the Industry & Trade.

SLSI/SLTB Tea Product Certification scheme for Black Tea was in progress. A total of 05 tea Product certificates have been issued under this programme. In addition to that to promote the Tea Sector in different markets, SLSI has implemented an agricultural based certification scheme known as “UTZ” certificates covering the Tea Sector. Under this scheme, SLSI has certified 08 Tea plantation Companies including tea factories.

The quarterly magazines namely “Q-Sri Lanka”, “Pramithi Puwath” and “Pramithiyai Obai” on Quality and Standardization related activities were published during the year 2013 as usual on the sponsorships provided by the SLSI certificate holders. These Magazines were circulated among the Public & Private sector organizations and especially among the school children free of charge to create awareness on the importance of Standardization and Quality Management applications. Number of paper supplements have been published to educate general public on Standardization & Quality Management.
The Laboratory Services Division has been further strengthened by obtaining accreditation status for more additional tests covering more products. By the end of the year, altogether 10,265 test reports have been issued. The accreditation status granted against ISO 17025 requirements by Swedish Board of Conformity Assessment (SWEDAC) and by the Sri Lanka Accreditation Board (SLAB) for Chemical, Food and Microbiology Laboratories were maintained during this year.

The Quality Assurance Division has been further strengthened by providing additional staff to implement the Import Inspection Scheme effectively with the prime intention of ensuring the quality of imported products covered under the scheme. A total of 12,517 imported consignments have been inspected and approved after assuring the quality of such products. Furthermore, a total of 968 canned fish samples using sensory evaluation have been carried out during this period.

The functions of the Metrology Division of SLSI have been further strengthened by maintaining accreditation status continuously during the year 2013 which was granted by the Sri Lanka Accreditation Board (SLAB). Moreover, 3,472 calibration reports have been issued.

SLS Mark has been granted to 103 overseas/local manufacturers during this year. 38 recommendations on bottled drinking water have been issued to the Ministry of Health to register different brands of bottled drinking water.

The functions of the Systems Certification Division of SLSI have been further strengthened by maintaining accreditation status continuously during the year 2013, which was granted by the Dutch Council For Accreditation (RvA) in the year 1995. A total of 128 new certificates in the area of ISO 9001 QMS, ISO 14001EMS, ISO 22000 FMS, SA 8000, HACCP & OHSAS18001, ISO 50001, Supermarket and Organic Certificates have been issued whilst 521 audits have also been carried out during the period.

The Energy Labelling Scheme to rate the energy efficiency of Self Ballasted Lamps based on SLS 1225 has been implemented and 246 number of certificates have been issued granting different types of stars to CFL lamps.

Sri Lanka National Quality Award were organized during the year 2013 to recognize organizations that achieve Performance Excellence.

17th and 18th Sri Lanka National Quality Awards (SLNQA) Presentations were conducted in April 2013 and Eighteen (18) organizations have been granted awards under the National Quality Awards programme. 19th SLNQA was conducted on World Standards Day falls on 14th October 2013 for the first time and 10 organizations have been granted awards under the National Quality Awards programme.
The thrust on income generation of SLSI which was introduced in 2001 was continued during the year 2013 as well, recording a revenue of LKR 484.881 million. This had surpassed the projected income by LKR 154.155 million eliminating the dependence on the government grants as a source of income whilst paving the way to maintain the self-sufficiency status.

The income generated by the Institution (totaling to LKR 484.881 million as against a budgeted LKR 330.726 million for the year) was derived from the following activity areas. They are given in the schedule below with the figures for the year 2012 for comparison.

<table>
<thead>
<tr>
<th>Activity area</th>
<th>2013 (LKR'000)</th>
<th>2012 (LKR'000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Import Inspection activities</td>
<td>141.128</td>
<td>126.699</td>
</tr>
<tr>
<td>Product Certification, Fishery Inspection and Registration</td>
<td>108.555</td>
<td>71.825</td>
</tr>
<tr>
<td>Fee for Bottled Drinking Water</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Systems Certification Activities</td>
<td>44.961</td>
<td>40.711</td>
</tr>
<tr>
<td>Laboratory Testing &amp; Calibration</td>
<td>141.233</td>
<td>127.239</td>
</tr>
<tr>
<td>Seminars &amp; Training Programmes</td>
<td>26.968</td>
<td>24.485</td>
</tr>
<tr>
<td>Sale of standards and other Information activities</td>
<td>13.590</td>
<td>10.554</td>
</tr>
<tr>
<td>Others</td>
<td>8.446</td>
<td>7.058</td>
</tr>
<tr>
<td></td>
<td><strong>484.881</strong></td>
<td><strong>408.572</strong></td>
</tr>
</tbody>
</table>

Like in the previous year 2012, SLSI has not taken any funds from the treasury to cover both capital expenditure and recurrent expenditure for the year 2013.

Details of recurrent and capital expenditure with comparative figures for the year 2012 are given below:

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recurrent expenditure payments</td>
<td>LKR 401.150 million</td>
<td>LKR 338.126 million</td>
</tr>
<tr>
<td>Capital expenditure payments</td>
<td>LKR 48.098 million</td>
<td>LKR 22.477 million</td>
</tr>
</tbody>
</table>
The activities and the corresponding target for each activity is given in the table below;

<table>
<thead>
<tr>
<th>Thrust Area</th>
<th>Projects / Programme</th>
<th>Activities</th>
<th>Target for 2013</th>
<th>Achievements 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercialization &amp; Popularization of Technology (Standardization and Quality Management)</td>
<td>Formulation of National Standards</td>
<td>Formulation of New National Standards based on the needs of the country</td>
<td>50</td>
<td>34</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Standards Formulation (Adoption / Revision / Re-affirmation)</td>
<td>150</td>
<td>92</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Standards Promotion programmes</td>
<td>08</td>
<td>06</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Draft standards for public comments</td>
<td>24</td>
<td>97</td>
</tr>
</tbody>
</table>

The main function of the Scientific Standardization Division is formulation of national standards in the fields of Food, Agriculture, Chemicals, Cosmetics, Polymer, Paper & Board, Textiles, Clothing and Leather and Societal needs. Along with the formulation of national standards, reviewing and updating the standards to keep pace with the advancement in the technology and the changes in the economy and trade is also a main function of the Division.

The National standards formulated by the division are developed through a participatory, transparent and consultative process with the voluntary involvement and cooperative efforts of all interested parties representing consumers, producers, users, public institutions, independent technical organizations etc.

The Council of the SLSI has appointed 06 Sectoral Committees comprising of experts in the relevant fields. With the guidance of these Sectoral Committees, the Division appoints working groups to advice and guide the Division in these activities with the aim of gathering all possible expertise in the best possible way to maximize benefits to the national economy from these standardization activities. Comments from the public are also obtained before national standards are finalized.

In the formulation of national standards, the policy of the SLSI is to be in line with the international standards practices as far as possible. To this effect international standards are adopted as Sri Lanka Standards wherever possible.

Thirty nine (39) new national standards were formulated during the year 2013 covering different sectors, thirty (30) out of which were adoptions of ISO standards. Out of the forty (40) standards revised, thirty (30) standards were adoption of ISO standards. Nineteen (19) amendments were issued to existing standards and thirty nine (39) national standards were reviewed and subsequent work on these standards was identified. Five (05) standards were withdrawn and three (03) standards were superseded during the year.
Identifying the national importance, a new field for standardization was identified as “Societal needs” and work in this area was commenced during the year.

In relation to standard formulation activities, eight (08) Sectoral Committee meetings, thirty nine (39) Working Group meetings and ten (10) Special Meetings were held during the year.

**Regional/International Standardization Work**

The Division organized the Third Sectoral Technical Committee meeting on Jute, Textiles and Leather of the South Asian Regional Standards Organization which was held in Colombo for two days with the participation from member bodies of SAARC.

The staff of the division continued to handle the activities connected with the ISO committees of which the SLSI holds either the Participatory or the Observer membership, mainly participating in the voting and commenting on various draft ISO standards.

**Standards Promotional work**

Two standards promotional programmes namely Guideline to make Vegetarian Claims in Food and Beverages and Good Manufacturing Practices for the Cosmetic Industry were organized by the Division during the year. In addition, staff expertise was provided for seven programmes organized by the Export Development Board, Department of Agriculture, National Fertilizer Secretariat, Coconut Research Development Board and Central Environment Justice to promote standardization activities in different sectors.

**Services to other Divisions**

The staff of the Division provided services to other Divisions to achieve corporate goals of the Institution. Accordingly, eighty (80) hours of lectures were undertaken in training programmes organized by the Training Division during weekdays. One hundred and thirty six (136) days were spent to carry out audits under the certification schemes operate by the Product Certification and System Certification Divisions and the Manufacturer Registration Scheme operates by the Quality Assurance Division. The Officers of this Division handled work connected to 38 projects under the SLS Marks Scheme and Technical Evaluation of Applicants of Bottled Water under the Registration Scheme of the Ministry of Health. Under the National Quality Awards Scheme, the staff of the Division involved in the evaluation of 02 Applicants.

**Services to outside organizations**

The staff of the Division continued to provide its technical expertise services to outside organizations as well. Representations were made at the Technical Advisory Committees/Technical Evaluation Committees of the Ministry of Health, Cosmetics, Devices and Drugs Authority, Ministry of Education, National Lotteries Board, Special Task Force, Export Development Board and the National Fertilizer Secretariat.
The Engineering Standardization Division is responsible for formulation and updating of national standards in all engineering disciplines including Information Technology, operation of the Energy Efficiency Labeling Scheme for Electrical Appliances and building maintenance & workshop activities.

During the year under review, eight (08) new Sri Lanka Standards were developed, six (06) standards were revised and of forty seven (47) international standards. Three (03) amendments were issued to existing standards were adopted. Thirty one (31) Sectoral Committee meetings and forty six (46) Working Group meetings were held to finalize these standards. The Engineering Division continued to work in association with other government and non-government institutions and participated in the Technical Advisory Committee meetings for development of standards.

The Engineers in the division also contributed to SLS product certification activities by providing expertise to fifty seven (57) Post-SLS and eighteen (18) Pre-SLS projects. All engineers in the division participated as auditors in the Production Certification activities.

In order to promote the use of energy efficient electrical appliances in household applications, operation of the Energy Efficiency Labeling scheme was continued. Total of Two hundred and forty six (246) certificates were issued for CFL, including One hundred and eighty four (184) new certificates and sixty two (62) renewals.

A) Standards Development work with other organizations

Development of the following Standards were continued with the support of the institutions indicated below;

1. Standard Methods of Measurement for Civil Engineering Works Institution of Construction Training and Development (ICTAD)


3. Formulation of National Standards for Boilers and other pressures vessels at the request made by the Department of Labour.
4. Formulation of standard for protection against lightning with the sponsorship of OBO Bettrman (Pvt) Ltd.

5. Sri Lanka Standards for Nanotechnology National Science Foundation (NSF)

In addition to the above main activities, the Division provided advisory services to outside organizations and other divisions of SLSI. Engineers of the Division served on several Technical Evaluation Committees in order to assist the Government Tendering Process in State Organizations including SLSI.


B) Building Construction and maintenance activities

During the year under review the Division continued to provide services with the assistance of the Engineers for construction work activities and maintenance work including Work Shop.

C) Vehicle maintenance

Division continued the provision of services for the fleet of vehicles of SLSI by examining and making technical evaluations for repair & maintenance work.
### QUALITY ASSURANCE DIVISION

<table>
<thead>
<tr>
<th>Thrust Area</th>
<th>Projects / Programme</th>
<th>Activities</th>
<th>Target 2013</th>
<th>Achievement 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enhancement of Quality Assurance in local and imported products</td>
<td>Quality Assurance of Imports under the Import Inspection Scheme</td>
<td>Quality Assurance of Imports under the import inspection scheme</td>
<td>12200</td>
<td>12517</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Approval of import consignments</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Test of canned fish sample (for sensory)</td>
<td>12</td>
<td>968</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Register overseas suppliers</td>
<td>20</td>
<td>03</td>
</tr>
<tr>
<td>Enhancement of Quality Assurance in exports (Manufacturing and service sector)</td>
<td>Registration of fish processing establishment</td>
<td>Carry out inspection on fisheries processing establishments</td>
<td>30</td>
<td>11</td>
</tr>
</tbody>
</table>

This division operates a number of important schemes to monitor the quality of products and services offered by the industry and trade. These schemes were further strengthened during the year under review to assure proper controls and better results.
Schemes in operation

**Import Inspection**

At present the total number of items monitored under this scheme is 103.

During the year 2013, 12517 consignments were monitored and samples were drawn from 7016 consignments. The total income generated from this activity during the year was LKR 141.1 Million against the target of LKR 106 Million.

As a measure of improving the effectiveness and the efficiency of the scheme, the registration of manufacturers was further expanded during the year 2013.

**Inspection Scheme for Fish and Fishery Products Processing**

The scheme for inspection of fishery products processing establishments for export purpose was operated under the delegated powers of the Department of Fisheries and Aquatic Resources.

During this year 11 (eleven) factory inspections were carried out and the relevant recommendations were given to the department.

The income generated from this scheme was LKR 0.29 million against the target of LKR 0.3 Million.

**Overall income of the Division**

The Division recorded an overall income of LKR 141.1 million, against the target of 106 Million which was the main contribution towards the achievement of a 33% positive variance in the targeted income of the SLSI for the year 2013. Division has earned nearly 1/3 of the SLSI income for the year 2013.
The division is responsible for implementation of internationally recognized Management Systems certification schemes to facilitate trade activities, whilst helping to enhance the organization competitiveness.

Systems Certification Division of SLSI is currently operating nine Management Systems Certification Schemes. The details are as follows:

- ISO 9001:2008 Quality Management System
- ISO 14000 Environmental Management System
- ISO 22000 Food safety Management System
- HACCP Food Safety certification Scheme
- OHSAS Occupational Health and Safety Scheme
- GMP Good Manufacturing Practice Scheme
- Super Market Certification Scheme
- Organic Certification Scheme
- Energy Management Scheme ISO 50001
- Vegetarian System Certification for Food & Beverage
- Vidatha System Certification Scheme

During the year 2013 Systems Certification Division was able to introduce number of new management schemes such as Vegetarian System Certification for Food & Beverage and Vidatha System Certification Scheme. Further Systems Certification Division was able to maintain accredited status for QMS, FSMS, HACCP & EMS from Sri Lanka Accreditation Board & RvA Netherlands.

### Systems Development

During the year 2013 Systems Certification Division was able to introduce number of new management schemes such as Vegetarian System Certification for Food & Beverage and Vidatha System Certification Scheme. Further Systems Certification Division was able to maintain accredited status for QMS, FSMS, HACCP & EMS from Sri Lanka Accreditation Board & RvA Netherlands.

### ISO 9001: 2008 Quality Systems Certification Scheme

During the year 2013, 49 applications were received to obtain ISO 9001 certification, 40 adequacy audits, 25 stage I audits, 23 stage II audits, 162 surveillance audits, 77 reassessments were carried out. 29 New certificates were issued during the year 2013.

Quality Management System Certification Scheme was further strengthened by upgrading two auditors to team leader status and two observers to team member status. Nineteen scope sectors were covered under the RvA accreditation during the year under revision.

During the year 2013 a number of promotional programmes have been conducted at various organizations including Ministries, Government departments etc and was able to certify many government sector organization as well as SME sector organizations.

RvA and SLAB carried out the surveillance audits against ISO17021:2011 and approval were given to continue accreditation status till 1st of December 2016. During the year it was possible to maintain.
ISO 14001 Environmental Management Systems Certification Scheme
Under the ISO 14001 scheme, 12 applications were received, 11 adequacy audits, 4 Stage I audit, 6 Stage II audits, 41 surveillance audits and 12 re-certification audits were carried out and 08 new certificates were issued during the year 2013.

Environmental Management System Certification Scheme was further strengthened by upgrading one team member to team leader status and two observers to team member status.

RvA and SLAB carried out the surveillance audits against ISO17021:2011 and accreditation status will be continued till 1st of December 2016.

ISO 22000 Food Safety Environmental Management Systems
During the year under review 15 applications were received. 13 adequacy audits, 15 Stage I audits, 19 Stage II audits and 41 surveillance audits and 24 re-assessment audits were carried out. Further 16 New certificates were issued.

Food Safety Management System Certification Scheme was further strengthened by upgrading two members to team leader status and two observers to team member status.

RvA and SLAB carried out the surveillance audits against ISO17021:2011 and accreditation status continued till 1st of December 2016.

HACCP Food Safety Management System
During the year under review, 09 applications received. 01 adequacy audits, 02 Stage I audits, 02 Stage II audits and 07 surveillance audits & 03 re-assessment audits were conducted and also 11 new certificates were issued.

HACCP Food Safety Management System Certification Scheme was further strengthened by upgrading one team member to team leader status and one observer to team member status.

RvA and SLAB carried out the surveillance audits against ISO17021:2011 and accreditation status continued till 1st of December 2016.

OHSAS 18001 Certification Scheme
Under this certification 03 application were received during the year 2013 and 03 adequacy audit, 06 Stage I audits, 04 Stage II audits and 01 surveillance audits and 05 re-assessment audits were carried out. Three new companies were certified during the year 2013.

GMP Good Manufacturing Practices Scheme
During the year 91 applications were received and 32 adequacy audits, 17 preliminary assessments, 26 final assessments, 13 surveillance audits were carried out. 48 new certificates were issued.

To promote GMP scheme among SMEs, systems certification division has conducted several promotional programmes with the financial assistance of the Ministry of Traditional Industries and Ministry of Youth Affairs and Skills Development. Further financial assistance has been provided by the Ministry of Technology & Research & Ministry of Traditional Industries to the SMEs to develop GMP systems.

Super Market Certification Scheme
Three outlets of Keells supermarket were able to certify. 07 preliminary assessments, 09 final assessments, 07 surveillance audits were carried out. 14 new certificates were issued. Another 5 applications are in the pipeline.

Systems Certification Division conducted awareness program at Richard Pieris Distributors (Arpico-Head office) and there are 15 outlets pending for certification.

Organic Certification
During the year 02 preliminary assessments and 01 final assessment audits were carried out. 02 new certificates were issued.

Energy Management System Certification Scheme
During the year under review 10 applications were received. 02 adequacy audits, 04 Stage I audits and 03 Stage II audits were carried out. Further 03 New certificates were issued.

Vegetarian System Certification for Food & Beverage & Vidatha System Certification Scheme
Actions have been initiated to implement the both schemes and 01 application was received for Vegetarian System Certification for Food & Beverage and several applications were pending for Vidatha System Certification Scheme

Income
During the year 2013 System Certification Division has generated an income of LKR 44,961,158.00 against the target LKR 35,376,000.00.

Any other activities
1. System Certification Division has conducted number of training programmes to educate Management System Auditors on various relevant topics.

2. During the year 2013, the officers attached to the division have provided their services to the Product certification division, QA division, Training division, standard formulation and Marketing division.

3. Several officers attached to the Systems Certification Division providing technical inputs to the ISO Technical Committees by serving as members/voters.
SLSI conducts distance learning training programmes on Seven Quality Control Tools (Q7), Seven New Management Tools (N7) and a Certificate Course in Quality Management.

Total revenue earned through training activities for the year 2013 was LKR 26,967,689.00.

During the 2013 nine (09) standards were printed and more than 475,000 impressions were printed comprising handouts for training programmes. Quality System documents, promotional materials on standards, publicity materials, record formats were printed.

The Institution provides training on standardization and quality management for personnel in the industry, private/government sector organizations and individuals in order to enhance the skills and the knowledge base required for producing good quality products/services. SLSI covers training programmes on standardization, management systems such as ISO 9001 Quality Management Systems, ISO 14001 Environment Management Systems, ISO 22000 Food Safety Management Systems, ISO 50001 Energy Management Systems etc. and other Quality related fields for all grades of personnel; viz top Management, Middle Management, Executives, Supervisors, Technicians and shop floor workers. These programmes are conducted at client premises also on request. During the year 2013 seventy seven (77) programmes were conducted at SLSI and 1820 persons were trained. Thirty nine (39) in house training programmes were also conducted and 1245 persons were trained.


Two Diploma Programmes on Quality Management and Diploma Programme on Food Quality Assurance having each one year duration have been conducted for personnel of industry/service organizations. One hundred and thirty three participants were attended for the Diploma on Quality Management programmes and forty participants were attended for the Diploma on Food Quality Assurance programme.

Four certificates courses on Quality Management were conducted during 2013 and one hundred and thirteen (113) were participated for these programmes.

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**Training Programmes**

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### Thrust Area

<table>
<thead>
<tr>
<th>Projects / Programme</th>
<th>Activities</th>
<th>Target 2013</th>
<th>Achievement 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Enhancement of Consumer Education and Promotion</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Publish leaflets/new items/ press releases on SLSI services.</td>
<td>Promotion of SLSI Services</td>
<td>25</td>
<td>37</td>
</tr>
<tr>
<td>Attend exhibitions / workshops / meetings / awareness programmes</td>
<td>Disseminate consumer information by utilizing appropriate media</td>
<td>25</td>
<td>40</td>
</tr>
<tr>
<td></td>
<td>Attend exhibitions / workshops / meetings / awareness programmes</td>
<td>20</td>
<td>09</td>
</tr>
<tr>
<td></td>
<td>Organize school children educational programmes.</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Encourage the local organizations to achieve excellence in Quality Management</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Programme on National Quality Awards</td>
<td>40</td>
<td>22</td>
</tr>
<tr>
<td></td>
<td>Promotion of SLSI activities through exhibitions</td>
<td>06</td>
<td>28</td>
</tr>
<tr>
<td></td>
<td>Promote NQA programs (No of establishments that participated)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Number of Awards given</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>New marketing programme to promote SLSI services</td>
<td>15</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td>Organize GMP programmes in association with Vidatha Centres to develop SME sector</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The main function of this Division is to promote the corporate image of SLSI and assists, other divisions of SLSI in their services.

Two ceremonies of Sri Lanka National Quality Award (SLNQA) were organized in the year 2013, to recognize organizations that achieve Performance Excellence.

1. Seventeenth (17th) and Eighteenth (18th) SLNQA was conducted in April 2013. Three organizations (03) were adjudged as Award Winners of the Sri Lanka National Quality Awards and nine (09) were adjudged as Merit Award Winners and six (06) as recipients of commendation certificates.

2. Nineteenth (19th) SLNQA was conducted on the World Standards Day, 14th October 2013 for the first time. From the applicant organizations, three (03) were adjudged as Award Winners of the Sri Lanka National Quality Awards and four (04) were adjudged as Merit Award Winners and three (03) as recipients of commendation certificates.

**2013 National Quality Award Ceremony was held at BMICH on 2013-09-14**
Two (02) SLNQA examiner training programmes were conducted in August.

Seven (07) exhibitions were conducted in schools and other organizations which were organized by Government ministries in order to promote SLSI Services.

Thirteen (13) seminars were conducted to educate small & medium scale entrepreneurs of Kurunegala District on SLS/GMP/ISO 9001 certification, quality standardization concept etc. through Vidatha Centers, in parallel with Deyata Kirula Kuliyapitiya Programme.

Three (03) awareness programmes on GMP and SLSI services were conducted for central bank regional offices, two (02) programmes were done for programmes under the Youth Affairs Ministry.

Ten (10) Planning officers were trained on the SLSI services during this year.

Ten (10) programmes were conducted to train school teachers and school children on the SLSI activities and the importance of those activities.

More than hundred (100) Advanced Level Students were provided with information on SLSI services for their A/L project.

During the National Quality Week, various activities were conducted within the SLSI and outside to mark the World Standards Day. The Theme for this year was “International Standards ensure positive change”. Newspaper supplements were published in the national newspapers to celebrate World Standards Day (WSD) 2013. The WSD poster, messages & services provided by the SLSI to the nation were featured in the supplement. Moreover, press releases were sent on the WSD message to Sri Lanka media including press, radio and television.

Actions were taken to disseminate the information to Government Organizations, Industry, Schools and General Public to mark WSD 2013, by holding seminars, conducting awareness programmes sending messages and also requesting to use the WSD poster as part of the organization celebrations. Eight hundred (800) schools and two hundred (200) companies were included.

To mark WSD, Q Flag was hoisted in a ceremony at SLSI premises with the staff and the audience was addressed by the Chairman and DDG. National quality week was celebrated by both private and public sector by implementing various programmes, under the guidance of SLSI. A number of presentations had been organized by various organizations as a part of their celebrations, out of which six (06) presentations were made by SLSI officials.

To mark World Quality month, “Quliaty Walk” was organized in Month of November by the Sri Lanka Standards Institution with the prime intention of creating a quality culture within the country. Large number of leading companies in Sri Lanka participated in this event. The theme for this year’s world quality day was “Making Collaboration Count” which reflects recent trends in increased collaboration between public, private and non-profit organizations and also the need for internal collaboration between quality professionals and the business community.

Five (05) consumer complaints were received during the year & they were attended to.

Work related to typesetting and designing of Annual Report of SLSI 2012 (Sinhala and English version) was done.
Laboratory Services Division provides testing services and technical training to industry and technical institutions. Testing services are mainly for the following purposes:

- Product Certification Marks Scheme (SLS Mark)
- Import Inspection Scheme
- Standards Formulation/Development work
- Industry for quality assessment or quality improvements
- Importers for assessing the quality of pre-shipment samples
- Export Trade for conformity of products to specified standards
- Legal and regulatory requirements for product conformity
- Technical Evaluation committees for product conformity for procurement
- Reference sample testing in legal disputes
- Inter laboratory tests for validation and competency evaluation

Technical Training

Technical training is provided to staff in industry and technical Institutions to upgrade their knowledge in testing and laboratory management activities in foreign funded projects.

