



# Annual Report 2014

**GEOLOGICAL SURVEY & MINES BUREAU**



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# **Annual Report 2014**

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## **CORPORATE INFORMATION**

### **GENERAL**

The Geological Survey & Mines Bureau (GSMB) is a statutory body established under the Mines and Minerals Act.No.33 of 1992 and the Head office is situated at, No. 569, Epitamulla Road, Pitakotte. There are sixteen regional offices at Matara, Kandy, Kurunegala, Rathnapura, Anuradhapura, Badulla, Monaragala, Ampara & Hambantota, Trincomalee, Kanthale, Batticaloa, Jaffna, Kaluthara and Gampha.

## **VISION AND MISSION**

### **Vision**

To be the premier national geosciences agency that generates and disseminates geoscientific information and regulates mining processing of Sri Lanka's mineral resources in the most sustainable manner.

### **Mission**

The mission of the GSMB is to provide geoscientific information, advice and services to the policy makers and the community and to promote and manage the mineral resources of the country for economic development while ensuring environmental sustainability. It regulates exploration, extraction, value addition, transportation and trading of minerals.

## **THE FUNCTIONS OF THE GSMB ARE:**

- ▶ To undertake systematic geological mapping of Sri Lanka and preparation of geological Maps.
- ▶ To identify and assess the mineral resources of Sri Lanka.
- ▶ To evaluate the commercial viability of mining for processing and export of such minerals
- ▶ To regulate the exploration and mining for minerals and processing, trading and export of minerals by issuing licenses.
- ▶ To advise the Minister on measures to be adopted for the promotion of the extraction and production of minerals on a commercial basis.
- ▶ To disseminate in appropriate media, information and data acquired during the exercise of functions under the Act. in particular, under paragraphs (a), (b) and (c) of this section.
- ▶ To undertake projects in regard to engineering geology and provide advice and remedial measures caused in respect of geological hazards and disaster



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## **CHAIRMAN'S MESSAGE**

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It is my pleasure to present our Annual Report and Financial Statements for the year ended 31st December 2014.

We have encountered many challenges in the past as well in the year under review; nevertheless the Bureau has been able to face them effectively and produce positive results to ensure consistent growth momentum to uphold the trust of our customers and maintain our role as the regulatory Authority.

### **Review of the Performance**

Geological Survey and Mines Bureau recorded a net profit of Rs. 826 million during the year, a 37.7% increase over the Rs. 600.5 million recorded last year. The Bureau's revenue rose 37.7% to Rs.1, 510 million for year under review.

### **In Appreciation**

On behalf of the Bureau, I wish to thank the board of Directors for the support and guidance extended to us. A special appreciation goes out to the Director General and General Manager for their valuable contribution to the growth and development of the Bureau. I am also deeply grateful to the customers for the continued trust and confidence placed in us. We have grown in strength and achieved solid results. My sincere appreciation goes out to our staff for the dedication and their untiring efforts.

**Senarath Jayasundara**

*Chairman*

## DIRECTOR GENERAL'S MESSAGE

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Generating and disseminating of important geo-data in the form of maps or other formats and regulation of mining activities are among the major functions of the Bureau. Annual action plan to achieve Bureau's corporate goals are implemented through its main technical *Divisions* namely *Geological Survey Division* and *Mining Division*.

*During the year 2014, Geological Survey Division* has been able to print seven (07) 1:100,000 basement geological maps completing the 1: 100,000 series of Geological maps covering the entire Island. Another important programme undertaken by the *Geological Survey Division* is mapping of sedimentary formations which are younger than two (02) million years (Quaternary Period). This 1:50,000 mapping specifically covers most of the coastal sediments and alluvial/fluvial sediments. Under this programme, compilation of 1:50,000 Quaternary map of *Puttalam* and field mapping of *Kalpitiya* and *Wilpattu* sheets were undertaken. Soil geochemical data gathered under the soil geochemical mapping programme will provide base data for future environmental monitoring in addition to their applications in mineral exploration, agriculture and health sectors. About 500 soils samples were collected in the year 2014 covering *Kaudulla* 1:50,000 Sheet. There was a delay in laboratory analysis of samples as the laboratories of the Bureau had to be shifted to temporarily built facility at Head Office premises, *Pitakotte*. However, laboratories were fully operational by August 2014.

Bureau launched a new programme of map preparation under the title of *Provincial Mineral Maps*. Nine (09) maps will be prepared under this series of maps which will be prepared based on existing data and additional field surveys. Work pertinent to the preparation of *Provincial Mineral Map – Central Province* was in progress.

Bureau also undertook several projects for mineral surveys, diamond core drilling and geotechnical investigations at the request of both private and government sector organizations and the income generated from these projects were around Rs.40 Million.

*Mines Division* which offer its services through Head Office and 14 regional offices is mainly responsible for regulatory functions of the Bureau. In view of diversity and complexity attached with regulation of exploration, mining, mineral transport and environmental monitoring, this Division is deemed to face with an arduous challenge. During the year, *Mining Division* has strived hard to minimize illegal mining and environmental damage caused by mining activities. With this objective, several awareness programmes were conducted addressing mining communities and police officers. Amidst such difficult circumstances, *Mining Division* has satisfactorily managed to regulate mining and transport of mineral raw material which are essential for country's industrial and infrastructure development. Financially, Bureau has earned a total income of about Rs.1,510 million during the year 2014 from which Rs. 705 million have been transferred to the Government coffers.

I am glad to note that the Geological Survey and Mines Bureau has made substantial progress during the year 2014 in achieving its targets and I am confident that the experience gained in the year will direct us to take necessary measures for further improvements.

