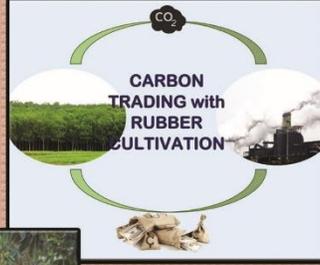




ශ්‍රී ලංකා රබර් පර්යේෂණායතනය
இலங்கை இறப்பர் ஆராய்ச்சி
நிறுவனம்

**RUBBER RESEARCH INSTITUTE
OF SRI LANKA**



2022

Annual Report ஆண்டறிக்கை வர்ணனை வர்ணனை

Rubber Research Institute of Sri Lanka

Dartonfield, Agalawatta

Vision

The Institute's vision is to emerge as the centre of excellence in providing high quality scientific technologies to the rubber industry.

Mission

The Institute's mission is to revitalize the rubber sector by developing economically and environmentally sustainable innovations and transferring the latest technologies to the stakeholders through training and advisory services.

Objectives

- *Increase productivity of rubber to international standards*
- *Increase national production of Natural Rubber (NR) to meet the increasing demand*
- *Optimal and sustainable utilization of land, labour and other resources*
- *Maximize domestic value addition to natural rubber*
- *Improve the organizational effectiveness by encouraging individual competency and self development of RRISL personnel*

Policies

- *Continuation of the research activities on all aspects of rubber production and processing*
- *Continue to promote environmentally friendly and sustainable rubber industry*
- *Transfer the developed technologies through training and advisory services*

About us

The origin of rubber research in Sri Lanka goes back to 1909, when a group of planters in the Kalutara district got the service of a chemist to study the coagulation of rubber. This was later expanded to form a Rubber Research Scheme in 1913 and then named as the Rubber Research Institute of Ceylon (now Sri Lanka) in 1951 giving the status that the Rubber Research Institute of Sri Lanka (RRISL) is the oldest Research Institute on rubber in the world. It has a proud record of service to the industry, in plant breeding, agro-management practices and the chemistry of raw rubber.

RRISL is the nodal agency in Sri Lanka charged with the statutory responsibility for research and development on all aspects of rubber cultivation and processing for the benefit of the rubber industry. The institute specializes in rubber research, both in the biology of the crop and the chemistry of the natural rubber and the technology of the product. Further, the institute is committed towards technology transfer activities and training of extension personnel and the other stakeholders. Accordingly, it has five biological research departments i.e. Plant Science, Genetics & Plant Breeding, Plant Pathology & Microbiology, Soils & Plant Nutrition and Biochemistry & Plant Physiology and four chemistry departments i.e. Raw Rubber Processing Development & Chemical Engineering, Raw Rubber & Chemical Analysis, Polymer Chemistry and Raw Rubber Technology & Development and the Advisory Services Department for technology transfer together with units for Adaptive Research, Biometry, Agricultural Economics, Audio Visual & Information Technology and Library.



RUBBER RESEARCH BOARD OF SRI LANKA
ANNUAL REPORT 2022

Contents

Director's Report	1
Organizational Structure	8
Major Achievements	9
Activities of Research Departments	13
Board of Management, Committees and the Staff	19
Financial Statements	30
Auditor General's Report	63

Director's Report

Rubber Research Institute of Sri Lanka

This reports outlines the key performance of the local rubber industry and global natural rubber demand and supply, and price fluctuations observed in 2022 and the major research and development (R&D) activities carried out by the institute. Performance in administrative and financial functions of the institute are also included. Inability to retain the experienced and qualified technical staff due to the restrictions imposed by the government on new recruitments demands a new strategic approach to assure the satisfactory delivery of the mandatory objectives by the institute and the advisory services to the stakeholders. Other main constraints which hindered the progress of R & D activities are also briefed at the end of the report.

Rubber industry of Sri Lanka

Rubber production and consumption

As per the published statistics by the Rubber Development Department (RDD), Sri Lanka has produced 70,867 tonnes of natural rubber in main four conventional forms namely Ribbed Smoked Rubber (RSS), Centrifuged latex, Crepe rubber and Technically Specified Rubber (TSR). Of the total production, 49% of NR is produced in the form of RSS mainly manufactured by the smallholder sector, while next higher percentage (34%) was produced as centrifuged latex using field latex collected from both smallholder and plantation sectors. Total crepe rubber which was produced exclusively by the plantation sector mainly for export market was 14,466 tonnes. The balance of the total production (1.3 tonnes) was manufactured by the TSR manufacturers scattered in the country. However, according to the individual accounts of TSR manufacturers, this figure must be higher than the published data by the RDD. This demands a comprehensive study on the methodology of data collection and compilation.

It was observed that local NR production continued to further decline in the year 2022 by 7.8% compared to the previous year's production of 76,000 tonnes making Sri Lanka positioning at the 15th position among global natural rubber (NR) producing countries. This could be attributed to the reduction of normal tapping days due to adverse weather conditions, non application of fertilizer and the new Circular Leaf Fall Disease experienced in the year 2022.

Sri Lanka has consumed 117,288 tonnes of NR in 2022 while it was 128,300 tonnes in 2021. Overall, it was observed an approximately 8% reduction in demand of NR for rubber products by the local Rubber Industry. Dependence of the industry on imported NR was 40% of the local consumption.

NR exports and imports

As it has been in the previous years, Sri Lanka has exported NR in two forms namely Crepe rubber and RSS. RSS and Crepe rubber contributed to 15% and 74% of the total exports respectively while the balance was in miscellaneous types such as TSR and compounded rubber. The total NR exports from the country was recorded as 13,666 tonnes in 2022 against 15,490 tonnes of NR exports made in 2021 indicating a decline in exports.

Sri Lanka has imported around 64,459 tonnes of NR in 2022, mainly in the forms for TSR (20%), RSS (51%), Centrifuged NR latex & other latex (29%) and compounded rubber (0.3%). This records an 11% decrease in imports in 2022 compared with the figure for the year 2021.

Rubber extent

The total extent of rubber lands remained at 138,000 hectares in 2022 indicating no increase in the total rubber extent despite the launch of new cultivation programs such as Small Tea and Rubber rehabilitation (STaRR) program. This alarms on the zero rate replanting or some weaknesses in the statistic data collection methods adopted. It was also recorded that the rubber extent is made up of 123,000 ha of mature rubber lands and 16,000 ha of immature rubber lands as at the end of the year 2022. Of this extent, about 68% of rubber lands are occupied by the smallholder sector in Sri Lanka and the rest of the area is managed by the large plantation companies. The country's average yield has also declined in line with the average production decrease. It was 621.5 kg per ha in 2022. With the rapid expansion of rubber in non-traditional rubber growing countries in African region, it is important to take immediate measures to increase the local rubber productivity through proper nursery management, immature up keeping and application of good agricultural practices.

Natural rubber prices

Sri Lanka enjoyed a fairly reasonable price for both RSS and Crepe rubber during the first three quarters in 2022. The average price of rubber smoked sheet category 3 was US \$ 1.74 in 2022 while it was as high as US \$ 2.29 per kg in the middle of the year. The price of Latex Crepe rubber went up to US \$ 3 per kg during the year 2022 which was a historic moment for the crepe rubber manufacturing industry in Sri Lanka. However, the prices of both these grades dropped heavily at the fourth quarter up to an average prices of US\$ 1.29 (Rs.473) and US\$ 1.70 (Rs.625) per kg of RSS No. 3 and crepe No. 1X respectively. However, special grades of crepe rubber (sole crepe) which has a low market volume fetched higher prices. According to local rubber product manufacturers, natural rubber market was hindered mainly by reduced rubber product consumption by the consumers due to the global economic crisis and the weak oil prices making large rubber product manufacturers compelled to halt their production and operate at sub-production rates. However, low rubber prices prevailed in the country made pressure on smallholders, plantation management companies, researchers and

policy makers to find alternatives ways to meet this challenge. It is clear that effective nursery management system, immature up keeping and adoption of good agricultural practices are of utmost importance to overcome this perennial low price challenge through enhancing the income generation per hectare of rubber land without sticking to bargain for higher prices for unit mass of rubber manufactured. As an attempt for possible immediate action to have a fair price for rubber produced by the smallholder farming, a weekly guidance price was announced by RRISL in its official website. This guidance price could be used by all stakeholders including buyers and sellers on various rubber platforms as it was developed considering weekly average international prices in concurrence with most of the local NR buyers.

Export earnings from Raw Rubber and Rubber products

Export earnings from raw rubber has been increased from Rs.8.3 bn in 2021 to Rs.12 billion while the quantum of rubber exported reduced from 15,490 tonnes in 2021 to 13, 666 tonnes in 2022. Total export earnings from dry rubber based products and latex products recorded Rs.203 billion and Rs.87 billion in 2022 against Rs.135 billion and Rs.72 billion respectively earned in the previous year. As such, Sri Lanka has earned Rs.314 billion in the year 2022 against Rs.208 billion in the year 2021 recording an increase of about 39% against the previous year. This increase may be mainly due to the advantage gained by the devaluation of the local currency against US\$ in the second half of the year. Export earnings from semi-processed rubber have been reported as 1.05 billion in the year 2022, while it was Rs.0.62 billion in the year 2021. Accordingly, total export earnings from the rubber industry remained at Rs.327.28 billion showing a 51% improvement from the previous year. Although Sri Lanka maintained its position as the largest contributor to the world Solid tyre trade there was a 6% retardation in this segment in 2022. In US\$ terms, total exports earning from both raw rubber and rubber products exceeded US\$ 1.01 billion in 2022 which was almost same (US\$ 1.09) compared to the export earnings made in the previous year

Global Rubber Industry Review

Natural rubber supply

According to the statistics of Association for Natural Rubber Producing Countries (ANRPC), total world NR production was increased to 14,360 thousand tonnes in 2022 from 14,073 tonnes in the previous year 2021 recording a 2% annual increase. This is mainly due to the favourable NR price in the major markets in the Asia Pacific region during the year and tapping operations around the world became normal in the midst of overcoming the barriers imposed during the Covid-19 pandemic. The NR demand-supply gap has further narrowed down to 390 thousand tonnes in 2022 which was about 265 thousand tonnes in 2021.

NR average yield

NR average yield (YPH) in (ANRPC) countries varied between 624 kg/ha/year to 1720 kg/ha/year. Vietnam has recorded the highest national average while Sri Lanka has

recorded the lowest. With this lowest national average of 624 kg/ha/year coming down from 679 kg/ha/year in the year 2021. Whilst most other ANRPC countries also have shown a declining trend in their national yield, Cambodia, India, Myanmar and Vietnam have shown an increasing trend.

Rubber Extent

Total Rubber Extent in ANRPC countries has reduced by 2500 ha in 2022 compared to the previous year of the total extent of natural rubber in ANRPC countries, 76% falls under tapped area. Study of distribution of plantations in the world signals that it is moving towards the countries with low Gross Domestic Product (GDP). With the limited lands available, it is very clear that Sri Lanka needs to take appropriate immediate measures to improve the productivity.

Global natural rubber demand

Total NR demand has increased to 14,756 thousand tonnes in 2022 showing a 1.5% increase from the previous year which was amounted to 14,529 thousand tonnes according to ANRPC. The NR demand-supply gap has further narrowed down to 390 thousand tonnes in 2022 which was about 265 thousand tonnes in 2021.

World NR price movement

Despite the increasing trend prevailing in most of the markets during the period of 2019 to 2021, a slight decline in RSS prices was observed in 2022. In Sri Lanka, the annual average RSS3 price in 2022 was US\$ 1.71 per kg which remained at US\$ 2.20 in the year 2021. Though the market have seen an increase in rubber prices in local currency terms due to currency depreciation against US dollar, it saw a decrease in dollar terms. The average price of RSS3 was recorded as US\$ 1.91 in 2022 in Bangkok against the previous year average value of US\$ 2.02. Average Indian RSS4 has decreased to US\$ 2.07 in year 2022 from US\$ 2.29 per kg against the previous year. According to the predictions of ANRPC global natural rubber prices are likely to remain stable around US\$ 1.6 due to the weak global economic situation

Research and development focus

In a situation where imports had been curtailed, attention was paid to develop sustainable and safe latex coagulant from the locally available natural resources. Investigation into potential of rubber effluent water as a partial nutrient source for short-term crops as well as rubber nurseries was continued during the year 2022 with promising results. It is expected to offer dual advantages by providing solutions to waste water disposal and cutting down of fertilizer cost.

A low cost modified natural rubber latex based alternative for the currently used high cost imported synthetic polymer based binder was developed to manufacture papers using the fibres of the “Mana” weed. Environmentally and user-friendly sesame oil was used as an alternative to petroleum based aromatic processing oil in development of

tyre tread compounds. Crepe rubber based products such as fishing bait, eraser, yoga mat and dental devices were developed in collaboration with industrialists with the aim of capturing local and foreign markets. Waste mica obtained from the mica mining industry was successfully exfoliated and introduced to natural rubber as a green filler. Three accelerator systems were identified as potential nitrosamine-safe accelerator systems for efficient sulfur vulcanization of NR. Rubber plants produced using root-balled technique (a new technique) and those produced using traditional stump budding method were compared and a 30% growth increment in the plants produced using the new technique was observed. With the aim of increasing productivity of rubber lands, efforts were made to introduce low intensity harvesting systems using commercially available ethephon as well as a locally formulated ethephon as the stimulant. This will offer additional benefits in managing the skilled latex harvester shortage, reducing the cost of production and enhancing the economic life span of rubber trees.

Newly developed, environmentally friendly and economically viable slow release fertilizer technique with 50% recommended fertilizers showed better growth parameters of immature plants up to the 2nd year. Due to a price increase of rubber-based porous tubes and coir based bricks (ECB) a Reusable Fertilizer Porous Bag (RFPB) were introduced. These techniques reduced the initial preparation cost by 90% and fertilizer cost by 50%.

Short term, mid term and long term strategies have been identified and recommended to minimize the effect of Circular Leaf Spot Disease. An interim chemical controlling system was also recommended to control the disease. Two microbe based biopesticides have been introduced to control the white root disease, reducing the import volume of chemical fungicides to the country.

In the process of expanding rubber cultivation to the drier climates, area specific rubber based farming models were introduced in North-Central province of the country. The available carbon credits that could be gathered from 3000 ha of new rubber smallholdings in Ampara district were validated by a third party accredited body in order to verify the carbon units.

Under the development projects, Two departments namely Raw Rubber and Chemical analysis (RRCA) department and Raw Rubber Process Development and Chemical Engineering (RRPD&CE) department established laboratory procedures as per ISO 17025 Laboratory accreditation protocol. The RRCA department also participated in the proficiency testing programme conducted by Malaysian Rubber Board and displayed outstanding performance among 15 international latex testing laboratories. The program of discarding the weak plants from nurseries was initiated in order to assure a supply of good quality plants to the growers. All the research departments provided testing and troubleshooting services to all categories of stakeholders in the

industry while providing training and research facilities to undergraduate and postgraduate students.