Laboratory Services Division provides testing in following areas.

- Electrical and Electronic Testing
- Microbiological testing
- Materials Testing
- Chemical testing
- Food testing
- Textile testing: Textiles, Garments, Polymers & Leather

Laboratory Accreditation Status

The Following 03 Laboratories are accredited by SWEDAC and/or SLAB as given below.

3.1 Chemical Laboratory
3.2 Microbiology Laboratory
3.3 Food Laboratory
### Chemical Laboratory

<table>
<thead>
<tr>
<th>Product</th>
<th>No of Tests</th>
<th>Applicable Method Standards</th>
<th>Accreditation From</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water</td>
<td>19</td>
<td>SLS 614 Pt 1 &amp; SLS 894 APHA Test Methods</td>
<td>SLAB – Sri Lanka Accreditation Board for conformity Assessment</td>
</tr>
<tr>
<td>Porcelain ware</td>
<td>02</td>
<td>SLS 1222: 2001 ISO 6486 : 1999</td>
<td></td>
</tr>
</tbody>
</table>

### Microbiology Laboratory

<table>
<thead>
<tr>
<th>Product</th>
<th>No of Tests</th>
<th>Applicable Method Standards (16)</th>
<th>Accreditation From</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sauce (Tomato &amp; chillie)</td>
<td>01</td>
<td>SLS 260 :2008</td>
<td>SLAB – Sri Lanka Accreditation Board for conformity Assessment</td>
</tr>
<tr>
<td>Beer</td>
<td>01</td>
<td>SLS 516 pt 3</td>
<td></td>
</tr>
<tr>
<td>Potable water</td>
<td>02</td>
<td>SLS 614 pt 2, SLS 516 pt 1, SLS 614 pt 2</td>
<td></td>
</tr>
<tr>
<td>Bottled natural mineral water</td>
<td>04</td>
<td>SLS 516 pt 1, SLS 614 pt 2</td>
<td></td>
</tr>
<tr>
<td>Bottled drinking water</td>
<td>03</td>
<td>SLS 516 pt 1, SLS 614 pt 2</td>
<td></td>
</tr>
<tr>
<td>Ice for processing</td>
<td>04</td>
<td>SLS 516 pt 1, SLS 614 pt 2</td>
<td></td>
</tr>
<tr>
<td>Water for processing</td>
<td>04</td>
<td>SLS 516 pt 1, SLS 614 pt 2</td>
<td></td>
</tr>
<tr>
<td>Water for EU requirements</td>
<td>07</td>
<td>SLS 516 pt 1, SLS 614 pt 2, ISO-7899-2, SLS 516 pt 1, SLS 614 pt 2, ISO 9308-1</td>
<td></td>
</tr>
</tbody>
</table>
### Food Laboratory

<table>
<thead>
<tr>
<th>Product</th>
<th>No of Tests</th>
<th>Applicable Method Standards</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sugar</td>
<td>02</td>
<td>SLS 191: 1989 SLS 883: 1990</td>
</tr>
</tbody>
</table>

### Income Generated - year 2013

<table>
<thead>
<tr>
<th>Activity</th>
<th>Total Income (LKR)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product Certificate</td>
<td>120 million</td>
</tr>
<tr>
<td>Import Inspection Items</td>
<td></td>
</tr>
<tr>
<td>Services to External Customers</td>
<td></td>
</tr>
<tr>
<td>Training of Technical staff in industry</td>
<td></td>
</tr>
</tbody>
</table>
Thrust Area

<table>
<thead>
<tr>
<th>Projects / Programme</th>
<th>Activities</th>
<th>Target 2013</th>
<th>Achievement 2013</th>
</tr>
</thead>
</table>
| Commercialization & population of Technology (Stds & Quality Management) | **Calibration Services**  
Carry out calibration for outside clients, such as Ansell Lanka Ltd., Dipped Products Ltd. etc.  
Provide Industrial calibration services | 4200 | 3472 |

The Metrology Division of Sri Lanka Standards is an integral part of the National Measurement System of Sri Lanka. Its primary objective is to disseminate valid measurement practices among the industry, commerce, testing and calibration laboratories operating measurement systems. It holds internationally recognized ISI/IEC 17025 accreditation for Mechanical and Thermal Calibrations.

A summary of the activities and the value of services provided by the division in year 2013 are given below.

<table>
<thead>
<tr>
<th>Activity</th>
<th>Number of reports issued</th>
<th>Value of work LKR</th>
</tr>
</thead>
</table>
| 01 Calibration & measurement services  
Internal customers (other divisions of SLSI) | 499 | 1,207,300/= |
| External customer | 3,177 | 15,373,797/= |
| Total | 3,676 | 16,581,097/= |
As the National Standards Body of Sri Lanka, Documentation & Information Division has the responsibility to provide an information service on standardization Quality Management to the general public, industry, trade and the internal staff of other Technical Division of SLSI.

This Division is the only resource centre in Sri Lanka which holds a comprehensive collection of National (SLSI), International (ISO, IEC, and Codex) and Foreign National Standards (British, Indian, Malaysian etc.) and ASTM Standards. These resources form the base to provide an efficient information service to the trade and industrial sectors in the country. It further accommodates a wide range of books mainly on Standardization and Quality Management. 222 books on various topics of relevance to SLSI were purchased to the Library.

Literature searches using the library resources and the Internet were done and full text Information bulletins on current topics were compiled. An electronic newsletter, “Standards Alert” which gives current information on Standards of other countries was prepared and disseminated to various Institutions via e-mail.

Electronic bulletins to provide information on Library resources are prepared and sent to SLSI staff, library members and other clients via e-mail. A news clipping service has been provided by scanning the news items relevant to SLSI and disseminates them via e-mail to SLSI staff.

The collection of Sri Lanka Standards has been digitalized and this assignment has been very useful when dispatching Sri Lanka standards to other countries. The number of outside clients who availed themselves of the services of the D & I Division was 969 (Last six months). Queries received via the telephone, e-mail and by the normal post were attended to promptly.

D & I Division possesses a number of databases (Sri Lanka Standards Catalogue, Book Catalogue) developed using a library systems software, WINSIS were updated regularly. The website was updated as and when required.

A total of 4359 Sri Lanka Standards and 712 Foreign and International standards were sold during the period under review. Online ordering and online downloading of Foreign and International Standards was done to minimize the time taken to supply the standards. Memorandums of understanding have been signed with British Standards Institution (BSI) and the International Electro technical Commission (IEC) to download the standards and a quarterly payment of royalty fee is being made to these Institutions. ISO standards are also available for downloading and a quarterly royalty fee is paid.

The individual membership of the Library is 10 whereas the corporate membership is 06 by the year 2013. The Information needs of the officers of the SLSI in relation to standards information and technical information were catered satisfactorily.

**WTO/TBT Enquiry Point in Sri Lanka**

The Division continues to function as the WTO Inquiry Point in Sri Lanka for Standards and Conformity Assessment under the WTO/TBT Agreement of the World Trade Organization. WTO/TBT Notification of other countries were downloaded from the Internet on a monthly basis & disseminated to the Trade Chambers via e-mail. Information on new Sri Lanka Standards and ISO Standards published were also sent to the Trade Chambers, Universities and other libraries to make them aware of the current publications.

### Income generation

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income from sale of Sri Lanka Standards</td>
<td>LKR 2.969 million</td>
</tr>
<tr>
<td>Income from sale of Foreign Standards</td>
<td>LKR 10.367 million</td>
</tr>
<tr>
<td>Income from Membership Services</td>
<td>LKR .040 million</td>
</tr>
<tr>
<td>Income from other Services</td>
<td>LKR 1.322 million</td>
</tr>
<tr>
<td>Total Income generated</td>
<td>LKR 14.698 million</td>
</tr>
</tbody>
</table>

### Thrust Area

<table>
<thead>
<tr>
<th>Thrust Area</th>
<th>Projects / Programme</th>
<th>Activities</th>
<th>Target 2013</th>
<th>Achievement 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercialization &amp; popularization of Technology (Standardization and Quality Management)</td>
<td>Expansion of Documentation and Information Services.</td>
<td><strong>Documentation &amp; Information</strong></td>
<td>3500</td>
<td>5071</td>
</tr>
<tr>
<td></td>
<td>To promote sale of Sri Lanka Standards to the general public.</td>
<td>Sale of foreign and Sri Lanka standards.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
The Product Certification Division, operates two schemes namely the SLS Marks Scheme and the Technical evaluation of applicants under the Bottled Water Registration Scheme on behalf of the Ministry of Health. The SLS Marks Scheme is operated for local as well as overseas manufacturers.

### SLS Marks Scheme

During this year, 107 applications from local manufacturers and 40 applications from overseas manufacturers were received. 1905 samples were got tested under the Scheme to ascertain product conformity. This includes samples drawn for product quality evaluation for the purpose of granting permits as well as samples drawn as monitoring of product quality from manufacturers who bear Permits under the scheme. 103 new permits were issued and 132 permits were renewed during the year. GI Pipe (new product) entered the Product Certification Scheme during the year. The income generated from the SLS Marks Scheme was LKR 107.3 million as against the target of LKR 53.8 million.

### Technical evaluation of applicants under the Bottled Water Registration Scheme

Under a MoU signed between the Ministry of Health and SLSI, technical evaluation of applicants under the Bottled Water Registration Scheme is operated as per Food (Bottled or Packaged Water) Regulation 2005. Under this Scheme 27 applications were processed during the year. Necessary sampling and audits were carried out and recommendations on 38 applications were made during the year. The income generated through this Scheme was LKR 342,905/= as against the target of LKR 100,000/=.

### Income generated

The overall income of the Division was LKR 108.5 million as against the target of LKR 54.5 million.

<table>
<thead>
<tr>
<th><strong>Thrust Area</strong></th>
<th><strong>Projects / Programme</strong></th>
<th><strong>Activities</strong></th>
<th><strong>Target 2013</strong></th>
<th><strong>Achievement 2013</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Enhancement of Quality Assurance in local and imported products</td>
<td>Provision of product certification services</td>
<td><strong>Product Certification</strong>&lt;br&gt;a) Grant licence (SLS mark)&lt;br&gt;b) Recommendation on Bottled Drinking water to Ministry of Health.&lt;br&gt; c) Carry out factory Inspections [of (a) &amp; (b)]&lt;br&gt;SLSI/SLTB Tea product certification scheme Grant Certification</td>
<td>85&lt;br&gt;10&lt;br&gt;375&lt;br&gt;1,450&lt;br&gt;10</td>
<td>103&lt;br&gt;38&lt;br&gt;212&lt;br&gt;0.098&lt;br&gt;-</td>
</tr>
</tbody>
</table>
Administration division is responsible for total Administrative functions of the Institution. This division mainly handles Procurement, Transport, and all matters pertaining to human Resource such as recruitments, promotions, training, and performance appraisals. Other than that, this division function as the Secretariat to the Council of SLSI and also responsible for the preparation of Annual Report. Certain other out sources services such as Security, Canteen and Janitorial services too are being managed by this division.

The Administration division is responsible for filling of vacancies on time. During the year this requirement had been effectively accomplished by enlisting 02 Directors, 18 Assistant Directors and 01 Management Assistant which gave a significant impact to improve the overall productivity of the institution.

LKR. 17.87 million worth of capital items have been purchased within this year including the purchase one luxury double cab and two vans.

27 overseas audits and 32 training (58 personnel) applications were processed and 06 promotional interviews were carried out especially in the higher management positions during the year.

In addition to that all foreign visits are organized and coordinated by carrying out all related work.

This division is responsible for following Financial Administration in line with governing financial rules, regulations, circulars, policies and decisions in order to safeguard the assets of the Institution. The division carries out all financial management work including collections of revenue, payments to suppliers and employees, budgetary control, annual board of survey, preparation and submission of annual accounts and other management information and all other day to day financial activities.

This division prepared Annual Accounts for the year ended 2013-12-31 in terms of new Sri Lanka Financial Reporting Standards (SLFRS).

This unit is responsible for arranging and carrying out internal audits of all operations of SLSI activities and to make reports accordingly to streamline the Institutional work. In addition to that unit attends to COPE reports, all government audit queries reports and COPE reports.
This unit is responsible for Monitoring and Maintenance of Software Packages available within the Institution. The details of packages are as follows:

a) Financial System Packages
   * General Ledger System (GL)
   * Creditors System (CS)
   * Debtors System (DS)
b) Payroll System
c) Inventory Control System
d) Import Inspection Scheme Software System (IIS)
E) Overseas Audit Management System (OAMS)
f) IT Inventory and Maintenance System
g) Certificate Printing Software System

Trouble shooting of Personal Computers (PC), Monitors, Printers, Servers, Laptops and Network Equipments/Instruments.

<table>
<thead>
<tr>
<th>Item</th>
<th>No. of Issues attended</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Computers</td>
<td>857</td>
</tr>
<tr>
<td>Servers</td>
<td>06</td>
</tr>
<tr>
<td>Monitor</td>
<td>29</td>
</tr>
<tr>
<td>Laptop</td>
<td>61</td>
</tr>
<tr>
<td>Printer</td>
<td>243</td>
</tr>
<tr>
<td>N/W Instruments (Firewall/Routers Switchers/Access Points/Patch panel)</td>
<td>30</td>
</tr>
<tr>
<td>Scanner</td>
<td>23</td>
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</table>

Monitoring and Maintenance of Server Software

<table>
<thead>
<tr>
<th>Feature</th>
<th>No. of issues attended</th>
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</thead>
<tbody>
<tr>
<td>e-mail</td>
<td>75</td>
</tr>
<tr>
<td>Internet</td>
<td>60</td>
</tr>
<tr>
<td>Antivirus &amp; Network Thread Protection</td>
<td>20</td>
</tr>
</tbody>
</table>

Currently SLSI with the support of an outside party an Integrated Management Information Software (IMIS) development project is being carried out. As part of the project system study for Phase 01 & 02 has been completed. Requirement verification of phase 01 is at the final stage.
<table>
<thead>
<tr>
<th>SLS No.</th>
<th>Title</th>
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<tbody>
<tr>
<td>SLS 0:2013</td>
<td>Standards for Standards The Development of Sri Lanka and Other Normative Documents</td>
</tr>
</tbody>
</table>
| SLS 516:Part 12:2013 | Sri Lanka Standard Methods of test for microbiology of Food and Animal Feeding Stuffs  
|                 | Part 47 : Horizontal Method for the Detection of *Escherichia coli* O157 (ISO 16654 : 2001) |
|                 | Part 49 : Artificial Weathering-Exposure to filtered Xenon Arc Radiation (ISO 105 B 10 : 2011) |
|                 | Part 49 : Artificial Weathering-Exposure to filtered Xenon Arc Radiation (ISO 105 B 10 : 2011) |
| SLS 1451:2013   | Sri Lanka Standard Code of Hygienic Practice for the preparation and sale of Street Foods |
|                 | Braid Construction (ISO 10547 : 2009)                                |
|                 | Braid Construction (ISO 10554 : 2009)                                |
| SLS 1454:2013   | Sri Lanka Standard Specification for Polyester Fibre Ropes for Offshore Station keeping  
|                 | (ISO 18692 : 2007)                                                  |
| SLS 1456:2013   | Sri Lanka Standard Specification for Fibre Ropes of Polyester/Polyolefin Dual Fibres  
|                 | (ISO 10556 : 2009)                                                  |
| SLS 1460:2013   | Sri Lanka Standard Guidelines for the use of vegetarian claims in food and beverages |
| SLS 1461:Part 1/ - Section 1:2013 | Sri Lanka Standard Microbiological test methods for water  
|                 | Part 1 Detection and enumeration of *Escherichia coli* and Coliform bacteria  
|                 | Section 1 Membrane filtration method (ISO 9308-1 : 2000)             |
|                 | Part 1 Enumeration of *Escherichia coli* and Coliform bacteria  
|                 | Section 2 Most probable number method (ISO 9308-2 : 2012)             |
|                 | Part 1 Detection and enumeration of *Escherichia coli* and Coliform bacteria  
<p>|                 | Section 3 Reference method                                           |
|                 | Part 1 Guidance on the design of sampling programmes and sampling techniques (ISO 5667-1 : 2006) |</p>
<table>
<thead>
<tr>
<th>SLS No.</th>
<th>Title</th>
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</table>
Part 2 : Preservation and handling of water samples (ISO 5667-3 : 2012) |
Part 4 : Guidance on sampling of rivers and streams (ISO 5667-6 : 2005) |
Part 5 : Guidance on sampling of drinking water from treatment work and piped distribution systems (ISO 5667 - 5 : 2006) |
Part 8 : Guidance on sampling of drinking water distributed by tankers or means other than distribution pipes (ISO 5667 - 21 : 2010) |
| SLS 1462:Part 10 | Sri Lanka Standard Methods for Sampling of Water  
Part 10 : Sampling for microbiological analysis (ISO 19458 : 2006) |
<p>| SLS 1463:2013 | Sri Lanka Standard General requirements and guidance for microbiological examinations of food And animal feeding stuffs (ISO 7218 : 2007) |
| SLS 1465:2013 | Sri Lanka Standard Code of Practice for Application of Pesticides |
| SLS 1467: 2013 | Sri Lanka Standard Requirements for optimization of the packaging System in the field of packaging and the environment (ISO 18602 : 2013) |
| SLS 1468 : 2013 | Sri Lanka Standard Requirements for reuse in the field of packaging and the environment (ISO 18603:2013) |
| SLS 1469 : 2013 | Sri Lanka Standard Requirements for material recycling in the field of packaging and the environment (ISO 18604 : 2013) |
| SLS 1470 : 2013 | Sri Lanka Standard Requirements for energy recovery in the field of packaging and the environment (ISO 18605 : 2013) |</p>
<table>
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<th>Title</th>
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<tbody>
<tr>
<td>SLS 183 : 2013</td>
<td>Sri Lanka Standard Specification for Carbonated Beverages (First Revision)</td>
</tr>
<tr>
<td>SLS 187 : 2013</td>
<td>Sri Lanka Standard Specification for skin powder for babies (Second Revision)</td>
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<tr>
<td>SLS 231 : 2013</td>
<td>Sri Lanka Standard Specification for Sesame seed oil (First Revision)</td>
</tr>
<tr>
<td>SLS 393 : 2013</td>
<td>Sri Lanka Standard Code of Practice for preparation of test samples, initial suspension and decimal dilutions for microbiological examination of food and animal feeding stuffs</td>
</tr>
<tr>
<td>SLS 516 :</td>
<td>Sri Lanka Standard Methods of test for microbiology of Food and Animal Feeding Stuffs</td>
</tr>
<tr>
<td>Section 1:2013</td>
<td>Section 1 : Colony count at 30°C by the pour plate technique - (Second Revision) (ISO 4833-1:2013)</td>
</tr>
<tr>
<td>Section 2:2013</td>
<td>Section 2 : Colony count at 30°C by the surface plating technique- (Second Revision) (ISO 4833-2:2013)</td>
</tr>
<tr>
<td>SLS 516 :</td>
<td>Sri Lanka Standard Methods of test for microbiology of Food and Animal Feeding Stuffs</td>
</tr>
<tr>
<td>Part 2/2013</td>
<td>Part 2- Horizontal Method for the Enumeration of Yeasts and Moulds</td>
</tr>
<tr>
<td>Section 2:2013</td>
<td>Section 1 : Colony count technique in products with water activity greater the 0.95 (Second Revision) (ISO 21527-1 : 2008)</td>
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<tr>
<td>Section 3:2013</td>
<td>Section 2 : Colony count technique in products with water activity less than or equal to 0.95 (Second Revision) (ISO 21527-2 : 2008)</td>
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<td>SLS 516 :</td>
<td>Sri Lanka Standard Methods of test for microbiology of Food and Animal Feeding Stuffs</td>
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<td>Section 1:2013</td>
<td>Section 1 : Most probable number technique (First Revision) (ISO 4831 : 2006)</td>
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<tr>
<td>Section 2 :2013</td>
<td>Section 2 : Colony-count technique(First Revision) (ISO 4832 : 2006)</td>
</tr>
<tr>
<td>SLS 516 :</td>
<td>Sri Lanka Standard Methods of test for microbiology of Food and Animal Feeding Stuffs</td>
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<td>SLS 516 :</td>
<td>Sri Lanka Standard Methods of test for microbiology of Food and Animal Feeding Stuffs</td>
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<tr>
<td>Part 6/2013</td>
<td>Part 6 Horizontal Method for the Enumeration of Coagulase- positive Staphylococci (Staphylococcus aureus and other species)</td>
</tr>
<tr>
<td>Section 1 :2013</td>
<td>Section 1 : Technique using Baird- Parker agar medium (Second Revision) (ISO 6888-1 : 1999)</td>
</tr>
<tr>
<td>Section 2 :2013</td>
<td>Section 2 : Technique using rabbit plasma fibrinogen agar medium (Second Revision) (ISO 6888-2:1999)</td>
</tr>
<tr>
<td>SLS 516 :</td>
<td>Sri Lanka Standard Methods of test for microbiology of Food and Animal Feeding Stuffs</td>
</tr>
<tr>
<td>Section 1 :2013</td>
<td>Section 1 : Detection of Vibrio parahaemolyticus and Vibrio cholerae (First Revision) (ISO TS 21872 - 2 : 2007)</td>
</tr>
<tr>
<td>SLS No.</td>
<td>Title</td>
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<tr>
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<tr>
<td>SLS 516 : Part 8/2013</td>
<td>Sri Lanka Standard Methods of test for microbiology of Food and Animal Feeding Stuffs</td>
</tr>
<tr>
<td>SLS 516:Part 9:2013</td>
<td>Sri Lanka Standard Methods of test for microbiology of Food and Animal Feeding Stuffs</td>
</tr>
<tr>
<td>SLS 614 : 2013</td>
<td>Sri Lanka Standard Specification for Potable water (First Revision)</td>
</tr>
<tr>
<td>SLS 749 : 2013</td>
<td>Sri Lanka Standard Specification for Thinner for cellulose nitrate based paints and lacquers-(First Revision)</td>
</tr>
<tr>
<td>SLS 910 : 2013</td>
<td>Sri Lanka Standard Maximum residue limits for pesticides in food - (Second Revision)</td>
</tr>
<tr>
<td>SLS : 962 :2013</td>
<td>Sri Lanka Standard Method of test for aflatoxin in foods</td>
</tr>
<tr>
<td>SLS 993:2013</td>
<td>Sri Lanka Standard Specification for Conduit systems for cable management</td>
</tr>
<tr>
<td>SLS 1021 : 2013</td>
<td>Sri Lanka Standard Code of Hygienic Practice for Collecting, Processing and Marketing of Natural Mineral Waters (First Revision)</td>
</tr>
<tr>
<td>SLS 1178 : 2013</td>
<td>Sri Lanka Standard Specification for Transportable Welded Steel Gas Containers of 0.5 up to 150 Water Capacity for Liquefied Petroleum Gas (First Revision)</td>
</tr>
<tr>
<td>SLS 1181:2013</td>
<td>Sri Lanka Standard Specification for Ceramic Tiles (Second Revision)</td>
</tr>
<tr>
<td>SLS 147:2013</td>
<td>Sri Lanka Standard Specification for Unplasticizedpoly (vinyle chloride) pipes for water and for buried and above ground drainage and sewerage under pressure (Third Revision)</td>
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<tr>
<td>SLS 1384 : 2013</td>
<td>Sri Lanka Standard Specification for Thermoplastic Road Marking Materials (First Revision)</td>
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<tr>
<td>SLS 1458</td>
<td>Sri Lanka Standard Specification for Self Ballasted LED Lamps for General Lighting Services by Voltage &gt; 50 Safety Requirements (=IEC 62560)</td>
</tr>
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<td>Title</td>
</tr>
<tr>
<td>-------------</td>
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| SLS 1472:2013 | Law voltage surge protective devices  
Part 1: Surge protective devices connected to low-voltage power systems-Requirements and test methods |
| SLS 566:2013 | Sri Lanka Standard for Double capped fluorescent lamps-  
Part 1 - Safety requirements  
Part 2 - Performance requirements |
| SLS 12004:2013 | Nanotechnologies Generation of metal nanoparticles for inhalation toxicity testing using the evaporation method. |
| SLS 12005:2013 | Nanotechnologies Generation of metal nanoparticles for inhalation exposure chambers or inhalation toxicity testing. |
| SLS 12009:2013 | Nanomaterials Preparation of material safety data sheet (MSDS). |
| SLS 12007:2013 | Nanotechnologies Occupational risk management applied to engineered nanomaterial -  
| SLS 12008:2013 | Nanotechnologies Guidance on physico-chemical characterization of engineered nano scale materials for assessment. |
| SLS ISO 10545-1:2013 | Sri Lanka Standard Specification for Ceramic Tiles -  
Part 1: Sampling and Basis for Acceptance |
| SLS ISO 10545-2:2013 | Sri Lanka Standard Specification for Ceramic Tiles -  
Part 2: Determination of Dimensions and Surface Quality |
| SLS ISO 10545-3:2013 | Sri Lanka Standard Specification for Ceramic Tiles -  
Part 3: Determination of Water Absorption, Apparent Porosity, Apparent Relative Density and Bulk Density |
| SLS ISO 10545-4:2013 | Sri Lanka Standard Specification for Ceramic Tiles -  
Part 4: Determination of Modulus of Rupture and Breaking Strength |
| SLS ISO 10545-5:2013 | Sri Lanka Standard Specification for Ceramic Tiles -  
Part 5: Determination of Impact Resistance by Measurement of Coefficient of Restitution |
| SLS ISO 10545-6:2013 | Sri Lanka Standard Specification for Ceramic Tiles -  
Part 6: Determination of Resistance to Deep Abrasion for Unglazed Tiles |
| SLS ISO 10545-7:2013 | Sri Lanka Standard Specification for Ceramic Tiles -  
Part 7: Determination of Resistance to Surface Abrasion for Glazed Tiles |
| SLS ISO 10545-8:2013 | Sri Lanka Standard Specification for Ceramic Tiles -  
Part 8: Determination of Linear Thermal Expansion |
| SLS ISO 10545-9:2013 | Sri Lanka Standard Specification for Ceramic Tiles -  
Part 9: Determination of Resistance to Thermal Shock |
| SLS ISO 10545-10:2013 | Sri Lanka Standard Specification for Ceramic Tiles -  
Part 10: Determination of Moisture Expansion |
| SLS ISO 10545-11:2013 | Sri Lanka Standard Specification for Ceramic Tiles -  
Part 11: Determination of Crazing Resistance for Glazed Tiles |
## SLS No. Title