**Dr. W.K.B.N. Prame**

*Director General*

## **BOARD OF MANAGEMENT**

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<b>Chairman</b>	: Mr. Senarath Jayasundara
<b>Members</b>	: Mr. B.A Peiris
	: Ms. G.D.C. Ekanayake
	: Mr. N.K.G.K. Nemmawatta
	: Mr. M.A. Thajudeen
	: Mr. S.M.A.T.B. Mudunkotuwa
	: Mr. P.C. Dolawatte
<b>Secretary to the Board Legal Officer</b>	: Mrs. M.S.K. Fernando

## **SENIOR MANAGEMENT**

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<b>Chairman</b>	: Mr. S. Jayasundara
<b>Director General</b>	: Eng. B.A. Peiris - Retired date – 2014 -10 -11 Dr. W.K.B.N. Prame
<b>Deputy Director (Geology)</b>	: Dr. W.K.B.N. Prame / Mr. C. H. E. R. Siriwardena
<b>Deputy Director (Mines)</b>	: Eng. D. Sanjjana De Silva
<b>General Manger</b>	: Mr. M.W. Jayamanna

## STAFF MEMBERS - GEOLOGY DIVISION

**Director (Geology)** : Dr. W.K.B.N. Prame / Mr. C.H.E.R. Siriwardena

### Asst. Director (Geology)

Mr. K.T.U.S. De Silva

### Geologists

Mr. C.H.E.R. Siriwardena

Mrs. D.P.R. Weerakoon

Mr. M.M.J.P. AjithPrema

Mr. A.S. Jayakody

Mr. A.M.M. Rathnayake

Dr. W.I.S. Fernando

Mr. H.A.D.N. Sanjeewa

Mr. M.M.T.N.B. Munasinghe

Mr. D.M.S. Dissanayake

Mr. S.T. Kalubandara

Miss. T.D.D.S. Wijesundara

Miss. C.N.B. Wijeratne

Mr. A.M.D.U. Abeysinghe

Mr. A.A.C. Priyantha

Mrs. D.S.M.C. Fernando

### Geophysicist

Mr. S.N. De Silva

Miss. S.N.B. Thaldena

Mr. S.W.M. Senevirathne

Mr. E.G. Jayawickrama

### Chief Chemist

Mrs. Y.P.S. Siriwardhana

### Chemists

Mrs. V.R. Wanasinghe

Mrs. H.A.P. Jayalath

Mrs. R.K.N. Suranganee

### Librarian

Ms. G.N. Amarasuriya

### Drilling Executive

Mr. K.S.J. Fernando

### Senior Technical Officers

Mr. B.D. Sirisena

Mr. M.A.R. Manchanayake

Mr. M.D. Pathmasiri

### Technical Officer

Mr. P.P.C.L.B. Paliyadeniya

Mr. C.D. Gunamuni

Miss. M.J.F. Zahra

Mr. G.C.C. Ariyawansa

Mr. H.M.T. Deshapriya

Mr. T.M.A. Christy

Mr. H.A.A.P. Hettiaarachchi

Mr. E.M.J.N. Ekanayaka

Mr. M.N. Priyashanta

Mr. K.A.R.P. Wickramasinghe

Mr. P.A.V.S. Karunarathna

Mr. W.D.A. Sampath

Mr. M.B.M. de Silva

Mr. A.J.M.D. Kumara

Mr. P.G.B. Thilakarathne

### Research Assistants

Mr. M.B.U.H. De silva

Mr. W.H.D.C. Rukmal

Mr. K.A.R. Premalal

Mr. T.G.J. Pathum

Mrs. K.M.N. Tharanganee

Mr. P.A.S.H. Palihawadana

### Draftsmen

Mrs. N.S.K. Karunadhipathi

Mr. P. Priyanga

### Cartographer

Mrs. G.D.T.V. Nandadasa



## **STAFF MEMBERS - MINES DIVISION**

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**Deputy Director (Mines)** : Eng. D. Sanjjana De Silva

### **Chief Mining Engineer**

Mr. L.A. Fernando

### **Mining Engineers**

Mr. P.D. Prasad

Mr. W.K.A.S. Rupawansa

Mrs. I.M.T.N Illangakoon

Mr. U.H.T. Priyantha

Mr. K.V. Jagath

Mr. N.W.C.P. Lanka

Mr. T.M.W. Bandara

Mrs. S.P.N.D. Samarathunga

Mr. A.P. Wimalasena

Mr. D. Mayoora

Mr. H.K.M. Gunasekara

Mr. C.K. Karunanda

Ms. I.W.T.P. Dayarathne

Mr. T.S. Kumara

Mr. K.D.P. Karunanayake

Mr. K. Thayalanathna

Mr. H.A.C.K.W. Bandara

Mr. M.R.M. Farees

Ms. K. Logagaoury

Mr. H.P. Siriwardena

Mr. S.A.I.J. Rodrigo

Mr. K.N.W.K. Wimalarathne

Mr. W.G.S. Kokila

Mrs. U.N. Dilanthi

Mr. G. Jayarupan

Mr. W.A.A.C. Wanniarachchi

Mr. A.M.H.P. Antony

Mr. R.M.D. Rathnayake

### **Registrar (Mineral Tiling)**

Mrs. K.A.P. Hemalatha

Mr. T. Dahanayake

### **Asst. Registrars**

Ms. D.D.R.S. Maduwantha

Mr. A.M. Samarasekara

Ms. W.D.P.R. Ganegama

Ms. W.M.P.S. Weerasundara

Ms. E.M.G.N.S. Ekanayake

Ms. M.T.D. Wanigasinghe

Ms. H.M.A.G. Karunarathne

Mr. Neel Vithanage

Ms. S. Tharsini

Ms. Gayathri Perera

Ms. Anoma Wijerathne

Ms. G.A.N.C. Kumari

Ms. A.P.J.J. Nandasiri

Mr. N. Udayanga

Mr. P.R. De Silva

## ABOUT THE BUREAU

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### We lead the Mineral Industries in Sri Lanka

The GSMB, established for provision of services under the Mines and Minerals act, No.33 of 1992, is the lead agency in mineral development underscores the Government's commitment to promoting mineral-based industries.

The Geological Survey and Mines Bureau (GSMB), being the authorized agency for the minerals development in Sri Lanka, is the organization for mineral investigations carried out to date and the accrued benefits to the country.