Hindrance of Research activities

Vacancies at the permanent cadre of the institute in the research, technical and management categories were 47, 26 and 30 as at 01st January, 2022 and rose to 50, 33 and 38 as at 31st December, 2022. Retirement of the staff and increased number of resignations along with the government restrictions on new recruitments are the main reasons for the above situation. As a research institute with mandatory obligations to cater to a specific industry (Rubber industry), maintaining an experienced technical staff is of great importance to deliver quality service to the stakeholders. If making of new recruitments continues to be delayed, it questions the possibility of quality and efficient delivery of services to the stakeholders in the future. However, it is a pleasure to note that the cabinet of ministers has considered to establish an agrarian-technical University for both agriculture and plantation in response to the cabinet proposal made by the Hon. Minister of Plantations to form a university through amalgamation of crop research institutes and it is expected to provide a permanent solution to the said issue while strengthening the Research and development in the plantation sector. The progress of some of the development projects slowed down and extended to 2023 due to the unavailability of funds and high inflation rate connected issues. In addition, lack of experienced research and supporting staff, poor performing vehicle fleet and the economic crisis prevailed in the country hampered the progress of research and development activities to a certain extent.

Administrative and financial functions

Institute managed to offer advisory, troubleshooting activities and prioritized research and development work at a satisfactory level despite the financial and transport constraints prevailed in the country during the year. Extension and training programs were conducted virtually where ever possible through meeting the challenges. Two plant pathologists participated in two overseas workshops conducted on management of “Pesatlotiopsis” with the assistance of partial funding from the Government and International Rubber Research and Development Board funds in addition to their personal funds. 100% of the approved annual budget was received; of which 100% was utilized. It was compelled to halt some of the development projects scheduled for the year following the guidelines given by the government due to poor financial situation and restrictions imposed.

Appreciation

The Ministry of Plantation Industries and Rubber Research Board are appreciated for the motivation, guidance and support extended to attend the prioritized activities despite the difficult situation prevailed in the country in the year. It is also appreciated the services rendered by the technical and non-technical staff of the institute for their determinant contribution made unconditionally to deliver the services during the

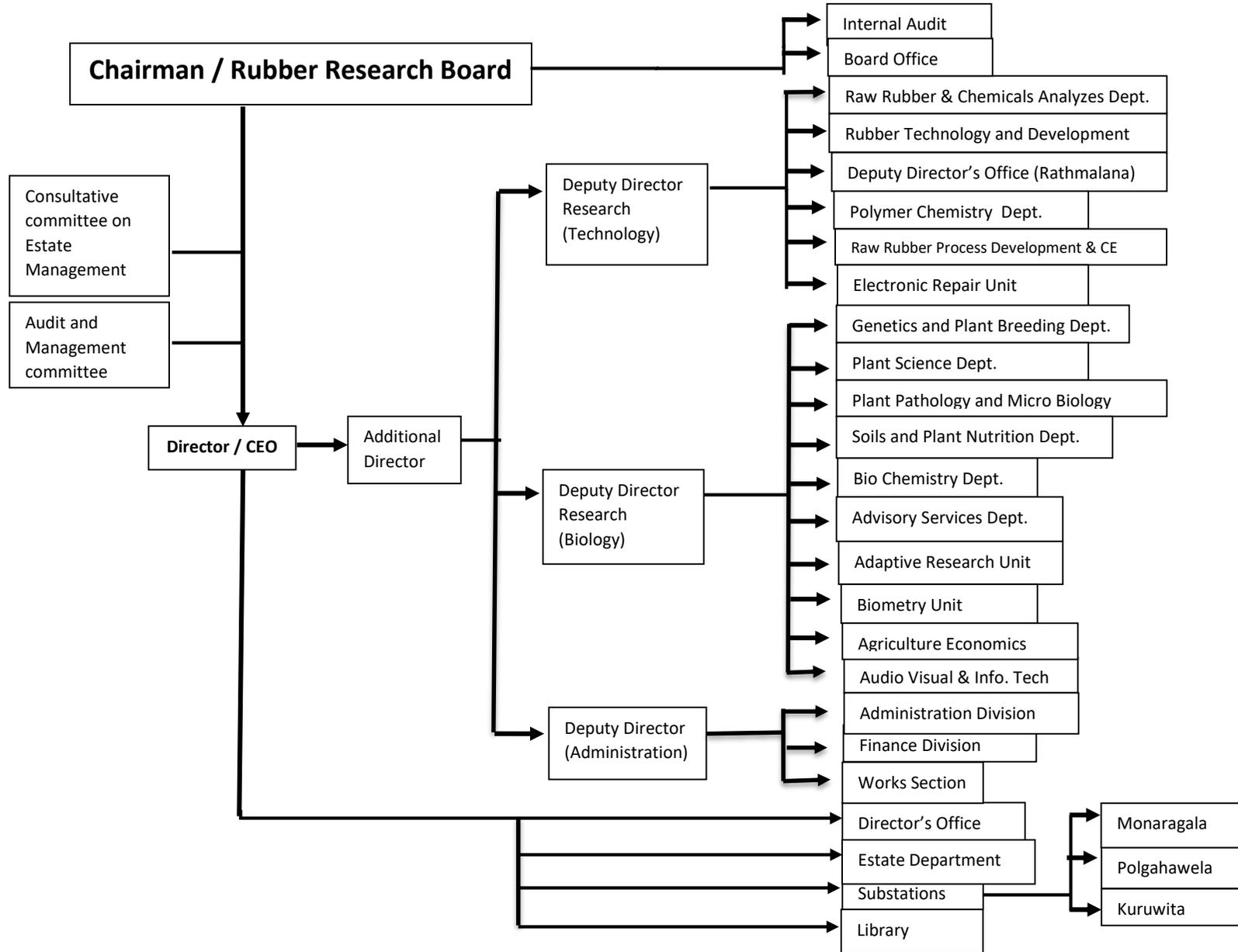
difficult periods of the year. The contribution made by the the batch of 19 retired staff members including three senior scientists who retired on 31st December, 2022 is also appreciated.

The contributions made by Actg. Additional Director, Actg. Deputy Director (Biology), all heads of the scientific and non-scientific departments/divisions in compiling this annual report is gratefully acknowledged. In particular, special appreciations are extended to the Economic Unit for providing required data in furnishing this report and to the staff in the Library and Publication Unit for compiling the materials and finally building up the Annual Report 2022.



Dr. Susantha Siriwardena
Acting Director

ORGANIZATIONAL STRUCTURE



Major Achievements during 2022

- Released five interim clones for the estate sector and two interim clones for the smallholder sector
- Paper was produced successfully using the fibres of the “Mana” weed and modified field latex, a low cost alternative for the currently used synthetic polymer based binder



- Tyre tread compound was developed using environmental and user-friendly sesame oil as an alternative to petroleum based aromatic processing oil
- Crepe rubber based fishing baits were developed in collaboration with Samson International PLC at the request of Ministry of Fisheries and Aquatic Resources Development



- Crepe rubber based cellular compound for yoga mat was developed in collaboration with a rubber product manufacturing company
- Reduced graphene oxide (RGO) was synthesized and natural rubber composites containing RGO were produced for property enhancement
- Crepe rubber based dental device was produced at the request of an entrepreneur for the export market

- Crepe rubber based erasers were produced
- Novel rubberized-coir based slipper sole was produced at the request of an entrepreneur
- Low cost, novel shoe soles with different designs were produced using tyre crumbs (GRT) and compounded natural rubber latex at the request of a tyre crumb manufacturing company



- Latex harvesting was commenced in the first established rubber field in the Mullaitivu district of the Northern Province



- Carbon trading for voluntary carbon market with the 3,000 hectares of new rubber cultivations in Uva and Eastern Provinces was validated by a third-party accredited auditor for Verified Carbon Standards (VCS)

- Low intensity harvesting systems for rubber cultivation were introduced to reduce cost of production and worker scarcity in tapping which increases revenue area leading to higher productivity. About 1630 ha of rubber smallholdings and RPCs were adopted with once in four days (S/2 d4) tapping system
- Two non-Wickham germplasm selections were successfully used as the female parent first time in the local hybridization history and sixty eight new genotypes were raised successfully
- Two genotypes selected from small-scale clone trials were established at ECT/ RRI trial at Eladuwa estate for further characterization under Group III recommendation
- Interim recommendations were issued to manage the newly spreading Circular Leaf Spot Disease of rubber cultivations



- Waste mica powder obtained from the mining industry in Sri Lanka was successfully exfoliated as a value-addition step to local mica and natural rubber composites were produced with this green filler



Mica powder

Exfoliated mica powder

- The encapsulated coir brick containing the new fertilizer mixture R/U 20:7:20 was placed in Mahaoya and Elston Estates
- Establishment of environmental friendly, economically viable slow release fertilizer technique with 50% recommended fertilizers showed better growth parameters of immature plants up to the 2nd year. However from the third year onwards, more than 50% of the recommended fertilizers are needed to fulfil the high nutrient requirement of immature plants
- The low cost Reusable Fertilizer Porous Bag (RFPB) was introduced by conducting the initial experiment at the Salawa Estate
- A new test method was developed to identify the contamination ammonia in the field latex by using Nessler reagent
- Heen naran and sour orange extracts as well as the extracts of their peels showed promising results as user friendly alternatives for the most widely used coagulant formic acid in manufacture of RSS

Special Activities of Research Departments - 2022

Agronomy Departments/Sections/Units

GENETICS & PLANT BREEDING DEPARTMENT

- Clone recommendation was revised in August 2022
- Introduced early selection criteria related to “physiological and molecular parameters” to reduce the breeding cycle by 10-12 years
- Introduced underutilized clones to the bud wood nurseries of RDD and RPCs to improve the clone balance of the country

PLANT SCIENCE DEPARTMENT

- Conducted 20 awareness programs on sustainable harvesting through proper bark managements of rubber for 500 participants of both estate and smallholder sectors with the financial support of the National Science Foundation of Sri Lanka
- Conducted 20 bud grafting programs to train 420 bud grafters
- Inspected 3,000,000 stock nurseries of plants in the government, private and estate owned nurseries

PLANT PATHOLOGY & MICROBIOLOGY DEPARTMENT

- Commercial level testing of two native bio-pesticides against the white root disease was conducted
- Interim recommendations on short-term, mid-term and long-term agronomic and chemical controlling practices were advocated to manage the Circular Leaf Spot disease of rubber
- A research experiment was begun to identify the potential of nutrient management in immature rubber lands to reduce severity of new leaf fall disease

SOILS & PLANT NUTRITION DEPARTMENT

- Three land suitability reports were issued under the land selection programme
- Ten awareness programs were conducted to disseminate knowledge on different slow release fertilizer application techniques among rubber growers in Monaragala, Middeniya, Matugama, Horana, Bulathsinhala, Kalutara, Kegalle and Ratnapura areas and officials of Rubber Development Department. Fifteen awareness programs were conducted for the estate and small holder sectors
- Slow release fertilizer application techniques were expanded in major groups of Pitiyakanda, Udabage, Sapumalkanda and Mahaoya on a request made by Lalan Rubbers (Pvt.) Ltd.- Agri Division
- Slow release fertilizer application technique was expanded to the non-traditional rubber growing areas situated in Horowpathana

BIOCHEMISTRY & PHYSIOLOGY DEPARTMENT

- Site specific stimulation protocols were designed for low or unproductive rubber lands
- Commercial scale testing of the new water based ethephon formulation developed by RRISL was continued as a private-public partnership
- Investigations were continued to identify the best clones to grow under suboptimal climatic conditions in non-traditional rubber growing areas

ADVISORY SERVICES DEPARTMENT

- One hundred and twenty one rubber lands were developed as model rubber holdings
- Twenty three rubber processing centers were developed as models. Attended to the construction of 12 new RSS processing centers and rehabilitation of 14 substandard centers
- Six smallholdings were established with different intercrops as models
- A group extension program named as “Vihidum Sathkara” was effectively conducted for 32 smallholdings in traditional rubber growing areas
- Nine and 36 awareness programs on general cultivation aspects of rubber were conducted to educate 154 field staff of estates and 471 smallholder farmers, respectively
- Five mobile tapper training programs were conducted in Galle and Ratnapura Districts covering both practical and theoretical aspects and 29 and 19 new tappers, respectively from each district participated
- Twenty two skill development training programs were conducted for 752 semi-skilled tappers in order to improve the quality of tapping in the estate sector. Eight skill development training programs were conducted for 92 semi-skilled tappers in the smallholder sector
- Alpha Generation for Natural Rubber (α G 4 NR) awareness program was initiated in Kegalle district for the young generation including school children with the aim of transferring new technologies and knowledge on rubber to them for enhancement of sustainability in the rubber sector in the near future
- A survey was conducted to identify the Tapping Panel Dryness (TPD) in selected RRISL 203 lands covering Kalutara, Ratnapura, Colombo, Kegalle, Galle and Matara districts. Fifty three lands affected with TPD were identified
- A survey was conducted to identify the Pestalotiopsis disease affected lands covering Kalutara, Ratnapura, Colombo, Kegalle, Galle and Matara districts. One hundred and forty lands affected with the disease were identified

BIOMETRY SECTION

- New statistical methods were applied to socio-economic data in the rubber sector to improve interpretability of research

- Organized the international workshop on “Understanding fundamentals in GIS and Geo spatial applications” in collaboration with the International Rubber Research and Development Board (IRRDB) and Agricultural Economics Unit

ADAPTIVE RESEARCH UNIT

- Awareness programmes were conducted to educate rubber growers on dry zone rubber cultivation in Horowpathana Divisional Secretaries Division of Anuradhapura District and feasibility studies were conducted for suitability assessments
- Farmer participatory adaptive research trials were established in Horowpathana, Nochchiyagama and Nuwaragam Palatha-Central Divisional Secretaries Divisions of Anuradhapura District
- A training programme was conducted on latex harvesting and sheet rubber processing for rubber farmers in the Northern Province of Vavuniya in collaboration with the Advisory Services Department
- A survey was conducted in Kurunegala district to assess the adoption of harvesting techniques by the smallholders and its impact on the productivity of rubber lands

AGRICULTURAL ECONOMICS UNIT

- A database on auction prices in Sri Lanka and international rubber prices were updated throughout the year
- Formulated a “Guidance Price for Rubber” and presented it to the industry
- World rubber trade trends and the growth performance of various rubber products from major exporters were analyzed during the year using world trade statistics

LIBRARY & PUBLICATION UNIT

- Institutional publications, namely RRISL Bulletin Vol. 56(2019), 57(2020), Rubber Puwath Vol. 34(2022), Annual Review 2020 and Annual Report 2021 were uploaded to the RRISL official website

AUDIO VISUAL & INFORMATION TECHNOLOGY UNIT

- Necessary steps were taken with Sri Lanka Telecom (SLT) to get the internet connection (data) at Nivithigalakelle Substation via SLT 4G Routers and discussions were held with SLT to improve the facility via a fiber optic line with high speed internet
- Administration of Local Area Network (LAN), Virtual Local Area Network (VLAN), Hardware Firewall and Mail Server were done
- Official website of the institute (www.rrisl.gov.lk) was updated throughout the year

Chemistry & Technology Departments

RUBBER TECHNOLOGY & DEVELOPMENT DEPARTMENT

- Thirty two entrepreneurs/rubber small holders were trained at RRISL, Ratmalana on "Rubber product manufacture" on their request
- A group of 14 rubber small holders were trained at RRISL, Ratmalana on "Manufacture of rubber products at cottage level" in collaboration with the Advisory Services Department in connection with the program, "Livelihood Development for Sustainable Rural Economy"
- Rubber Technology and Development department in collaboration with the Advisory Services department conducted a workshop in Kegalle for 13 female entrepreneurs on manufacture of paper based on fibers of "Mana" weed using the novel binder developed with modified field latex at the request of the Divisional Secretariat, Galigamuwa

POLYMER CHEMISTRY DEPARTMENT

- Correlations between crosslink density and properties of nitrosamine safe DIXP accelerated vulcanizates were evaluated and established for three binary accelerator systems which are suitable for use in dry rubber-based formulations
- Novel gravimetric test method was developed for the determination of concentration of bleaching agent use in the crepe rubber industry.
- More than thousand samples of polymer materials and compounding ingredients received from industry and academia were characterized using advanced testing equipment namely FTIR (Fourier Transform Infrared Spectrophotometer), TGA (Thermo-Gravimetric Analyzer), DSC (Differential Scanning Calorimeter) and DMA (Dynamical Mechanical Analyzer) available at the department. Industrial solutions were also given based on the characterization results to the clients on their request.