<table>
<thead>
<tr>
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<th>Title</th>
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### Amendment

<table>
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<tr>
<td>AMD No. 439 : 2013</td>
<td>Amendment No.02 to SLS 452 : 1979 Sri Lanka Standard Specification for Concrete Non Pressure Pipes</td>
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<td>AMD No. 441 : 2013</td>
<td>Amendment No.01 to SLS 589 : 1982 Sri Lanka Standard Specification for Baby Cologne</td>
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<td>AMD No. 443 : 2013</td>
<td>Amendment No. 01 to SLS 835 : 2010 Sri Lanka Standard Specification for Polyethylene Garbage Bags (First Revision)</td>
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<td>AMD No. 444 : 2013</td>
<td>Amendment No.02 to SLS 539 : 2010 Sri Lanka Standard Specification for Enamel paints (First Revision)</td>
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<td>AMD No. 446 : 2013</td>
<td>Amendment No.01 to SLS 34 : 2009 Sri Lanka Standard Specification for Toilet Soap (Second Revision)</td>
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<td>AMD No. 447 : 2013</td>
<td>Amendment No.01 to SLS 1142 : 2009 Sri Lanka Standard Specification for Liquid Toilet Soap (First Revision)</td>
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<td>AMD No. 448 : 2013</td>
<td>Amendment No.01 to SLS 687 : 1985 Sri Lanka Standard Specification for Synthetic Organic Liquid Detergents for Household Use</td>
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Amendment

AMD No. 450 : 2013 - Amendment No.01 to SLS 1316 : 2007
Sri Lanka Standard Code for Good Manufacturing Practices (GMP) for Cosmetics Industry

AMD No. 451 : 2013 - Amendment No.01 to SLS 1379 : 2009
Sri Lanka Standard Specification for Good Manufacturing Practices (GMP) for Cosmetics

AMD No. 452 : 2013 - Amendment No.01 to SLS 1348 : 2008
Sri Lanka Standard Specification for Good Manufacturing Practices (GMP) for Cleansing Materials

AMD No. 453 : 2013 - Amendment No.01 to SLS 1335 : 2008
Sri Lanka Standard Specification for Polyurethane Foam Mattresses and Cushions

AMD No. 454 : 2013 - Amendment No.01 to SLS 453: 2001
Sri Lanka Standard Specification for Mosquito Coils (Second Revision)

AMD No. 455 : 2013 Amendment No.05 to SLS 275 : 2006
Sri Lanka Standard Specification for Mosquito Mats (First Revision)

AMD No. 456 : 2013 - Amendment No.05 to SLS 275 : 2006
Sri Lanka Standard Specification for Toothpaste (Second Revision)

AMD No. 457 : 2013 Amendment No.02 to SLS 798 : 2008
Sri Lanka Standard Specification for Toilet Paper (First Revision)

AMD No. 458 : 2013 Amendment No.02 to SLS 1068 : 1995
Sri Lanka Standard Specification for Multiwall Paper Sacks for Packaging of Tea

AMD No. 459 : 2013 Amendment No. 01 to SLS 852 : 1989

AMD No. 460 : 2013 Amendment No. 01 to SLS 102: 2008
Sri Lanka Standard Rules for Rounding off Numerical Values (First Revision)

Withdrawals


SLS 235 : 1999 Sri Lanka Standard Specification for Paper and Paper board - Untrimmed sizes designation and tolerances for primary and supplementary ranges, and indication of machine direction (First Revision)


Supersedings


FOREIGN TRAINING 2013

Mr. K.B.A. Perera  
Asst. Director
Familiarization / Training session on Lightning Protection & Surge Protective Devices Germany  
2013.01.14 to 2013.01.19

Mr. H.S.W. Karunaratne  
Asst. Director

Mr. Sirikumar  
Asst. Director
ISO Sustainability Criteria for BIO Energy, Standard Pre-Seminar and ISO Technical Committee Australia  
2013.01.17 to 2013.01.18

Ms. G.C. Meewaddana  
Technical Officer

Ms. R.J.K.J. Seneviratna  
Sampling Officer/Tech Asst.

Mr. K.W.J.U. Dhammasena  
Sampling Officer/Tech Asst.

Mr. W.V.H.P. Perera  
Sampling Officer/Tech Asst.

Mr. N.J.C. De Silva  
Sampling Officer/Tech Asst.

Ms. S.C. De Alwis  
Sampling Officer/Tech Asst.

Mr. G.H.U. Saman  
Sampling Officer/Tech Asst.

Ms. S.C. De Alwis  
Sampling Officer/Tech Asst.

Mr. J.M.T. Palitha  
Sampling Officer/Tech Asst.

Ms. R.A.V. Nandani  
Asst. Director

Ms. M.D.R. Kumuduni  
Asst. Director

Ms. T.N. Yasarathne  
Asst. Director
Sub (1) Regional Meeting on IRDC (Canada) Project ‘Nanotechnology in South Asia Building Capabilities and PINSAIT IDRC (Canada) International Seminar on Nanotechnology and Stakeholders Islamabad Pakistan  
2013.01.28 to 2013.01.29

Mr. T.G.G. Dharmawardena  
Director System Certification  
ISO/TC176/SC2WG24 Plenary Meeting Brazil  
2013.03.04 to 2013.03.08

Dr. L.N. Senaweera  
Director General
DEVCO Chair’s Advisory Group (DEVCO CAG) Geneva, Switzerland  
2013.03.25 to 2013.03.26

Mr. A. Udukulawatte  
Technical Officer
Training on “Testing of Tensile Properties of Metallic Materials” of the Technical Personnel in the Materials Testing Laboratory Spectro Analytical Labs Ltd New Delhi, India  
2013.02.25 to 2013.03.02

Mr. R. Lalith Ramanayake  
Technical Asst.

Mr. H. Nimal Ratna  
Technical Asst.

Mr. V.H.P.S.V.K. Pathirana  
Technical Asst.

Mr. S.A.S. Chandrasiri  
Technical Asst.
Training on “Testing of Tensile Properties of Metallic Materials” of the Technical Personnel in the Materials Testing Laboratory Spectro Analytical Labs Ltd New Delhi, India  
2013.04.22 to 2013.04.26

Ms. S. Udakara  
Senior Deputy Director

Mr. P.W. Wanigasinghe  
Deputy Director
Training Programme on Sampling Techniques Organized by the Bureau of Indian Standard (BIC) India  
2013.01.07 to 2013.01.11

Mr. A.G.K. Nishantha  
Asst. Director

Mr. Ranjith Angunawala  
Technical Officer

Mr. M.D. Premarathne  
Technical Asst.

Mr. H.I. Ananda Wimalasiri  
Technical Asst.

Ms. N.K.A. Lakmini  
Asst. Director
VLIR/VOS Scholarships for Master of Training Programmes in Food Safety Quality Assurance and Risk Analysis Belgium  
2013.09.09 to 2013.12.18

Mr. A.G.K. Nishantha  
Asst. Director
Training Programme on IEC61008-1 (SLS 1099-1:2011) Residual Current Operated Circuit Breakers (RCCB) - SIRIM QAS International Sdn Malaysia  
2013.04.22 to 2013.04.26

Mr. A.G.K. Nishantha  
Asst. Director

Mr. Ranjith Angunawala  
Technical Officer

Mr. M.D. Premarathne  
Technical Asst.

Mr. H.I. Ananda Wimalasiri  
Technical Asst.

Dr. L.N. Senaweera  
Director General
ISO Forum for Chief Executive Officer (CEOS) of National Standards Bodies (NSBS) in Asia  
2013.04.06/07 Malaysia  
2013.04.06 to 2013.04.07
FOREIGN TRAINING 2013

Dr. Ms. Talgaswatte
Deputy Director General

Mr. P.W.K. Tissera
Deputy Director

Ms. N. Satharasinghe
Director (Product Certificate)

Ms. K.A.N. Ekanayake
Deputy Director

Mr. W.B. Meewaddana
Deputy Director General

The 15th Plenary Meeting of ISO/TC223
Societal Security - Netherlands
2013.05.27 to 2013.05.31

Ms. A.C Thennakoon
Senior Deputy Director

7th Special Meeting on Procedures for
International Exchange WTO Committee on
Technical Barriers to Trade - Geneva
2013.06.18 to 2013.06.19

Mr. K.S. Abeygunawardana
Senior Deputy Director

3rd Meeting of Sectoral Technical Committee (STC) on Building Materials
SAARC Secretariat
Katmandu
2013.06.04 to 2013.06.05

Mr. G.H. Asoka
Asst. Director

Calibration of Reference Standard Thermometers
India
2013.05.20 to 2013.05.21

Mr. A. Ekanayake
Director (Standard)

Regional Workshop on Increasing Consensus and Stakeholder Engagement
Indonesia
2013.06.03 to 2013.06.05

Mr. T.S. Amarawansa
Director (Laboratory Services)

Inspection visit abroad Dubai and India
M/S GEOCHEM International
Independent Inspection and Testing Company
Dubai and India
2013.06.17 to 2013.06.22

Mr. R.G. Perera
Director (Metrology)

Special Training Programme Calibration Furnace
M/S Fluke South East Asia (Pvt) Ltd
Singapore
2013.07.09

Ms. M.W.D.T.N. Marasinghe
Asst. Director

UTZ Certified Face to Face Training for Certificate Bodies
Netherlands
2013.07.16 to 2013.07.17

Dr. L.N. Senaweera
Director General

Dr. D.M.D.O.K. Disanayake
Chairman

Ms. P.L.A.P. Perera
Asst. Director

2nd Meeting of Sectoral Technical Committee (STC) on Jute, Textiles and Leather SAARC Secretariat - Bangladesh
2013.04.17 to 2013.04.18

Training Programme on Thailand Food and Nutrition Security
Thailand
2013.05.13 to 2013.05.24

Mr. A. Ekanayake
Director

2nd Meeting of Sectoral Technical Committee (STC) on Building Materials
SAARC Secretariat
Katmandu
2013.06.04 to 2013.06.05

Ms. K.W.D. Susila De Silva
Asst. Director

29th Meeting of ISO/TC 147 Water Quality
Germany
2013.10.21 to 2013.10.26

Mr. T.S. Amarawansa
Director

47th Meeting of the ISO Committee on Developing Country Matters (DEVCO)
16 - 17 Sep. 2013 and ISO General Assembly
18 - 20 Sep. 2013
Russian, Federation
2013.09.16 to 2013.09.20

Ms. P.L.A.P. Perera
Asst. Director

29th Meeting of ISO/TC 147 Water Quality
Germany
2013.10.21 to 2013.10.26

Mr. A. Ekanayake
Director

ISO/TC 164 “Mechanical Testing of Metals”
Netherlands
2013.09.16 to 2013.09.20

Mr. A. Ekanayake
Director (Training)

ISO/TC 164 “Mechanical Testing of Metals”
Netherlands
2013.09.16 to 2013.09.20
Ms. S.U. Narangoda  
Director (System Certification)  

Mr. K.J. Sirikumar  
Asst. Director  

Ms. T.N. Yasarathne  
Asst. Director  
Water Foot Printing Training Workshop and Indian Life  
Cycle Assessment and Management Conference  
India  
2013.09.24 to 2013.09.27  

Mr. T.G.G. Dharmawardena  
Director  
ISO/TC 176 Plenary Meeting  
Portugal  
2013.11.02 to 2013.11.09  

Ms. T.S. Senarathne  
Senior Deputy Director  
ISO/TC 217 Cosmetics Plenary Meeting  
Thailand  
2013.11.04 to 2013.11.08  

Meeting within the SIS and Partners  
Programme “Trade Promotion through Standardization”  
Sweden  
2013.09.23 to 2013.10.04  

Ms. A.C. Thennakoon  
Senior Deputy Director  

Mr. B.D. Ariyaratne  
Director  
(Marketing and Promotion)  

Ms. S.U. Narangoda  
Director (System Certification)  

Ms. W.M.V. Tennakoon  
Senior Deputy Director  
GI2 - Study Visit to Thailand on Food & Beverage Industry  
& Export and Conference on Food Safety  
Thailand  
2013.11.25 to 2013.12.04  

ISO e services for  
HBUAs Training Course  
Singapore  
2013.11.26 to  
2013.11.29  

ISO Risk Management Programme Pilot  
Singapore  
2013.11.11 to 2013.11.13  


FOREIGN TRAINING 2013

Sri Lanka Standards Institution ANNUAL REPORT - 2013
Mr. B.P.S. Prasanna Welagedara  
Management Asst.  
Familiarize with Stores and Supplies Procedures  
National Institute of Business Management  
2013.01.11,18,25 and 2013.02.01,08

Mr. M.S. De Costa  
Asst. Director

Mr. H.S.W. Karunaratne  
Asst. Director

Mr. W.D.S. Abeywickrama  
Handyman

Mr. K.G.K. Kumarayanayake  
Handyman

Mr. J.K. Gunasekara  
Handyman

Mr. M.R.R. Kumarasiri  
Handyman

Mr. M.R. Ghani  
Director (Finance)

Mr. W.G.M.S. Perera  
Senior Deputy Director

Ms. J.R.D. Mayuri Sajeewani  
Asst. Director

Ms. M.D.R. Kumudini  
Asst. Director

Ms. N. Ekanayake  
Asst. Director

Ms. C. Stainwall  
Admin Officer

Ms. K.K.A. Kularatne  
Deputy Director

Ms. R.A.D. Rupasinghe  
Senior Deputy Director

Ms. N. Ekanayake  
Deputy Director

Ms. A.K. Suraweera  
Senior Deputy Director

Mr. N.G.L. Anura Premashantha  
Deputy Director

Advanced Welding Technology  
Institute of Industrial Techno-Management (Pvt) Ltd  
2013.06.27 to 2013.06.28

Training at Institute of Industrial Techno-Management (Pvt) Ltd  
Electrical Installation & Maintenance  
LLAPEC International (Pvt) Ltd  
2013.02.20

Theme Seminar - Role of Chemistry in Sustainable Agriculture  
Institute of Chemistry Ceylon  
2013.06.20

Awareness Programmes I  
Chartered Institute of Public Finance and Accountancy  
(CIPFA) London on Sri Lanka Public  
2013.06.11

Familiarize with Stores and Supplies Procedures  
National Institute of Business Management  
2013.01.11,18,25 and 2013.02.01,08

Design and Installation of Lightning Protection Net Work  
LLAPEC International (Pvt) Ltd  
2013.02.20

International Conference on Waste Management - Towards Waste free Sri Lanka  
Ministry of Environment and Renewable Energy Geocycle, Holcim (Lanka) Ltd  
2013.03.15

Gas Welding and Cutting with Practical for Welding Technicians and Supervisors in Industry  
Institute of Industrial Techno-Management (Pvt) Ltd  
2013.06.06 to 2013.06.07

Technical Seminar on Measurement Traceability and Calibration in Laboratory Testing  
Sri Lanka Accreditation Board  
2013.06.27
Ms. K.B.K. Sanjeewa
Asst. Director

Mr. K.C.R.K. Lokugeeganage
Asst. Director

Mr. L.W. Gunawardene
Asst. Director

Ms. D.B.M. Rajasinghe
Deputy Director (Finance)
Seminar on Sri Lanka Financial Reporting (IFF)
Institute of PRAG Sri Lanka
2013.06.26

Mr. Sunil Shantha
Handyman
Maintenance of Water Pump & Compressors
Cetrac Construction Equipment Training Centre
2013.09.03

Mr. K.G.K. Kumaranayake
Handyman
LED Industrial Development Board of Ceylon
2013.10.04 to 2013.10.05

Mr. T.G.G. Dharmawardene
Senior Deputy Director
Mr. T. Uthayakumar
Senior Deputy Director

Ms. H.G.S. Sooriyarachchi
Senior Deputy Director

Ms. K.K.A. Kularatne
Deputy Director

Ms. N. Ekanayake
Deputy Director

Ms. A.K. Suraweera
Deputy Director

Ms. A.S. Dewage
Senior Deputy Director

Ms. A.S. Dewage
Senior Deputy Director

Mr. K.B.K. Sanjeeva
Asst. Director

Ms. M.G.D. Rodrigo
Asst. Director

Dr. D.M.D.O.K. Dissanayake
Chairman

Dr. L.N. Senaweera
Director General

Mr. T.G.G. Dharmawardene
Director (Product Certificate)

Ms. M.D.B. Neelakanthie
Senior Deputy Director

Mr. M.S.S. Fernando
Senior Deputy Director

Mr. K. Abegunawardene
Senior Deputy Director

Mr. T. Uthayakumar
Senior Deputy Director

Mr. D.P. Kandage
Senior Deputy Director

Ms. K.P.A.S. Perera
Asst. Director

Workshop on Training of Trainers (TOT) Programme
Sri Lanka Standards Institution
2013.08.29 to 2013.08.30

Seminar on Rejuvenating Chemical Industry in Sri Lanka - Institute of Chemistry
2013.08.29

Out Word Bound Workshop
Ministry of Technology and Research
2013.09.27 to 2013.09.29

Workshop on Training of Trainers (TOT) Programme
Sri Lanka Standards Institution
2013.08.29 to 2013.08.30

Technical Seminar on Measurement Traceability and Calibration in Laboratory Testing Sri Lanka Accreditation Board 2013.06.27

Technical Seminar on Measurement Traceability and Calibration in Laboratory Testing Sri Lanka Accreditation Board 2013.06.27

Masters Degree in Human Resources Management - University of Colombo 2013/2014

ISO 50001 IRCA Certificated Lead Auditor Programme Sri Lanka Standards Institution 2013.09.23 to 2013.09.27
Ms. B.J. Perera  
Technical Officer

Ms. D.C.W Abeyawardena  
Asst. Director

Ms. G. Meewadanna  
Technical Officer

Mr. J.M.J. Palitha  
Technical Assistant

Mr. Udaya Saman  
Technical Assistant

Mr. L.W. Gunawardene  
Deputy Director

Mr. N.J.C. De Silva  
Technical Assistant

Ms. Nimal Kanthi  
Technical Assistant

Ms. P.T. Sandanayake  
Asst. Director

Mr. J. Upashantha  
Technical Assistant

Mr. S.D. Hettiarachchi  
Technical Assistant

Ms. I.G. Anoma Chandanie  
Technical Assistant

Mr. P.A. Withanage  
Technical Assistant

Ms. P. Abeyrathna  
Technical Assistant

Ms. B.S.P. Perera  
Senior Deputy Director

Mr. Rasika Waduge  
Asst. Director

Ms. Asanka Jayasuriya  
Asst. Director

Ms. B.S.P. Perera  
Senior Deputy Director

Ms. M.I.S. Jayasekera  
Senior Deputy Director

Ms. M.V. Thennakoon  
Senior Deputy Director

Ms. T.Y. Wijesooriya  
Deputy Director

Mr. S.C.K. Konara  
Asst. Director

Mr. M.S.S. Fernando  
Senior Deputy Director

Ms. K. Suraweera  
Senior Deputy Director

Mr. R.V.K. Karawita  
Asst. Director

Mr. W.V.H.P. Perera  
Technical Assistant

Mr. J.M.J. Palitha  
Technical Assistant

Mr. G.H. Udaya Saman  
Technical Assistant

Mr. W.J.C. De Silva  
Technical Assistant

Mrs. B.J. Perera  
Technical Officer

Mrs. P.A. Withanage  
Technical Assistant

Mr. W.P.A. Pathirana  
Technical Assistant

Mr. K.W.J. Upasanthiya  
Technical Assistant

Mr. S.D. Hettiarachchi  
Technical Assistant

Mr. U.L.A. Majeed  
Asst. Director

Mr. S.W. Niwanthana Sanjik  
KKS

Mr. B.W. Pium Kularathne  
KKS

Ms. T.A.E.I. Siriwardhana  
Asst. Director

Mr. K.P.A.S. Perera  
Asst. Director

Mr. A.P. Kandage  
Deputy Director

Workshop on Lubricants Industry Public Cetilities Commission of Sri Lanka  
2013.11.26

Awareness Programme on Cement Holcim (Lanka) Ltd , Putthalam  
2013.11.09 to 2013.11.10

Awareness Programme on Ceramic Tiles Lanka Tiles  
2013-11-10

Awareness Programme on Ceramic Tiles Lanka Tiles Ranala and Meepe  
2013.10.05

BRC Training Programme Control Union Inspection (Pvt) Ltd  
2013-09-23 to 2013-09-26

Internal Auditing of ISO 22000 and ISO/TS 22002-1 Control Union Inspection (Pvt) Ltd  
2013-09-27 to 2013-09-28

MSc. Postgraduate Diploma in Materials Science University of Moratuwa  
2013/2014

Master of Business Administration (MBA) University of Colombo  
2013/2014
## Staff News 2013

<table>
<thead>
<tr>
<th>Staff as at 2012-12-31</th>
<th>New Recruitments</th>
<th>Resignations</th>
<th>Retirements</th>
<th>Dismissed</th>
<th>Vacation of Post</th>
<th>Termination of Post</th>
<th>Expired</th>
<th>Staff as at 2013-12-31</th>
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<tr>
<td>Executive Staff</td>
<td>121</td>
<td>21</td>
<td>02</td>
<td>07</td>
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<tr>
<td>Non-Executive Staff</td>
<td>186</td>
<td>01</td>
<td>04</td>
<td>04</td>
<td>--</td>
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<td>01</td>
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### New Appointments