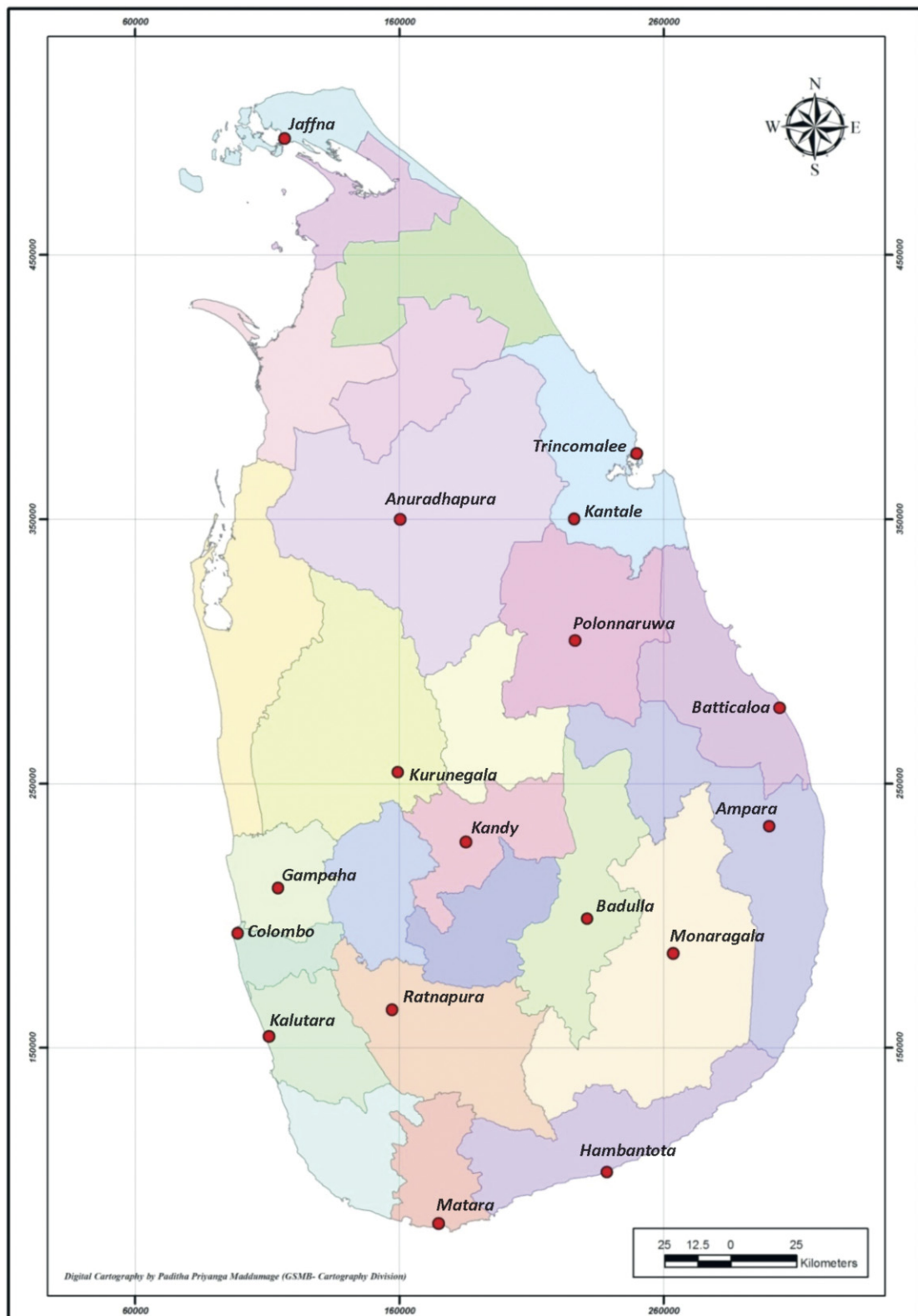
Sri Lanka being a small country, its sub surface mineral wealth is also equally small. Therefore, the organization, whilst encouraging the establishment of mineral based industries, emphasizes frugal use of minerals and warns against waste, as minerals are non-renewable commodities.

Being the nation's principal provider of the Geoscientific capability, GSMB advances the understanding about earth resources, related issues and problems. The diversity of the scientific expertise enables us to carry out multi-disciplinary investigations and provide impartial scientific information including a series of Geoscientific maps to resource managers, planners, and other customers. The GSMB serves the nation to describe and understand the Earth; minimize loss of life and property from natural disasters; manage geological, energy, and mineral resources; and enhance and protect our quality of life.

The Bureau has four primary operations: geological mapping and mineral exploration, mining titles and mining regulation (core activity); client responsive activities (mineral resource surveys, laboratory services, geophysical and drilling contracts) and geo-science information (access to published and unpublished reports, maps and other archives in its Library).

The Mines Division is presently functioning with 15 Regional Offices at Kandy, Matara, Kurunegala, Badulla, Ratnapura, Anuradhapura, Ampara, Monaragala, Hambantota, Trincomalee, Kalutara, Jaffna, Batticaloa, Gampaha and Pollonnaruwa and with 2 sub offices at Hasalaka and Kantale. The major activities of these Regional Offices are to cater better services for the customers who are engaged in various Mining Industries in relevant provinces and control the illegal mining activities.

***GSMB widen its service over the country***



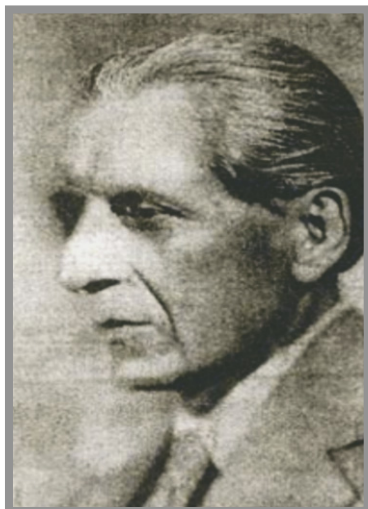
**GSMB widen its service all over the country**