RAW RUBBER & CHEMICAL ANALYSIS DEPARTMENT

- Completed the MPI funded special project for laboratory accreditation and procedures were established as per ISO 17025 Laboratory Accreditation status
- Participated in the proficiency testing programme conducted by the Malaysian Rubber Board and showed outstanding performance among 15 international latex testing laboratories

RAW RUBBER PROCESS DEVELOPMENT & CHEMICAL ENGINEERING

- A study was commenced on investigation of possibility of using renewable energy for minimization of volume of waste water generated at the crepe rubber processing plant.
- An investigation of commenced on study the potential use of fibre boat waste materials in preparation of natural rubber contuses.

- Studying the potential of using Geo-40 Nanosilica in order to coagulate natural rubber field latex and investigate the optimum level of Geo-40 Nanosilica that can be incorporate with latex at the coagulating.

ESTATES OWNED BY RRISL & SUB-STATIONS

DARTONFIELD GROUP

- A total crop of 99,988 kg was harvested during the year (58.25 % of the estimated crop). The crop records a decrease of 11.76 % when compared with the previous year. The crop harvested on wet days using rain guards was 24,304 kg (24.30 % of the total harvested crop)
- The average yield per hectare (YPH) for the year was 591 kg, a decrease of 75 kg from the previous year
- The average intake per tapper (IPT) recorded during the year was 5.6 kg from a tapping task of 195 trees. The highest intake per tapper of 8.3 kg was recorded from the 4.69 ha (RRIC 121/102 PB260, PB 217 clones) planted in the year 2007 and tapped according to S/2 d4 low frequency system with ethephon stimulation (tapping task of 259 trees)
- The total number of normal, late, rain guard and no tapping days recorded during the year were 171, 35, 82 and 77 days, respectively
- Total rainfall recorded for the year was 4287.5 mm with 159 wet days, showed 1222.7 mm lowest rainfall and 20 wet days than the value recorded in the previous year
- The Cost of Production (COP) and Net Sale Average (NSA) recorded for the year were Rs.617.70 and Rs.718.02, respectively giving a profit of Rs.100.32 per kg and a total profit of Rs.10 million. Profit per hectare recorded for the year was Rs.59,261.75
- Out of the total crepe rubber produced during the year the percentage of pale crepe No. 01 of 77%

KURUWITA SUB-STATION

- The mature extent of rubber in the Kuruwita sub station was 77.66 ha during the year
- A total crop of 45,820 kg was harvested during the year recording a decrease of 16,624 kg from previous year's crop
- The actual YPH was 590 kg. The average IPT of the estate was 4.8 kg, and this is a decrease of 2.6 kg when compared with the previous year
- The total number of normal, rain guard and no tapping days recorded during the year were 221, 95 and 49, respectively
- The annual rain fall recorded during the year was 4762.1 mm with 134 wet days (5,396.8 mm with 177 wet days was recorded during the previous year)

- The COP and the NSA for the year were Rs.577.99 and Rs.653.25 per kg, respectively. The profit made for the year was Rs.3.4 million and the profit per hectare recorded for the year was Rs.44,403.98

POLGAHAWELA SUB-STATION

- A total crop of 12,507 kg was harvested during the year (72.04 % of the estimated crop). However, there was a 33.74 % decrease from the value recorded for the previous year. The crop harvested on wet days using rain guards was 1571 kg (12.56 % of the total harvested crop)
- The YPH for the year was 705 kg. This showed a decrease of 43 kg (6.09 %) over the last year value
- The average IPT during the year was 7 kg. The highest IPT of 7.7 kg was recorded from the 2008 field with a tapping task of 269 trees of clone RRIC121 tapped according to S/2 d3 system
- The total number of normal, late, slight rain, rain guard and no tapping days during the year were 261,02,04,60 and 38, respectively
- Total rainfall recorded for the year was 2350.6 mm with 94 wet days, showed 1134.8 mm lowest rainfall and 34 wet days than the values recorded in the previous year
- The COP and NSA recorded for the year were Rs.521.11 and Rs.624.85, respectively, giving a profit of Rs.103.74 per kg and a total profit of Rs.1.2 million. Profit per hectare recorded for the year was Rs.73,095.15
- Out of the total manufactured RSS, the share of No.01 grade was 70%

MONARAGALA SUB-STATION

- To increase the land utilization of substation area, some land areas which are not having rubber plants at present, temporarily given to the workers of our institution to cultivate some seasonal crops such as Brinjal, Long bean, Ground nuts, Ladies fingers, Green chili, Cowpea etc. to create some income for their livelihood development.
- Establishment of Y/B and Budwood nurseries to support for experiment trials.
- Under the organic fertilizer production programme have produced 03 ton of fertilizer during year 2022
- At the end of year 2022 YPH have closed to 1500 and we expect to achieve 1500 2000 YPH in near future.

Board of Management, Committees & Staff Members

RUBBER RESEARCH BOARD OF SRI LANKA

BOARD OF MANAGEMENT

Members appointed by the Hon Minister of Plantation Industries

1. Prof. (Mrs.) Sudheera M.W. Ranwala, Chairperson, Rubber Research Board (up to 31.10.2022)
2. Mr. Lakshman Abeysekera, Chairman, Rubber Research Board (w.e.f. 15.11.2022)
3. Mr. K V D C Wimalasiri, Director – Development, Ministry of Plantations (up to 28.12.2022)
4. Ms. Darshani De Silva, Director, National Planning Department, Ministry of Finance (up to 24.03.2022)
5. Dr. L M K Tillakeratne, Advisor (Rubber), United Nations Organization
6. Mr. Justin Senevirathne, Director, Lalan Rubbers (Pvt) Ltd
7. Mr. Udara Premathilake, Director Plantations (Rubber), Kelani Valley Plantations PLC
8. Prof. Gamini Senanayake, Chairman, Sri Lanka Council for Agricultural Research Policy (up to 23.11.2022)
9. Mr. V Lokunarangoda, Chairman, Thurusaviya Fund
10. Mr. Prins Gunasekara, Chief Executive Officer, Kegalle/Namunukula Plantations PLC
11. Mr. Ajantha Galhena, Additional Director General (Acting), Ministry of Finance (w.e.f. 24.03.2022)
12. Mr. Senaka Alawattegama, Chairman, The Planters' Association of Ceylon (w.e.f. 11.11.2022)
13. Mr. C C Muhandirange, Additional Secretary, Ministry of Plantation Industries (w.e.f. 28.12.2022)

Ex-Officio Members

1. Mr. Bhatiya Bulumulla, Chairman, Planters' Association of Ceylon (up to 11.11.2022)
2. Mr. Madhawa Warnakulasooriya, Director General, Rubber Development Department

In attendance

1. Dr V H L Rodrigo, Acting Director, Rubber Research Institute

STANDING COMMITTEES

Estates Committee

1. Prof (Mrs) Sudheera Ranwala, Chairperson, RRB (up to 31st Oct. 2022)
2. Mr Lakshman Abeysekera, Chairman, RRB (w.e.f. 15th Nov. 2022)
3. Dr V H L Rodrigo, Acting Director, Rubber Research Institute, Member
4. Dr Susantha Siriwardena, Deputy Director – Research (Technology), Rubber Research Institute
5. Mr Nissanka Seneviratne, Director, Kotalagala Plantations Ltd
6. Mr Jagath Hettiarachchi, Senior Manager, Arappolkanda Estate
7. Mr P A Lukshman, Senior Manager, Rubber Research Institute
8. Mr B S S Hewage, Senior Accountant, Rubber Research Institute

Audit and Management Committee

1. Ms. Darshani De Silva, Director, National Planning Department, Ministry of Finance (Chairman of the Committee) (up to 24.03.2022)
2. Mr. Ajantha Galhena, Additional Director General (Acting), Ministry of Finance (w.e.f. 24.03.2022)
3. Mr. K V D C Wimalasiri, Director (Development), Ministry of Plantations (up to 28.12.2022)
4. Mr. Madhawa Warnakulasooriya, Director General, Rubber Development Department
5. Mrs. Sandhya Samarasinghe, Audit Superintendent, Auditor General's Department (up to 28.12.2022)
6. Mr. K A C Shamantha, Internal Auditor, Ministry of Plantations

In attendance

1. Dr. V H L Rodrigo, Acting Director, Rubber Research Institute
2. Mr. B S S Hewage, Senior Accountant, Rubber Research Institute
3. Ms. M S I Senadheera, Internal Auditor, Rubber Research Board
4. Mr. Susantha Dissanayake, Senior Administrative Officer, Rubber Research Institute

Scientific Committee

Members of RRISL

1. Prof. Sudheera Ranwala, Chairperson, Rubber Research Board
2. Dr V H L Rodrigo, Acting Director, RRI
3. Dr (Mrs) G P W P P Seneviratne, Deputy Director Research (Biology), RRI
4. Dr S Siriwardena, Deputy Director Research (Technology), RRI
5. Dr (Mrs) D G Edirisinghe, Head, Rubber Technology & Development Dept., RRI
6. Dr (Mrs) S P Withanage, Head, Genetics & Plant Breeding Dept., RRI
7. Dr (Mrs) B W Wijesuriya, Principal Research Officer, Biometry Section, RRI
8. Dr (Mrs) T H P S Fernando, Head, Plant Pathology & Microbiology Dept., RRI

9. Dr (Mrs) E S Munasinghe, Principal Research Officer, Adaptive Research Unit, RRI
10. Dr (Mrs) K V V S Kudaligama, Head, Biochemistry & Physiology Dept., RRI
11. Dr (Mrs) R P Hettiarachchi, Head, Soils & Plant Nutrition Dept., RRI
12. Dr (Mrs) A P Attanayake, Senior Research Officer, Raw Rubber & Chemical Analysis Dept., RRI
13. Dr K K Liyanage, Principal Research Officer, Genetics & Plant Breeding Dept., RRI
14. Dr T U K Silva, Senior Research Officer, Plant Science Dept., RRI
15. Mrs B M D C Balasooriya, Research Officer, Adaptive Research Unit, RRI
16. Dr (Mrs) D S A Nakandala, Senior Research Officer, Plant Science Dept., RRI
17. Dr (Mrs) M K R Silva, Research Officer, Plant Pathology & Microbiology Dept., RRI
18. Mr W D M Sampath, Senior Research Officer, Rubber Technology & Dept., RRI
19. Mr P K K S Gunarathne, Advisory Officer, Advisory Services Dept., RRI
20. Mr J K S Sankalpa, Senior Research Officer, Agricultural Economics Unit, RRI
21. Mr K Adikari, Research Officer, Raw Rubber & Chemical Analysis Dept., RRI
22. Mrs I H K Samarasinghe, Research Officer, Polymer Chemistry Dept., RRI
23. Dr W R N Alles, Senior Research Officer, Polymer Chemistry Dept., RRI
24. Mrs H A Ruwani Jayawardane, Research Officer, Soils & Plant Nutrition Dept., RRI
25. Mrs N P Surani Karunaratne, Research Officer, Biochemistry & Physiology Dept., RRI
26. Mrs P G N Ishani, Research Officer, Agricultural Economics Unit, RRI
27. Mr Yashoda Somaratne, Research Officer, Polymer Chemistry Dept., RRI
28. Mrs Aloka Weerasinghe, Research Officer, Rubber Technology & Dept., RRI
29. Mr Manjula Alwis, Research Officer, Plant Science Dept., RRI
30. Mr Sangeeth Liyanaarachchi, Research Officer, Soils & Plant Nutrition Dept., RRI
31. Mr Dilhan Ratnayake, Research Officer, Biometry Section, RRI
32. Mr P A Lakshaman, Senior Manager (Estate), RRI

Members representing the Industry and other Institutions

1. Mr Manoj Udugampola, CEO, Agalawatta Plantations PLC, FLC Tower, No 19, Dudley Senanayake Mw, Colombo 8
2. Mr S Dissanayake, GM, Agalawatta Plantations PLC, Pambegama Estate, Parakaduwa
3. Mr K Fernando, AGM, Agalawatta Plantations PLC, Culloden Estate, Neboda
4. Mr D P A Perera, DGM, P.B. 06, Balangoda Plantations PLC, Palmgarden, Ratnapura
5. Mr B L L Premathilake, Superintendent, Balangoda Plantations PLC, Mahawala Estate, Rathnapura
6. Mr D L D S Kandegama, Superintendent, Balangoda Plantations PLC, Rye/Wikiliya Estate, Balangoda

7. Mr B Bulumulla, CEO, Elpitiya Plantations PLC, Level 09, Aitken Spence Tower 1, Vauxhall Street, Colombo 2
8. Mr A G Geeth Kumara, Senior General Manager, Elpitiya Plantations PLC, Level 09, Aitken Spence Tower 1, Vauxhall Street, Colombo 2
9. Mr B H U Bulugahapitiya, Senior Manager, Elpitiya Plantations PLC, Talgaswella Estate, Talgaswella
10. Mr N M S B Nawaratne, Manager, Elpitiya Plantations PLC, Bentota Estate, Elpitiya
11. Mr R B S Douglas, Senior Manager, Elpitiya Plantations PLC, Elpitiya Estate, Elpitiya
12. Mr N T Dandeniya, Superintendent, Elpitiya Plantations PLC, Katandola Estate, Elpitiya
13. Mr K S Gunaratne, Senior Manager, Elpitiya Plantations PLC, Lelwala Estate, Wadurambe
14. Mr Rohana Wijekon, DGM, Kegalle Plantations PLC, 310 High Level Rd, Navinna, Maharagama
15. Mr P de S A Gunasekara, CEO, Kegalle Plantations PLC, 310 High Level Rd, Navinna, Maharagama
16. Mr Saman Doranegama, GM, Kegalle Plantations PLC, 310 High Level Rd, Navinna, Maharagama
17. Mr A M M P Mudannayake, Superintendent, Kegalle Plantations PLC, Udapola Estate, Polgahawela
18. Mr N A M O Nawaratne, Superintendent, Kegalle Plantations PLC, Atana Estate, Warakapola
19. Mr S A P Jayathilake, Superintendent, Kegalle Plantations PLC, Pallegama Estate, Niyadurupola
20. Mr B P S M Cooray, Superintendent, Kegalle Plantations PLC, Ambadeniya Estate, Aranayake
21. Mr S D Munasinghe, Superintendent, Kegalle Plantations PLC, Eadella Estate, Polgahawela
22. Mr B M J A Moonamalle, Superintendent, Kegalle Plantations PLC, Atale Estate, Atale
23. Mr J R Amunupura, Superintendent, Kegalle Plantations PLC, Madeniya Estate, Warakapola
24. Mr Dushan Ratwatte, CEO, Hapugastenna Plantations PLC, P.O. Box 2, Nambapana, Ingiriya
25. Mr H Mawdiwake, Superintendent, Hapugastenna Plantations PLC, Bibile Estate, Bibile
26. Mr Buddika Weerakon, Director, Horana Plantations PLC, No 400, Deans Rd, Colombo 10
27. Mr Gayal Renuka, Manager, Horana Plantations PLC, Mirishena Estate, Bulathsinhala
28. Mr N Wijenayake, Manager, Horana Plantations PLC, Halwatura Estate, Ingiriya