<table>
<thead>
<tr>
<th>No</th>
<th>Name</th>
<th>Date of Appointment</th>
<th>Designation</th>
</tr>
</thead>
<tbody>
<tr>
<td>01</td>
<td>Mr K M C B Senarathne</td>
<td>2013-03-18</td>
<td>Director (Administration)</td>
</tr>
<tr>
<td>02</td>
<td>Mr M R Ghani</td>
<td>2013-04-03</td>
<td>Director (Finance)</td>
</tr>
<tr>
<td>03</td>
<td>Miss W R A C M Ranasinghe</td>
<td>2013-04-18</td>
<td>Management Assistant</td>
</tr>
<tr>
<td>04</td>
<td>Mrs D W Dhanusekera</td>
<td>2013-09-02</td>
<td>Assistant Director</td>
</tr>
<tr>
<td>05</td>
<td>Mrs K A D P S Kariyapperuma</td>
<td>2013-09-03</td>
<td>Assistant Director</td>
</tr>
<tr>
<td>06</td>
<td>Mrs M P G N M Palliyaguru</td>
<td>2013-09-04</td>
<td>Assistant Director</td>
</tr>
<tr>
<td>07</td>
<td>Mrs S Wasanthakumar</td>
<td>2013-09-16</td>
<td>Assistant Director</td>
</tr>
<tr>
<td>08</td>
<td>Miss D C H Thirimanna</td>
<td>2013-09-16</td>
<td>Assistant Director</td>
</tr>
<tr>
<td>09</td>
<td>Miss S A N C Silva</td>
<td>2013-09-16</td>
<td>Assistant Director</td>
</tr>
<tr>
<td>10</td>
<td>Mr U L Abdul Majeed</td>
<td>2013-09-23</td>
<td>Assistant Director</td>
</tr>
<tr>
<td>11</td>
<td>Mrs H K C L K Kodippili</td>
<td>2013-10-01</td>
<td>Assistant Director</td>
</tr>
<tr>
<td>12</td>
<td>Mrs A J G M Bogahawatta</td>
<td>2013-10-01</td>
<td>Assistant Director</td>
</tr>
<tr>
<td>13</td>
<td>Mrs M S Liyanage</td>
<td>2013-10-01</td>
<td>Assistant Director</td>
</tr>
<tr>
<td>14</td>
<td>Mrs B A H M Piyasena</td>
<td>2013-10-01</td>
<td>Assistant Director</td>
</tr>
<tr>
<td>15</td>
<td>Mrs G N de Soysa</td>
<td>2013-10-02</td>
<td>Assistant Director</td>
</tr>
<tr>
<td>16</td>
<td>Mrs S V N de Silva</td>
<td>2013-10-03</td>
<td>Assistant Director</td>
</tr>
<tr>
<td>Name</td>
<td>Designation</td>
<td>Date</td>
<td>Reason</td>
</tr>
<tr>
<td>-------------------------------</td>
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<td>-------------</td>
</tr>
<tr>
<td>Mr S Samarasinghe</td>
<td>Accounts Officer</td>
<td>2013-02-03</td>
<td>Retirement</td>
</tr>
<tr>
<td>Mr S K Somapala</td>
<td>Management Assistant</td>
<td>2013-02-13</td>
<td>Retirement</td>
</tr>
<tr>
<td>Mr P Godawela</td>
<td>Karyala Karya Sahayaka</td>
<td>2013-02-19</td>
<td>Retirement</td>
</tr>
<tr>
<td>Mr S N T Ekanayake</td>
<td>Deputy Director</td>
<td>2013-02-01</td>
<td>Resignation</td>
</tr>
<tr>
<td>Mrs T T N Wijethilake</td>
<td>Management Assistant</td>
<td>2013-03-15</td>
<td>Resignation</td>
</tr>
<tr>
<td>Mr D S Peramuna</td>
<td>Accounts Officer</td>
<td>2013-04-03</td>
<td>Retirement</td>
</tr>
<tr>
<td>Mrs P Gunathilake</td>
<td>Management Assistant</td>
<td>2013-04-05</td>
<td>Resignation</td>
</tr>
<tr>
<td>Mr G Gunawardena</td>
<td>Messenger</td>
<td>2013-04-20</td>
<td>Retirement</td>
</tr>
<tr>
<td>Mr M A S Chandrasiri</td>
<td>Senior Deputy Director</td>
<td>2013-04-24</td>
<td>Retirement</td>
</tr>
<tr>
<td>Dr P Talgaswatta</td>
<td>Deputy Director General</td>
<td>2013-06-05</td>
<td>Retirement</td>
</tr>
<tr>
<td>Mr N B Thuisith Rohana</td>
<td>Karyala Karya Sahayaka</td>
<td>2013-08-01</td>
<td>Resignation</td>
</tr>
<tr>
<td>Mr W B Meewaddana</td>
<td>Deputy Director General</td>
<td>2013-08-05</td>
<td>Retirement</td>
</tr>
<tr>
<td>Mr S P Pannila</td>
<td>Senior Deputy Director</td>
<td>2013-08-26</td>
<td>Retirement</td>
</tr>
<tr>
<td>Mrs H P K Pemarathne</td>
<td>Management Assistant</td>
<td>2013-09-05</td>
<td>Resignation</td>
</tr>
<tr>
<td>Mr E D Wimaladasa</td>
<td>Messenger</td>
<td>2013-09-27</td>
<td>Retirement</td>
</tr>
<tr>
<td>Mr U L Indika Maheapala</td>
<td>Assistant Director</td>
<td>2013-09-30</td>
<td>Resignation</td>
</tr>
<tr>
<td>Mr I P Siripala</td>
<td>Karyala Karya Sahayaka</td>
<td>2013-10-13</td>
<td>Expired</td>
</tr>
<tr>
<td>Mr T S Amarawansa</td>
<td>Deputy Director General</td>
<td>2013-11-25</td>
<td>Retirement</td>
</tr>
</tbody>
</table>
## SECTORAL COMMITTEE ON FOOD PRODUCTS - 2013

<table>
<thead>
<tr>
<th>Position</th>
<th>Name</th>
<th>Contact Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chairman</td>
<td>Mr. T. Kandasamy</td>
<td>2/430, Nelson Place, Colombo 06</td>
</tr>
<tr>
<td>Member</td>
<td>Prof. K.B. Palipane</td>
<td>Head/Faculty of Food Science, Sabaragamuwa University of Sri Lanka Belihuloya</td>
</tr>
<tr>
<td>Member</td>
<td>Dr. (Ms) Renuka Jayatissa</td>
<td>Head - Dept. of Nutrition, Medical Research Institute Colombo 08.</td>
</tr>
<tr>
<td>Member</td>
<td>Dr. (Ms.) N. Ediriweera</td>
<td>(Personal Capacity - Former Head/Food Technology Division Industrial Technology Institute) No.34, Wimala Vihara Road Nawala.</td>
</tr>
<tr>
<td>Member</td>
<td>Prof. K. D. S. Ranaweerana</td>
<td>Head - Dept. of Food Science &amp; Technology, University of Sri Jayawardenapura Nuwegoda</td>
</tr>
<tr>
<td>Member</td>
<td>Prof. T. R. M. Liyanarachchi</td>
<td>Govt. Analyst, Govt. Analyst’s Department Torrington Square Colombo 07</td>
</tr>
<tr>
<td>Member</td>
<td>Mr. E. G. Somapala</td>
<td>(Personal Capacity - Former Government Analyst) 93/40, Gemunupura Talawatte, Pannipitiya</td>
</tr>
<tr>
<td>Member</td>
<td>Mr. W. D. L. Gunaratne</td>
<td>Director General, Department of Export Agriculture Peradeniya.</td>
</tr>
<tr>
<td>Member</td>
<td>Ms. M. Mallawarachchi</td>
<td>(Personal Capacity - Former Senior Research Officer, Industrial Technology Institute) 84, 5th Lane, Colombo 03</td>
</tr>
<tr>
<td>Member</td>
<td>Mr. K. Sivarajah</td>
<td>(Personal Capacity - Former Government Analyst) 70/21/2/3, Peterson Lane Colombo 06.</td>
</tr>
<tr>
<td>Member</td>
<td>Dr. A.M. T. Amarakoon</td>
<td>Senior Lecturer, Dept. of Chemistry University of Kelaniya, Kelaniya</td>
</tr>
<tr>
<td>Member</td>
<td>Prof. T. S. G. Fonseka</td>
<td>Head - Dept. of Food Science, Faculty of Livestock, Fisheries and Nutrition University of Wayamba, Makandura Gonawila (NWP)</td>
</tr>
<tr>
<td>Member</td>
<td>Mr. D. A. M. Arsciaratane</td>
<td>Q/A &amp; D Manager Ceylon Cold Stores PLC Samaderagahawatte, anala.</td>
</tr>
</tbody>
</table>

## SECTORAL COMMITTEE ON AGRICULTURE - 2013

<table>
<thead>
<tr>
<th>Position</th>
<th>Name</th>
<th>Contact Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chairman</td>
<td>Dr. Rohan Wijekoon</td>
<td>Director General Department of Agriculture P.O. Box 1 Peradeniya.</td>
</tr>
<tr>
<td>Member</td>
<td>Dr. Chandana Abeysinghe</td>
<td>Senior Lecturer University of Wayamba Makandura Gonawila.</td>
</tr>
<tr>
<td>Member</td>
<td>Dr. Nimal Dissanayake</td>
<td>Additional Secretary Ministry of Agriculture 80/5, Rajamalawatta Road Battaramulla.</td>
</tr>
<tr>
<td>Member</td>
<td>Mr. Jayantha Edirisinghe</td>
<td>Tea Commissioner Sri Lanka Tea Board Galle Road Colombo 03.</td>
</tr>
<tr>
<td>Member</td>
<td>Mr. Waruna Madawana Arachchi</td>
<td>Director CIC Agri Businesses 205, D.R. Wijewardena Mw Colombo 10.</td>
</tr>
<tr>
<td>Member</td>
<td>Mr. Onesh Subasinghe</td>
<td>Managing Director, Opex Holdings (Pvt) Ltd. 127, W A D Ramanayake Mawatha Colombo 10.</td>
</tr>
<tr>
<td>Member</td>
<td>Dr. Lionel Gunaratna</td>
<td>Director General (Export Agriculture) Dept. of Export Agriculture Peradeniya.</td>
</tr>
<tr>
<td>Member</td>
<td>Dr. (Ms.) Aruni Thiskumarana</td>
<td>Registrar (Animal Production and Health) Dept. of Animal Production and Health Getamb Walk Peradeniya.</td>
</tr>
<tr>
<td>Member</td>
<td>Mr. Bandula Thilakasiri</td>
<td>Director General Sri Lanka Samurdi Authority 4th floor, Sethsiripaya, Battaramulla.</td>
</tr>
<tr>
<td>Member</td>
<td>Dr. Hemantha Wijayawardane</td>
<td>Director General, Organic Fertilizer Bureau Ministry of Agriculture 80/5, Rajamalawatta Road Battaramulla.</td>
</tr>
</tbody>
</table>

## SECTORAL COMMITTEE ON SOCIETAL NEEDS - 2013

<table>
<thead>
<tr>
<th>Position</th>
<th>Name</th>
<th>Contact Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chairman</td>
<td>Ms. Yamuna Perera</td>
<td>(Chairperson) Commissioner Child Probation Department 69, S de S Jayasinge Mawatha Kothuval Nugeoda.</td>
</tr>
<tr>
<td>Member</td>
<td>Ms. B. P. Withanage</td>
<td>Director (Education for all) Ministry of Education Isurupaya, Battaramulla.</td>
</tr>
<tr>
<td>Member</td>
<td>Mr. Rohana Ranasinghe</td>
<td>Programme Manager National Child Protection Authority Madiwela, Kotte.</td>
</tr>
<tr>
<td>Member</td>
<td>Dr. Shiromi Maduwage</td>
<td>Consultant Community Physician Youth, Elderly &amp; Disable Unit Ministry of Health Deans Road Colombo 10.</td>
</tr>
<tr>
<td>Member</td>
<td>Mr. S. N. Gunasinghe</td>
<td>Social Service Officer Department of Social Services (Western Province) 229/A, Borella Road Depanama, Pannipitiya.</td>
</tr>
<tr>
<td>Member</td>
<td>Mr. Sugath Sisira Kumara</td>
<td>Commissioner Department of Probation &amp; Childcare Services (WP) 204, Denzil Kobbeekaduwa Mawatha Battaramulla.</td>
</tr>
<tr>
<td>Member</td>
<td>Ms. Sujatha Wijesundara</td>
<td>Director Labour Department Narahenpita.</td>
</tr>
</tbody>
</table>
SECTORAL COMMITTEE ON CHEMICAL & POLYMER TECHNOLOGY

Prof. J N O Fernando (Chairman)  
(Personal Capacity -)  
No.341/2, Kotte Road  
Welikada  
Rajagiriyawewa.

Dr. (Ms.) Dilihara Edirisiri  
Head (Rubber Technology & Development Dept.)  
Rubber Research Institute  
Telewela Road  
Ratmalana.

Prof. M D P de Costa  
Senior Lecturer  
Department of Chemistry  
University of Colombo  
Colombo 3.

Dr Jogath Premachandra  
Senior Lecturer  
Dept. of Chemical Processing Engineering  
University of Moratuwa  
Kutubedde, Moratuwa.

Ms Yoga Milani  
Research Officer  
Industrial Technology Institute  
363, Baudhaloka Mawatha  
Colombo 07.

Mrs Saroji Jayasekara  
Director (Hazardous materials Section)  
Central Environmental Authority  
Parasara Piyasa  
Gen. Densil Kobbedakduwa Mawatha  
Battaramulla.

Mr. L Warakagoda  
Chief Pharmacist  
Cosmetics Devices and Drugs Authority  
120, Norris Canal Road  
Colombo 10.

Prof. Tuley de Silva  
(Personal Capacity)  
University of Sri Jayawardenepura)  
451/75, Thimbirigasyaya Road  
Colombo 05.

Prof. L D Fernando (Chairman)  
(Personal Capacity -)  
No.341/2, Kotte Road  
Welikada  
Rajagiriyawewa.

Mr. V Abeyesinghe (Chairman)  
(Personal Capacity - Former General Manager  
National Paper Company Ltd.)  
No. 5, 2nd Lane  
Jambugasmsulla Lane  
Nugegoda.

Mr. P S W Surendra  
(Personal Capacity - Former Deputy Government Printer  
Department of Government Printing)  
118, Dr Danister De Silva Mawatha  
Colombo 08.

Mr. J Nimalan  
(Personal Capacity - Former Quality Assurance Manager  
National Paper Corporation, Valaichchenai)  
54/2, Ediriweera Avenue  
Dehiwala.

Mr. A B S S Wijethilake  
(Personal Capacity - Former Technical Officer  
Industrial Technology Institute  
Material Section)  
139, Duwa Rd, Badagana, Kotte.

Mr. E Abesirwardana  
District Factory Inspection Engineer  
Department of Labour  
97, Jawatta Rd, Colombo 05.

Mr. Asoka Nanayakkara  
Director of Studies  
Sri Lanka Institute of Printing  
118, Dr Danister De Silva Mawatha  
Colombo 08.

Mr. J M S Jayathilake  
Head- Material Laboratory  
Industrial Technology Institute  
363, Baudhaloka Mawatha,  
Colombo 07.

Mr. S R Indrakeerthi  
Deputy Director  
National Packaging Centre  
Sri Lanka Export Development Board  
12, Nawam Mawatha, Colombo 02.

Mr. Rohan Jayathilake  
Assistant Director  
Packaging Development Sector  
Ministry of Industrial Development  
73/1, Galle Road, Colombo 03.

Mr. Ajith Fernando  
Director  
St. Redis Packaging (Pvt) Ltd  
#33-34, Lanka Industrial Estate  
Sapagaskanda.

Mr. Roshan Ratwatte  
Group Sales Manager  
St. Redis Packaging (Pvt) Ltd  
#33-34, Lanka Industrial Estate,  
Sapagaskanda.

Prof. L D Fernando (Chairman)  
(Personal Capacity - Former Head  
Dept. of Textile & Clothing Technology  
University of Moratuwa)  
279/6, Thalawathugoda Road  
Kotte.

Prof. W A Wimalaweera  
Senior Lecturer  
Department of Textile and Apparel Technology  
Open University of Sri Lanka  
Nawala, Nugegoda.

Dr. (Ms.) Nirmali De Silva  
Senior Lecturer  
Department of Textile and Clothing Technology  
University of Moratuwa  
Moratuwa.

Dr. W D G Lanarolle  
Senior Lecturer  
Department of Textile and Clothing Technology  
University of Moratuwa  
Moratuwa.

Mr. S N Niles  
Senior Lecturer  
Department of Textile and Clothing Technology  
University of Moratuwa  
Moratuwa.

Dr. P Ovitigala  
(Personal Capacity - Former Academic Consultant  
Open University of Sri Lanka)  
No:63/5, 5th lane  
Edirisiri Road  
Mirihana  
Nugegoda.

Mr. J T S Motha  
(Personal Capacity -Former Head  
Material Technology  
Industrial Technology Institute)  
No.79/2, Hathodhiya Road  
Kalubowila, Dehiwala.

Mr. D N S Kuruppuumullage  
Director General  
Sri Lanka Institute of Textile and Apparel  
Kandawala Estate No:02  
Sir John Kothalawala Road  
Rathmalana.

Mr. J L Daya de Silva  
(Personal Capacity - Former Laboratory Manager - Bata Shoe Company)  
No.165, “Swarnagiri”  
Galahitiyawa, Ganemulla.

Mr. R H Tennakoon  
(Personal Capacity - Former Director  
Sri Lanka Institute of Textile & Apparel)  
49/11, “Senani” Borella Road  
Dapanama, Pannipitiya.

.Mr. Rathnapala Wijesinghe  
(Personal Capacity - Former Footwear Technologist  
Ceylon Leather Products Corporation)  
2/3, Kothalawala Mawatha  
Imbulgoda.
SECTORAL COMMITTEE ON ELECTRIC CABLES AND CONDUCTORS

Mr. D L Taldena (Chairman)
No. 05, Grenier Road
Borella
Colombo 08.

Prof. J R Lucas
Electrical Engineering Department
University of Moratuwa
Moratuwa

Mr. G N A Senerath Yapa
53, Jambugasmulla Mw
Nugegoda.

Mr. A D T Gunasekara
Chief Engineer (Electrical)
Sri Lanka Ports Authority
No. 45, Leyden Bastian Road
Colombo 01.

Mr. B Bernard Perera
Senior Lecturer
Electrical Engineering Dept.
University of Moratuwa
Moratuwa.

Mr. Q S A Seimon
Factory Manager
ACL Cables Ltd.
Battakettara
Piliyandala.

Mr. Saman Perera
Orient Electric Systems (Pvt) Ltd.
No. 34, Old Road
Navinna, Maharagama.

Mr. W PK Priyadarshana
39/1/A
Galwarusa Road
Koratota
Kaduwela

Mrs N Thewarapperuma
DGM
CECB
415, Baudaloka Mawatha
Colombo 07

SECTORAL COMMITTEE ON MATERIALS, MECHANICAL SYSTEMS AND MANUFACTURING ENGINEERING

Mr. A N P Wickramasuriya (Chairman)
Director/CEO
Central Industries Ltd.,
312, Nawala Road,
Rajagiriya.

Mr. D L D K Wijewardena
125/67, Peterson Lane
Colombo 06.

Mr. N N R Fernando
Senior Manager Technical Services
Petroleum Refinery
P.O. Box 11
Kelaniya

Mr. J M Ranasinghe Banda
No. 14, Uyankelle Road
Panadura

Dr P A B A R Perera
Senior Lecturer
Department of Mechanical Eng.
University of Moratuwa
Moratuwa

Mr. W I C D R Fernando
Deputy Commissioner of Labour
Department of Labour
97, Jawatta Road
Narahrenpita.

Mr. Nihal Cooray
63, Vihara Mw
Kolonnawa.

Dr. M V Mendis
83/6, 1st Lane
Nedimala
Pepiliyana Road
Dehiwala

Mr. D N J Ferdinando
9/10 Darmavathana Avenue
Moratuwa.

Mr. J M L M Peiris
Mahaiunupitiya
Negombo

Dr T A Piyasiri
Senior Lecturer
Dept. of Mechanical Engineering
University of Moratuwa

Mr. V S C Weragoda
Senior Lecturer
Dept. of Materials Engineering
University of Moratuwa

SECTORAL COMMITTEE ELECTRONICS ENGINEERING

Eng Dharmasiri de Alwis
Director (Project) TRCSL’
276 Elvitigala Mawatha
Colombo 08

Dr C Mahesh Edirisinghe
No. 155 Salawa Road
Udagamulla
Nugegoda

Mr K P W A Indika
Telecom training Centre
Moratuwa

Dr A Pasqual
Head of Electronic Engineer
Electronic & Telecommunication
University of Moratuwa

Mrs J Dewasurendra
90/1/24 Ragama Road
Kadawatha

Mr. Rohan Perera
DDG (Eng)
Sri Lanka Ruvahuniya Corporation
Independence Square
Colombo 07

Mrs Janak Athuraliya
Arther C Clarke Institute
Katubedda
Moratuwa

Mr D R Pulleperuma
NERD Centre Sri Lanka
Industrial Estate
Ekala Jaela

Mr G B Wimalaratne
No. 1½
Nywala Road
Petuniyagoda, Gampaha
SECTORAL COMMITTEE ON ELECTRICAL APPLIANCES AND ACCESSORIES

Mr A J M Victoria (Chairman)
No 155/14 Castle Street
Colombo 08

Mr H A De Silva
No 281/10
Atidiya Road
Dehiwala

Mrs J Dewasurendra
90/24 Ragama Road
Kadawatha

Mr Bernard B Perera
Senior Lecturer
Department of Electrical Engineering
University of Moratuwa'
Moratuwa

Mr. A D T Gunasekera
Chief Engineer (Electrical)
Sri Lanka Ports Authority
No. 45, Leyden Bastian Rd
Colombo 01.

Mr. G B Wimalaratne
No. 11/2, Nywala Road
Petiyagoda
Gamphsa

Mr. H P N J Gunasekera
Head, Calibration & Measurement Unit
Industrial Technology Institute
363 Baudhaloka Mw.,
Colombo 07.

Mr. G M Prasanna
Deputy Chief Mech. Engineer (Electrical)
Chief Mechanical Engineer's Office
Sri Lanka Railways
Ratmalana.

Mrs K Ediriweera
Additional Director (Technical Operation) Arther C Clark Institution
for Modern Tec
Katubedda,
Moratuwa

Mr S R Munasinghe
Electrical Eng
13/3 Ethne Estate
Warapalane
Uduthuthhiripitiya
Gampaha

SECTORAL COMMITTEE ON BUILDING AND CONSTRUCTION MATERIALS

Prof. S R de S Chandrakeerthy
(Chairman)
Dept. of Civil Engineering
University of Moratuwa
Moratuwa.

Mr. K L S Sahabandu
General Manager
Central Engineering Consultancy Bureau
415, Baudhaloka Mw
Colombo 07.

Mr S Amarasekara
Director (Development)
ICTAD
123, Wjerama Road
Colombo 07

Mr Sarath Jayathilake
Head/Technical Manager
Material Laboratory
ITI, 363, Baudhaloka Mw
Colombo 07.

Prof. S M A Nanayakkara
Snr. Lecturer
University of Moratuwa
Moratuwa

Mr. N B M Ranatunga
No. 11/1
Diyawannawa Road
Etulkotte.
(former DG NBRO)

Mr. H Abeysirigunawardena
393/8
Old Kesbewa Road
Udahamulla
Nugegoda.

Mr. W R Meemanage
Executive (Pricing)
Consumer Affairs Authority
PO Box 1581
Colombo 02

Dr (Mrs) H L D M A Judith
Deputy Director (Research & Development)
Road Development Authority
Ratmalana

Mr N M A Matheen
CE(Sewarage)
National Water Supply & DB
26/2 Atidiya Road
Ratmalana
## SRI LANKA STANDARDS INSTITUTION

### STATEMENT OF FINANCIAL POSITION

**AS AT 31ST DECEMBER 2013**

<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td><strong>Non Current Assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property, Plant and Equipment</td>
<td>251,456,341.70</td>
<td>239,633,273.62</td>
<td>252,831,589.51</td>
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<tr>
<td>Other Financial Assets</td>
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<tr>
<td>Staff Loans 04.A</td>
<td>13,930,105.33</td>
<td>14,871,603.00</td>
<td>14,515,669.20</td>
</tr>
<tr>
<td>Fabrication of Lab Testing Equipment</td>
<td>-</td>
<td>115,253.25</td>
<td>115,253.25</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>265,386,447.03</td>
<td>254,620,131.87</td>
<td>267,462,511.96</td>
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<tr>
<td><strong>Current Assets</strong></td>
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<td></td>
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<tr>
<td>Inventories 05</td>
<td>15,428,187.41</td>
<td>13,548,524.54</td>
<td>12,717,436.43</td>
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<tr>
<td>Other Financial Assets</td>
<td></td>
<td></td>
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<tr>
<td>Staff Loans 04.B</td>
<td>14,836,057.80</td>
<td>13,997,103.13</td>
<td>13,751,626.93</td>
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<tr>
<td>Investments 06</td>
<td>335,000,000.00</td>
<td>250,000,000.00</td>
<td>80,000,000.00</td>
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<tr>
<td>Security Deposits</td>
<td>45,262.72</td>
<td>54,329.30</td>
<td>51,828.38</td>
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<tr>
<td>Trade &amp; Other Receivables 07</td>
<td>48,547,945.43</td>
<td>54,644,930.95</td>
<td>37,542,205.33</td>
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<td>Prepayments</td>
<td>3,589,441.93</td>
<td>2,887,355.05</td>
<td>2,109,521.64</td>
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<tr>
<td>Cash &amp; Cash Equivalents</td>
<td>29,983,914.72</td>
<td>49,164,785.76</td>
<td>177,186,052.25</td>
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<tr>
<td><strong>Total</strong></td>
<td>447,430,810.01</td>
<td>384,297,228.73</td>
<td>323,358,670.96</td>
</tr>
</tbody>
</table>

**Total Assets**

| 712,817,257.04 | 638,917,360.60 | 590,821,182.92 |

### FUNDS, RESERVES & LIABILITIES

#### Funds & Reserves

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>Accumulated Fund</td>
<td>142,574,417.86</td>
<td>142,574,417.86</td>
<td>142,574,417.86</td>
</tr>
<tr>
<td>Donations</td>
<td>302,035,419.00</td>
<td>302,035,419.00</td>
<td>300,799,377.13</td>
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<tr>
<td>Other Reserves</td>
<td>(13,019,230.00)</td>
<td>(5,565,699.00)</td>
<td>-</td>
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<tr>
<td><strong>Total</strong></td>
<td>431,590,606.86</td>
<td>439,044,137.86</td>
<td>443,373,794.99</td>
</tr>
</tbody>
</table>

#### Accumulated Profit / (Loss)

| 32,426,386.77 | (64,325,163.72) | (132,674,960.37) |

| 464,016,993.63 | 374,718,974.14 | 310,698,834.62 |

### Non-Current Liabilities

<table>
<thead>
<tr>
<th></th>
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<tbody>
<tr>
<td>Deferred Income 08</td>
<td>142,363,883.80</td>
<td>170,041,508.80</td>
<td>198,249,248.80</td>
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<tr>
<td>Fines Fund 09</td>
<td>-</td>
<td>-</td>
<td>51,640.38</td>
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<tr>
<td>Employee Benefits</td>
<td>74,320,113.25</td>
<td>66,239,796.00</td>
<td>55,517,681.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>216,683,997.05</td>
<td>236,281,304.80</td>
<td>253,818,570.18</td>
</tr>
</tbody>
</table>

### Current Liabilities

| Payables 10 | 19,903,596.56 | 16,587,328.08 | 13,995,745.85 |
| Accrued Expenses | 12,212,669.80 | 11,329,753.58 | 12,308,032.27 |
| **Total**    | 32,116,266.36 | 27,917,081.66 | 26,303,778.12 |

**Total Funds, Reserves & Liabilities**

| 712,817,257.04 | 638,917,360.60 | 590,821,182.92 |
SRI LANKA STANDARDS INSTITUTION

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31ST DECEMBER 2013

<table>
<thead>
<tr>
<th>Note</th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>OPERATING INCOME</td>
<td></td>
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</tr>
<tr>
<td>Revenue</td>
<td>11</td>
<td>478,897,236.68</td>
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<tr>
<td>Less: Release of Surplus Funds</td>
<td>-</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>478,897,236.68</td>
</tr>
<tr>
<td>OPERATING EXPENSES</td>
<td></td>
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</tr>
<tr>
<td>Personnel Cost</td>
<td>12</td>
<td>212,799,415.06</td>
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<tr>
<td>Travelling</td>
<td>13</td>
<td>14,497,315.83</td>
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<tr>
<td>Supplies &amp; Consumables</td>
<td>14</td>
<td>26,238,834.33</td>
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<tr>
<td>Maintenance</td>
<td>15</td>
<td>22,519,096.49</td>
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<tr>
<td>Contractual Services</td>
<td>16</td>
<td>35,171,547.04</td>
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<tr>
<td>Depreciation</td>
<td>17</td>
<td>39,381,372.64</td>
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<tr>
<td>Other Operating Expenses</td>
<td>18</td>
<td>85,880,630.26</td>
</tr>
<tr>
<td>Total Operating Expenses</td>
<td></td>
<td>436,488,211.65</td>
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<tr>
<td>Surplus from Operating Activities</td>
<td></td>
<td>42,409,025.03</td>
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<tr>
<td>Net Financial Income / (Expense)</td>
<td>19</td>
<td>26,478,862.15</td>
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<tr>
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<td>68,887,887.18</td>
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<tr>
<td>NON OPERATING INCOME</td>
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<tr>
<td>Deferred Income</td>
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<td>27,677,625.00</td>
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<td>Loss on Disposal of PPE</td>
<td>20</td>
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<tr>
<td>Royalties-National Electro Technical Committee of SL</td>
<td></td>
<td>186,038.31</td>
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<tr>
<td>Net Surplus for the Period</td>
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<td>96,751,550.49</td>
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<tr>
<td>OTHER COMPREHENSIVE INCOME FOR THE YEAR</td>
<td></td>
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<tr>
<td>Defined benefit plan actuarial Gains/ (Losses)</td>
<td></td>
<td>(7,453,531.00)</td>
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<tr>
<td>Total Other Comprehensive Income for the year</td>
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<td>(7,453,531.00)</td>
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<tr>
<td>Total Comprehensive Income for the year</td>
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<td>89,298,019.49</td>
</tr>
</tbody>
</table>

The Significant Accounting Policies and Notes form an Integral part of these Financial Statements.