## CONTACT DETAILS OF THE BUREAU

Our Offices	Address	Office Leader	Tel/Fax
Head Office	No. 569, Epitamulla Road, Pitakotte.	Director General	+94-11-2886289 +94-11-2886290
Ampara	No. 669, New Town, Ampara.	Eng. H.A.C.K.W. Bandara	+94-63-2223385
Anuradhapura	No. 596/69, Bandaranayke Mawatha, Anuradhapura.	Mr. C.K. Karunananda	+94-25-2223535
Badulla	No. 52/A, Rathwattha Mawatha, Badulla.	Eng. T.M.W. Bandara	+94-55-2222787 055-2225210
Bataloa	No. 239, Bar Road, Bataloa.	Eng. M.R.M. Farees	+94-65-2222266
Hambantota	No. 21, Terrace Street, Hambantota.	Eng. A. Fernando	+94-47-2222477
Gampaha	No. 06, Werellawatta, Yakkala.	Eng. H.K.M. Gunasekara	+94 -33-2231430
Jaffna	170, Kolomputhurei Road, Jaffna.	Eng. D. Mayooraan	+94-21-2224595
Kalutara	No. 9A, Mosque Road, Wettumakada, Kalutara – South.	Eng. K.V. Jagath	+94-34-2223743
Kandy	Janasawigama, Pallekele, Kandy.	Eng. Dammika Prasad	+94-81-2421294 +94-81-2421474
Kurunegala	No. 15/B, Negombo Road, Malkaduwawa, Kurunegala.	Eng. S.A.I.J. Rodrigo	+94-37-2230858 +94-37-2232542
Matara	No. 07, Jayasooriya Mawatha, Noope, Matara.	Eng. U.H.T. Priyantha	+94-41-2236765
Monaragala	No. 190/ 6, Wellawaya Road, Monaragala.	Eng. W.G.S. Kokila	+94-055-2277392 +94-055-2276882
Ratnapura	No. 66, Sri Saranankara Mawatha, Hidellana, Ratnapura.	Eng. T.S. Kumara	+94-45-2228117
Trincomalee	Divisional Secretariat Office, 4 <sup>th</sup> Mile Post, Trincomalee.	Eng. W. Wimalarathne	+94-26-3202411 +94-26-2050815

## HISTORICAL BACKGROUND

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The Geological Survey and Mines Bureau is the proud successor to a series of geo-scientific departments which spans more than a century, starting as the Mineral Survey of Ceylon (MSC) in 1903 headed by Dr. Ananda Coomaraswamy. Throughout the history, these departments had an exceptional record of discovering, promoting and acquiring data on the country's mineral resources, to which all currently operating mineral-based industries owe their existence.

By 1939, the MSC was known as the Department of Mineralogy and in 1962 renamed again as the Geological Survey Department. On 18th March 1993 the Bureau was established through the Mines and Minerals Act#33 of 1992 to combine the functions of the Geological Survey with the new responsibilities of a modern Mines Department.

The establishment of the Bureau as the lead agency in mineral development underscores the Government's commitment to promoting mineral-based industries. Minerals, by providing substitutes for expensive imports; commodities for the building and construction industry and the raw materials for export industries, create employment and generate income for the country. The Bureau is also responsible for maintaining the national geo-science database, and ensuring that this information is made available to the public.

## DIVISIONAL PERFORMANCE

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### GEOLOGICAL SURVEY DIVISION

Geological Survey Division staff includes professional Geologists, Geophysicists and Chemists who possess extensive experience in handling geology related projects and services. The activities of the Division are supported by Technical Officers, Research Assistants and Cartographers. Its major functions are preparation and publishing of Geology, Geochemical and Quaternary geology maps, monitoring seismic activities and providing assistance to issue tsunami warnings.

### SERVICES OF THE GEOLOGICAL SURVEY DIVISION

Provide various geo-consultancies in mineral exploration, engineering geology, environmental geology and to mineral based industries.

**Laboratories:** Analytical laboratory carries out analysis of rocks, minerals, soils and water employing latest analytical techniques. The petrology laboratory provides petrography information by identifying and classifying rocks and minerals using physical, optical, electrical, magnetic and radio-active properties.

**Geophysical Section:** Geophysical Section has the capability of applying electrical, magnetic, ground penetrating radar (GPR) and seismic techniques for investigating mineral occurrences, ground water resources, archaeological sites and subsurface conditions.

**Drilling Section:** Drilling services are provided for mineral exploration and geotechnical investigations. The section has four core drills including one wireline drill machine with capacity to reach 500m depth and capable of providing high core recovery using triple tube core barrels.

**Seismic Data Analysis and tsunami Alert Centre:** Main objective of this centre is to monitor seismic activities in and around Sri Lanka and assist relevant authorities in issuing tsunami warnings. The centre receives real-time seismic data from three local seismic stations at Pallekelle (PALK), Mahakanadarawa (MALK) and Hakmana (HALK) and several overseas seismic stations in the region.

**Mineral Intelligence Unit (MIU):** Evaluation of project proposals submitted to the Bureau for mineral exploration and value addition to minerals is carried out by the MIU. MIU formulates Mineral Investment Agreements (MIA) for product development as a prior requirement for export.

**Library:** The library contains a comprehensive collection of texts and journals in geology, mining and related disciplines as well as technical reports of investigations carried out since 1903. They are freely available for reference and the latest research findings are disseminated among the earth science community.

## **PROGRESS OF THE GEOLOGICAL SURVEY DIVISION- 2014**

### **1. Action Plan Activities (GSMB Funds)**

#### **1.1 Printing of Geological Maps:**

A major obstacle for completion of printing work of the 1: 1 00,000 maps \ 'as lack of local printing facilities to print such large format maps with appropriate colour matching to previously published maps. In response to calling quotations for printing of remaining 07 geological maps (1: 1 00,000) a party representing a Chinese printing facility was selected following procurement procedures. Seven (07) maps were printed in July 2014. With this accomplishment GSMB completed the printing of 21 geological maps (1: 100,000) covering the entire country.

During the year 2014 it was also expected to print 04 geological maps of 1:250,000 scale. However, this work was delayed due to engagement of relevant officers in more urgent activities. Compilation of these maps has progressed to the stage of editing.