29. Mr Buddhi Gunasekara, Manager, Horana Plantations PLC, Devithura Estate, Elpitiya
30. Mr V S Alahapperuma, Manager, Horana Plantations PLC, Halwatura Estate, Ingiriya
31. Mr P L C P Kumarasinghe, Manager, Horana Plantations PLC, Hilstream Estate, Bulathsinghala
32. Mr N B Seneviratne, Director Low Country, Kotagala Plantations PLC, Regional Office, Colombo 01
33. Mr Udara Premathilaka, CEO, Kotagala Plantations PLC, Regional Office, Colombo 01
34. Mr J N Hettiarachchi, Senior Manager, Kotagala Plantations PLC, Arapolakande Estate, Tebuwana
35. Mr Buddika Weerakoon, Senior Manager, Kotagala Plantations PLC, Delkith Estate, Baduraliya
36. Mr L A D J Perera, Senior Manager, Kotagala Plantations PLC, Uskvelly Estate, Molkawa
37. Mr N Wijeratne, Manager, Kotagala Plantations PLC, Eduragala Estate, Ingiriya
38. Mr C Amaratunga, RGM, Kahawatta Plantations PLC, Regional Office, Pelmadulla Estate, Kahawatta
39. MR T V Jayasekara, Agronomist, DGM Office, Kahawatta Plantations PLC, Godellawatte, Sannasgama, Lellopitiya
40. Mr Jeewantha Senaratne, Senior Manager, Kahawatta Plantations PLC, Rilhena Estate, Pelmadulla
41. Mr S Hewagama, DM, Kahawatta Plantations PLC, Hunuwella Estate, Opanayake
42. Mr Wajira Hewage, Manager, Kahawatta Plantations PLC, Opatha Estate, Kahawatta
43. Mr L Perera, Manger, Kahawatta Plantaions PLC, Pelmadulla Estate, Kahawatta
44. Mr Indrajith Rukmal, Manager, Kahawatta Plantations PLC, Akarella Estate, Openayake
45. Mr Suneth Hewagama, Senior Manager, Kahawatte Plantations PLC, Poranuwa Estate, Kahawatte
46. Mr Yajith De Silva, RGM, Kahawatte Plantations PLC, Godellawatte, Sannasgama, Lellopitiya
47. Mr U Premathilake, Director, Kelani Valley Plantations PLC, No 400, Deans Rd, Colombo 10
48. Mr Ranil Fenado, GM-Rubber Marketing & Ad;, Kelani Valley Plantations PLC, No 400, Deans Rd, Colombo 10
49. Mr S F Fernando, RGM, Kelani Valley Plantations PLC, Kiriporuwa Estate, Yatiyantota
50. Mr R M U S Jayasundara, Manager, Kelani Valley Plantations PLC, Urumillewa Estate, Bulathkohupitiya
51. Mr K K A I Perera, Kelanivalley Plantation PLC, Kelani Estate, Yatiyantota

52. Mr Eranda Welikala, DGM, Kelani Valley Plantations PLC, Kelani Estate, Yatiyantota
53. Mr P K A H Thilakaratne, Senior Manager, Kelani Valley Plantation PLC, We-oya Estate, Yatiyantota
54. Mr W P S B Abeywardana, Senior Manager, Kelani Valley Plantation PLC, Dewalakanda Estate, Dehiowita
55. Mr R W U S Jayasuriya, Manager, Kalanivalley Plantations PLC, Edarapola Estate
56. Mr P de S A Gunasekara, CEO, Namunukula Plantations PLC, No 310, High Level Rd, Nawinna, Maharagama
57. Mr J B Weeraseskara, Superintendent, Namunukula Plantations PLC, Pallegoda Estate, Darga Town
58. Mr R Ranasinghe, Superintendent, Namunukula Plantations PLC, Eladuwa Estate, Matugama
59. Mr P P A Peris, General Manager, Lalan Rubbers (Pvt) Ltd, No 54, Kirulapana Avenue, Colombo 06
60. Mr D N P Seneviratne, DM, Lalan Rubbers (Pvt) Ltd, No 54, Kirulapana Avenue, Colombo 06
61. Mr P I Fernando, GSM, Mahaoya Group, Dehiowita
62. Mr A Kuruppu, Actg. Senior Manager, Lalan Rubbers (Pvt) Ltd, Sapumalkande Group, Deraniyagala
63. Mr C V Dias, Group Senior Manager, Lalan Rubbers (Pvt) Ltd, Miyanawita Estate, Deraniyagala
64. Mr L M A C Bandara, Superintendent, Maturata Plantations Ltd, Wilpita Estate Akuressa
65. Mr M H P Gunarathna, Superintendent, Maturata Plantations Ltd, Diddenipota Estate, Matara
66. Mr Manoj Udugampola, Chief Operating Officer, Pussellawa Plantations PLC, Level 11, FLC Tower, No 19, Dudley Senanayake Mw, Colombo 8
67. Mr Anusha Weerakon, Superintendent, Pussellawa Plantations PLC, Elston Estate, Puwakpitiya
68. Mr K M C Prasan, Senior Manager, Pussellawa Plantations PLC, Halpe Estate, Tummodara
69. Mr J A D C S Jayalath, Asst. General Manager, Pussellawa Plantations PLC, Pussella Estate, Parakaduwa
70. Mr L M Amarathunga, Superintendent, Pussellawa Plantations PLC, Salawa Estate, Hanwella
71. Mr S R L Welikala, Superintendent, Pussellawa Plantations PLC, Sunderland Estate, Ehaliyagoda
72. Mr W G Gunaratne, Pussellawa Plantations PLC, Ayr Estate, Padukka
73. Mr D Daswatte, DGM, Watawala Plantations PLC, Talangaha Estate, Nakiyadeniya
74. Mr Sudeera Madanayake, Actg. Manager, Watawala Plantations PLC, Thalagaha Estate, Nakiyadeniya

75. Mr Rohana Deshapriya, Senior Asst. Manager, Watawala Plantations PLC, Nakiyadeniya Estate, Nakiyadeniya
76. Mr Asanga Ekanayake, Senior Asst. Manager, Watawala Plantations PLC, Hemadola Estate, Udugama
77. Mr Chrishan Hettiarachchi, Superintendent, Pussellawa Plantations PLC, Siriniwasa Estate, Waga
78. Mr Dimantha Samarasinghe, Senior Manager, Watawala Plantations PLC, Hemadola Estate, Udugama
79. Mr C Fernando, Executive Director, Malwatte Valley Plantations PLC, No 280, Dam Street, Colombo 12
80. Mr M I Gourdian, Executive Director, Malwatte Valley Plantations PLC, No 280, Dam Street, Colombo 12
81. Mr R M V Ratnapala, Group Manager, Malwatte Valley Plantations PLC, Moraliya Estate, Ruwanwella
82. Mr Gaya Nakandala, Consultant, 375/26, Ratnarama Rd, 4th Lane, Hokandara North
83. Mr Ashoka Jayasekara, Project Consultant, Wellssa Rubber Co, C/O Tissa Jinasena Group, 57 Lake Crescent, Colombo 2
84. Mr S.W.Karunaratne, Consultant, Mallikarama Rd, Ratmalana
85. Mr S Seneviratne, Consultant, Seneviratne Group, D.J. Wijesiriwardana Mawatha, Mt. Lavinia
86. Mr N M Amaraekara, Consultant, 37/9, Terrence Av, Mt. Lavinia
87. Mr Jayantha P Muthutantri, Consultant, No.4/4, Nelum Mw, Sirimal Uyana, Mt. Lavinia

Provident Fund Committee

01. Prof (Mrs) Sudheera Ranwala, Chairperson, RRB (up to 31st Oct. 2022)
02. Mr Lakshman Abeysekera, Chairman, RRB (w.e.f. 15th Nov. 2022)
02. Dr V H L Rodrigo, Acting Director, RRI, Member
03. Mr D M S Dissanayake, Senior Administrative Officer, Secretary
04. Mr B S S Hewage, Senior Accountant, RRI, Treasurer
05. Dr. (Mrs.) K V V S Kudaligama, Head of Biochemistry & Physiology Department, Elected Committee Member
06. Mr P K K S Gunarathna, Advisory Officer, Elected Committee Member
07. Mr J A S Chandrasiri, Rubber Extension Officer, Elected Committee Member

Chairman's Office & Board Secretariat

Chairperson	-	Prof. (Mrs.) Sudheera M W Ranwala
Board Secretary	-	Ms. J A H Sandhya, Stenographer (Cover up Duties of the Secretary)
Management Assistant	-	Ms S M D S R D A Wijerathne

Lawyers

Attorney General
Attorney General's Department
(Government Institutions)
P O Box 502
Colombo 12

Bankers

Bank of Ceylon
Corporate Branch
75, Janadhipathi Mawatha
Colombo 1

Auditors

Auditor General
Auditor General's Department
No.306/72, Polduwa Road,
Battaramulla

Bank of Ceylon
No.306/72,
Agalawatta

Contact details:**Head Office and Laboratories**

Dartonfield, Agalawatta

Telephones:

Director	034 - 2248457
Additional Director	034 - 2248458
Deputy Director Research (Biology)	034 - 3346118
General	034 - 2247426
	034 - 2247383
	034 - 3349999
	034 - 2248459
	034 - 2247427

Fax:

e-mail

Website

dirrri@sltnet.lkwww.rrisl.lk**Board Office and Rubber Chemistry & Technology Laboratories**

Telewela Road, Ratmalana

Telephones:

Chairman	011 - 2635019
Fax	011 - 2633353
Board Office	011 - 2635142
Fax	011 - 2605171
Director	011 - 2633351
Fax	011 - 2633351
Deputy Director Research (Technology)	011 - 2633352
General	011 - 2635851
	011 - 2635852
Fax:	011 - 2605171

e-mail

*dirrub@sltnet.lk,
rubberresearch@gmail.com*

Sub stations

Nivitigalakele - Substation, Matugama
Genetics and Plant Breeding Department
Telephone: 034 - 2247368, 034 - 2247199
e-mail: rrigpb@sltnet.lk

Kuruwita - Substation, Ratnapura
Telephone: 045 - 2262115, 045 – 3460537

Polgahawela - Substation, Polgahawela
Telephone: 037 - 3378191

Monaragala - Substation, Monaragala
Telephone: 055 - 3600707

Website: www.rrisl.gov.lk

RUBBER RESEARCH INSTITUTE OF SRI LANKA

STAFF

DIRECTORATE

<i>Director</i>	Vacant
<i>Acting Director</i>	V H L Rodrigo, BSc Agric (SL), MSc (Essex) PhD (Wales)
<i>Deputy Director Research (Bio.)</i>	Mrs G P W P P Seneviratne, BSc (SL), PhD (Bath)
<i>Deputy Director Research (Tech.)</i>	S Siriwardena, BSc (SL), MSc (Australia) PhD (Malaysia)

RESEARCH DEPARTMENTS

Agronomy Departments

Genetics and Plant Breeding <i>Head of Department</i>	<i>(at Nivithigalakele Substation, Matugama)</i> Mrs S P Withanage, BSc Agric (SL), MSc (India), PhD (Malaysia)
<i>Principal Research Officer</i>	K K Liyanage, BSc Agric (SL), MPhil (SL), PhD (China)
Plant Pathology and Microbiology <i>Head of Department</i>	<i>(at Dartonfield, Agalawatta)</i> Mrs T H P S Fernando, BSc (SL), MPhil (SL), PhD (SL)
Soils and Plant Nutrition <i>Principal Research Officer</i>	<i>(at Dartonfield, Agalawatta)</i> Mrs R P Hettiarachchi, BSc (SL), MPhil (SL), PhD (SL)
Biochemistry and Physiology <i>Principal Research Officer</i>	<i>(at Dartonfield, Agalawatta)</i> Mrs K V V S Kudaligama, BSc (SL), MPhil (SL), PhD (SL)

Technology Departments

Rubber Technology and Development <i>Head of Department</i>	<i>(at Telewela Road, Ratmalana)</i> Mrs D G Edirisinghe, BSc (SL), MSc (SL) MPhil (UK), PhD (SL)
---	---

Sections/Units

Biometry Section

Principal Research Officer

(at Dartonfield, Agalawatta)

Mrs B W Wijesuriya, BSc Agric (SL),
MPhil (SL), PhD (SL)

Adaptive Research Unit

Principal Research Officer

(at Dartonfield, Agalawatta)

Mrs E S Munasinghe, BSc Agric (SL), PhD (SL)

Accounts Section

Senior Accountant

(at Dartonfield, Agalawatta)