Figures in brackets indicate deductions.
<table>
<thead>
<tr>
<th></th>
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<tbody>
<tr>
<td><strong>FOR THE YEAR ENDED 31ST DECEMBER 2012</strong></td>
<td></td>
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<tr>
<td><strong>Accumulated Fund</strong></td>
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<td></td>
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<tr>
<td>Balance as at 01.01.2012</td>
<td>142,574,417.86</td>
<td>350,799,377.13</td>
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<td>171,765,404.81</td>
<td>390,18</td>
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<tr>
<td>Prior year adjustments (Note A)</td>
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<td>Prior year error</td>
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<tr>
<td>Impact of Change in Accounting Policy</td>
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<tr>
<td>SLFRS Adjustments</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Restated Balance as at 01.01.2012</td>
<td>142,574,417.86</td>
<td>350,799,377.13</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>132,674,960.37</td>
<td>334,364.62</td>
</tr>
<tr>
<td>Received during the year (Note B)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Net Surplus for the year</td>
<td></td>
<td></td>
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<td></td>
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<tr>
<td>Total Other Comprehensive Income</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>(5,565,699.00)</td>
<td></td>
</tr>
<tr>
<td><strong>Balance as at 01.01.2013</strong></td>
<td>142,574,417.86</td>
<td>350,799,377.13</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>374,718,974.14</td>
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<tr>
<td>Net Surplus for the year</td>
<td></td>
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<tr>
<td>Total Other Comprehensive Income</td>
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<tr>
<td><strong>Note A - Prior year adjustments</strong></td>
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<tr>
<td>Prior Year Error</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Over Depreciation - Building</td>
<td>67,842.80</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Office Equipment</td>
<td>1,373.00</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Impact of Change in Accounting Policy</td>
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<tr>
<td>Debtors 2010</td>
<td>15,209,926.00</td>
<td></td>
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<tr>
<td>Debtors 2011</td>
<td>6,514,593.00</td>
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<td>(1,146,283.00)</td>
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<tr>
<td>SLFRS Adjustments</td>
<td></td>
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<tr>
<td>Bad Debts - General Provision</td>
<td>293,719.44</td>
<td></td>
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<tr>
<td>Employee Benefits</td>
<td>18,149,274.00</td>
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<tr>
<td><strong>Note B - Donations</strong></td>
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<td>International Organization for Standardization</td>
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<td>National Science Foundation</td>
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<td>Economic Benefits Standardization</td>
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<tr>
<td>Computers &amp; Accessories</td>
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<td>Computers</td>
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<tr>
<td><strong>Total</strong></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Rs.</td>
<td>271,608,590.18</td>
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<td></td>
<td></td>
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</tr>
<tr>
<td>Cts.</td>
<td>18</td>
<td></td>
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</tbody>
</table>
SRI LANKA STANDARDS INSTITUTION

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST DECEMBER 2013.

<table>
<thead>
<tr>
<th>Description</th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs.</td>
<td>Cts.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Cash Flow from Operating Activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Surplus for the year</td>
<td>89,298,019.49</td>
<td>62,784,097.65</td>
</tr>
<tr>
<td>Adjustments for</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation</td>
<td>39,381,372.64</td>
<td>37,713,140.16</td>
</tr>
<tr>
<td>Amount Transferred from Deferred Income</td>
<td>(27,677,625.00)</td>
<td>(28,207,740.00)</td>
</tr>
<tr>
<td>Retirement benefit obligations - Actuarial (Gains)/Losses</td>
<td>7,453,831.00</td>
<td>5,565,699.00</td>
</tr>
<tr>
<td>Retirement benefit obligations-Provision for Gratuity</td>
<td>9,105,241.00</td>
<td>7,766,641.00</td>
</tr>
<tr>
<td>Interest Income</td>
<td>(26,636,280.56)</td>
<td>(21,894,640.59)</td>
</tr>
<tr>
<td>Disposal Losses</td>
<td>-</td>
<td>50,930.00</td>
</tr>
<tr>
<td>Write off/Fabrication of Lab Testing Equipment</td>
<td>115,253.25</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>91,039,511.82</td>
<td>63,778,127.22</td>
</tr>
</tbody>
</table>

Operating Profit before Working Capital Changes

(Decrease) / Increase Other Financial Assets                               (102,545.00) | (601,412.00) |
(Decrease) / Increase Inventories                                          (1,879,662.87) | (831,088.11) |
(Decrease) / Increase Security Deposits                                     9,266.58    | (2,700.92) |
(Decrease) / Increase Debtors & Other Receivables                          (6,096,985.52) | (17,102,725.62) |
(Decrease) / Increase Prepayments                                          (702,086.88) | (777,333.41) |
Increase / (Decrease) Creditors & Other Payables                           3,316,268.48  | 2,591,582.23 |
Increase / (Decrease) Accrued Expenses                                     882,916.22   | (978,278.69) |
Net Cash flows from Operating Activities                                    90,387,289.12 | 43,465,445.70 |

Cash Flows from Investing Activities

Purchase of Property, Plant & Equipment                                   (51,204,440.72) | (24,592,797.27) |
Sales Proceeds Received from Disposals                                     -     | 27,042.87 |
Investment in REPOS & Fixed Deposits                                       (85,000,000.00) | (170,000,000.00) |
Interest Received                                                          26,636,280.56  | 21,894,640.59 |
Net Cash used in Investing Activities                                      (109,568,160.16) | (172,671,113.81) |

Cash Flows from Financing Activities

Donations Received                                                          -     | 1,236,042.00 |
Fines Fund                                                                  -     | (51,640.38) |
Net Cash Flows from Financing Activities                                    -     | 1,184,401.62 |

Net Increase / (Decrease) in Cash & Cash Equivalents                       (19,180,871.04) | (128,021,266.49) |

Cash & Cash Equivalent at beginning of the year                            49,164,785.76  | 177,186,052.25 |
Cash & Cash Equivalent at end of the year (Note A)                          29,983,914.72  | 49,164,785.76 |

Note A - Cash & Cash Equivalent at End of the year                         As at         As at
|                                                                            | 2013  | 2012  |
|                                                                            | Rs.   | Cts.  |
| B.O.C Borella-193675                                                      29,983,914.72 | 49,164,785.76 |

The Significant Accounting Policies and Notes form an Integral part of these Financial Statements.

Figures in brackets indicate deductions.
1. GENERAL INFORMATION

Sri Lanka Standards Institution is a Statutory Board, incorporated under Act No 06 of 1984 and domiciled in Sri Lanka. The registered office of the Institution is located at No. 17, Victoria Place, Elvitigala Mawatha, Colombo 08.

Principal Activities and Nature of Operations

During the period, the principal activity of the Institution was to carry on activities of preparing standards on national & international basis relating to Structures, Commodities, Products and Operations & from times to times revise, alter & amend the same & promote the general adoption of such standards & facilitating the examination & testing of products, commodities & materials.

The staff strength of the SLSI as at 31st December 2013 is 309. (2012-305)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES.

2.1 Basis of Preparation

2.1.1 Statement of Compliance

The financial statements have been prepared in accordance with new Sri Lanka Accounting Standards (SLFRS / LKAS) as laid down by the Institute of Chartered Accountants of Sri Lanka (ICASL) and the requirements of the Financial Regulation formulated by Sri Lankan Government.

For all periods up to and including the year ended 31 December 2012, SLSI prepared its financial statements in accordance with Sri Lanka Accounting Standards (SLAS). These are the SLSI’s first financial statements prepared in accordance with Sri Lanka Financial Reporting Standards (SLFRS & LKAS) and SLFRS – 1 First-time adoption of Sri Lanka Accounting Standards has been applied.

An explanation of how the transition to SLFRS has affected the reported financial position, financial performance and cash flows of the SLSI is provided in Note 27. (GAP Note)

The Financial statements were authorised for issue by the Council of SLSI on the 27th of March 2014.

2.1.2 Basis of measurement

The Financial Statements have been prepared on the historical cost basis except for the following material items in the statement of financial position:

(a) Defined benefit obligations are measured at its present value, based on the Projected Unit Credit method prescribed in LKAS 19.

(b) Derivative financial instruments measured at fair value.

(c) Non derivative financial instruments measured at fair value.
The Council of SLSI have made an assessment of the SLSI’s ability to continue as a going concern in the foreseeable future and they do not foresee a need for liquidation or cessation of institution’s activities.

2.1.3 Comparative Information

The previous year figures and phrases have been reclassified whenever necessary to conform to current year presentation.

2.1.4 Use of estimates and judgments

The preparation of the financial statements in conformity with SLFRS / LKAS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. Information about significant areas of estimation, uncertainty and judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in notes:

Note 13 - measurement of defined benefit obligations

No adjustments are made for inflationary factors affecting these Financial Statements.

Appropriate significant policies are explained in succeeding notes.

2.1.5 Foreign Currency Translation

(a) Functional and presentation currency

Items included in these financial statements of the institutions are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The financial statements are presented in Sri Lanka Rupees (LKR), which is the Institution’s functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

2.2 Assets and the bases of their valuation

2.2.1 Property, plant and equipment

2.2.2 Recognition and Measurement

The cost of an item of property, plant and equipment comprise its purchase price and any directly attributable costs of bringing the asset to working condition for its intended use. The cost of self-constructed assets includes the cost of materials, direct labour, and any other costs directly attributable to bringing the asset to the working condition for its intended use. This also includes cost of dismantling and removing the items and restoring the site on which they are located and borrowing costs on qualifying assets.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Carrying amounts of property plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An asset’s carrying amount is written down immediately to its recoverable amount if the asset’s carrying amount is greater than its estimated recoverable amount.

Property, Plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment loss. The Institute elected to apply the optional exemption of SLFRS 01 Frist Time Adoption of SLFRS to use the fair value as deemed cost at the date of transition for items of property, Plant & equipment.
2.2.3 Subsequent Costs
The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Institution and its cost can be measured reliably. The carrying amount of the replaced part is derecognised.
The costs of the day to day servicing of property, plant and equipment are recognised in profit or loss as incurred.

2.2.4 Derecognition
The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. Gains or losses on derecognition are recognised within other income in profit & loss.

2.2.5 Depreciation
Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.
Depreciation is recognised in profit or loss on a straight line basis over the estimated useful lives of each part of an item of property, plant and equipment, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Institution will obtain ownership by the end of the lease term. Land is not depreciated. There are no leased assets relating to this institution.
The estimated useful lives and rates of depreciation for the current and comparative periods are as follows:

<table>
<thead>
<tr>
<th>Asset Type</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building</td>
<td>5%</td>
</tr>
<tr>
<td>Office furniture &amp; fittings</td>
<td>10%</td>
</tr>
<tr>
<td>Office Equipments</td>
<td>10%</td>
</tr>
<tr>
<td>Laboratory Equipments</td>
<td>10%</td>
</tr>
<tr>
<td>Laboratory Furniture</td>
<td>10%</td>
</tr>
<tr>
<td>Motor Vehicles</td>
<td>20%</td>
</tr>
<tr>
<td>Library Books</td>
<td>5%</td>
</tr>
<tr>
<td>CD ROM</td>
<td>20%</td>
</tr>
</tbody>
</table>

Depreciation method, useful lives and residual values are reviewed at each financial year end and adjusted if appropriate.

2.2.6 Capital work in progress
Capital expenses incurred during the year which are not completed as at the reporting date are shown as Capital work - in - progress whilst, the capital assets which have been completed during the year and put to use have been transferred to Property, Plant and Equipment.
However no Capital WIP of this institution as at the reporting date.

2.2.7 Financial assets- classification
The Institution classifies its financial assets in the following categories; at fair value through profit or loss, loans and receivables, available for sale and held to maturity. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition. During the reporting period and as at the reporting date the Institution did not have financial asset classified as fair value through profit or loss, available for sale and held to maturity. All financial assets are initially recognised at fair value plus transaction cost.

2.2.8 Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. The Institution’s loans and receivables comprises of ‘trade and other receivables’ in the statements of financial position. Assets in this category are classified as current assets if expected to be settled within 12 months; otherwise, they are classified as non-current. Loans and receivables are subsequently carried at amortized cost using the effective interest method.
2.2.9 Impairment of financial assets

Assets carried at amortized cost

The Institution assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a ‘loss event’) and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, the probability that they will enter bankruptcy or other financial reorganization, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults: “For loans and receivables category, the amount of the loss is measured as the difference between the asset’s carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset’s original effective interest rate.

The carrying amount of the asset is reduced and the amount of the loss is recognised in the statement of comprehensive income.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor’s credit rating), the reversal of the previously recognized impairment loss is recognised in the statement of comprehensive income.

2.2.10 Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset’s carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset’s fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

2.2.11 Inventories

Inventories are measured at the lower of cost and net realizable value. The cost of inventories is based on the FIFO principle, and includes expenditure incurred in acquiring the inventories, production or conversion cost and other costs incurred in bringing them to their existing location and condition.

2.2.12 Trade Receivables

The Institution recognizes trade receivables as financial assets in its statement of financial position when, and only when, the institution has a contractual right to receive cash or another financial asset. Trade receivables are amounts due from customers for commodities sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business) they are classified as current assets. If not, they are presented as non-current assets.

Trade receivable is carried at anticipated realizable value and estimates are made for doubtful receivable based on a review of all outstanding amounts at the year end. Bad debts are written off during the year in which they are identified.

A provision for impairment of trade receivables is established when there is objective evidence that the Institution will not be able to collect all amounts due according to the original terms of the contractual right.
2.2.13 Investments

(a) Long Term Investments

Investment held on long term basis is clarified as non-current investment and are measured at cost. The cost of investment is the cost of acquisitions inclusive of brokerage and cost of transaction.

(b) Short Term Investments

Short term investments are recognized at market value. Any gain or loss is recognized in the statement of comprehensive income.

2.2.14 Cash & Cash Equivalents

Cash & Cash Equivalent are defined as cash in hand, demand deposits and short term highly liquid investments. For the purpose of Cash Flow Statement, Cash & Cash Equivalent consist of Cash in hand, deposits in banks & net of outstanding bank overdrafts.

2.2.15 Accumulated Fund

The accumulated fund includes the total of all amounts received from Government in respect of the financing of Fixed Assets.
The entity is fully owned by the Government of Sri Lanka and comes under the purview of The Ministry of Technology & Research.

2.2.16 Government Grants

Grant is recognised if there is reasonable assurance that the Institution will comply with the conditions attaching to it, and that the grant will be received.

Government grants related to assets including non monetary grants at fair value shall be presented in the statement of financial position either by setting up the grant as differed income or by deducting the grant in arriving at the carrying amount of the asset.

The institution recognizes the grant as deferred income & recognized in statement of comprehensive income on a systematic basis over the useful life of the asset.

2.2.17 Trade Payables

The Institution recognises trade payables as financial liabilities in its statement of financial position when, and only when, the Institution has a contractual obligation to deliver cash or another financial asset.
Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business) if longer, they are presented as non-current liabilities.
Trade payables are recognised initially at fair value.

2.2.18 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of comprehensive income over the period of the borrowings using the effective interest method. However no borrowings as at the reporting date.
2.2.19 Income Tax

There is no liability to pay Income Tax under Sec. No 42 of Sri Lanka Standards Institution Act No.06 of 1984. Hence No adjustments require for Differed Taxation as well.

2.2.20 Post-Employment Benefits

(a) Defined Benefit Plan
A defined benefit plan is a post employment benefit plan other than a defined contribution plan. The liability recognized in the statement of financial position in respect of defined benefit plan is the future value of the defined benefit obligation at the reporting date.

Any gain and loss of the defined benefit obligation are charged or credited to statement of comprehensive income in the period in which they arise.

According to the payment of Gratuity Act No. 12 of 1983, the liability for the gratuity payment to an employee arises only on the completion of 05 years of continued service with the Institution.

Projected unit credit method prescribed in Sri Lanka Accounting Standard 19; Employee Benefits has been used to identify Deficit or Charge for the year and assumptions used are disclosed in the Note No 13.

(b) Defined Contribution Plan – EPF & ETF
All employees who are eligible for the Employee Provident Fund (EPF) and Employees Trust Fund (ETF) contribution are covered by relevant contribution fund in line with respective statutes and Regulation. EPF & ETF covering the employees are recognized as expenses in the statement of comprehensive income in the period in which it is incurred.

2.2.21 Revenue Recognition

Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Institution and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes. The following specific recognition criteria must also be met before revenue is recognized.

(a) Sale of goods
Revenue from the sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods.

(b) Rendering of Services
Revenue of the rendering of services are recognized in the accounting period in which the services are rendered or performed.

(c) Interest Income
Interest income is recognized on an accrual basis.

(d) Royalty Income
Royalties shall be recognized on an accrual basis in accordance with the substance of the relevant agreement.

(e) Other Income
Other income is recognized on an accrual basis.

(f) Disposal of property, plant and equipments
Profit / (loss) from sale of property, plant and equipment is recognised in the period in which the sale occurs and the delivery order is issued.
2.2.22 Expenditure Recognition

(a) Revenue Expenditure
Expenses are recognized in the statement of comprehensive income on the basis of a direct association between the cost incurred and the earning of specific items of income. All expenditure incurred in the running of the business and the maintaining the capital assets in the state of efficiency, has been charged to revenue in arriving at the profit or loss for the year.

(b) Capital Expenditure
Expenditure incurred for the purpose of acquiring, extending or improving Assets of a permanent nature by means of which to carry on the business or for the purpose of increasing capacity of the business has been treated as capital expenditure.

(c) Net Finance Income / Expenses
Finance income comprises interest income on funds invested and staff loans, and changes in the fair value of financial assets at fair value through profit or loss. Interest income is recognised as it accrues in profit or loss, using the effective interest method.
Finance costs comprise interest expense on borrowings, changes in the fair value of financial assets at fair value through profit or loss, impairment losses recognised on financial assets, borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

2.2.23 Related Party Transactions
Disclosure has been made in respect of the transactions in which one party has the ability to control or exercise significant influence over the financial and operating policies/decisions of the other, irrespective of whether a price is being charged or not.

Transactions with related entities
There are no any related entities of Sri Lanka Standards Institution.

2.2.24 Statement of Cash Flows
Statement of cash flows has been prepared using “Indirect Method”

2.2.25 Events after the Reporting Date
Events after the reporting date are events, favorable and unfavorable, that occur between the end of the reporting period and the date the financial statements were authorized for issue.

Those events have been considered and where necessary appropriate adjustments or disclosures have been made in the financial statements. There are no any events occurring after the reporting date that require adjustments to or disclosure in the Financial Statements.

2.2.26 Contingent Liabilities
Contingent Liabilities is a possible obligation that arise from past events and whose existence will confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

Relevant details are disclosed in the Note No. 26 to the Financial Statements

2.2.27 Responsibility for the Financial Statements
The Council of the SLSI is responsible for the preparation and fair presentation of these Financial Statements in accordance with Sri Lanka Accounting Standards. This responsibility includes: designing, implementing and maintaining internal controls relevant to the presentation of financial statements that are free from material misstatements, whether due to fraud or error, selecting and applying appropriate accounting policies and marking accounting estimates that are reasonable in the circumstances.
## PROPERTY, PLANT & EQUIPMENT

<table>
<thead>
<tr>
<th>Description</th>
<th>Land</th>
<th>Buildings</th>
<th>Furniture &amp; Fixings</th>
<th>Office Equipment</th>
<th>Laboratory &amp; Technical Equipment</th>
<th>Laboratory Furniture</th>
<th>Bicycles</th>
<th>Motor Vehicles</th>
<th>Library Books</th>
<th>CD-ROM</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at 31st January 2012</td>
<td>2,100,000.00</td>
<td>188,235,344.33</td>
<td>10,725,691.13</td>
<td>59,770,814.73</td>
<td>55,459,914.78</td>
<td>1,542,609.72</td>
<td>1,842,520.92</td>
<td>83,298,955.80</td>
<td>879,014,381.62</td>
<td>879,014,381.62</td>
<td>879,014,381.62</td>
</tr>
<tr>
<td>Additions</td>
<td>-</td>
<td>151,211.75</td>
<td>1,501,579.65</td>
<td>8,290,467.31</td>
<td>14,339,141.10</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Disposals</td>
<td>-</td>
<td>-</td>
<td>(402,780.00)</td>
<td>(4,316,256.00)</td>
<td>(4,316,256.00)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Balance at 31st December 2012</td>
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</tr>
<tr>
<td>Additions</td>
<td>-</td>
<td>151,211.75</td>
<td>1,501,579.65</td>
<td>8,290,467.31</td>
<td>14,339,141.10</td>
<td>-</td>
<td>-</td>
<td>-</td>
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<td>-</td>
<td>-</td>
</tr>
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<td>Disposals</td>
<td>-</td>
<td>-</td>
<td>(402,780.00)</td>
<td>(4,316,256.00)</td>
<td>(4,316,256.00)</td>
<td>-</td>
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<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Balance at 31st December 2013</td>
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<td>1,542,609.72</td>
<td>1,842,520.92</td>
<td>83,298,955.80</td>
<td>879,014,381.62</td>
<td>879,014,381.62</td>
<td>879,014,381.62</td>
</tr>
</tbody>
</table>

### Accumulated Depreciation

<table>
<thead>
<tr>
<th>Description</th>
<th>Land</th>
<th>Buildings</th>
<th>Furniture &amp; Fixings</th>
<th>Office Equipment</th>
<th>Laboratory &amp; Technical Equipment</th>
<th>Laboratory Furniture</th>
<th>Bicycles</th>
<th>Motor Vehicles</th>
<th>Library Books</th>
<th>CD-ROM</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at 31st January 2012</td>
<td>-</td>
<td>16,233,496.84</td>
<td>6,026,764.00</td>
<td>47,285,568.65</td>
<td>46,816,020.89</td>
<td>2,316,675.92</td>
<td>2,146,947.71</td>
<td>16,010,184.39</td>
<td>8,373,265.67</td>
<td>8,373,265.67</td>
<td>8,373,265.67</td>
</tr>
<tr>
<td>Charge for the Year</td>
<td>-</td>
<td>9,421,801.13</td>
<td>65,511.06</td>
<td>4,174,172.85</td>
<td>14,121,841.20</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Dep for the Disposal</td>
<td>-</td>
<td>(6,534,004.03)</td>
<td>(1,101,952.00)</td>
<td>(8,435,952.70)</td>
<td>(8,435,952.70)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Balance at 31st December 2012</td>
<td>-</td>
<td>15,003,927.87</td>
<td>6,970,315.06</td>
<td>47,285,568.65</td>
<td>46,816,020.89</td>
<td>2,316,675.92</td>
<td>2,146,947.71</td>
<td>16,010,184.39</td>
<td>8,373,265.67</td>
<td>8,373,265.67</td>
<td>8,373,265.67</td>
</tr>
<tr>
<td>Charge for the Year</td>
<td>-</td>
<td>9,437,777.36</td>
<td>911,099.09</td>
<td>4,045,420.68</td>
<td>16,092,712.65</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Dep for the Disposal</td>
<td>-</td>
<td>-</td>
<td>(1,191,921.94)</td>
<td>(8,435,952.70)</td>
<td>(8,435,952.70)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Balance at 31st December 2013</td>
<td>-</td>
<td>10,507,807.94</td>
<td>6,025,754.26</td>
<td>45,975,297.56</td>
<td>45,504,147.34</td>
<td>2,316,675.92</td>
<td>2,146,947.71</td>
<td>16,010,184.39</td>
<td>8,373,265.67</td>
<td>8,373,265.67</td>
<td>8,373,265.67</td>
</tr>
</tbody>
</table>