#### **1.2 Quaternary Mapping (Coastal zone)**

Field mapping of Potuwil and Kalpitiya maps were completed. Compilation of 1:50,000 Quaternary maps of Galle, Ambalangoda-Balapitiya, and Kalutara were also completed and are now ready for printing

#### **1.3 Soil Geochemical Mapping**

Considering the long-term feasibility of completion of the programme sampling density was reduced to 01 sample per 4 sq. km. In order to compensate the reduced sample representation, collection of several stream sediment samples from each 4 sq. km was included. The two (02) 1:50,000 maps scheduled for the year 2014 were Kaudulla and Polonnaruwa. At the time of termination of field work in early December 2014 due to heavy rain 75% of the field work had been completed. In addition to these two maps remaining work of Tangalle and Morawaka.

Compilation of soil geochemical maps was delayed due to inability of carrying out remaining analytical work caused by delay in construction work of the new laboratory.



#### **1.4 Minerals Year Book -2014**

There was a delay in this activity due to difficulties in obtaining data and engagement of officers in other activities. It is expected to complete this work before end of December 2014.

#### **1.5 Provincial Mineral Surveys and Provincial Mineral Maps**

Mineral survey of the Eastern Province commenced in late 2013 was completed in March 2014. Instead of planned GSMB funded mineral survey in Sabaragamuwa province ceramic raw material survey was launched in Central and Uva Provinces at the request of ministry of Industries and the Ceramic Council. GSMB generated an income of Rs. 7,990,000/= from this survey.

Mineral map of the Central Province has been compiled and ready for printing. Mineral map of North-central Province is now being compiled.

#### **1.6 Shifting of Laboratories and Commencement of Routine Lab work**

With the completion of new laboratory building at Pitakotte, routine laboratory work of analytical and petrology labs commenced in June 2014. However, ICP-OES was not operative until this instrument was repaired by the suppliers in November 2014. Because of this delay there was significant interruption for implementation of Action Plan 2014.

#### **1.7 IAEA Assisted Nuclear Raw Material Survey and Allied Activities**

Measurement of gamma radiation and systematic sampling were carried done out in area around Mitipola, near A vissawella. Samples are being analyzed at laboratories.

Under the Technical Cooperation of IAEA, a car-borne radiation detection spectrometer and an XRF spectrometer were requested. A purchase order for a mobile (car-borne) gamma-ray spectrometer worth of 68,000 euro has been placed by the IAEA. A purchase order has also been placed to procure a WDS-XRF spectrometer on cost-share basis. The car-borne radiation detection unit and XRF spectrometer are to be delivered in January 2015 and March 2015 respectively.

#### **1.8 Recovery and Storing the Dilapidated Core Boxes**

It was planned to recover rock cores stored in decayed wooden boxes stored at Yakkala premises. Core boxes were in dilapidated conditions and only about 60% of the material could be recovered with proper information. Recovered cores were stored in galvanized boxes and about 200 boxes were recovered and stored in 2014 in addition to 700 boxes recovered in 2013.

With this work recovery of boxes lying without any roof protection was completed. It is planned to re-store the material now in wooden boxes in galvanized boxes during the year 2015.

**Table 1: Progress Summary of Action Plan Activities 2014**

Description	Achievement (%)	Remarks
<b>1:100 000 Geological Mapping</b>		
<b>1.0 Programe</b>		
<b>1.3 Map Publishing</b>		
1.3.1 Printing of remaining 1:100 000 maps	100%	Completed
1.3.2 1:250 000 Geological Maps		
<b>1:50 000 Quaternary Mapping</b>		
<b>2.0 Programe</b>		
<b>2.1 Field Work</b>		
2.1.1 Sheet No.19/24 : Silawatturai/ Wilpattu	100%	Completed
2.1.2 Sheet No.29 : Kalpitiya		
<b>2.2 Compilation &amp; Cartography Work</b>		
2.2.1 Sheet No.34 : Puttalam	100%	Completed
2.2.2 Sheet No. 84 : Yala	100%	Completed
2.2.3 Sheet No. 90 : Galle	100%	Completed
<b>2.3 Map Publishing</b>		
2.3.1 Sheet No. 73 : Kalutara	90%	Ready for printing
2.3.2 Sheet No. 85 & 86 : Ambalangoda & Balapitiya	90%	Ready for printing
<b>1:50 000 Geochemical Mapping</b>		
<b>3.0 Programe</b>		
<b>3.1 Field Work</b>		
3.1.1 Sheet No. 32 : Kaudulla	60%	Most of the field programs were delayed as laboratories was not available for nearly one year and also due to unavailability of field vehicles. Field work of Vavunia, Pankulam and Kekirawa was post poned to year 2015
3.1.2 Sheet No.21 : Vavunia	0%	
3.1.3 Sheet No. 22 : Pankulam	0%	
3.1.4 Sheet No.36 : Kekirawa	0%	
3.1.5 Sheet No.37 : Polonnaruwa	60%	
<b>3.2 Laboratory Work</b>		
3.2.1 Sheet No. 82 : Thimbolketiya	60%	Delays are due to incomplection of laboratory building and facilities but started on 4th quarter.
3.2.2 Sheet No.26 : Medawachchiya	30%	
3.2.3 Sheet No.27 : Horowpathana	30%	
3.2.4 Sheet No. 87 : Morawaka	50%	
3.2.5 Sheet No.81 : Rakwana	30%	

## GEOLOGICAL SURVEY & MINES BUREAU

### **3.3 *Compilation & Cartography Work***

3.3.2	Sheet No. 20 : Rakwana-Tangalle	0%	Postponed to year 2015 as laboratory analysis part is not completed
3.3.3	Sheet No. 6 : Vavunia-Trincomalee	0%	

### **3.4 *Map Publishing***

#### **3.4.1 *Geochemical Maps***

Sheet No.20 : Rakwana-Tangalle	0	Will be completed in year 2015
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### **4.0 *Library and Museum***

4.1	Procurement of Scientific Journals	75%	Delays on approval for payments but now in progress
4.2	Procurement of Text Books	35%	
4.3	Museum Development	25%	In progress
4.4	Journal Binding	70%	