S S Hewage, CPFA (UK), CBA, FPFA

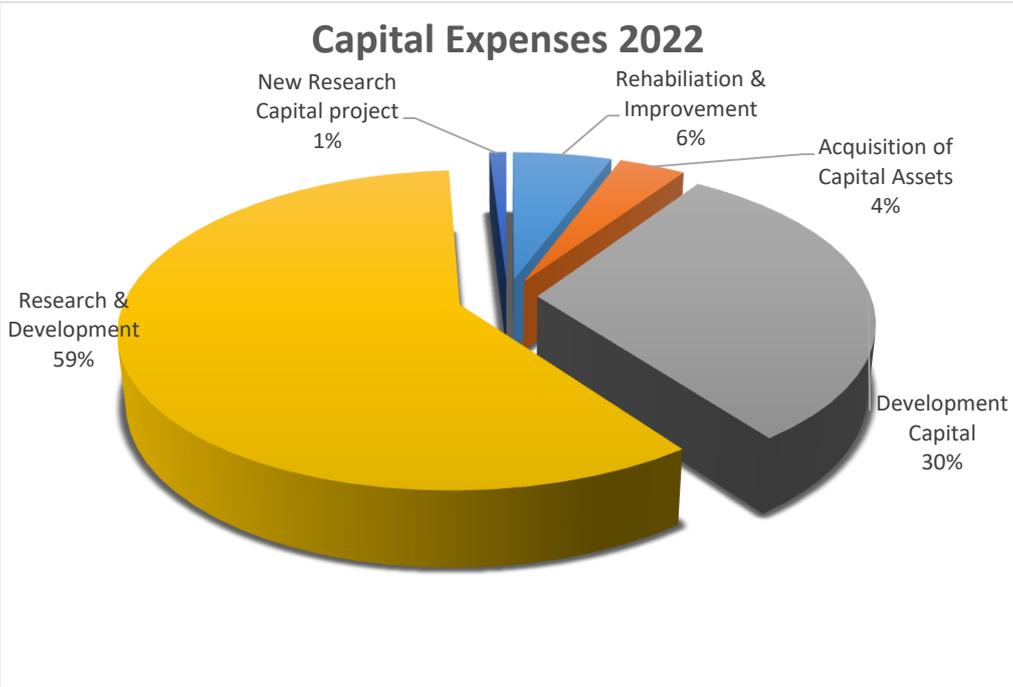
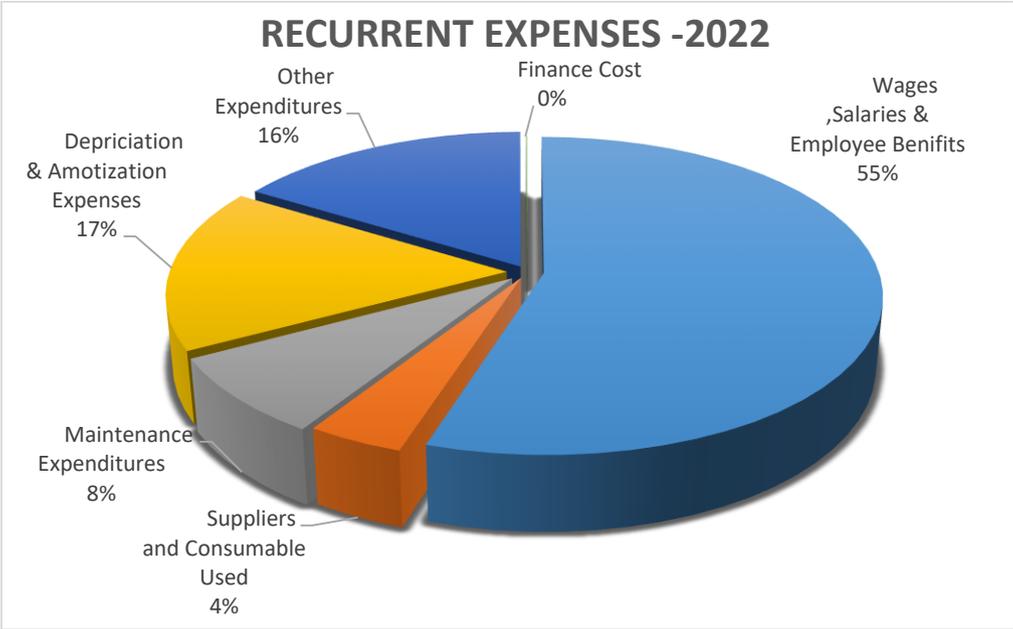
Dartonfield Group

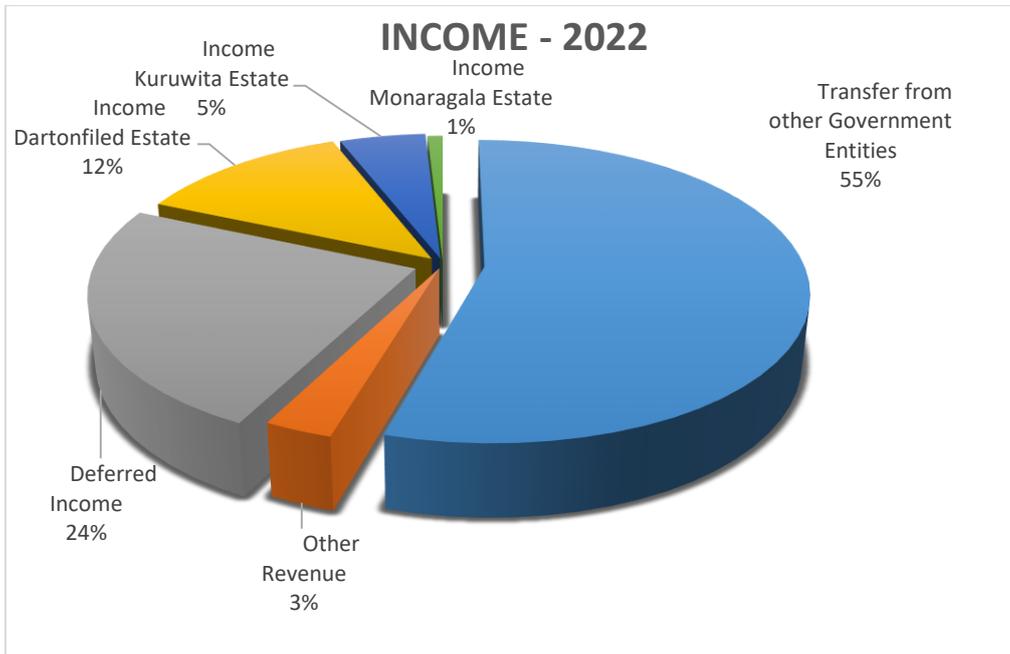
Senior Manager - Estate

P A Lukshaman, BSc (SL)

Financial Statements

Analysis of Recurrent and Capital Expenditures for the Financial Year 2022





**RUBBER RESEARCH INSTITUTE OF SRI LANKA
FINANCIAL STATEMENTS - 2022
CONTENTS**

	Page No.
Statement of Financial Position as at 31.12.2022	33
Statement of Financial Performance for the year ended 31.12.2022	34
Statement of Consolidated Cash Flow as at 31.12.2022	35
Statement of Changes in Net Assets/Equity	36
Notes to the Financial Statements	37-42
Note 01- Cash and cash equivalents	43
Note 02- Receivables	43
Note 03- Inventories/Stocks	44
Note 04- Working Progress	44
Note 05-Other Current Assets	45
Note 06,07 & 08- Property, Plants and Equipment	46
Note 09- Other Financial Assets	47
Note 10- Trade and other Payables	48
Note 11- Short Term Provisions	48
Note 12- Employee Benefits	49
Note 13- Accumulated Funds	50
Note 14- Accumulated Surplus/Deficit	51
Note 15- Transfer from other Government Entities	51
Note 16- Other Revenue	52
Note 17- Income Dartonfield Estate	53
Note 18- Income Kuruwita Estate	54
Note 19- Personal Emoluments Expenses	55
Note 20- Suppliers & other Consumable Expenses	56
Note 21- Maintenance Expenses	57
Note 22- Depreciation and Amortization	57
Note 23- Other Expenses	58
Note 24- Finance Cost	59
Statement of Financial Performance for the year ended 31.12.2022 - Dartonfield Estate	60
Statement of Financial Performance for the year ended 31.12.2022 - Kuruwita Estate	61
Labour rates and break down of COP in Dartonfield & Kuruwita	62

**RUBBER RESEARCH BOARD OF SRI LANKA - STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2022**

	Note	2022		2021	
		Rs		Rs	
ASSETS					
Current Assets					
Cash And Cash Equivalents	1	74,920,069.53		150,141,346.36	
Receivables	2	23,939,628.73		32,154,887.76	
Inventories	3	17,932,718.39		23,379,548.28	
Working Progress	4	26,499,424.35		29,286,256.46	
Other Current Assets	5	36,000,902.09		71,908,005.17	
Investments in Associates		-			
Total Current Assets			179,292,743.09		306,870,044.03
Non-Current Assets					
Property, Plants And Equipment					
Land & Building	6	4,577,911,148.09		272,516,530.37	
Infrastructure, Plant, And Equipment	7	336,127,810.14		369,872,213.88	
Intangible Assets	8	5,798,386.48		11,798,626.96	
Other Financial Assets	9	104,680,728.86		96,242,790.13	
Total Non-Current Assets			5,024,518,073.57		750,430,161.34
Total Assets			5,203,810,816.66		1,057,300,205.37
LIABILITIES AND EQUITY					
Current Liabilities					
Trade And Other Payables	10	27,396,140.43		52,367,631.87	
Short-term Provisions	11	5,679,847.17	33,075,987.60	5,246,556.71	57,614,188.58
Total Current Liabilities					
Non-Current Liabilities					
Employee Benefits	12	162,927,340.00	162,927,340.00	156,965,430.00	156,965,430.00
Total Non Current Liability					
Total Liabilities			196,003,327.60		214,579,618.58
TOTAL NET ASSETS / EQUITY			5,007,807,489.06		842,720,586.79
Accumulated Fund	13	550,584,893.84		668,573,688.99	
Accumulated Surpluses / (Deficits)	14	9,772,744.86		(6,291,130.76)	
Revaluation Surpluses / (Deficits)		4,447,449,850.36		180,438,028.56	
TOTAL NET ASSETS / EQUITY			5,007,807,489.06		842,720,586.79

The Financial Statements have been prepared in accordance with Sri Lanka Public Sector Accounting Standards (SLPSAS).



Mr. B S S Hewage
Senior Accountant - RRI



Dr. S. Siriwardena
Acting Director - RRI

The accounting policies and notes on pages from 33 to 61 from an integral part of these Financial Statements. The Board of Directors is responsible for the preparation and presentation of these Financial Statements. These Financial Statements were approved by the Board of Directors and signed on their behalf.



Mr. Lakshman Abeysekera
Chairperson - Rubber Research Board



Mr. Ajantha Galhena
Board Member - Rubber Research Board

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED DECEMBER 31, 2022

Description	Note	2022		2021	
REVENUE					
Transfer from other Government Entities	15	394,650,000.00		423,490,000.00	
Other Revenue	16	21,242,083.09		10,657,312.12	
Deferred Income		174,271,891.15		139,733,221.49	
Income Dartonfiled Estate	17	90,498,606.93		78,710,161.79	
Income Kuruwita Estate	18	36,264,842.09		35,943,111.70	
Income Monaragala Estate		6,380,178.78		3,970,859.08	
TOTAL REVENUE			723,307,602.04		692,504,666.18
EXPENSES					
Wages ,Salaries & Employee Benifits	19	394,187,003.76		377,217,586.69	
Suppliers and Consumable Used	20	29,029,011.29		24,033,699.49	
Maintenance Expenditures	21	57,795,485.10		49,633,349.85	
Depriciation & Amotization Expenses	22	119,655,929.83		111,860,976.46	
Other Expenditures	23	115,895,564.84		113,496,929.52	
Finance Cost	24	377,449.55		388,569.00	
TOTAL EXPENSES			716,940,444.37		676,631,111.01
SURPLUS / (DEFICIT) FOR THE PRIOD			6,367,157.67		15,873,555.17

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022**

	2022		2021	
	Rs		Rs	
<u>Operating Activities</u>				
Surplus/Deficit	6,367,158		15,873,555	
Non Cash Movements				
Add : Depreciations	119,655,930		111,860,976	
Adjustment of Assets Surpluses / (Deficits)			5,715,350	
Provision for Gratuity	13,164,307		20,265,049	
Provision for bad debtors	(458)		71,241	
Short Term Provisions	433,290			
Prior Year adjustment			(993,538)	
Less : Interest on Investment	(1,290,121)		(206,211)	
Deferred Income	(174,271,891)		(139,733,221)	
Net Cash Flow before working Capital Changes	(35,941,786)		12,853,202	
<u>Working Capital Changes</u>				
Increase /(Decrease) Payables	(24,538,201)		(3,492,321)	
(Increase) / Decrease other current Assets	52,356,024		(63,792,876)	
Gratuity paid	(7,202,397)		(19,870,491)	
Net Cash Flow form Operating Activity		(15,326,359)		(74,302,486)
<u>Investing Activities</u>				
Purchase of Property ,Plant and Equipment	(109,026,441)		(147,763,105)	
Other Financial Assets	(8,437,939)		(25,570,816)	
Interest Income on Investment	189,162		206,211	
Net Cash Flow from Investing Activity		(117,275,217)		(173,127,710)
<u>Finance Activities</u>				
Fund Received from Treasury for Capital Grant	20,400,000		111,700,000	
Uprooting Trees / Disposal of Assets			19,045,188	
Other Grants	1,465,800		1,081,074	
Fund Received for Special Project	36,000,000		172,500,000	
Other Receipts			557,216	
Re-payments NFS Grants	(485,501)			
Net Cash Flow from Financing Activity		57,380,299		304,883,478
Net Cash Flow for the Year		(75,221,277)		57,453,282
Cash and Cash Equivalents at Beginning of the Year		150,141,346		92,688,064
Cash and Cash Equivalents at End of the Year		74,920,070		150,141,346

STATEMENT OF CHANGES IN NET ASSETS/EQUITY ENDED DECEMBER 31, 2022

ATTRIBUTABLE TO OWNERS OF THE CONTROLLING ENTITY						Rs.	
	Contributed Capital	Other Reserves	Translation Reserves	Accumulated Surpluses/(Deficits)	Total	Minority Interest	Total net Assets/equity Rs
Balance at December 31, 2018 brought forward	961,384,287.07			(529,734,727.96)	431,649,559.11		431,649,559.11
change in net assets/equity for 2019	44,759,740.15	-	-		44,759,740.15	-	44,759,740.15
Loss on property Revaluation							
Gain on revaluation of investments				164,236,655.90	164,236,655.90		164,236,655.90
Prior Year Adjustment				(1,155,670.28)	(1,155,670.28)		(1,155,670.28)
Exchange differences on translating foreign operations							
	1,006,144,027.22			(366,653,742.34)	639,490,284.88		639,490,284.88
Deficit for the period				(53,790,676.31)	(53,790,676.31)		(53,790,676.31)
Total recognized revenue and expenses for the period							
Balance at December 31, 2019	1,006,144,027.22			(420,444,418.65)	585,699,608.57		585,699,608.57
Balance at December 31, 2020 brought forward	1,056,728,472.15			(584,681,074.55)	472,047,397.60		472,047,397.60
change in net assets/equity for 2020							
Loss / Profit on property Revaluation							
Gain on revaluation of investments			174,722,678.56		174,722,678.56		174,722,678.56
Surpluses / Deficit for the period				10,858,981.63	10,858,981.63		10,858,981.63
Prior Year Adjustment				790,401.85	790,401.85		790,401.85
Disposal of Assets Surpluses / (Deficits)				(96,878.52)	(96,878.52)		(96,878.52)
Balance at December 31, 2020	1,056,728,472.15	-	174,722,678.56	(573,128,569.59)	658,322,581.12	-	658,322,581.12
Balance at December 31, 2021 brought forward	668,573,688.99			(21,171,147.94)	647,402,541.05		647,402,541.05
change in net assets/equity for 2021							
Loss / Profit on property Revaluation							
Gain on revaluation of investments			180,438,028.56		180,438,028.56		180,438,028.56
Surpluses / Deficit for the period				15,873,555.17	15,873,555.17		15,873,555.17
Prior Year Adjustment				(993,537.99)	(993,537.99)		(993,537.99)
Disposal of Assets Surpluses / (Deficits)				-	-		-
Balance at December 31, 2021	668,573,688.99	-	180,438,028.56	(6,291,130.76)	842,720,586.79	-	842,720,586.79
Balance at December 31, 2022 brought forward	550,584,893.84			(6,291,130.76)	544,293,763.08		544,293,763.08
change in net assets/equity for 2022							
Loss / Profit on property Revaluation							
Gain on revaluation of investments			4,447,449,850.36		4,447,449,850.36		4,447,449,850.36
Surpluses / Deficit for the period				6,367,157.67	6,367,157.67		6,367,157.67
Prior Year Adjustment				10,336,717.95	10,336,717.95		10,336,717.95
Disposal of Assets Surpluses / (Deficits)				(640,000.00)	(640,000.00)		(640,000.00)
Balance at December 31, 2022	550,584,893.84	-	4,447,449,850.36	9,772,744.86	5,007,807,489.06	-	5,007,807,489.06

RUBBER RESEARCH BOARD OF SRI LANKA
Notes to the Financial Statements

1. Corporate Information

1.1 Reporting Entity

The Rubber Research Board (RRB) was established as a Public Corporation under the Rubber Research Ordinance. This Ordinance has been amended from time to time; the most recent introduction has been the “Rubber Research Bill Part II of April 2003 with the amendment No. 28”. The RRB coming under the purview of Ministry of Plantation and the registered office of the RRB located at Thelewala Road, Rathmalana.