### Carrying Value As at

<table>
<thead>
<tr>
<th>Date</th>
<th>Land</th>
<th>Buildings</th>
<th>Furniture &amp; Fixings</th>
<th>Office Equipment</th>
<th>Laboratory &amp; Technical Equipment</th>
<th>Laboratory Furniture</th>
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<th>Total</th>
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</thead>
<tbody>
<tr>
<td>01st January 2012</td>
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<td>879,014,381.62</td>
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<td>879,014,381.62</td>
</tr>
<tr>
<td>31st December 2012</td>
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<td>59,770,814.73</td>
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<td>879,014,381.62</td>
</tr>
<tr>
<td>31st December 2013</td>
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<td>188,235,344.33</td>
<td>10,725,691.13</td>
<td>59,770,814.73</td>
<td>55,459,914.78</td>
<td>1,542,609.72</td>
<td>1,842,520.92</td>
<td>83,298,955.80</td>
<td>879,014,381.62</td>
<td>879,014,381.62</td>
<td>879,014,381.62</td>
</tr>
</tbody>
</table>
SRI LANKA STANDARDS INSTITUTION

NOTES TO THE FINANCIAL STATEMENTS - 2013

NOTE 04 - OTHER FINANCIAL ASSETS

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>04.1  - Loans given to employees</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance at the beginning of the year</td>
<td>28,868,708.13</td>
<td>28,267,296.13</td>
<td>27,050,314.96</td>
</tr>
<tr>
<td>Loans granted during the year</td>
<td>17,379,520.00</td>
<td>17,584,360.00</td>
<td>20,279,800.00</td>
</tr>
<tr>
<td>Loans recovered during year</td>
<td>(17,482,065.00)</td>
<td>(16,982,948.00)</td>
<td>(19,062,818.83)</td>
</tr>
<tr>
<td>Transfer to prepaid staff benefits</td>
<td>28,766,163.13</td>
<td>28,686,708.13</td>
<td>28,267,296.13</td>
</tr>
<tr>
<td></td>
<td>(3,143,736.58)</td>
<td>(3,385,555.96)</td>
<td>(3,602,279.95)</td>
</tr>
<tr>
<td>Balance at the end of the year</td>
<td>25,622,426.55</td>
<td>25,483,152.17</td>
<td>24,665,016.18</td>
</tr>
</tbody>
</table>

04.2 - Prepaid staff benefits

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at the beginning of the year</td>
<td>3,385,555.96</td>
<td>3,602,279.95</td>
<td>2,628,458.07</td>
</tr>
<tr>
<td>Additions during the year</td>
<td>2,510,766.65</td>
<td>2,681,845.53</td>
<td>3,197,761.88</td>
</tr>
<tr>
<td>Amortization</td>
<td>(2,752,586.03)</td>
<td>(2,898,569.52)</td>
<td>(2,233,940.00)</td>
</tr>
<tr>
<td>Balance at the end of the year</td>
<td>3,143,736.58</td>
<td>3,385,555.96</td>
<td>3,602,279.95</td>
</tr>
</tbody>
</table>

04-A - Non Current

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Loans given to employees</td>
<td>12,781,657.82</td>
<td>13,512,746.06</td>
<td>13,196,546.56</td>
</tr>
<tr>
<td>Prepaid staff benefits</td>
<td>1,148,447.51</td>
<td>1,358,858.94</td>
<td>1,319,122.64</td>
</tr>
<tr>
<td></td>
<td>13,930,105.33</td>
<td>14,871,605.00</td>
<td>14,515,669.20</td>
</tr>
</tbody>
</table>

04-B - Current

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Loans given to employees</td>
<td>12,840,768.73</td>
<td>11,970,406.11</td>
<td>11,468,469.62</td>
</tr>
<tr>
<td>Prepaid staff benefits</td>
<td>1,995,289.07</td>
<td>2,026,697.02</td>
<td>2,283,157.31</td>
</tr>
<tr>
<td></td>
<td>14,836,057.80</td>
<td>13,997,103.13</td>
<td>13,751,626.93</td>
</tr>
</tbody>
</table>

Total

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>28,766,163.13</td>
<td>28,686,708.13</td>
<td>28,267,296.13</td>
<td></td>
</tr>
</tbody>
</table>

The Institution provides loans to employees at concessionary rates. The fair value of the employee loans are determined by discounting expected future cash flows using market related rates for the similar loans. The difference between the cost and fair value of employee loans are recognized as prepaid staff benefits. The employee loans are classified as loans and receivables and subsequently measured at amortized cost.

The loans given to employees are secured and interest is charged at the following rates:

<table>
<thead>
<tr>
<th></th>
<th>Distress Loans</th>
<th>Bicycle Loans</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sri Lanka Standards Institution</td>
<td>4.2%</td>
<td>4.2%</td>
</tr>
<tr>
<td>Market Interest Rate</td>
<td>15%</td>
<td>18%</td>
</tr>
</tbody>
</table>
### SRI LANKA STANDARDS INSTITUTION

**NOTES TO THE FINANCIAL STATEMENTS - 2013**

**As at 31.12.2013**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Tools &amp; Implements</td>
<td>1,201,656.48</td>
<td>1,102,369.73</td>
<td>997,491.55</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stationery &amp; Office Requisites</td>
<td>3,608,202.46</td>
<td>3,025,284.61</td>
<td>2,710,597.04</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lab Chemicals &amp; Glassware</td>
<td>10,236,081.38</td>
<td>8,595,036.23</td>
<td>8,163,041.65</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unserviceable / Non Moving Stocks</td>
<td>382,247.09</td>
<td>825,833.97</td>
<td>816,306.19</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>15,428,187.41</strong></td>
<td><strong>13,548,524.54</strong></td>
<td><strong>12,717,436.43</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**NOTE 06 - INVESTMENTS**

<table>
<thead>
<tr>
<th>REPOS - BOC Borella</th>
<th>Rs. Cts.</th>
<th>335,000,000.00</th>
<th>Rs. Cts.</th>
<th>250,000,000.00</th>
<th>Rs. Cts.</th>
<th>80,000,000.00</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total</strong></td>
<td><strong>335,000,000.00</strong></td>
<td><strong>250,000,000.00</strong></td>
<td><strong>80,000,000.00</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**NOTE 07 - TRADE & OTHER RECEIVABLES**

| Debtors | 36,273,897.55 | 38,951,625.05 | 26,937,372.15 |
| Short Term Loans & Advances | 5,117,428.66 | 4,155,318.93 | 1,177,313.36 |
| Advances For Letters of Credit | 127,073.25 | 2,087,338.24 | 3,836,790.65 |
| Returned Cheques | 648,706.73 | 625,111.73 | 498,016.17 |
| Interest Receivables | 1,079,580.24 | 3,590,278.00 | 1,293,777.00 |
| Treasury Deposits | 3,673,759.00 | 3,607,759.00 | 2,171,436.00 |
| Sundry Deposits | 1,127,500.00 | 1,127,500.00 | 1,127,500.00 |
| Treasury Surplus Fund Account | 500,000.00 | 500,000.00 | 500,000.00 |
| **Total** | **48,547,945.43** | **54,644,930.95** | **37,542,205.33** |
SRI LANKA STANDARDS INSTITUTION
NOTES TO THE FINANCIAL STATEMENTS - 2013


<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance B/F</td>
<td>170,041,508.80</td>
<td>198,249,248.80</td>
<td>230,414,375.00</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amortization</td>
<td>(27,677,625.00)</td>
<td>(28,207,740.00)</td>
<td>(31,023,820.44)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Prior Year Adjustment for 2010</td>
<td>-</td>
<td>-</td>
<td>(1,141,295.76)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance C/F</td>
<td>142,363,883.80</td>
<td>170,041,508.80</td>
<td>198,249,248.80</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

An amount of Rs. 27,677,625/- was credited to the Statement of Comprehensive to match the depreciation expenses incurred during the year which are relating to the acquired fixed assets by using Government Grant.

NOTE 09 - EMPLOYEE BENEFITS

The amounts recognized in the statement of financial position are determined as follows:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at the beginning</td>
<td>66,239,796.00</td>
<td>55,517,681.00</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provision for the year</td>
<td>16,558,772.00</td>
<td>13,332,240.00</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payment made during the year</td>
<td>(8,478,454.75)</td>
<td>(2,610,225.00)</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Liability in the Statement of Financial Position</td>
<td>74,320,113.25</td>
<td>66,239,796.00</td>
<td>55,517,681.00</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

An actuarial valuation of the retirement benefit obligation was carried out as at 31.12.2013 by the Actuarial Management Consultant (Pvt) Ltd.

The valuation method used by the actuaries to value the defined benefit obligation is the "Projected Unit Credit Method" the method recommended by the Sri Lanka Accounting Standard No. 19 "Employee Benefits".

The movement in the defined benefit obligation over the year is as follows:

9.1

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at the beginning</td>
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</tr>
<tr>
<td>Current service cost</td>
<td>3,173,415.00</td>
<td>2,799,806.00</td>
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<tr>
<td>Interest cost</td>
<td>5,931,826.00</td>
<td>4,966,835.00</td>
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<tr>
<td>Actuarial Loss / (Gain)</td>
<td>7,453,531.00</td>
<td>5,565,699.00</td>
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<tr>
<td>Payments made during the year</td>
<td>8,478,454.75</td>
<td>2,610,225.00</td>
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<tr>
<td>Balance as at the end of the year</td>
<td>74,320,113.25</td>
<td>66,239,796.00</td>
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</tbody>
</table>

9.2

The amounts recognized in the statement of comprehensive income are as follows:

| Current service cost | 3,173,415.00 | 2,799,806.00 | - |
| Interest cost | 5,931,826.00 | 4,966,835.00 | - |
| Total included in the staff cost | 9,105,241.00 | 7,766,641.00 | - |
| Actuarial loss / (gain) | 7,453,531.00 | 5,565,699.00 | - |
| Total recognized in Statement of Comprehensive Inc. | 16,558,772.00 | 13,332,340.00 | - |

The key assumptions used by the actuary are as follows:

Financial Assumptions
Rate of interest (tax of tax) 9% 9% 9%
Expected Salary Increment % 5% 5% 5%

Demographic Assumptions
Staff Turnover Factor % 0% 0% 0%
Retirement age 60 Years 60 Years 60 Years

The Institution will continue as a going concern.
## NOTES TO THE FINANCIAL STATEMENTS - 2013

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<th></th>
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<tr>
<td><strong>NOTE 10 - PAYABLES</strong></td>
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<tr>
<td>Creditors</td>
<td>9,394,292.96</td>
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<td>8,148,599.39</td>
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<td>Total Creditors</td>
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<td>8,148,599.39</td>
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<td>Retentions</td>
<td>1,532,674.34</td>
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<td>Security Deposits</td>
<td>45,262.72</td>
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<td>54,529.30</td>
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<td>Project from GMP with CDA</td>
<td>947,790.00</td>
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<td>743,970.00</td>
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<td>Ministry Funded Project</td>
<td>758,541.00</td>
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<td>947,264.00</td>
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<td>Economic Benefit of Standards Project</td>
<td>297,127.71</td>
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<td>297,127.71</td>
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<td>Over Recovery of Distress Loans.</td>
<td>17,605.00</td>
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<td>Income Received in Advance</td>
<td>2,272,543.00</td>
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<td><strong>Total</strong></td>
<td>19,903,596.56</td>
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<td>16,587,328.08</td>
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<td><strong>Total</strong></td>
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## NOTES TO THE FINANCIAL STATEMENTS - 2013

### NOTE 11 - REVENUE

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<td>Inspection fees - Import</td>
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<td>Testing Fees</td>
<td>118,015,789.08</td>
<td>103,125,812.42</td>
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<td>Calibration</td>
<td>19,967,424.47</td>
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<td>Income from Certification Marking</td>
<td>104,636,573.22</td>
<td>75,401,598.12</td>
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<td>Sale of Standards</td>
<td>13,546,580.15</td>
<td>10,733,967.47</td>
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<td>Proceeds from Training Programmes</td>
<td>27,038,802.36</td>
<td>26,685,020.78</td>
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<td>Fisheries Inspection</td>
<td>292,000.00</td>
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<td>Institutional Membership Fees</td>
<td>39,150.00</td>
<td>50,000.00</td>
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<td>Income from System Certification</td>
<td>45,265,004.50</td>
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<td>National Quality Award</td>
<td>1,518,465.00</td>
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<td>Income from Energy Labeling</td>
<td>3,488,516.32</td>
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<td>Income from Std. Formulation</td>
<td>775,793.00</td>
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<td>Bottled Water Registration</td>
<td>312,937.25</td>
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<td>Income From Tea Certification</td>
<td>811,370.00</td>
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<td>Stock Surpluses</td>
<td>32,576.07</td>
<td>81,893.35</td>
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<td>Sundry Income</td>
<td>1,658,063.26</td>
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<td><strong>Total Revenue</strong></td>
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<td><strong>414,213,960.47</strong></td>
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### NOTE 12 - PERSONNEL COST

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<th>Rs. Cts.</th>
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<td>Salaries &amp; Wages</td>
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<td>Employee Provident Fund</td>
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<td>Employee Trust Fund</td>
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<td>3,575,229.44</td>
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<td>Over Time</td>
<td>4,926,514.55</td>
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<td>Special Allowances</td>
<td>487,997.25</td>
<td>944,451.92</td>
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<td>Un-winding of Pre-paid Staff benefits</td>
<td>2,752,586.03</td>
<td>2,898,569.52</td>
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<td><strong>Total Personnel Cost</strong></td>
<td><strong>212,799,415.06</strong></td>
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### NOTE 13 - TRAVELLING EXPENSES

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<th>Description</th>
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<td>Domestic</td>
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<td>Foreign</td>
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<td>Factory visits-Standard</td>
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<td>Factory visits-Engineering</td>
<td>350.00</td>
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<td>Factory visits-Quality Assurance</td>
<td>35,955.00</td>
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<td>Factory visits-Product Certification</td>
<td>194,413.63</td>
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<td>Factory visits-Tea Product Certification</td>
<td>32,485.00</td>
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<td>Factory visits-Laboratory</td>
<td>10,175.00</td>
<td>8,245.00</td>
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<td>Factory visits-Metrology</td>
<td>616,235.50</td>
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<td>Surveillance visits</td>
<td>2,018,759.66</td>
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<td><strong>Total Travelling Expenses</strong></td>
<td><strong>14,497,315.83</strong></td>
<td><strong>12,224,561.15</strong></td>
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### SRI LANKA STANDARDS INSTITUTION

#### NOTES TO THE FINANCIAL STATEMENTS - 2013

<table>
<thead>
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<th>Note</th>
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<th>Cts.</th>
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<tr>
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<td>Stationery &amp; Office Requisites</td>
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<td>Stationery for Computers</td>
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<td>Newspapers &amp; Gazettes</td>
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<td>Uniforms to H/O Staff</td>
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<td>Uniforms to Lab/Metrology Staff</td>
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<td>Fuel Expenses</td>
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<td>Computer Software &amp; Consultancy</td>
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<td>Purchase of Samples- Std/Eng</td>
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<td>Purchase of Samples for CMS</td>
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<td>Sealing Material &amp; Security Tags</td>
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<td>Chemical, Gas &amp; Glassware</td>
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<td>Periodicals &amp; Journals</td>
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<td>Purchase of Standards for Sale</td>
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<td>Tools &amp; Implements</td>
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<td><strong>Total</strong></td>
<td>26,238,834.33</td>
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</table>

| 15   | Maintenance                                      |         |        |
|      | Building-Head office                             | 6,278,673.42 | 42     |
|      | Building-Laboratory                              | 2,940,887.32 | 32     |
|      | Building-Metrology                               | 78,214.00  | 00     |
|      | Computers                                        | 5,028,698.04 | 04     |
|      | Office Equipment & Furniture                     | 2,486,623.91 | 91     |
|      | Office Vehicles                                  | 4,556,429.25 | 25     |
|      | Printing Machine                                 | 579,999.10  | 10     |
|      | Lab Equipment-Lab division                       | 390,729.62  | 62     |
|      | Lab Equipment- Metrology division                | 178,846.83  | 83     |
|      | **Total**                                        | 22,519,096.49 | 49   |

| 16   | Contractual Services                             |         |        |
|      | Transport                                        | 13,311,397.63 | 3      |
|      | Office Rent & Rates                              | 1,499,825.49 | 49     |
|      | Electricity                                      | 11,553,595.84 | 84     |
|      | Insurance                                        | 781,376.21  | 00     |
|      | Insurance-Vehicles                                | 825,143.35  | 00     |
|      | Water Expenses                                   | 1,217,791.95 | 00     |
|      | Security Services                                | 2,584,772.25 | 25     |
|      | Telephone Charges                                | 1,541,150.00 | 00     |
|      | Audit fees                                       | 200,000.00  | 00     |
|      | Legal fees                                       | 838,850.00  | 00     |
|      | Postage & Telegram Services                      | 817,644.32  | 32     |
|      | Board of Survey                                  | -          | 00     |
|      | **Total**                                        | 35,171,547.04 | 04   |

**Sri Lanka Standards Institution ANNUAL REPORT - 2013**
### NOTE 17 - DEPRECIATION

<table>
<thead>
<tr>
<th>Description</th>
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<th>2012</th>
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<td>Buildings</td>
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<td>Office Equipment</td>
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<td>Lab &amp; Technical Equipment</td>
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<td>Motor Vehicles</td>
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<td><strong>Total</strong></td>
<td><strong>39,381,372.64</strong></td>
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### NOTE 18 - OTHER OPERATING EXPENSES

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<th>Description</th>
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<td>Employee Benefits - Provision for Gratuity</td>
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<td>Medical Leave Incentives</td>
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<td>Circulation of Draft Standards - Eng</td>
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<td>Testing fees - Laboratory</td>
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<td>Testing fees - Std</td>
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<td>Payments to Technical Experts</td>
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<td>Accreditation Fees - System Certification</td>
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<td>Accreditation Fees - Laboratory</td>
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<td>Accreditation Fees - Tea Product Certification</td>
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<td>Accreditation Fees - Metrology</td>
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<td>Training Programmes</td>
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<td>Lecture Fees</td>
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<td>Sandry Expenses - Quality Assurance</td>
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<td>Lab Workshop Expenses</td>
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<td>Membership fees to Standard Bodies</td>
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<td>National Quality Policy Expenses</td>
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<tr>
<td>Publicity - System Certification</td>
<td>199,589.73</td>
<td>175,378.25</td>
</tr>
<tr>
<td>Tea Product Certification Expenses</td>
<td>-</td>
<td>155,722.40</td>
</tr>
<tr>
<td>Losses &amp; Write off (Note 18.1)</td>
<td>621,496.49</td>
<td>134,936.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>85,880,630.26</strong></td>
<td><strong>75,925,537.15</strong></td>
</tr>
</tbody>
</table>
SRI LANKA STANDARDS INSTITUTION

NOTES TO THE FINANCIAL STATEMENTS - 2013


NOTE 18.1 - LOSSES AND WRITE OFF

<table>
<thead>
<tr>
<th>Description</th>
<th>Rs.</th>
<th>Cts.</th>
<th>Rs.</th>
<th>Cts.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Disposal of Unserviceable Chemical &amp; Glassware</td>
<td>39,644.63</td>
<td></td>
<td>93,036.00</td>
<td></td>
</tr>
<tr>
<td>Outstanding Vehicle Loans</td>
<td>-</td>
<td></td>
<td>2,010.00</td>
<td></td>
</tr>
<tr>
<td>Outstanding Motor Cycle Loans</td>
<td>-</td>
<td></td>
<td>690.00</td>
<td></td>
</tr>
<tr>
<td>Outstanding Distress Loan balances</td>
<td>3,478.00</td>
<td></td>
<td>37,500.00</td>
<td></td>
</tr>
<tr>
<td>Outstanding Balance in Kollupitiya Cash Accounts</td>
<td>-</td>
<td></td>
<td>1,700.00</td>
<td></td>
</tr>
<tr>
<td>GST Payable</td>
<td>113,371.47</td>
<td></td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Fabrication of Lab Testing Equipment</td>
<td>115,253.25</td>
<td></td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Disposal Non Moving Stock Items</td>
<td>349,749.14</td>
<td></td>
<td>-</td>
<td></td>
</tr>
<tr>
<td></td>
<td>621,496.49</td>
<td></td>
<td>134,936.00</td>
<td></td>
</tr>
</tbody>
</table>

NOTE 19 - NET FINANCIAL INCOME / (EXPENSE)

<table>
<thead>
<tr>
<th>Description</th>
<th>Rs.</th>
<th>Cts.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial Income</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest Income</td>
<td>23,883,694.53</td>
<td>21,894,640.59</td>
</tr>
<tr>
<td>Un-winding of Pre-paid Staff benefits</td>
<td>2,752,586.03</td>
<td>2,898,569.52</td>
</tr>
<tr>
<td>Financial Expenses</td>
<td>26,636,280.56</td>
<td>24,793,210.11</td>
</tr>
<tr>
<td>Bank Charges</td>
<td>151,861.00</td>
<td>139,135.00</td>
</tr>
<tr>
<td>Stock Shortages</td>
<td>5,557.41</td>
<td>10,224.46</td>
</tr>
<tr>
<td></td>
<td>157,418.41</td>
<td>149,359.46</td>
</tr>
<tr>
<td></td>
<td>26,478,862.15</td>
<td>24,643,850.65</td>
</tr>
</tbody>
</table>

NOTE 20 - GAIN / (LOSS) ON DISPOSAL OF PROPERTY, PLANT & EQUIPMENT

<table>
<thead>
<tr>
<th>Description</th>
<th>Rs.</th>
<th>Cts.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost of the Assets</td>
<td>-</td>
<td>1,346,544.00</td>
</tr>
<tr>
<td>Less: Acc. depreciation</td>
<td>-</td>
<td>1,268,911.00</td>
</tr>
<tr>
<td>Written down value</td>
<td>-</td>
<td>77,633.00</td>
</tr>
<tr>
<td>Sales proceed received</td>
<td>-</td>
<td>26,703.00</td>
</tr>
<tr>
<td>Gain/(Loss) on disposal</td>
<td>-</td>
<td>(50,930.00)</td>
</tr>
</tbody>
</table>

NOTE 21 - CONTINGENT LIABILITIES

Contingent liability is a possible obligation that arises from past events and whose existence will confirm only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the entity.

SLSI has a contingent liability regarding legal case filed by Mr.K.V.R.Gunawardhana, an employee of the SLSI in the Provincial High Court under case number HACLT-87/2012 & 90/2012
The Chairman,
Sri Lanka Standards Institution


The audit of financial statements of the Sri Lanka Standards Institution for the year ended 31 December 2013 comprising the Statement of the Financial Position as at 31 December 2013 and the comprehensive statement of income, statement of changes in equity and the cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information, was carried out under my direction in pursuance of provisions in Article 154(1) of the Constitution of the Democratic Socialist Republic of Sri Lanka read in conjunction with Section 13(1) of the Finance Act, No.38 of 1971 and Section 37(3) of Sri Lanka Standards Institution Act, No. 6 of 1984. My comments and observations which I consider should be published with the Annual Report of the Institution in terms of Section 14(2)(c) of the Finance Act appear in this report. A detailed report in terms of Section 13(7)(a) of the Finance Act was issued to the Chairman of the Institution on 31 July 2014.

1.2 Management’s Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Sri Lanka Accounting Standards and for such internal control as the management determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.
Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Sri Lanka Auditing Standards consistent with International Standards of Supreme Audit Institutions (ISSAI 1000-1810). Those Standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessments of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessment, the auditor considers internal control relevant to the Institution's presentation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Institution's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. Sub-sections (3) and (4) of the Section 13 of the Finance Act, No. 38 of 1971 give discretionary powers to the Auditor General to determine the scope and extent of the Audit.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

1.4 Basis for Qualified Opinion

My opinion is qualified based on the matters described in paragraph 2.2 of this report.
Financial Statements

Qualified Opinion

In my opinion, except for the effects of the matters described in paragraph 2.2 of this report, the financial statements give a true and fair view of the financial position of the Sri Lanka Standards Institution as at 31 December 2013 and its financial performance and cash flows for the year then ended in accordance with Sri Lanka Accounting Standards.

Comments on Financial Statements

4.1 Sri Lanka Accounting Standards

The following non-compliances with SLAS were observed

(a) Standard No. 07

Investments of the Institution amounting to Rs.335,000,000 with maturity period of 04 months had not been shown as cash and cash equivalents.

(b) Standard No. 16

Even though the effective life period of the asset should be taken into consideration for the determination of the policy on depreciation, it had not been taken into consideration in depreciating the computers and accessories of the Institution.