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### **5.0 *Mineral Year Book***

60%	will be completed within first quarter of 2014
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### **6.0 *Seismic Data and Tsunami Alert Centre***

6.1	Data storage facility development Installation of Short Period	80%	Initial discussions are on progress
6.2	Seismometers - Phase 1	10%	
6.3	Maintenance of 03 Seismic Stations	90%	

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### **7.0 *Geophysical Surveys***

100%	Completed
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### **8.0 *Provincial Mineral Surveys (Sabaragamuwa Province)***

40%	Delayed as officer identified for the work were assigned to income generating projects
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### **9.0 *Airborne Survey***

0%	Postponed
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### **10.0 *Research Studies***

10.1	For students and interns	90%
10.2	Scientific officers of the Geology Division	60%

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### **11.0 *Nuclear Raw Material Survey in Mitipola and Bambarakotuwa Areas***

11.1	Field Work in Mitipola	100%	Field work has been Completed
11.2	Field work in Bambarakotuwa	0%	Postponed
11.3	Laboratory Analysis of Beach Sand Samples	50%	Laboratory analysis is in progress

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### **12.0 *Stream Sediment Survey in Walawe Ganga Basin***

**13.0 Mineral Specific Reports (02 No.s) & Provincial Mineral Maps**

13.1	Mineral Specific Reports	0%	Didn't Proceed
13.2	Provincial Mineral Maps	95%	Central Province is completed

**14.0 Restoration of Dilapidated Core Boxes and Storage**

95% Almost Completed

**15.0 Client Responsive Projects***Income generating projects worth of nearly Rs. 102 million***2. Client Responsive Projects and Activities (Income Generating)****Table 2: summary of the income generated from various projects during the year 2014**

<b>Client</b>	<b>Project</b>	<b>Total Project income (Rs.)</b>	<b>Income for 2014 (Rs.)</b>
MacLanka Graphite (Pvt) Ltd. (Continued from 2013)	Drilling Investigation for Graphite at Pathakada	6,000,000	6,000,000
Mahaweli Consultancy Bureau	Additional Geotechnical Investigations along Upper Elehera Canal	30,000,000	15,000,000
Sarcon Development (Pvt.) Ltd.	Geological Mapping	634704	634704
Central Cultural Fund	Sigiriya Restoration-1	2,200,000	2,200,000
Central Cultural Fund	Sigiriya Restoration -2	1,607,000	1,607,000
Central Cultural Fund	Sigiriya Winch Repair	838,000	838,000
Central Cultural Fund	Sigiriya Restoration -4	1,030,800	1,030,800
Tokyo Cement Company (Lanka) PLC	Vertical drilling for limestone	2,842,560	2,842,560
VV Mineral Lanka (Pvt.) Ltd.	Mineral Sand Survey , Kalpitiya	532,300	532,300
MRL Graphite (Pvt.) Ltd	Geological Mapping	1,459,000	1,459,000
MRL Graphite (Pvt.) Ltd	Inclined drilling for graphite	11,230,000	10,807,000
Ministry of Industries	Ceramic Raw Material SURvey	7,834,000	7,834,000
Eastern Minerals (Pvt.) Ltd.	Mineral Sand Surevy	3,008,825	1,116,312
Lanka Minerals Sand Ltd.	Mineral Sand Investigation	4,008,900	1,789,687
Ally Weerasinghe (Pvt.) Ltd.	Vertical drilling in granite	2,200,000	9,00,000
Plumbago Lanka (Pvt.) Ltd.	Drilling	25,000,000	Agreement Signed
Misselaneous	Laboratory Income		1,100,000
Misselaneous	Library Income		400,000
<b>TOTAL</b>		<b>101,724,700</b>	<b>57,190,000</b>

### **3. Other Activities**

#### **3.1 Participation to Deyata Kirula Exhibition**

GSMB's exhibition stall and educational programme at the "Deyata Kirula" Exhibition-2014, at Kuliypitiyaa was very popular. Five (05) officers from the Geology Division involved in this activity organizing and contributing to the success of the event.

#### **3.2 Preparation of New Year Diary**

Officers of the Geology Division actively involved in compiling and designing the GSMB's diary for 2015.

#### **3.3 Laboratory & Other Development**

Under the Capital Budget allocations for 2014, Geology Division enhanced its laboratory and field investigation facilities by adding several lab & field equipment. Among these were mechanical impact source for seismic exploration (~Rs. 2,000,000), 50 HP new drill rig (Rs.~7,000,000=), and a sample pulverizing system (~Rs. 3,000,000).

### **4. Conclusions**

Only about 80% the planned activities under Action Plan for the year 2014 could be completed. The reasons for not being able to accomplish 100% were diverse. These include adverse weather, lack of sufficient number of officers, lack of cooperation from some officers, delay in completion of laboratory building. However, despite of this minor fraction of unachieved targets, the Geology Division has efficiently engaged in most which demanded the character of rising to the occasion.

Income generated through client responsive projects has exceeded the expected income (~ Rs. 35,000,000) by a large margin marking the recorded highest for past years. Total value of the project undertaken during the year is over Rs. 101,000,000/=. Income to be invoiced for the year 2014 is about Rs. 57,000,000/=

It is anticipated that the activities of the Division would improve and further progress in 2015 with necessary precautions and rectifications.

## **MINES DIVISION**

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### **MAJOR FUNCTIONS OF THE MINING DIVISION**

The Mines Division is presently functioning with fourteen Regional Offices. These offices have been established to provide our services for the customers engaged in various mining industries. With the recent amendments to the Mines and Minerals Act # 33 of 1992 wider powers have been given to the Bureau to control illegal mining activities. The main work includes site inspection, test blasts, inquiring public complaints, issuing of licenses for mining, trading, exploration and transport and minimizing illegal mining activities. Major functions of the Mines Division include;

Evaluate commercial viability of mining for processing and export of minerals under the Mines & Minerals Act No.33 of 1992

Regulate the exploration and mining for minerals and the processing, trading in and export of such minerals by the issuance of licences

Advise the minister on measures to be adopted for the promotion of the extraction and production of minerals on a commercial basis

### **SERVICES AVAILABLE**

Mine inspection (mobile service – issuing licenses, technical advices)

Expert services ( blasting techniques, license upgrading, safety methods, test blasts, crack surveys)

Awareness programs (Awareness programmes for public officers & license holders, Workshop for people engage in mining activities, Exhibitions)

Rehabilitation Programmes (motivating mines to safeguard the environment and supervising the environment protection and rehabilitation activities carried out by mines).