1.2 Principal Activities and Nature of Operations

The Mission of RRB is to revitalize the rubber sector by developing economically and environmentally sustainable innovations and transferring the latest technologies to the stakeholders through training and advisory services.

1.3 Number of Employees

The number of employees of the RRB as at 31st December 2022 amounted to. 338. The comparative figure for the year 2021 was 346.

1.4 Financial Year

The Financial year of the RRB was the 12 months period ended by 31st December 2022.

1.5 Date of Authorization for Issue

The Financial Statements for the year ended 31/12/2022 of RRB were authorized to issue by the Board of Management on 28th February 2023.

2. Significant Accounting Policies

2.1 Basis of preparation of Financial Statements

The Financial Statements of the RRB were prepared in Sri Lankan Rupees on a historical cost basis and presented in Sri Lankan Rupees.

2.2 Statement of Compliance

The Financial Statements of the RRB have been prepared in accordance with the Sri Lanka Public Sector Accounting Standards (SLPSAS).

2.3. Assets and Basis of Valuation

- 2.3.1 Property Plant and Equipment are recorded at cost less depreciation (written down value) in the financial statement. The cost of Property Plant and Equipment are valued at the market value or cost of purchase with any incidental expenses.
- 2.3.2 Revaluation of Motor Vehicles, Machinery & Tools, Laboratory Equipment, Audio Visual Equipment, Furniture & Fixtures, Office Equipment and Others Assets were done in the year 2019 and recorded in the financial statements.
- 2.3.3 The revaluation values of Lands and Buildings were recorded based on the valuation report obtained from the Chartered Valuer.
- 2.3.4 Non biological assets values of the estates were shown separately in the financial statements.

2.4 Depreciation Policy

- 2.4.1 The depreciation for Fixed Assets are determined separately for each significant part of an item of Property, Plant and Equipment and begin to depreciate when it is available for use. Depreciations not provided for lands.
- 2.4.2 The provision for depreciation were calculated at straight line method on the cost of all Property Plant and Equipment. The effective rates are as follows.

Description	Percentage
Buildings	2.50%
Intangible Assets	20.00%
Furniture, Fittings & Office Equipment	20.00%
Power & Water Supply	10.00%
Machinery & Tools	12.50%
Lab Apparatus	20.00%
Motor Vehicles	20.00%
Library Books	20.00%
Documentary Film	12.50%
Earth Slip Project	4.00%
Other assets	10.00%
Effluent Treatment Plant	4.00%
Audio Visual Equipment	20.00%

Road Development	10.00%
Solar Panel - DF Estate	20.00%
Description	Percentage
CCTV Camera	20.00%
Surge Protection Device	20.00%
Rubber in bearing DF & k' wita	5.00%
Tea Replanting K' wita	5.00%
Replanting Cinnamon K' wita & DF	5.00%
Upgrading Telecommunication	2.50%

2.5 Inventories

Inventories consist of spare parts, maintenance items, cleaning materials and stationery stock *etc.* are stated at the cost/net realization value.

2.6 Receivables

Receivables consist debtors, receivables *etc.* The appropriate adjustments were made to the recognized debtor balances appearing in the Debtors Clearance Account.

2.7 Provision for Bad and Doubtful Debts

Provisions for bad and doubtful debts were calculated and provided in the accounts as follows.

Period of outstanding	Provision Made
Less than one year	Nil
2015 to 2020	5.0%
Up to 2015	100.0%

2.8 Cash and cash equivalent

Cash and cash equivalent consists Investments, cash at banks and cash in hand.

2.9 Conversion of foreign exchange:

Foreign currency has been converted at prevailing rates.

2.10 Retirement Gratuity

Provision has been made in the Financial Statements for retirement gratuities equivalent to an amount calculated based on a half month's salary of the last month Financial Year of all employees for each completed year of service, commencing from the first year of service. However under the payment of Gratuity Act No 12 of 1983, the

liability to an employee arises only on completion 5 years of continued service.

2.11 Government Grant

2.11.1 Recurrent Grant

The Recurrent Grant received from the government was reflected in the Income Statement as the source of income of the RRB.

2.11.2 Capital Grant

The all Capital Grant has been set up as Deferred Income which is recognized as income on a systematic and rational basis over the useful life time of the assets. The cost of Research and Development expenditure for the year also setup as source of Deferred Income.

2.12 Deferred Income

Deferred Income consists of the Capital Grant received from the General Treasury and other organizations in the year 2022 for capital expenditure. The Deferred Income was recognized as income on a systematic and rational basis over the useful life time of the assets in case of capital grant and amortizes the deferred income set up for capital purchases and Research and Development expenditure.

2.13 Revenue Recognition

Institute generates Revenue from the following sources, and recognizes such revenues for accounting purposes on the accruals basis.

- (a) Research base revenue
- (b) Non Research base revenue

2.14 Expenditure

All expenditures were recognized on the accrual basis.

2.15 Adjustments made to the Cumulative Expenditure

Adjustment of Rs. (10,336,717.95) has been made to the cumulative expenditure account (Prior year adjustments).

3. Legal Matters

Legal issues pertaining to matters of employees were pending at Courts as at 31st December 2022 are as follows.

	Court / Institution	Applicant	Case No.
01.	CA Writ 36/2017	Appeal Court	Mr. Udumulla Vithanage Lionel

4. Consolidation Policies:

- 4.1 The Rubber Research Board accounts comprise the consolidation of the activities of the R.R.I. Estates (plantations) managed by the Rubber Research Institute. *i.e.* Dartonfield, Kuruwita and Narampola (Alawwa).
- 4.2 The Rubber Research Institute and estates have a common financial year which ends on 31 December.
- 4.3 The profits and losses of the plantations have been taken in to the Rubber Research Institute surplus/deficit account and reflected in the balance sheet.
- 4.4 The detail information of the projects have been shown separately and it has been reflected in the financial statements.

5. Non-Current Assets:

5.1 Lands

The Rubber Research Institute of Sri Lanka has ownership of all the lands except, Kumarawatta (Monaragala) and Narampola (Alawwa).

The transferring of ownerships of the Kumarawatta (Monaragala) and Narampola (Alawwa) are in progress. Hence, the revaluation values of the above lands are planning to record on receipts ownership to RRB.

5.2. Substation at Narampola (Alawwa) Kumarawatta (Monaragala)

5.2.1. Narampola (Alawwa)

The extent of this land is 106 Acres 02 Roods & 31 perches. This land was taken over on 14.12.2004 under MOU on a Rental agreement.

5.2.2. Kumarawatta (Monaragala)

The extent of the land is 50 acres and this was taken over from the JEDB on 19 September 2006 under MOU on 30 years Lease agreement.

5.2.3. Profit and Loss - Kumarawatta (Monaragala) Substation.

Kumarawatta (Monaragala) Substation has been established for Research and extension activities related to non-traditional Rubber growing areas including Northern and Eastern Provisions and it is still in developing stage.

6. Surety Bonds

The Surety Bonds pertaining to matters of employees were pending as at 31.12.2022 of Rs.3,509,706.50 and it was made up as follows.

Mr. H.H.Talgaswatta	-	38,402.56
Mr. S.M.C.E.Silva	-	1,635,005.85
Mr. Nalinda P Wickramasinghe	-	10,643.54
Mr. B.P.Weerarathna	-	1,825,654.55
Total		<u>3,509,706.50</u>

7. Research & Development Expenditure:

Research and development expenditure have been charged to departmental expenditure for the relevant period.

8. New planting /replanting /crop diversification expenditure

The above categories of expenditure have been capitalized under the other financial assets in the accounts and depreciation will be made on maturity.

9. Categorizing Expenditure against Budget Format.

Laboratory Working expenses and Field Working expenses have been shown under Research and Development Expenditures in the Statement of Financial Performance. In the Budget Format, Laboratory working expenses and Field working expenses have been shown under Supplies and services respectively.

Other Operating Expenses are the value of services rendered from the estates to the Rubber Research Institute except Rent for Narampola and Kumarawatta. These expenses were charged to the Rubber Research Institute of monthly accounts of Dartonfield and Kuruwita Estates. The Labour Charges related to Institute activities have been charged to the relevant department expenditure votes.

NOTE 01 - CASH AND CASH EQUIVALENTS

Description	2022 Rs.	2021 Rs.
Bank of Ceylon - A/C No.335976	3,682,920.17	9,382,027.79
Bank of Ceylon (KW)- A/C No.4320540	3,146,622.48	14,831,113.35
Bank of Ceylon (DF) - A/C No.335978	4,029,219.28	8,687,159.67
Bank of Ceylon - A/C No.1837	33,898,351.75	110,806,773.70
Fuel Coupons Imprest - HO	214,000.00	204,000.00
Fuel Coupons Imprest - RT	25,000.00	8,000.00
Investment - Gratuity Fund KW	16,000,000.00	
Investment - Gratuity Fund DF	7,500,000.00	
Medical Fund Saving A/C	6,408,480.85	6,219,318.45
Petty Cash - DF	235.00	1,840.00
Petty Cash - KW Estate	15,240.00	1,113.40
Total	74,920,069.53	150,141,346.36

NOTE 02 - RECEIVABLES

Description	Schedul No.	2022 Rs.	2021 Rs.
Loan Receivables	01	4,414,121.90	4,670,769.08
Other Receivables	02	7,967,454.18	11,401,519.64
Receivables			163,299.00
Staff Receivables	03	210,615.00	-
Trade and Other Receivables - DF	04	7,313,452.67	14,012,470.84
Trade and Other Receivables - KW	05	4,033,984.98	1,906,829.20
Total		23,939,628.73	32,154,887.76

NOTE 03 - INVENTORIES

Description	Schedule No.	2022	2021
		Rs.	Rs.
Inventories - Monaragala	06	461,015.00	140,950.00
Inventories - Obsolete Stocks		-	489,004.07
Inventories - Polgahawela	07	920.00	3,850.00
Inventories - RRI Non Moving Item		-	434,249.35
Inventories - RRISI Publications	08	1,347,730.75	768,528.00
Inventories - Stationary	09	1,783,515.64	709,295.10
Stock Control - DF	10	1,930,765.34	3,098,109.63
Stock Control - KW	11	201,146.15	167,317.22
Stock Control HO	12	6,664,895.01	9,213,691.06
Stock Control RT	13	977,577.16	1,609,818.65
Unsold Rubber Stock - DF		4,442,073.84	4,563,397.00
Unsold Rubber Stock - KW		123,079.50	2,181,338.20
Total		17,932,718.39	23,379,548.28

NOTE 04 - WORKING PROGRESS

Description	Schedule No.	2022	2021
		Rs.	Rs.
Working Progress	14	26,499,424.35	29,286,256.46
Total		26,499,424.35	29,286,256.46

NOTE 05 - OTHER CURRENT ASSETS

Description	Schedule No.	2022 Rs.	2021 Rs.
Debtor's Clearance A/C	15	3,408,310.49	12,758,071.33
General Debtors	16	252,428.82	253,109.72
Staff Debtors	17	21,575.00	110,040.75
Other Debtors	18	1,286,278.99	1,286,278.99
Provision for Bad & Doubtful Debtors	19	(4,706,339.71)	(14,056,558.05)
		262,253.59	350,942.74
Control Accounts		-	-
Deposits	20	1,120,405.00	916,167.57
Supplier's Advance	21	34,618,243.50	70,640,894.86
Total		36,000,902.09	71,908,005.17

NOTES TO THE STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER 2022

NOTE 06,07,08 - Property, Plants And Equipment

ASSETS	Cost as at 01.01.2022 Rs.	Additional/ correction during the year 2022 Rs.	Vehicles Sales Rubber Came into Tapping Rs.	Total as at 31/12/2022 Rs.	Accumulative Depreciation as at 01.01.2022 Rs.	Depreciation for the year 2022 Rs.	Depreciation for the Disposal	Accumulated Depreciation as at 31/12/2022 Rs.	Written down value as at 31/12/2022 Rs.	Net Value
Land	3,529,969,015.75			3,529,969,015.75					3,529,969,015.75	
Buildings - Df H.Q	1,042,301,964.30	4,756,620.95	-	1,047,058,585.25	5,251,028.77	409,637.26		5,660,666.03	1,041,397,919.22	
Upgrading telecommunication	7,143,613.62	245,733.12		7,389,346.74	664,479.67	180,653.95		845,133.62	6,544,213.12	
				-				-	-	4,577,911,148.09
Intangible Assets										
Software	30,001,202.41	-		30,001,202.41	18,202,575.45	6,000,240.48		24,202,815.93	5,798,386.48	5,798,386.48
Solar Pannel - DF Estate	12,695,629.91			12,695,629.91	5,788,697.49	2,539,125.98		8,327,823.47	4,367,806.44	
CCTV Camera	6,604,782.80	-		6,604,782.80	2,787,078.77	1,320,956.56		4,108,035.33	2,496,747.47	
Surge Protection Device	5,987,364.00	1,262,210.00		7,249,574.00	3,058,553.19	1,312,050.44		4,370,603.63	2,878,970.37	
Infrastructure, Plant and equipment										
Machinery & Tools - Df.	35,870,582.01	563,398.22	-	36,433,980.23	8,906,673.49	4,526,759.14		13,433,432.63	23,000,547.60	
Laboratory Equipments - Df.	249,109,060.44	92,915,111.19	-	342,024,171.63	99,439,279.65	55,361,756.08		154,801,035.73	187,223,135.90	
Audio Visual Equipment	9,768,970.45	1,011,335.88	-	10,780,306.33	4,675,945.19	1,991,961.94		6,667,907.13	4,112,399.20	
Effluent Treatment Plant	9,422,910.68	-	-	9,422,910.68	2,749,799.77	376,916.43		3,126,716.20	6,296,194.48	
Motor vehicles - H.Q	97,529,674.00	-	1,600,000.00	95,929,674.00	58,492,059.22	19,185,934.80	960,000.00	76,717,994.02	19,211,679.98	
Power & Water Supply - Df.	7,590,394.80	113,996.00	-	7,704,390.80	4,656,582.42	767,940.54		5,424,522.96	2,279,867.84	
Furniture & Fixtures & Office Equipment -Df.	95,495,667.02	7,573,997.08	-	103,069,664.10	46,838,580.83	20,013,669.14		66,852,249.97	36,217,414.13	
Others Assets - Df. H.Q	32,646,636.78	467,150.50	-	33,113,787.28	9,176,478.17	3,281,191.39		12,457,669.56	20,656,117.72	
Library Periodicals Journals & Sub etc.	5,345,050.25	174,157.79	-	5,519,208.04	2,114,443.28	1,069,010.05		3,183,453.33	2,335,754.71	
Earth Slip Project	139,543.30	-	-	139,543.30	70,912.66	3,092.18		74,004.84	65,538.46	
Documentary film	3,723.33	-	-	3,723.33	3,723.33	-		3,723.33	-	
Mature Field										
Rubber in bearing Df & k'wita	21,372,689.13	-	-	21,372,689.13		1,068,634.46		1,068,634.46	20,304,054.67	
Tea Replanting K'wita	3,359,639.17	-	-	3,359,639.17		167,981.96		167,981.96	3,191,657.21	
Replanting Cinnamon K'wita & Df	1,568,341.03	-	-	1,568,341.03		78,417.05		78,417.05	1,489,923.98	
										336,127,810.14
Total	5,203,926,455.18	109,083,710.73	1,600,000.00	5,311,410,165.91	272,876,891.36	119,655,929.83	960,000.00	391,572,821.19	4,919,837,344.72	4,919,837,344.71