(c) Standard No. 19

Provision for gratuity amounting to Rs.397,492 had not been made for an officer who was on duty as at 31 December of the year under review.
(d) Standard No. 20

Even though the fixed assets costing Rs.142,574,417 purchased prior to the year 2004 by utilizing capital grants had been fully depreciated the total capital grant had been shown as accumulated funds in the statement of financial position without accounting for the amortization relating thereto.

2.2.2 Accounts Receivable and Payable

The following observations are made.

(a) The Treasury Deposit Account balance totaling Rs.1,127,500 and the Treasury Surplus Fund totaling Rs.500,000 had been dormant since the year 1973 and 1983 respectively up to the year under review.

(b) Out of the debtors balance of Rs.35,917,115 as at 31 December of the year under review comprising 371 Trade Debtors Accounts, 50 per cent had been outstanding over periods ranging from 2 to 5 years and the debtors balance amounted to Rs.7,973,344 and that represented 22 per cent of the total debtors balance. Adequate action had not been taken for the recovery of the debts.

(c) The Employees’ Provident Fund Control Account, the Employees’ Trust Fund Control Account and the Value Added Tax Control Account included unidentified credit balances amounting to Rs.1,399,246.

(d) A sum of Rs.800,000 had been received from the National Science Foundation from 20 May 2011 to 17 January 2013 for the project on the Theme for the Preparation of the Legal Framework for the Development of Activities relating to Nano Technology. Even though a sum of Rs.793,317 had been spent according to the records of expenditure, a sum of Rs.521,298 remained unsettled under the sundry creditors.
2.2.4 Non-compliance with Laws, Rules, Regulations and Management Decisions

Non-compliances with the following laws, rules, regulations and management decisions were observed.

**Reference to Laws, Rules and Regulations**

<table>
<thead>
<tr>
<th>Reference</th>
<th>Particulars</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Payment of Gratuity Act, No. 12 of 1983 Section 6(2)</td>
<td>The basic salary instead of the salary with allowances had been applied as the basis for the payment of a sum of Rs.6,752,129 as the gratuity to 15 officers who retired in the year 2013.</td>
</tr>
<tr>
<td>(b) Financial Regulation 394 of the Democratic Socialist Republic of Sri Lanka</td>
<td>Action in terms of the Financial Regulation had not been taken on 14 dishonored cheques totaling Rs.455,158.</td>
</tr>
<tr>
<td>(c) Establishments Code of the Democratic Socialist Republic of Sri Lanka Chapter VIII Section 10</td>
<td>Even though a period of not less than 08 hours of service should be performed per day for obtaining the 1/20 allowances for working on weekends and public holidays, the 1/20 allowance had been paid to the officers of the Institution who had worked only for 06 hours.</td>
</tr>
<tr>
<td>(d) Circular No. MF/TR/1/2003 dated 28 March 2003 of the Secretary to the Ministry of Finance, Public Enterprises Circular No. PED/28 of 31 January 2005 and paragraph 2 of</td>
<td>In the procurement of motor vehicles on hire basis, motor vehicles should be hired within monthly hire of Rs.40,000 (excluding Value Added Tax). Nevertheless, the payments for 05 motor vehicles hired by the Institution had been made exceeding that</td>
</tr>
</tbody>
</table>
the Public Finance Circular No. 353(5) of 31 August 2004. limit without obtaining the approval of the General Treasury. Payment for hired motor vehicles had been on the number of kilometres run and instances of monthly hire charge exceeding Rs.113,000 were observed.

2.2.5 Transactions not covered by Adequate Authority

The following observations are made.

(a) Contrary to Section 8.3.3 of the Public Enterprises Circular No. PED/12 of 02 June 2003 and the Management Services Circular No. 39 of 26 May 2009, Rs.27,110,800 and Rs.25,705,600 had been paid as incentive allowances to the officers in the year under review and the year 2012 respectively based on the income of the Institution and the attendance of the officers in accordance with the decision of the General Council dated 28 February 2012.

(b) Contrary to the Management Services Circular No. 39 of 26 May 2009, the public Finance Circular No. PF/PE/05 of 11 January 2000 and the Department of Public Enterprises Circular No. 95 of 04 June 1994, a sum of Rs.28,115,063 had been paid to the staff of the Institution as transport allowance, uniform allowance, meal allowance and weekend allowance in accordance with the decisions of the General Council.

3. Financial Review

3.1 Financial Result

According to the Financial Statements presented, the operation of the Institution for the year ended 31 December 2013 had resulted in a surplus of Rs.96,751,550 as compared with the corresponding surplus of Rs.68,349,797 for the preceding year. Accordingly, the improvement of the financial results of the year under review by a sum of Rs.28,401,753 had been mainly due to the increase of the income by a sum of Rs.64,683,276.
3.2 Analytical Financial Review

According to the statement of financial position presented, the working capital ratios of the Institution are given below.

<table>
<thead>
<tr>
<th>Ratio</th>
<th>Year 2013</th>
<th>Year 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current</td>
<td>14:1</td>
<td>14:1</td>
</tr>
<tr>
<td>Quick</td>
<td>13:1</td>
<td>13:1</td>
</tr>
</tbody>
</table>

Out of the current assets 75 per cent represented the investments made in the Repurchase Market due for maturity in February and April 2014. It was observed that a large amount of the money of the Institution had been held in liquid assets.

4. Operating Review

4.1 Performance

The following observations are made.

(a) Comparison of the Action Plan and the actual performance of the Institution during the period from January to December 2013 revealed that the ISO-9001 Certificate and Production Certifications had not been obtained while only 03 foreign suppliers had been registered as against the target for registration of 20 foreign suppliers. In addition, the inclusion of new items to the Import Inspection Scheme and the introduction of quality certificates for exports had not been done.

(b) Even though the Institution had collected a sum of Rs.672,000 in 16 instances from January 2012 to June 2013 at the rate of Rs.11,500 for the testing of sample of imported cement and Rs.2,500 for the expeditious performance of the tests, there were delays ranging from 2½ months to 5 months in issuing reports.
(c) Even though obtaining the Standard Certificate for tooth paste under the Sri Lanka Standard Specification 275:2006 is compulsory, the issue of a Standard Certificate to an institution which made an application in February 2009 had been delayed up to the year 2010 while action had been taken to issue a Standards Certificate to another tooth paste which did not conform to the specifications.

(d) According to an agreement entered into between the Coconut Development Board and the Institution for the grant of "Quality production certification" for the coconut related industries, the issue of "Quality Products Certification" to 84 institutions by the end of the year 2013 had been targeted. Nevertheless certificates had been issued only to 44 institutions.

4.2 Management Inefficiencies

The following observations are made.

(a) Stocks of 221,649,011 kilograms of cement imported under the trade name "Kohomoor" from 31 July 2009 to 30 June 2013 in 109 instances and 3,834,000 kilograms of cement imported under the trade name "Lucky" from 12 November 2011 to 03 June 2013 which did not conform to the compression strength between 42.5 to 62.5 in accordance with Sri Lanka Standards Specification 107:2008 applicable to cement had been released to the market.

(b) The Institution had not taken action even up to the end of the year under review to obtain the test reports on 68 samples of cement sent to two foreign private laboratories in England and Singapore from May 2012 to June 2013 for testing whether the imported cement conform to Sri Lanka Standard 107:2008.

(c) Two institutions had not paid a sum of Rs.220,000 for Management Systems Certificates in respect of the years 2002 to 2007 and that had been brought forward in the debtors balances.
(d) The Institution had obtained hired motor vehicle service from two private institutions for urgent one day services of the Institution. In obtaining the service, action in terms of the Procurement Procedure had not been taken to obtain the hired motor vehicle service at a minimum cost and that service had been obtained continuously over a period of 05 years even without obtaining the approval of the General Council. A sum exceeding Rs.110 per kilometre had been paid for obtaining the hired motor vehicle service from the two private companies. In view of the selection of the two institutions without transparency, the institution had evaded the opportunity of obtaining the service for a lesser cost.

(e) A stock of 2,001,300 kilogrammes of milk powder imported to Sri Lanka from a foreign company in 28 instances had been released to the market without carrying out the Standards tests in accordance with Sri Lanka Standards Specification 731:2008.

(f) Even though the microbe tests on margarine should be carried out compulsorily in accordance with paragraph 5:5 of Sri Lanka Standing Standards Specification 2011:1427, stocks of 420,000 kilogrammes valued at Rs.42,147,500 had been permitted for release without carrying out the microbe tests in 06 instances from 01 May to 05 May 2013.

(g) According to paragraph 5:2 of Sri Lanka Standards Specification 883:1990, the heavy metal test should be carried out compulsorily before permitting the release of stocks of brown sugar. Nevertheless, permission for the release of stocks of 9,200,400 kilogrammes had been granted without such tests in 30 instances from December 2012 to 31 December 2013. Even though the institution informed that the release of goods can be permitted by carrying out only the spot checks, the non-achievement of the objectives of formulating standards was observed in audit.

(h) According to paragraph 5.1(H) of the Sri Lanka Standard Specification 107:2008 the effective life of cement is 90 days from the date of packing by the manufacturer. Nevertheless, 6,113,000 kilogrammes of imported cement valued at U.S.S 337,732 which had expired that period had been released to the market.

(i) According to classification 1 of GL-11-04 if imports are tested on a certificate approved by a foreign government institution, one in 03 imported stock should be tested. Nevertheless, stocks of 6,600,175 kilogrammes of milk powder imported from a private institution in 30 instances had been released without carrying out the Standards tests and issued to the marker.
4.3 Transactions of Contentious Nature

The following observations are made.

(a) Even though a stock of 50,000 kilogrammes of milk powder imported from a foreign company under Entry No. 879260 had the seal “samples required” stamped, that had been issued to the market without obtaining samples or the issue of test certificates.

(b) According to Sri Lanka Standards Specification 731:2008, eight parameters should be tested to examine the content of the imported milk powder. Even though a sum of Rs.2,517,000 had been obtained from the client for 20 samples, detailed test reports including parameters had not been issued.

(c) A stock of 25,575 kilogrammes of milk powder under Entry No. 874305 had been permitted for lease on 08 May 2013 after testing the sample received on 14 August 2012. The stock of milk powder was due to expire in December 2013. It was observed that there was a risk of expiry of shelf life of the milk powder within the period of 07 months from the date of the test report and packing and issue to the market.

(d) Even though the Atomic Energy Authority carries out tests of the radioactive matter not covered under Sri Lanka Standards present in the imported milk powder, in view of the absence of a methodology between the two institutions for the Standard Institution to obtain the results of the tests carried out, the existence of the risk of issuing contaminated milk powder to the market was observed.

4.5 Underutilization of Funds

The following observations are made.

(a) Instead of carrying out an evaluation of the investments yielding a higher rate of interest, a sum of Rs.805,000,000 had been invested in 04 instances in the year in Repurchase Agreements. Instead of re-investing immediately on maturity the money had been retained in the Current Account and as such the interest lost during the idle period amounted to Rs.2,830,597.
(b) A sum of Rs.30,329,577 had been received in the year 2006 to award Standards Certificates to the small and medium scale industrialist in collaboration with the Export Development Board and the project had been completed in the year 2009. The balance sum of Rs.4,079,759 out of that had been retained idle in the Current Account.

4.6 Uneconomic Transactions

Even though the Proving Ring and Loading Cell machine valued at Rs.8,700,000 had been sent to a foreign country for calibration at a cost of Rs.429,280, the Machine had been brought back on 27 November 2013 without carrying out the calibration. Nevertheless, action had not been taken even up to 31 December 2013 for the recovery of the sum of Rs.150,744 as the test fees.

4.7 Personnel Administration

Vacancies in 57 Executive and Non-Executive posts in the staff existed as at 31 December 2013.

5. Accountability and Good Governance

5.1 Presentation of Financial Statements

The Institution had presented the financial statements for the year ended 31 December 2013 prepared in accordance with the Generally Accepted Accounting Principles in terms of paragraph 6.1.1 of the Treasury Circular No. 2004/01 of 24 February 2004 on 28 February 2014. Subsequently, after two months, the financial statements prepared in accordance with Sri Lanka Accounting Standards had been presented on 02 May 2014.

5.2 Procurement Plan

Even though the Institution had prepared a Procurement Plan for the laboratory and office equipment required for the year under review, action had not been taken even by 31 December 2013 for the purchase of 12 items of laboratory equipment and the office equipment valued at Rs.30,400,000 and Rs.8,500,000 respectively included therein.
5.3 Budgetary Control
------------------------

Variances ranging from 10 per cent to 69 per cent were observed between the estimated income and expenditure of the budget for the year under review and the actual income and expenditure, thus indicating that the budget had not been made use of as an effective instrument of financial control.

6. Systems and Controls
------------------------

Deficiencies in systems and controls observed during the course of audit were brought to the notice of the Chairman of the Institution from time to time. Special attention is needed in respect of the following areas of control.

(a) Income Receivable
(b) Debtors
(c) Motor Vehicles Control

W.P.C. Wickramaratne
Acting Auditor General
CHAIRMAN’S COMMENTS ON THE REPORT OF THE AUDITOR GENERAL ON THE ACCOUNTS OF THE SRI LANKA STANDARDS INSTITUTION FOR THE YEAR ENDED 31 DECEMBER 2013 IN TERMS OF SECTION 14 (2) (C) OF THE FINANCE ACT NO. 38 OF 1971

2. Financial Statements

2.2 Comments on the Financial Statements

2.2.1 Sri Lanka Accounting Standards

(a) LKAS - 07

Investments - LKR 335,000,000/= 

Though these investments are money market instruments it has been invested in Bank of Ceylon under the Account type “Tradable Customer Reverse Repurchase [Rev.REPO] Securities Account with (04) four months maturity period, such investments were shown under the current assets along with the other financial assets in the amended Statement of Financial Position as at 31/12/2013. Here, it was also considered the period of maturity which is (04) four months and not in a state of immediate liquidity cash and bank balances.

(b) LKAS - 16

Considering the Depreciation Percentage for Computer and Accessories

It has been observed that the useful life time of the modern computers are much less than before mainly because the low life spas of the hardware and technical obsolescence. Therefore, steps have been taken to amend the rate of depreciation of the Computer Printers & Mobile Phones from 10% to 20% to match useful life time of the same with the approval of the Governing Council with effect from 2015/01/01.

(c) LKAS - 19

Error had been rectified in the Accounts for the year 2014 as per the Journal Entry No. G 14095 dated 2014/07/31.

(d) LKAS - 20

Error had been rectified in the Accounts for the year 2014 as per the Journal Entry No. G 14077 dated 2014/07/29.
2.2.2 Account Payable and Receivables

(a) Ledger balances Idling in accounts

(i) Treasury Deposits – LKR 1,127,500/00
Deposit A/C No. 6000/0/0/4/0/36

Department of State Accounts has confirmed the appearance of this balance in their registers to the Auditor General on 02/04/2013 as per their letter bearing No. SA/AS/MS/5/3.

Though the auditors have mentioned that this balance has been idling since the year 2009, this has been shown in the accounts since the year 1973. Examinations are being explored to see whether this could be transferred or an interest could be requested.

(ii) Treasury Surplus Fund LKR - 500000/=  
Deposit A/C M. No. 6000/0/7/0/1

Department of State Accounts has confirmed the appearance of this balance in their registers to the Auditor General on 02/04/2013 as per their letter bearing No. SA/AS/MS/5/3.

This balance has been appearing in the accounts since the year 1980. Examinations are now being explored to see whether this could be transferred an interest could be requested.

(b) Trade Debtors - LKR 35,917,115/00

Institution has initiated legal action against these organizations. Out of the above balance as at 31/12/2013, a total sum of LKR 9,902,120/25/= has been recovered during the year 2014. Therefore, SLSI believes that the recovery of the full amount can be done.

However, SLSI wishes to state that a sum of LKR 4,174,838/07 is due from Government Institutions which is also included into the above amount and the Institution has already made requests by sending Letters to the relevant ministry requesting to settle these payments, and no replies have been received but Institution intends to follow-it up through the relevant Ministry.

(c) Long Outstanding Credits as at 31/12/13
LKR 1,399,246/=  

The above balance is a total of three (03) control accounts. The break-down of the balance is appended below. These three accounts have already been reconciled and the documents will be submitted to the next Audit & Management Committee and necessary entries will be passed once the council approval is received.
<table>
<thead>
<tr>
<th>Account</th>
<th>Value (LKR)</th>
</tr>
</thead>
<tbody>
<tr>
<td>E.P.F Control Account</td>
<td>357,139</td>
</tr>
<tr>
<td>E.T.F Control Account</td>
<td>69,614</td>
</tr>
<tr>
<td>VAT Control Account</td>
<td>972,493</td>
</tr>
</tbody>
</table>

**National Science Foundation**
LKR 521,298/=  

The above reported amount had been cleared and rectified as per the Journal Entry No. G 14115 dated 2014/09/29.

2.2.3 **(a) Non-Compliance with Laws, Rules and Regulations**

**Paragraph 6 (2) of the Gratuity Payment Act No. G 12 of 1983**

The Council approval for the calculation and payment of gratuity in account of the allowances was received only on 2013/11/27 and it has been effective from 2013/11/01

The (14) fourteen officers out of the 15 officers who had been retired/resigned during the year 2013 were retired/resigned before the effective date which was 2013/11/01 and therefore they were not entitled and accordingly not paid as per the aforesaid approval. The remaining officer had been retired after 2013/11/01 and his gratuity payments were calculated and paid in account of allowances as mentioned in the Audit Report.

However, gratuity payments are being paid in account of the allowances with effect from 2013/11/01 and therefore this problem will not be occurred in future.

**(b) Financial Regulations - 394**

**Cancelled Cheque - LKR 455,158**

The above amount is comprised of the total of 14 (fourteen) cheques. Legal action has already been initiated to recover the remaining balances of the returned cheques.

Letters of demand have already been sent to the defaulters.

**(c) Establishment Code**

**Paragraph (10) of the Section viii**

Since the inception of the Sri Lanka Standards Institution the working duration to qualify for the payment of 1/20th of the salary has been (06) six hours because the working conditions of the laboratory are having a significant effect on the employees health and therefore continuous working for eight hours will have severe consequences on these employees and that is the very reason that the SLSI considered in given this concession. Furthermore employees of the laboratories are deployed for testing activities on their weekend holidays only for an urgent requirements, giving due consideration to the urgency of issuing test reports.
On the other hand if working duration is extended up to 08 hours the overheads involved such as electricity, air conditioners etc would be increased and the cost as compared to the given would be much higher. Moreover, the laboratories were very old and therefore unless the conditions of laboratories are developed, it is not possible to initiate any action to remove this given two hour concession. Since the SLSI is in the process of obtaining a land to build laboratories and once such laboratories are built this can be considered as health hazards could be addressed once such labs are developed.

(d) **Letter bearing No. MN/TR/1/2003 dated 28/03/2003 of the Secretary to the Ministry of Finance**

**Public Enterprises Circular No. PED/28 dated 31/01/2005**
**Public Finance Circular No. 353(5) dated 31/08/2004 - 2\textsuperscript{nd} Paragraph**

Institution has to provide timely services to the clients and therefore, the services of hired vehicles is a dire need and the Institution followed all the required procedures and purchased these vehicles based on competitive market rates. Since the values exceed the prevailing limits given in the aforesaid circular, Institution has sought the approval from the treasury but the approval is pending. It is worthwhile to state that the demand for SLSI services are on the increasing trend from the Industry & trade and if the SLSI will not hire these vehicles it has to stop the providing of such services to the Industry & Trade, which effects the economy of the country in a significant manner.

2.2.4 **Transactions not confirmed by an adequate Authority**

(a) **Monthly Motivational Allowance**

This monthly allowance has been introduced by the SLSI based on a criteria which includes performance indicators and employee reporting indicators to ensure that the Institution will have a positive growth to achieve the final targets.

With regard to this, SLSI is in the process of developing an Individual Score Card using the Balanced Score Card System and to link the individual’s performance to tie up this Motivational Allowance with the monthly performance of the employees. This system is being developed at present and the details has been sent for approval of Department of Management Services through Ministry of Technology and research and awaiting a positive response.

This allowance has been instrumental over the past few years as an immense motivator to increase the Institutional income and sustain the income earning status, right throughout the year. Moreover this is one of the contributory factors for the SLSI of the achievement of self sustenance status.

However, this allowance has been duly approved by the Council under the powers vested to the same by the SLSI Act No. 6 of 1984 and one of the members comprises the Council is a representative of the General Treasury.
(b) **Transport Allowance**  
**Meal Allowance**  
**Clothing Allowance**

These allowances have been duly approved by the Council as mentioned in above (a). It is an accepted fact that employees are the asset of any organization and their support & cooperation is required to develop any Institution. Since SLSI is in the progressive march and as a result, the Council of the Institution based on the powers vested in the SLSI act decided to provide these allowances to employees of SLSI and these allowances are also contribute to the achievement of the current progress of the Institution.

**Weekend Allowances for non-executives**

This is not an allowance but a special payment made for urgent testing works carried out by the laboratory staff during the weekends. These payments are reimbursed/recovered from the clients out of the urgent testing fees. Therefore this, neither an allowance nor special payment borne by the Institution.

3. **Financial Review**

3.1 **Financial Results**

The Total Net Assets as at 31/12/2013 had been increased by LKR 89,298,019 during the year under review as compared to the same figure as at 31/12/2012. These results indicate that the Institute has been maintained a positive growth during the previous four years.

The total income of the Institution had been increased by LKR 64,683,276/21 during the year 2013. The net surplus had also been increased by LKR 28,401,754 during the year.

Furthermore, the Recurrent and Capital grants had not been obtained from the Treasury during the three years 2011, 2012 and 2013.

Therefore, it is evident that the Institution has now been attained the self-sufficient status.

3.2 **Analysis of Financial Review**

Analysis of the Working Capital Ratios are as follows.

<table>
<thead>
<tr>
<th>Ratio</th>
<th>Standard Ratio</th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current</td>
<td>2:1</td>
<td>14:1</td>
<td>14:1</td>
</tr>
<tr>
<td>Quick Asset</td>
<td>1:1</td>
<td>13:1</td>
<td>13:1</td>
</tr>
</tbody>
</table>
The above two ratios clearly indicate the strength of the liquidity position of the Institution. The Investments in REPOS represents 75% portion of the Current Assets and the same had earned a sum of LKR 23,883,695 during the year under review.

The Institution intends to further increase the investments out of its day to day operations whilst investing the funds needed to plan infrastructure development in the near future.

One such plan is now being implemented which is the construction of 08th floor of the Institute’s owned building with a view to find extra space hardly needed at present, using the investment funds.

04. Operational Review

04.1 Physical Performances

(a) (i) Obtaining ISO 9001 Certificate

This is due to the fact of training all employees on this concept, which took a long time and also development of required document as per ISO 9001, which also took a considerable time.

Documentation has now been completed and the Internal Audits are now being carried out. The Institution has to obtain some private party providing this same service, which Institution clearly evaluate to assess the implications of such certificate as these players are competitors, of the Institution.

Introducing of Product Certificate on SLSI/SLTB Tea Product Certification on SLSI/SLTB Tea Product Certification Scheme – Packeting Plants

The rules and regulations for pocketing area have now been finalized. But awaiting approval from Tea Board to implement the same as this is a scheme.

Quality Certification

(a) (ii) Registration of 20 new overseas suppliers

Even though the target is given as 20, the achievement is beyond the control of the Institution as for the registration certain requirements have to be fulfilled by the relevant suppliers.

According to the systems prevailed at the Quality Assurance Division for registration of overseas suppliers the following factors are required to be considered in addition to the other factors.

- Quality of the manufactured goods
- Production process
- Consistency of the quality of the manufactured goods

There were only (03) three overseas suppliers have fulfilled the requirements and these suppliers were identified and registered during the year 2013.
Please also note that the registration of overseas suppliers is a voluntary scheme and not compulsory one.

(a) (iii) **Adding new items for Import Inspection Scheme**

(23) Twenty three items have been added as new items and the Gazette No. 1844/49 dated 2014/01/08 had also been published.

These new items have been effective from 2014/05/01.

Please also note that the aforesaid new addition is a consequence of the acts performed during the year 2013.

(a) (iv) **Introduction of Quality Certificates for Export**

The new Export Certification Scheme for Cinnamon was scheduled to be started with effect from 2014/01/01 as per the Gazette bearing No 1813/15 dated 2013/06/05 but as per the Gazette bearing No. 1443/40 dated 2014/01/02 it has been subsequently amended the effective date as 2014/04/01.

However, it was further decided not to implement the Gazette notification at a meeting held in the Treasury on 2014/04/03 but a fresh Gazette notice in this regard has not yet been issued by the Controller of Exports and Imports. Therefore, the Institution was not in a position of commencing the scheme as scheduled and awaiting the new institutions from the treasury.

(b) The reported charge of LKR 2500/= is not an expediting charge for Cement tests but an additional charge to cover up the part of weekend charges paid for testing officers. This fee is bad needed because the cement tests are carried out not only on week days but also on weekends in order to control and balance the testing work load received day to day by the Laboratory.

In case of cement samples the testing time cannot be limited to an exact time period because the starting date of testing of sample and the testing duration depends on the following facts which are beyond the control the laboratory.

- No. of samples received for testing by the Laboratory during a given period.
- No. of samples in the hands of the testing officers already allocated during such period.
- Preparation of samples to suit the dates of starting of tests and standard compressive strength tests those are not carried out during the holidays.
- Deciding of possible dates on which testing processes are started according to the planned sample forming activities.
- Ability of maintaining laboratory conditions as approved by the standard parameters.