### **Income Generated through Issuing Licenses**

Under the Mines & Minerals Act No. 33 of 1992, the GSMB issues following types of licenses.

- Exploration licenses
- Mining licenses (Artisanal, Industrial, Reserved Minerals)
- Trading licenses
- Export licenses
- Transport licenses



Details of these licenses are as follows:

● **Exploration licenses (EL)**

An Exploration license grants the license-holder the exclusive right to explore for all mineral categories authorized by the license.

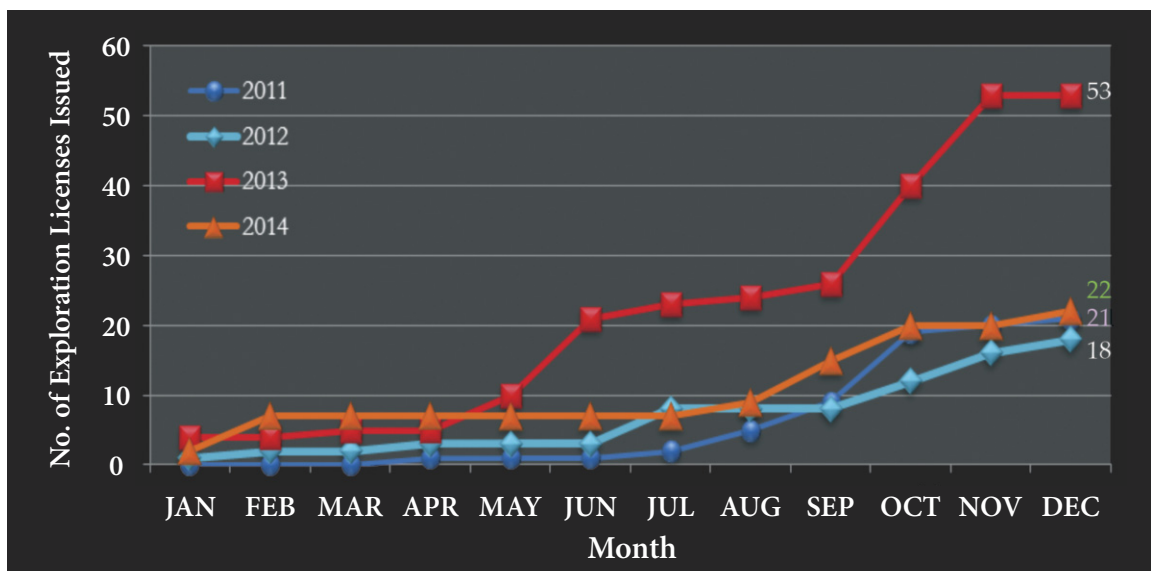


Fig. 1: Exploration licences issued during the period of 2011 to 2014

Exploration licenses issued in Year 2014–22

● **Mining Licenses**

**Artisanal Mining Licenses (AML)**

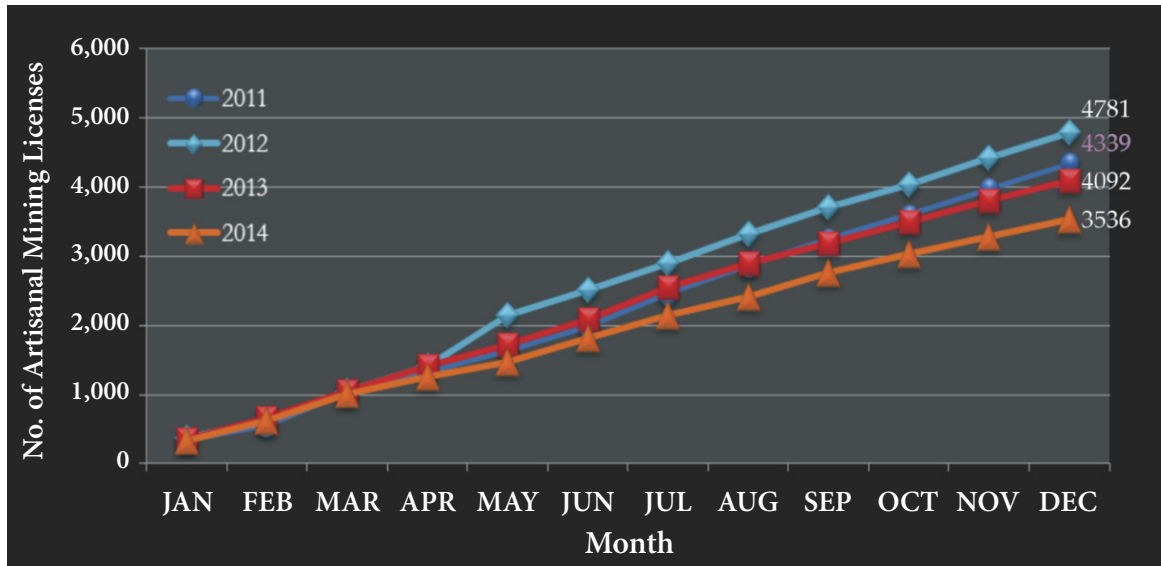
Grants the license-holder the exclusive right to mine, process and trade in all minerals specified in the license within an area not exceeding ten hectare or to a depth not exceeding twenty five meters.

Category A - which shall include one or more of the under-mentioned conditions

- The depth of bore hole to be less than 1.5 meters
- The production volume to be not less than 100 m3 and not more than 600 m3 per month
- No machinery to be used

Category B - which shall include any one or more of the under mentioned conditions

- The depth of the borehole to be less than 1.5 meters
- Production volume to be not exceeding 100 m3 per month
- No machinery to be used



**Fig. 2: Artisanal Mining Licences issued during the period of 2011 to 2014**

Artisanal Mining Licenses issued in Year 2014 -

Category A	1372
Category B	2164

### Industrial Mining Licenses (IML)

Grants exclusive right to explore for, mine, process and trade in all minerals mined within the area specified in such license. There are three categories of Industrial Mining Licenses.