2021.01.01 Accumulated Depreciation	=	272,876,891.36	2020 Total Depreciation	=	119,655,929.83
2021 year Depreciation	=	119,655,929.83	2020 Replanting Depreciation	=	1,315,033.47
2021 disposal Dispriation		(960,000.00)	Transfer to the Estate A/C		
	Rs.	391,572,821.19		Rs.	118,340,896.36

NOTE 09 - OTHER FINANCIAL ASSETS

Description	Schedule No.	2022 Rs.	2021 Rs.
Nursery			
Bud Wood Nursery - Gw		94,040.20	94,040.20
Bud Wood Nursery - Kw		67,785.03	67,785.03
Cinnamon Nursery - DF		1,488,876.52	1,358,501.52
Cinnamon Nursery - Kw		252,608.23	262,608.23
Immature Field			
Cinnamon replanting - Kw		1,032,000.81	1,032,000.81
Other Trial - DF		-	253,445.00
Pepper Trial - DF		-	24,795.00
Replanting Expenditure		29,899,868.55	20,973,748.55
Replanting Expenditure - Kw		911,169.81	879,919.81
Replanting Peper		-	106,848.01
Rubber Immature Expenditure		1,544,963.24	1,544,963.24
Rubber Replanting DF & K'wita		68,993,853.49	68,993,853.49
Tea Green leaf Expenditure - DF		-	12,000.00
Young Budding Nursery - DF		395,562.98	379,562.98
Young Budding Nursery - Kw		-	258,718.26
Total		104,680,728.86	96,242,790.13

NOTE 10 - TRADE AND OTHER PAYABLES

Description	Schedule No.	2022 Rs.	2021 Rs.
Short Term Liability -RRISL	22	14,481,403.74	22,201,345.47
Trade & Other Payable - DF	23	8,659,363.37	15,242,266.12
Trade & Other Payable - KW	24	2,760,656.14	2,573,581.60
Accrued Creditors			622,615.13
New Creditors	25	1,492,655.00	21,150.00
Staff Members-cr		2,062.18	303,423.93
Sundry Creditor			2,062,366.31
Trade Creditors			9,340,883.31
Total		27,396,140.43	52,367,631.87

NOTE 11 - SHORT TERM PROVISIONS

Description	Schedule No.	2022 Rs.	2021 Rs.
Provision for Attendance Bonus		153,700.00	164,237.50
Provision for Audit fees		1,836,780.00	858,000.00
Provision for Holiday Pay		3,689,367.17	3,970,515.58
Provision for Profit Bonus -KW			253,803.63
Total		5,679,847.17	5,246,556.71

NOTE 12 - EMPLOYEE BENEFITS**Provision for Gratuity**

Description	Schedule No.	2022 Rs.	2021 Rs.
DF Estate		23,205,770.00	23,488,570.00
Monaragala		2,478,000.00	2,492,000.00
Polgahawela		1,526,000.00	1,638,000.00
Kuruwita		7,910,000.00	9,702,000.00
RRISL		127,807,570.00	119,644,860.00
Total		162,927,340.00	156,965,430.00

NOTE 13 - ACCUMALATED FUNDS

Description	Schedule No.	2022 Rs.	2021 Rs.
A.F.National Research Cou		329,781.12	329,781.12
Accu.Fund Treasury Grant		3,665,000.00	3,665,000.00
Accumilated Fund Divinegu		438,181.60	438,181.60
Accumulated Funds		45,044,234.46	45,044,234.46
Generated Funds for Model Estate - DF		7,027,441.00	7,027,441.00
Medical Plant Project Cap			-
Model Estate Grant Received from RRISL		12,017,746.58	12,017,746.58
National Science Foundati		1,049,000.00	1,049,000.00
NSF Grant And Other Grants - 03.30I		356,001.00	356,001.00
NSF Grant And Other Grants - 03.30X			285,162.76
NSF Grant And Other Grants - 03.30Y		195,000.00	451,066.99
NSF Grant And Other Grants - 41.01.15		5,554,170.09	5,554,170.09
Other Grants form Newzeland University			1,081,074.25
Special Capital Projects CF / MPI Grants		408,265,576.21	394,366,992.10
Special Project Other Grant		8,958,000.00	8,958,000.00
NSF Grants		965,800.00	-
Other Grants		500,000.00	-
Treasury Grant - Capital		56,218,961.78	187,949,837.04
TRI/CRI			-
U.N.D.P. Capital Grant			-
Total		550,584,893.84	668,573,688.99

NOTE 14 - ACCUMALATED SURPLUS / DIFICIT

Description	Schedule No.	2022 Rs.	2021 Rs.
Accumulated Surpluses / (Deficits)		(6,291,130.76)	(21,171,147.94)
Prior Year Adjustment		10,336,717.95	(993,537.99)
Disposal of Assets Surpluses / (Deficits)		(640,000.00)	-
Profit For the Year		6,367,157.67	15,873,555.17
Total		9,772,744.86	(6,291,130.76)

NOTE 15 - TRANSFER FROM OTHER GOVERNMENT ENTITIES

Description	Schedule No.	2022 Rs.	2021 Rs.
Treasury Grant - Recurrent		388,230,700.00	416,877,250.00
Treasury Grant - Recurrent - DF		4,700,498.00	4,638,238.00
Treasury Grant - Recurrent -KW		1,718,802.00	1,974,512.00
Total		394,650,000.00	423,490,000.00

NOTE 16 - OTHER REVENUE

Description	Schedule No.	2022 Rs.	2021 Rs.
Analytical Charges		7,545,451.40	2,700,470.10
Other Testing Chargers			573,880.10
Auditorium Income			7,500.00
Bus Fare Recoveries		481,644.10	285,220.80
Circuit Bungalow Income		58,594.40	157,109.60
Interest on Fixed Deposit - BOC			6,246.58
Interest on Fixed Deposit NSB			16,382.96
Interest on laons to staff		179,884.25	190,607.44
Interest on RRI Investment		189,162.40	183,581.18
Non refundable Tender deposit		375,100.00	1,094,500.00
Other Electricity Income			223,387.86
Over Proviton for Audit Fees			843,991.91
Registration of Suplier		2,400.00	1,200.00
Sale of Publication		250,630.00	28,595.00
Sales of tapping Knives		19,465.00	86,040.00
Soils Samples Testing Fee			110,150.00
Solar Income		2,170,740.00	2,599,674.00
Sundry Income		8,586,425.79	1,494,274.59
Rent Income		24,055.30	
Consultancy Fees		1,081,074.25	
Claims Received from Insurance Corporati		80,875.00	
Training Programmers Income		181,231.20	-
Tapping Panel Marking Knives		15,350.00	54,500.00
Total		21,242,083.09	10,657,312.12

NOTE 17 - INCOME DARTONFILED ESTATE

Description	Schedule No.	2022 Rs.	2021 Rs.
Sale of Rubber -DF		69,894,630.90	60,868,717.25
Narambola Rubber Sales		6,414,631.75	8,078,481.50
Sales of Scrap Rubber -DF		4,957,027.20	4,577,094.90
Unsold Rubber Stock Adjustment -DF		(121,323.16)	(2,011,428.00)
Gross Profit		81,144,966.69	71,512,865.65
Add Other Income			
Cinnamon Income - DF		1,567,115.00	116,300.00
Estate Subsidies - DF		-	39,975.00
Other Sales		285,270.00	214,249.00
Rainguard Subsidy Received -DF		761,805.00	2,769,880.00
Replanting Subsidy Received -DF		1,760,603.24	1,554,266.32
Sundry Income - DF		1,821,587.00	643,603.74
Tea Green Leaf Income -DF		2,665,890.00	1,698,002.08
Waste Rubber Sold -DF		-	161,020.00
Uprooted Old Rubber Trees Sold -DF		140,000.00	-
Interest on DF Investment		351,370.00	-
Total		90,498,606.93	78,710,161.79

NOTE 18- INCOME KURUWITA ESTATE

Description	Schedule No.	2022 Rs.	2021 Rs.
Cinnamon Income - KW		26,985.00	764,400.00
Rainguard Subsidy Received - KW		178,055.00	448,465.00
Replanting Subsidy Received -KW		285,031.99	
Sale of Rubber - KW		31,203,780.69	28,934,615.62
Sale of Scrap Rubber -KW		560,235.00	903,000.00
Sundry Income - KW		1,171,629.80	344,886.30
Tea Green Leaf Income -KW		3,263,220.38	1,418,993.08
Interest on Kuruwita Investment		749,589.00	
Stock Adjustment A/C -KW		33,828.93	
Unsold Rubber Stock Adjustment -KW		(2,058,258.70)	1,439,551.70
Uprooted Old Rubber Trees Sold -KU		850,745.00	1,689,200.00
Total		36,264,842.09	35,943,111.70

NOTE 19- PERSONAL EMOLUMENTS EXPENSES

Description	Schedule No.	2022 Rs.	2021 Rs.
Acting allowance		1,416,233.66	1,117,048.15
Attendance Incentive		137,550.00	164,237.50
Bonus Payments		253,670.86	319,935.64
Cost of Living Allowances		30,302,345.82	31,432,523.28
E.P.F		36,544,805.70	39,972,204.29
E.T.F		7,714,758.16	8,519,187.64
Fuel Allowance		5,795,090.12	2,764,961.29
Gratuity			1,992,021.50
Holiday Pay		4,638,848.89	4,505,247.23
House Rent		979,777.21	1,000,608.52
Labour Wages		36,321,190.17	28,454,092.64
Medical Reimbursement		38,715,142.81	38,776,960.97
Other allowance		30,123,608.17	11,890,852.32
Overtime		15,453,199.66	14,493,982.30
Professional Allowance		3,191,397.86	3,283,580.65
Research Allowance		6,019,199.96	10,802,454.11
Salaries and wages		160,234,194.22	163,367,765.88
Transport Allowance		6,456,451.61	6,641,935.48
Travelling & Subsistence		9,219,890.59	7,717,987.30
Provident Fund Board Contributions		669,648.29	
Total		394,187,003.76	377,217,586.69

NOTE 20- SUPPLIERS & OTHER CONSUMABLE EXPENSES

Description	Schedule No.	2022 Rs.	2021 Rs.
Advertisement		335,792.00	1,575,574.20
Electricity Expenses		9,645,141.02	8,641,631.38
Fuel & Lubricant - Other		2,171,097.24	860,182.36
Fuel & Lubricant - Vehicle		8,246,329.73	3,903,087.92
Inland Revenue Stamp Duty			2,650.00
Postage		197,375.01	181,987.70
Telephone		5,944,671.01	7,301,652.01
Transport		1,939,898.11	982,947.86
Water		548,707.17	583,986.06
Total		29,029,011.29	24,033,699.49

NOTE 21- MAINTENANCE EXPENSES

Description	Schedule No.	2022 Rs.	2021 Rs.
Maintenace of Bungalows		3,429,117.63	3,332,515.91
Maintenace of Furniture & Fittings		17,450.00	54,282.12
Maintenace of Institute Buildings Compo		29,206,065.38	28,875,196.73
Maintenace of Water Supply		1,684,468.14	727,614.63
Maintenance & Repair of Office Building		8,571,267.33	3,999,972.27
Maintenance of Auditorium			3,699.41
Maintenance of Computer		886,597.50	1,274,708.76
Maintenance of Environments Protection		25,202.00	714,981.00
Maintenance of Minner Building		661,686.71	278,649.63
Maintenance of Office Equipment		162,375.01	155,039.11
Maintenance of Plant Machinery		4,727,678.23	832,521.03
Maintenance of Power Supply		2,634,157.83	1,931,381.61
Maintenance of Roads		60,350.00	1,199,785.30
Maintenance of Tools		153,675.00	26,610.00
Maintenance of Vehicle		5,560,499.34	6,084,924.59
Maintenance up keep of staff bungalows p		14,895.00	141,467.75
Total		57,795,485.10	49,633,349.85

NOTE 22- DEPRICIATION AND AMOTIZATION EXPENSES

Description	Schedule No.	2022 Rs.	2021 Rs.
Amotization for Cinnamon		78,417.05	82,544.26
Amotization for Rubber		1,068,634.46	1,124,878.37
Amotization for Tea		167,981.96	176,823.11
Depreciation for the year only		118,340,896.36	110,476,730.72
Rubber In Bearing Depreciation -DF			-
Total		119,655,929.83	111,860,976.46

NOTE 23- OTHER EXPENSES

Description	Schedule No.	2022 Rs.	2021 Rs.
Audit Fee		978,780.00	858,000.00
Bad & Doubtful Debtors for the Year		(457.50)	71,242.26
Bungalow Expenses		26,693.00	4,524.00
Cinnamon Expenditure		1,230,437.50	832,423.52
Commission on Cash Transport		178,270.18	448,794.20
Computer Network		763,190.06	861,916.58
Computer Software Expenses		1,373,505.06	1,948,267.91
Conference & Seminars Expenses		2,182,452.93	18,293.00
Contingencies & General Expenses		43,909.00	11,565.00
Entertainment Expenses		1,176,527.92	380,319.95
Factory Expenses		2,157,179.75	61,205.00
Fax Messenger Expenses			16,701.24
Field Work & Cultivation Expenses		6,307,487.82	3,351,038.53
Filed Experiments		25,254,769.22	22,529,357.35
Food stuff Expenses -KW			975.00
Gratuity for the Year		13,164,306.50	23,665,649.00
Guest House - Hostel Expenses		82,720.50	36,021.42
Honorarium		841,125.00	881,435.00
Insurance Charges - General Policies		1,353,818.02	1,325,719.88
Intercropping Expenditure		24,725.00	389,102.84
Interview Panel Expenses			25,415.00
IRRDD Expenses		2,218,140.19	3,458,904.40
Laboratory Expenditure		13,566,778.03	11,962,167.30
Manufacturing Expenses		856,612.83	1,233,447.01
Medical Expenses, Medical Drugs		522,941.17	516,294.66
Membership subscription to professional			6,969.00
Monaragala Substation - RRI		14,776.25	10,181.69
News Paper Expenses		180,392.00	119,121.00
Nursery Expenses		2,190.00	499,500.00
Packing Materials Expenses			81,432.00
PF maintenance		80,547.20	39,305.00
Plucking Expenses		1,061,186.42	1,360,448.16
Polgahawela Substation -RRI		16,214.66	86,312.35
Police Escorting Expenses		9,000.00	39,500.00
Printing & Publication		42,100.00	182,790.00
Production Expenses		214,442.05	1,151,485.54
Profit Bonus			253,803.63
Provident Fund Board Contributions			2,153,212.77
Caban Credit Development		3,417,311.10	
Rainguard Expenses		2,129,446.82	4,613,656.99
Rate & Tax		1,168,701.19	419,253.85
Rent Allowance		243,148.00	293,250.00
RRI Photocopier Maintenance			165,870.10
Satff Welfare & Recreation Activities		708,794.85	434,197.33
Special Capital Projects CF / MPI Expen			6,465.00
Staff Training & Development		928,485.62	582,377.74
Stationery & Office Requities		3,211,746.98	3,907,440.61
Stock Adjustment A/C		1,950,861.55	(376,014.31)
Stock Adjustment A/C -DF		1,224,683.59	(2,328,894.09)
Stock Adjustment A/C -KW			32,211.07
Sundries		2,420.00	4,780.00
Sundries & Utility Services		1,076,173.75	497,512.25
Sundry Expenses		1,499,978.10	2,255,771.59
Tapping Expenditure		19,851,061.53	21,774,812.96
Tapping Making Plates Expenses			4,725.00
Tea Green Leaf Expenditure			31,050.00
Training Programmrs		57,991.00	286,150.24
Administrative Expenses		2,500,000.00	
Total		115,895,564.84	113,477,457.52