- Retesting may be possible where an unexpected stoppages on going testing activities are occurred and to avoid such consequential material deviations thereon.

- In cases where material deviations are observed reference for retesting may be possible.

- In cases where the ultimate test results to be confirmed reference for retesting may be possible.

As such if the test is repeated by some reason the period mentioned above to issue a report is doubled and that is inevitable.

However, due to the nature of cement test (Standard Compressive Strength) the testing time requires 28 days and then with other administrative matters like analysis of data, entering data, Preparation of test reports, re-checking of reports will also require another two days as minimum. Therefore, these are not delays as these activities are part and partial of the test itself.

Though the date mentioned in the applications submitted for obtaining of SLS Certificates for “Supirivicky, Kekulu and Sumudu” toothpastes was 20/02/2009, those applications had been submitted to SLISI on 14/08/2009. Please note that the date of the application is recorded only after the submission of applications along with the duly made payments. In order to expedite the process of awarding SLS Certificate the Preliminary Audit and the Final Audit were carried out on 01/09/2009.

These (03) three projects were forwarded to the permit committee held on 21/12/2009 and it was decided to award SLS Certificate for “Supirivicky” and Kekulu” toothpastes and retest the “Cohesiveness” parameter of the “Sumudu” toothpaste.

Duly signed Letters of Agreement for “Superivicky and Kekuly” toothpastes had been referred to M/S Hettigoda Industries on 01/03/2010. The reason for the delay of 02 ½ months in issuing the certificate was due to the delayed action taken by M/S Hettigoda Industries to include the details of the ingredients on the packs of the said toothpastes, which is a requirement to be fulfilled as per the marking clause of the standard.

Therefore, no delays were occurred from the part of the SLISI in this regard.

“Sumudu” Toothpaste

Every standard includes several parameters and the importance of such parameters are at different levels. In case of a deviation observed as non conformity with a parameter, the importance of such parameter and its level of deviation is considered. The Permit Committee takes the decision whether the permit is issued or not after considering all the aforesaid facts based on the scientific matters. That is very reason that a higher Committee-Permit Committee review the results before making a decision. Therefore the permit has been granted to the above toothpaste considering all the factors mentioned above.
(d) SLSI/CDB - Project

The GMP Certification is issued for the companies which have accepted level of compliance with the SLS 142 and SLS 143 standards. If the companies have not reached up to the level of compliance, the GMP certification cannot be issued. SLSI has issued 44 certificates for the companies which complied with the standard requirements. Since the other companies have not upgraded their systems to comply with the standard requirements, such companies have not been certified by SLSI.

Even though, the SLSI has an agreement with CDA, SLSI is not alone in a position of issuing certificates without the commitment of the interested companies. Most of the aforesaid companies whose certifications are pending are get to develop their much needed minimum infrastructure facilities and unless it is fulfilled the certificates cannot be granted.

Therefore, the reasons for not achieving the target were as mentioned above and lack or low commitment of the companies who are anticipating the certification.

4.2 Management Inefficiencies


One of the methodologies used in considering the granting of approval to an imported consignment of goods under the Import Inspection Scheme is to check whether the so called goods have been awarded an acceptable Product Certification Mark.

As such cement consignments imported under the trade name “Kolinoor” during the period 2009/07/31 to 20/06/30 had been released because during such period the same trade name had a valid “SLS” permit (strength class 42.5 N) to import and distribute Ordinary Portland cement.

Similarly, due to the “SLS” permit issued for “Lucky” cement was valid during the period between 2011/11/12 and 2013/06/03 and the cement consignments imported had been released to the market.

This method is being used because when awarding the SLS mark, the Institution conducts a thorough analysis of the process to see whether the processes are up to the standard and also the capability of the manufacturer in making the product consistently conforming to the standard, is also checked by testing of consecutive samples.

However, samples are obtained for every consignment in instances where non-conformities have been observed in the previously obtained samples until such time the product meets the standard. This is an acceptable practice in the world. If previously obtained samples are confirmed, subsequent samples are obtained on random basis using scientific principles which is scientifically identified as skip lot system. If the results of the so obtained samples are not satisfied importer was informed to take immediate corrective actions whilst every subsequent consignment imported are sampled and tested. In the meantime after obtaining the samples of such consignments are approved for sale if the “SLS” mark is valid.
Once the reports are received of such samples so tested the Quality Assurance Division takes action to send the same to Product Certification division with a view to make decisions with regard to the “SLS” mark already granted for the particular brand of cement. In addition to this the importers of the particular brands are informed by the Quality Assurance division requesting to improve the quality of the cement they import. Otherwise the “SLS” mark is withdrawn, if the importer failed to show proper corrective action.

(b) On the concurrence of the SLSI and the importers parallel samples were obtained from the cement imported from Pakistan during the period May 2012 and June 2013 and sent for testing to the following laboratories, on the importers cost as importer wanted to get it tested.

- SLSI
- ITI
- Kivton Concrete Services – England
- TUY-Sud-Singapore

However, test reports on the samples sent to Kivton Concrete Services – England and TUV-Sud-Singapore have not yet been received by the Institution despite numerous reminders sent to such foreign private laboratories, requesting to send the relevant reports.

However, it was found that “ITI” results are more or less in line with the SLSI test results.

Sending of cement samples to aforesaid two laboratories have now been stopped due to delays in issuing test reports and also importers are not interested and moreover there is no use in making decisions by such delayed reports.

(c) Legal action is now being taken with regard to the said two defaulted companies and if that effort is also failed action will be taken to write-off the outstanding balances from the debtors.

(d) These vehicles are hired from Namdo Transport (Pvt) Ltd and when required where the Institutions owned vehicles and monthly hired vehicles are inadequate to meet the daily demand of the official requirements as such needs have to be fulfilled. Moreover, the demand for vehicles will also vary as it depends on the number of inspections available per day.

Namdo Transport (Pvt) Ltd was selected as per the short listed firms of the Category “B” of the Circular being No. MPD/MPRD/Veh. dated 11/10/2002 issued by Ministry of Policy Development and Implementation. Please note that this circular is the Appendix 2 (B) of the Public Enterprises Circular No. 12 (PED 12).

Therefore, the Namdo Transport has been selected in a transparent manner according to a Government Circular.

Moreover, please also note that these vehicles available in the current market as the packages of hourly basis inclusive of fixed charges, Loading & Unloading charges for extra hours (holding charges) and VAT etc, whereas Namdo does not cover such charges even though the kilometer rate for short distances is somewhat higher than the other ones, the Institution is compelled to hire these vehicles.
However, the Institution is hoping to explore the possibilities of finding any low cost daily hiring vehicles for the year 2015 as the Institution requires the services of those vehicles to provide its services to clients.

As per the Category 1 of the procedure to obtain approval of the GL-II-04. “The Import Inspection Scheme for Designated Products”, consignments accompanied with acceptable Conformity Certificates from an overseas laboratory or an inspection agency or any other Government Institution registered with the Sri Lanka Standards Institution will be sampled for random check once in three consignments. However, the SLSI will decide the frequency of sampling based on the past performance of manufacturer, Laboratory reports and also the creditability of the importer.

The Quality of every milk powder consignment imported from Australia are conformed by health certificates issued from the Government Institution of the same country to the extent that in conformity with SLS 731:2008 for the milk powder which is recognized under the Food Act by the Chief Food Authority of Sri Lanka and fit for human consumption.

Moreover, the quality of each of such milk powder consignment is checked and confirmed by the accepted laboratory of the aforesaid country. Such accepted laboratories/Authorities are appended below.

i. Department of Agriculture, Fisheries and Forestry - Australia
ii. Dairy Technical Services - Australia

The import inspection for milk powder imports from Australia was monitored with a mutual understanding between such country and Sri Lanka since the year 2008. Milk powder samples were earlier taken and tested once in three consignments and found that all the samples were in conformity with the standard. Hence, it was subsequently decided that the random sampling as once in five consignments. This is clearly permitted in the aforesaid category 1 of the Import Inspection Scheme.

However, this practice does not mean that the four consignments in between the random sampling range of five are not checked but all the aforesaid documents are thoroughly checked and the consignments are released, if the documentary evidences are acceptable.

Moreover, all the samples taken and tested once in five consignments were found in conformity with SLS 731:2008.

Therefore, the query raised regarding “the milk powder imported from Murray Goulburn Cooperative Co. Ltd are not checked and released” is not acceptable in view of the above objective evidence (facts) and which is the world accepted systems to avoid no-tariff barriers in the trade to be practiced as per the WTO-TBT requirements.

Margarine imports are samples and randomly carryout detailed tests including microbiological tests. These microbiological tests are carried out when deemed necessary to do so either by the Institute’s owned laboratory or the other proficient laboratory in instances where ours laboratory is overloaded.

Therefore, these samples are released considering the;
- Results of the spot tests
- Test reports issued by the accepted and recognized laboratories of the country of origin including microbiological tests.
- Quality Certificates issued by the accredited institution of the country of origin including microbiological tests.

However, the spot tests provide an indication about the necessity of carrying out the microbiological tests and in such instances, the Institution carries out those tests otherwise the decision will be taken based on the spot tests, as it is coupled with the recognized/Accredited test report results.

Furthermore, microbiological tests for imported margarine consignments are carried out once in five instances based on past performance as it will help to reduce the time consumed for releasing of consignments and the cost to be borne by the importer, which will pass on to the consumer as an additional cost, by the importer by increasing price of the product.

(g) Import Inspection Scheme permits to make decisions considering the Pre-Export Quality Certificates issued by either the National Standards Institution or any other accepted state Institution of the exporting country. As far as the Sugar imports are concerned following quality certificates and test reports submitted are also considered for approval for the imported consignments, in line with the Internationally accepted conformity assessment practices, which is also a part of the Import Inspection requirements.

<table>
<thead>
<tr>
<th>Country</th>
<th>Institution and report</th>
</tr>
</thead>
<tbody>
<tr>
<td>Thailand</td>
<td>Thai Industrial Standards Institute of the Ministry of Industry of Thailand – Quality certificates and test reports.</td>
</tr>
<tr>
<td>Brazil</td>
<td>Centre for Energy, Nuclear and Agriculture (CENA) and Universidade Federal Fluminense of Rio de Janeiro for brown sugar consignments imported from Brazil – Health Certificates and Sanitary Certificates.</td>
</tr>
<tr>
<td>India</td>
<td>RCA Laboratories of Mumbai India.</td>
</tr>
</tbody>
</table>

The test reports above mentioned are included the results for “Heavy metal” tests.

However, as per the para 5:2 of the SLS 883:1990 “Heavy Metal” test is not compulsory in releasing brown sugar consignments but the results of the “Heavy Metal” tests of the accepted quality certificates and test reports are considered. Only random detailed tests are carried out with a view of confirming the above results submitted to the Institution, which is the acceptable practice.

Frequency of such random tests is decided upon, based on the following:
- Past performances
- The foreign manufacturer
- Quality of the imported consignments
SLSI wishes to state that the national standards are prepared covering a broad spectrum to address overall industry issues indicating the minimum standards depending on the schemes, certain important requirements considered. That is the worldwide practice and SLSI is also using the same system for Import Inspection Scheme and it does not mean that the purpose of standards are not achieved. Because most critical parameters of the applicable standard is considered for decision making which implies that the Standard is considered as the reference or the baseline.

According to the “Notification” of Brown Sugar consignments received during the period between December 2012 and December 2013 there were (09) nine consignments had been subjected to the “Heavy Metal” tests and decided to released on their results. The details are as follows.

<table>
<thead>
<tr>
<th>Date</th>
<th>Entry No.</th>
<th>Importer</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013/06/13</td>
<td>884677</td>
<td>Wilson Trading Co. (Pvt) Ltd</td>
</tr>
<tr>
<td>2013/06/14</td>
<td>884727</td>
<td>Amro Sugars</td>
</tr>
<tr>
<td>2013/06/14</td>
<td>884751</td>
<td>N B Foods (Pvt) Ltd</td>
</tr>
<tr>
<td>2013/06/19</td>
<td>884883</td>
<td>Global Trading Co.</td>
</tr>
<tr>
<td>2013/06/20</td>
<td>884915</td>
<td>N. B Foods (Pvt) Ltd</td>
</tr>
<tr>
<td>2013/06/20</td>
<td>884914</td>
<td>N.B Foods (Pvt) Ltd</td>
</tr>
<tr>
<td>2013/09/03</td>
<td>887582</td>
<td>Suden</td>
</tr>
<tr>
<td>2013/09/03</td>
<td>887608</td>
<td>Delta Imports &amp; Exports (Pvt) Ltd</td>
</tr>
<tr>
<td>2013/09/03</td>
<td>887610</td>
<td>- do -</td>
</tr>
</tbody>
</table>

Moreover, following (02) two consignments had been released on the results of the test reports issued by following accredited laboratories.

<table>
<thead>
<tr>
<th>Date</th>
<th>Entry No.</th>
<th>Importer</th>
<th>Foreign Registered Lab</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013/06/04</td>
<td>884284</td>
<td>Wilson Trading Co. Ltd</td>
<td>Thai Standards Institution.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Thailand</td>
</tr>
<tr>
<td>2013/08/15</td>
<td>887018</td>
<td>Delta Import and Export (Pvt) Ltd</td>
<td>RCA Laboratory</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>India.</td>
</tr>
</tbody>
</table>

(h) SISI is not in agreement with the statement that it has been taken more than 90 days to release the cement consignments from its date of import. Holding of consignments of imported cement bags for 90 days can not happen in any way as the Institution has different mechanisms to address in releasing consignments as appended below.

As per the paragraph 5.1 (h) of the Sri Lanka Standards No. SLS 107:2008 for the Ordinary Portland Cement, permits to mention on the pack regarding the details of the quantity of cement, storage, usage best before (...../....../......) as declared by the manufacturer.
If sampling is not required for a certain consignment of cement a direct approval is given whilst a sampling is required the approval is given as “This Consignment may be released to the importer’s warehouse for sampling. These goods may be offered for sale after samples are drawn by SLSI. Please also note that the sampling activity is carried out on the date requested by the importer as other logistics arrangements are required to be fulfilled.

In general, either of the aforesaid two types of approvals are given on the date on which the “Notification Form” is submitted to the Institution whereas the final approval is given as “Approved Consignment may be released” once the importers come back to the Institution with the notification form with a view to get released “Guarantee Bond” from the Sri Lanka Customs. Therefore, the duration between these two dates cannot be interpreted as releasing of out dated cement consignments.

Therefore, the Institution always followed the approved procedures when making the decisions and with the help of these processes, the Institution is able to release imported cement to the market without any delay.

As per the Category 1 of the procedure to obtain approval of the GL-11-04. “The Import Inspection Scheme for Designated Products”, consignments accompanied with acceptable Conformity Certificates from an overseas laboratory or an inspection agency or any other Government Institution registered with the Sri Lanka Standards Institution will be sampled for random check once in three consignments. However, the SLSI will decide the frequency of sampling based on the past performance of manufacturer, laboratory reports and also the credibility of the importer.

The quality of every milk powder consignment imported from New Zealand is confirmed by the health certificates issued from the Government Institution of the respective country to the extent that in conformity with SLS 731:2008 for the milk powder which is recognized under the Food Act by the Chief Food Authority of Sri Lanka and fit for human consumption.

Moreover, the quality of each of such milk powder consignment is checked and confirmed by the accepted laboratory of the country. Such accepted laboratories/Authorities are appended below.

i. New Zealand Ministry for Primary Industries
ii. Assure Quality – New Zealand

The import inspection for milk powder imports from New Zealand were monitored with a mutual understanding among such country and Sri Lanka since the year 2008. Milk Powder samples were earlier taken and tested once in three consignments and found that all the samples were in conformity with the standard. Hence, it was subsequently decided that the random sampling as once in five consignments. This is clearly permitted in the aforesaid category 1 of the Import Inspection Scheme.

However, this practice does not mean that the four consignments in between the random sampling range of five are not checked but all the aforesaid documents are thoroughly checked and the consignments are released, if the documentary evidences are acceptable.
Moreover, all the samples taken and tested once in five consignments were found in conformity with SLS 731:2008 and hence SLSI is not in a position to make any stringent approach, then it violates its own approved procedures.

Therefore, it is very clear from the above evidence, that “the milk powder imported from Fonterra - New Zealand are checked and released based on objective evidence by following the approved procedures.

4.3 Questionable Matters

(a) The milk powder consignment imported by Fonterra Ltd under Entry No. 879260 had been manufactured by two factories. A portion of the milk powder consignment had been manufactured by the factory bearing No. 570 and it had been approved without sampling due to the following reasons.

i. The test report submitted along with the consignment was conformed to the standard and it is an acceptable report once verified by the Institution.

ii. Two immediate prior consignments had been sampled and tested and found conformed to the standard.

The other portion of the milk powder consignment had been manufactured by another factory bearing No. 103 had not also been sampled due to the fact that the consignment imported from the same importer under the Entry No. 879261 which was comprised of milk powder manufactured under the same production batch was sampled and tested.

Therefore considering the aforesaid situations it was subsequently decided not to sample the consignment submitted under the Entry No. 879260 as the product was from the same lot even though imported on partly basis.

Please, also note that all the consignments imported and covered under the Import Inspection Scheme could be sampled and tested but at the same time the cost involved will be high and as a consequence it will be directly or indirectly borne by the consumers. Therefore, the Import Inspection Scheme is so designed in order to protect the both parties (Importer & Consumer) whilst considering the requirements of the standards and using statistically accepted methodologies which are in line with the accepted procedures of the world.

(b) The Laboratory at present, the following most important compositional tests for milk powder are carried out.

i. Moisture, per cent by mass
ii. Milk fat, per cent by mass
iii. Titratable acidity (as lactic acid), per cent by mass
iv. Refractive index of the extracted milk fat at 40 C
In addition to the above, milk powder is visually examined whether to know the Satisfiability of the product.

If relatively less important other remaining tests are carried out, it will take another additional 02-03 weeks to issue test reports on milk powder and as a consequence release of consignments would be much delayed. In view of that Quality Assurance Division consider the necessity of these additional tests based on the past performance reports as those tests are linked. Therefore it does not mean that these tests are required to be performed as those are also taken into consideration in directly.

(c) Excessive period of time had been taken to release the milk powder consignment submitted under the Entry No. 874305 due to congestion of the Laboratory. This situation has been now been addressed and required steps have already been taken to minimize the said delays as explained above. Therefore the situation has been settled and action has been taken not to repeat such delays.

(d) Sri Lanka Standards Institution has received reports from the Atomic Energy Authority in instances, where radioactivity levels were exceeded the danger limits as the imported goods have been contaminated by radioactivity elements from unclear fallout by which the environment was affected. However, it is noteworthy to mention, if any radio activity contamination is observed definitely those details will be informed to customs by Atomic Energy Authority (AEA) and Customs will not release such consignments, even though the consignment is tested by the Atomic Energy Authority for radio activity levels and inform to the Department of Health.

Furthermore, the milk powder consignments imported from New Zealand and Australia are certified by the respective Governments that the radioactivity levels of their milk powder products do not exceed the international limits so far according to their findings and fit for direct human consumption, even though on regular basis such tests are performed at our end.

(4.5) Under Utilization of Funds

(a) Treasury Grants are not obtained by the Sri Lanka Standards Institution and every step is taken to invest the excess funds generated from the income as those are needed for Institutional infrastructure development whilst part of the funds were given to the treasury.

Since, this is not a mandatory investment the future fund requirements are taken into consideration before making investments. It was decided to temporarily postpone the investment of LKR 250,000,000 for some time because there was a proposal to acquire land for the purpose of establishing the Institute’s laboratory and for that an advance payment was required to be made to reserve the land as per the land was intended to be purchased from UDA.

It was also decided to temporarily postpone the investment of LKR 30,000,000 with a view to cater the Special Loan proposal which was underway at that time.

The investment of LKR 275,000,000 was only (02) days delayed to invest because there were negotiations with the bank underway at that time regarding the rate of interests, as the Institution sought a higher rate.
Moreover the Institution is not in a position to find out alternate investment opportunities because the approval from the Treasury has been given only to invest in Treasury Bonds under repurchase agreements with the bank:

(b) **S.M.E. Project – LKR 4,079,759/=**

This is the balance funds received for SME Project remaining as at 31/12/2013.

This project was due to be completed at the end of the year 2010 but due to the reasons beyond the control of SLSI it was not so and the approval for another three years extension has been requested from the Treasury to complete the project. The approval is still pending. Once the necessary approval is received only, this balance can be utilized.

However, this money has not been idling since the same has been deposited in the Treasury Bonds along with the other investments of the Institution.

4.6 **Un-economic Transactions**

**Calibration charges - LKR 150,744/00**

This amount paid as an advance has now been settled by the National Physical Laboratory – India as per the Journal Entries bearing No. G 14155 and BJ 38109A dated 2014/11/25 and 2014/11/28 respectively.

4.7 **Staff Administration**

Vacancies of the Institution as at 31/12/2014 are as follows.

<table>
<thead>
<tr>
<th>Post</th>
<th>No.</th>
<th><strong>Action taken</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Director (Finance)</td>
<td>01</td>
<td>Applications have been called and Interviews to be held. This has been delayed due to Presidential Election.</td>
</tr>
<tr>
<td>Assistant/Deputy Director</td>
<td>08</td>
<td>Recruiting is in process.</td>
</tr>
<tr>
<td>Junior Manager</td>
<td>04</td>
<td>Advertised.</td>
</tr>
<tr>
<td>Management Assistant (Technical)</td>
<td>22</td>
<td>The quota allocated for the year 2014 is (08) eight and the same have already been advertised. The remaining vacancies will also be filled in the year 2015.</td>
</tr>
<tr>
<td>Management Assistant (Non Technical)</td>
<td>04</td>
<td>Interviews were held.</td>
</tr>
<tr>
<td>Primary Level (PL-I)</td>
<td>05</td>
<td>Out of these applications have been called to recruit 03 drivers.</td>
</tr>
<tr>
<td>Primary Level (PL-II)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Primary Level (PL-III)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>44</strong></td>
<td></td>
</tr>
</tbody>
</table>
Therefore, 13 vacancies of the total vacancies of 57 as at 31/12/2013 have now been filled.

Interviews have already completed to fill certain vacancies as mentioned above and the remaining posts will be filled soon.

Moreover for the year 2014 (20) twenty employees have retired /registered from the services of the Institution and as such the employee turnover for a month now is about 02.

5. Accountability and Good Governance

5.1 Submitting of Financial Statements

(a) Financial Statements of the Institution for the year 2013 have been prepared as per the Generally accepted Accounting Principles and paragraph 6.6.6 of the Treasury Circular No. 2014/01 dated 24/02/2004 and forwarded within the scheduled date which is 28/02/2014.

Therefore, a (02) two months extra period was requested from the Auditor General for convert the said financial statements as per the Sri Lanka Financial Reporting Standards and subsequently submitted to the Auditor General on 02/05/2014.

The services of two Accounting firms were obtained for the conversion works and due to various practical difficulties associated the submission of Accounts was delayed by two months.

However, an action will be taken to submit financial statements on scheduled date as in the previous years in future. Please note that submission of Accounts has never been delayed except for the year 2013 which is an extra ordinary situation, due to the conversion issues.

5.2 Procurement Plan

Estimated procurement of the Procurement Plan under the headings laboratory and office equipments for the year 2013 were LKR 23 million and LKR 8.5 million respectively. The actual expenditure for the year 2013 under these headings were LKR 25 million and LKR 6.4 million respectively. It is clear that SLSI has taken every effort to be within the Procurement Plan requirements.

5.3 Budgetary Control

Income

The income from Import Inspection scheme always depends on the imports to the country and the state of the economy those are beyond the control of the Institution. Income from Laboratory testing always depends on other three major schemes namely Import Inspection, Product Certification and Systems Certification and as the volume of such schemes increase the income from laboratory always increases, income from Product Certifications and Systems Certification mainly due to;
- Increase in volume
- Positive drive of the income from the newly introduced Up-Front payment scheme for the recovery of fees.

Therefore, a positive income variance of 69% had been achieved for the year 2013 due to the reasons mentioned above.

**Expenditure**

Salaries of the staff, EPF and ETF had been exceeded the budgeted figure around 5% because of the new recruitments and increase in the salaries by the budget during the year under review. Electricity expenses had been drastically increased during the year 2013 whilst the rent and lease expenses had been exceeded the budget due to leasing out of new premises to house Product Certification division. Repairs in buildings and computers had been exceeded the budget mainly due to unexpected repairs and increase in rates of repairs.

SLSI always prepare Annual Budget taking in to consideration of past records and the foreseeable future expectations. However, as explained early it is very important to note that all SLSI income generating products are tied up with the market and the results are varied based on the market fluctuations. In such situations, the Institution has to consider those factors in making a budget to ensure that it is an acceptable realistic one. In that regard, Institution always utilize acceptable budgetary principles whilst taking into consideration of market variable factors to ensure that the budget is acceptable and implementable to achieve the organizational goals.

Therefore, the SLSI is not in agreement with the statement “the Budget had not been used as an useful management control tool”.

6. **Systems & Controls**

All the observations made by the Auditors regarding the system and controls are noted and initiated actions for future compliance.

Dr. L N Senaweera  
Director General/Vice Chairman  
SRI LANKA STANDARDS INSTITUTION