NOTE 24- FINANCE COST

Description	Schedule No.	2022 Rs.	2021 Rs.
Bank Charges		37,850.00	86,479.00
Legal Expenses		339,599.55	302,090.00
Total		377,449.55	388,569.00

STATEMENT OF FINANCIAL PERFORMANCE DARTONFILED ESTATE
FOR THE YEAR ENDED DECEMBER 31, 2022

Description	2022		2021	
REVENUE				
Transfer from other Government Entities	4,700,498.00		4,638,238.00	
Other Revenue				
Deferred Income				
Income Dartonfiled Estate	90,147,236.93		78,671,536.79	
Income Kuruwita Estate				
Income Monaragala Estate				
TOTAL REVENUE		94,847,734.93		83,309,774.79
EXPENSES				
Wages ,Salaries & Employee Benifi	37,642,953.39		35,259,965.51	
Suppliers and Consumable Used	2,381,165.72		934,801.82	
Maintenance Expenditures	2,528,774.59		1,023,156.08	
Depriciation & Amotization Expens	999,537.33		1,052,144.55	
Other Expenditures	40,041,363.90		39,809,960.47	
Finance Cost	57,440.99		156,329.00	
TOTAL EXPENSES		83,651,235.92		78,236,357.43
SURPLUS / (DEFICIT) FOR THE PRIOD		11,196,499.01		5,073,417.36

STATEMENT OF FINANCIAL PERFORMANCE KURUWITA ESTATE
FOR THE YEAR ENDED DECEMBER 31, 2022

Description	2022		2021	
REVENUE				
Transfer from other Government Entities	1,718,802.00		1,974,512.00	
Other Revenue				
Deferred Income				
Income Dartonfiled Estate				
Income Kuruwita Estate	35,515,253.09		35,943,111.70	
Income Monaragala Estate				
TOTAL REVENUE		37,234,055.09		37,917,623.70
EXPENSES				
Wages ,Salaries & Employee Benifits	26,882,092.21		24,241,766.75	
Suppliers and Consumable Used	1,963,748.04		1,286,144.67	
Maintenance Expenditures	1,241,618.57		511,369.11	
Depriciation & Amotization Expenses	315,496.14		332,101.19	
Other Expenditures	3,390,375.36		6,657,865.01	
Finance Cost	7,349.95		76,640.00	
TOTAL EXPENSES		33,800,680.27		33,105,886.73
SURPLUS / (DEFICIT) FOR THE PRIOD		3,433,374.82		4,811,736.97

***Labour rates and break down of cost of production from 2018 to 2022 (Rs/Kg) in
Dartonfield estate***

	2018	2019	2020	2021	2022
1. Labour wages	805.00	805.00 up to Jan. and 855.00 from Feb.	855.00	855.00 up to Mar. and 1150.00 from Mar.	1150.00
2. Cost of production	268.43	330.91	300.90	502.49	617.70
2.1 Tapping	115.63	139.94	138.17	204.01	239.79
2.2 Manufacture	33.08	35.35	38.94	49.56	64.39
2.3 General charges	98.10	124.18	94.87	113.03	125.23
2.4 Mature/area upkeep	21.62	31.44	28.92	38.65	71.90
2.5 Administrative	-	-	-	97.23	116.40
3. N.S.A.	255.44	276.22	333.73	564.83	718.02
4. Profit/(Loss) per kg	(12.99)	(54.69)	32.83	62.34	100.32

***Labour rates and break down of cost of production from 2018 to 2022 (Rs/kg) in
Kuruwita estate***

	2018	2019	2020	2021	2022
1. Labour wages	805.00	805.00 up to Jan. and 855.00 from Feb.	855.00	855.00 up to Mar. and 1150.00 from Mar.	1150.00
2. Cost of production	279.36	337.71	292.36	442.53	577.99
2.1 Tapping	108.80	134.74	137.41	205.40	272.89
2.2 Manufacture	36.33	33.11	37.12	45.41	71.91
2.3 General charges	97.16	135.40	89.49	157.64	81.62
2.4 Mature/area upkeep	37.07	34.47	28.35	34.08	73.47
3. N.S.A.	244.89	263.54	311.69	523.82	653.25
4. Profit/(Loss) per kg	(34.47)	(74.17)	19.33	81.29	75.26

My No: PAL/E/RRB/01/22/03

Date: 07 July 2023

Chairman,
Rubber Research Board of Sri Lanka.

Report of the Auditor General on the Financial Statements and Other Legal and Regulatory Requirements of the Rubber Research Board of Sri Lanka for the year ended 31 December 2022 in terms of Section 12 of the National Audit Act, No. 19 of 2018

1. Financial Statements

1.1 Qualified Opinion

The audit of the financial statements of the Rubber Research Board of Sri Lanka for the year ended 31 December 2022 comprising the statement of financial position as at 31 December 2022 and the statement of financial performance, statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, was carried out under my direction in pursuance of provisions in Article 154 (1) of the Constitution of the Democratic Socialist Republic of Sri Lanka read in conjunction with provisions of the Rubber Research Ordinance, No.10 of 1930 and National Audit Act No. 19 of 2018 and Finance Act No. 38 of 1971. My report to Parliament in pursuance of provisions in Article 154 (6) of the Constitution will be tabled in due course.

In my opinion, except for the effects of the matters described in the basis for Qualified Opinion section of my report, the accompanying financial statements give a true and fair view of the financial position of the Board as at 31 December 2022, and of its financial performance and cash flows for the year then ended in accordance with Sri Lanka Public Sector Accounting Standards.

1.2 Basis for Qualified Opinion

- (a) Even though the presentation of items in the financial statements should be kept unchanged from one period to the next period according to Section 42 of Sri Lanka Public Sector Accounting Standards 01, the balance of Rs.180,438,029, carried forward from the previous year in the statement of changes in equity presented as at 31 December 2022, had not been recorded as the opening balance of the year under review and it had been added to the revaluation surplus of the year under review and the total revaluation surplus had been indicated as Rs. 4,447,449,850.

- (b) Capital grants amounting to Rs.57,865,800 received to the Board in the year 2022 had been credited to the accumulated fund without accounting it as revenue.
- (c) Necessary adjustments had not been made in the financial statements for the value of 75 immovable stock items such as vehicle spare parts, maintenance materials, and stationery and 08 stock items damaged included in the final physical stock balance of the Head Office amounting to Rs.373,671 and Rs.10,574 respectively.
- (d) Even though the total revaluation profit of lands and buildings for the year 2022 had been Rs.4,276,065,636 according to the financial statements, it had been brought to accounts as Rs.4,267,011,823 and as a result, revaluation profit had been devalued by Rs.9,053,813 in the financial statements.
- (e) Depreciation related to the year under review for the vehicles disposed of and the lands and buildings revalued during the year amounting to Rs.9,591,117 had not been brought to accounts.
- (f) Even though the Rubber Research Board had incurred a sum of Rs.16,213,367 as at 31 December 2022 for the construction of office buildings in 02 sub-stations of Kumarawatta in Monaragala and Narampolawatta in Alawwa and the amounts had been included in the financial statements, the lands had not been legally transferred to the Board from the Janata Estate Development Board.
- (g) Action had not been taken to settle the expenditure of Rs.5,214,500 incurred for the construction of the land and the building handed over to the National Institute of Language Education and Training by the Rubber Research Board in 2008 and amount had been brought forward as other receivable balances in the accounts.

I conducted my audit in accordance with Sri Lanka Auditing Standards (SLAuSs). My responsibilities, under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

1.3 Other Information included in the Annual Report 2022 of the Board

Other information means the information that was obtained by me prior to the date of this audit report and included in the Annual Report - 2022 of the Board, but not included in the financial statements and in my audit report prepared in relation to those financial statements. Management is responsible for the other information.

My opinion on financial statements does not cover other information and I do not express any kind of assurance or opinion on it.

In relation to my audit on the financial statements, my responsibility is to read the other information identified above when such information is available and to consider in reading so as to whether other information is materially inconsistent with the financial statements or according to my knowledge obtained during the audit or otherwise.

If I conclude that there are material misstatements in the other information based on the other information obtained by me prior to the date of this audit report and based on the activities carried out by me, I should report that matters. I have nothing to report in this regard.

1.4 Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with Sri Lanka Public Sector Accounting Standards, and for such internal control as management determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Board's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Board or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Board's financial reporting process.

As per Section 16 (1) of the National Audit Act No. 19 of 2018, the Board is required to maintain proper books and records of all its income, expenditure,

assets and liabilities, to enable annual and periodic financial statements to be prepared of the Board.

1.5 Auditor's Responsibilities for the Audit of the Financial Statements

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Sri Lanka Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Sri Lanka Auditing Standards, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Board's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Board's ability to continue as a going

concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Board to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

2. Report on Other Legal and Regulatory Requirements

2.1 National Audit Act, No. 19 of 2018 includes specific provisions for following requirements.

2.1.1 I have obtained all the information and explanation that are required for the audit and as far as appears from my examination, proper accounting records have been kept by the Board as per the requirement of section 12 (a) of the National Audit Act, No. 19 of 2018.

2.1.2 The financial statements presented is consistent with the preceding year as per the requirement of section 6 (1) (d) (iii) of the National Audit Act, No. 19 of 2018.

2.1.3 The financial statements presented includes all the recommendations made by me in the previous year as per the requirement of section 6 (1) (d) (iv) of the National Audit Act, No. 19 of 2018.

2.2 Based on the procedures performed and evidence obtained were limited to matters that are material, nothing has come to my attention.

2.2.1 To state that any member of the governing body of the Board has any direct or indirect interest in any contract entered into by the Board which are out of the normal cause of business as per the requirement of section 12 (d) of the National Audit Act, No. 19 of 2018.

2.2.2 To state that the Board has not complied with any applicable written law, general and special directions issued by the governing body of the Board as per the requirement of section 12 (f) of the National Audit Act, No. 19 of 2018 except for the following observations.

Reference to Laws, Rules / Provisions	Non –Compliance
-----	-----
(a) Section 4:7 of Chapter XV of the Establishments Code of the Democratic Socialist Republic of Sri Lanka	A balance totalling to Rs. 4,755,341, recoverable to the Board for a period from 29 years to 32 years from 05 officers, who had violated Conditions of the Bond after obtaining paid leave and gone abroad for studies, had not been recovered even up to 31 May 2023.
(b) The Financial Regulations of the Democratic Socialist Republic of Sri Lanka (i) FR 880 (i) (ii) FR 891 (i)	The Board had not kept security from the officers, who were required to give security as per the referred regulation. A security register containing details of the officers, who had been required to give security, had not been maintained.
(c) FR 371 (2) (b) as revised by the Public Finance Circular No. 01/2020 dated 28 August 2020 (ii) FR 371 (4)	Even though it is possible to issue ad hoc Sub-Imprest to staff officers up to a maximum of Rs. 100,000 at one time for a certain specific purpose, three officers of the Rubber Research Board had been given two Sub-Imprests amounting to Rs.200,000 each and one Sub-Imprest amounting to Rs.300,000 in contrary to that. Even though the Accounting Officer should not obtain sub-imprest for functions that are not specified and not required, Ad Hoc Sub-Imprest amounted to Rs. 127,500 that had been provided in 12 instances had been resettled again without incurring expenses as the requirement had not

been specifically identified. Advances provided in 18 instances had been settled up to 45 per cent to 83 per cent in cash. In one instance, it had taken 04 months to settle the amount.

(iii) FR 371 (5)

Although a Sub-Imprest should be settled immediately within 10 days after the completion of the purpose for which it is granted, the settlement of 28 Sub-Imprest totalling to Rs. 426,609 provided by the institution in the year 2022 had been delayed for a period of 14 days to 49 days.

2.2.3 To state that the Board has not performed according to its powers, functions and duties as per the requirement of section 12 (g) of the National Audit Act, No. 19 of 2018.

2.2.4 To state that the resources of the Board had not been procured and utilized economically, efficiently and effectively within the time frames and in compliance with the applicable laws as per the requirement of section 12 (h) of the National Audit Act, No. 19 of 2018.

2.3 Other Matters

- (a) A sum of Rs. 205,375 should have been recovered even by 31 December 2022 from government institutions, private institutions and individuals for research reports issued by 03 Research Departments in 47 instances as there had been no specific method of charging fees before or at the time of issuing research reports by Ratmalana office.
- (b) Action had not been taken to recover an amount of 3,408,310, recoverable from 07 debtors and had been older for over 10 years and maintained in an account called "Settlement of Debtors", and an amount of Rs. 1,286,279, which should have been recovered from two officers, who had violated Conditions of the bond.
- (c) The Board had planned to construct a building by 31 December 2021 to establish a tyre testing unit and 03 machinery worth Rs.29,907,471 had been purchased for that purpose in the months of March and May of the year under review. However, since it had not been possible to construct the relevant building, the equipment had been remained idle even by 31 December 2022, the date of audit.

- (d) Even though a “micro-finite service centre” had been established by incurring Rs. 49.7 million in the year 2019 for designing and evaluating the performance of rubber products as a business model under Public Private Partnership, it was observed in the audit that the objective of manufacturing tyre models, which had been anticipated through the establishment of the Centre, had not been achieved even by the end of the year under review.
- (e) It had not been possible even by 31 December of the year under review to finalize two contracts namely, electrical installation for the Agalawatta factory and repairs of the Department of Biochemistry and Physiology in Ratmalana with a total contract value of 6,334,344, which had been initiated by the Board in the years 2019 and 2020 and scheduled to be finalized within the same 02 years, and an amount of Rs. 5,028,253 had been paid for this.
- (f) A regular officer had not been appointed for the post of Director, which had been a major post in the Rubber Research Board of Sri Lanka, for more than 04 years from the year 2018 to the end of the year under review, and the Deputy Director Research (Technology) had been acting in that post.
- (g) The post of Deputy Director (Administration) had remained vacant from the year 2018 and although it had remained vacant for more than 04 years, the appointment had not been made even until the end of the year under review.
- (h) Even though sixty-nine (69) posts of Heads of Research Departments, Principal Research Officers, Senior Research Officers and Research Officers had been approved, there had been a shortage of 44 officers in the Research Departments comprised of 05 Heads of Research Departments, 12 Principal Research Officers, 13 Senior Research Officers and 14 Research Officers and it had been 63 percent of the approved number of officers.

W.P.C. Wickramaratne
Auditor General