Category A (include one or more of following conditions)

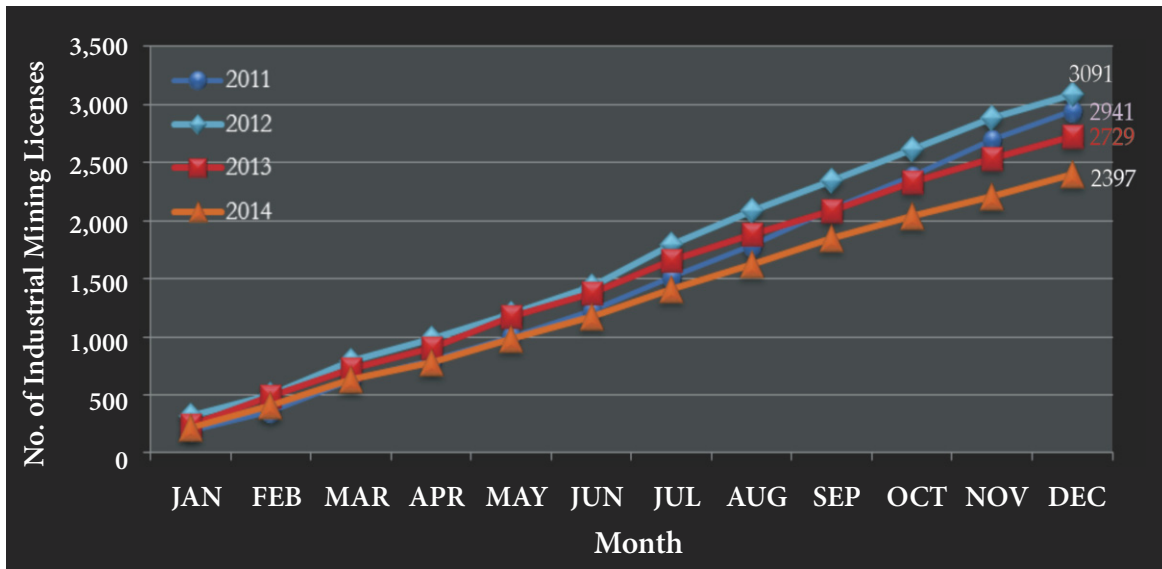
- Blasting method - multi-borehole using delay elements
- The depth of the bore hole - more than 3.0 meters
- Production volume - more than 1500 m<sup>3</sup> per month
- Machinery to be used - track drills, jack hammers, rock breakers, front-end loaders and other machinery

Category B (include one or more of the following conditions)

- The blasting method - single borehole
- The depth of boreholes - not less than 1.5 meters and not more than 3.0 meters
- The production volume - between 1500 m<sup>3</sup> and not more than 1500 m<sup>3</sup> per month
- Only jack hammers to be used

Category C (include one or more of the following conditions)

- Blasting method - single shot-hole
- Depth of the bore hole - less than 1.5 m
- Production volume - should less than 600 m3 per month
- Only jack hammers to be used



**Fig.3: Industrial Mining Licences issued during the period of 2011 to 2014**

Industrial Mining Licences issued in Year 2014 -

Category A	164
Category B	1258
Category C	975

**Reserved Minerals (RML)**

License to explore, for, mine, process and trade in reserved minerals may be granted with the approval of the Minister.

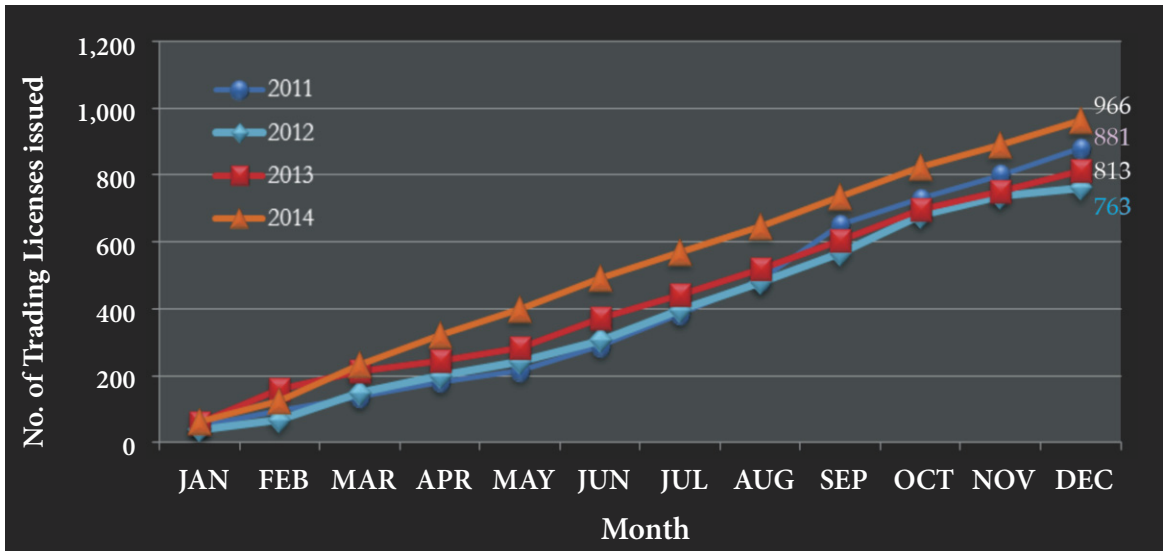
**● Trading Licenses (TDL)**

A trading license shall grant the non-exclusive right to purchase, store, process, trade in and, with the special authorization of the Director, to export minerals in respect of which the license is issued.

Category A - to trade in minerals for export

Category B - to trade in minerals locally

Category C - to trade in bricks and lime produced manually.



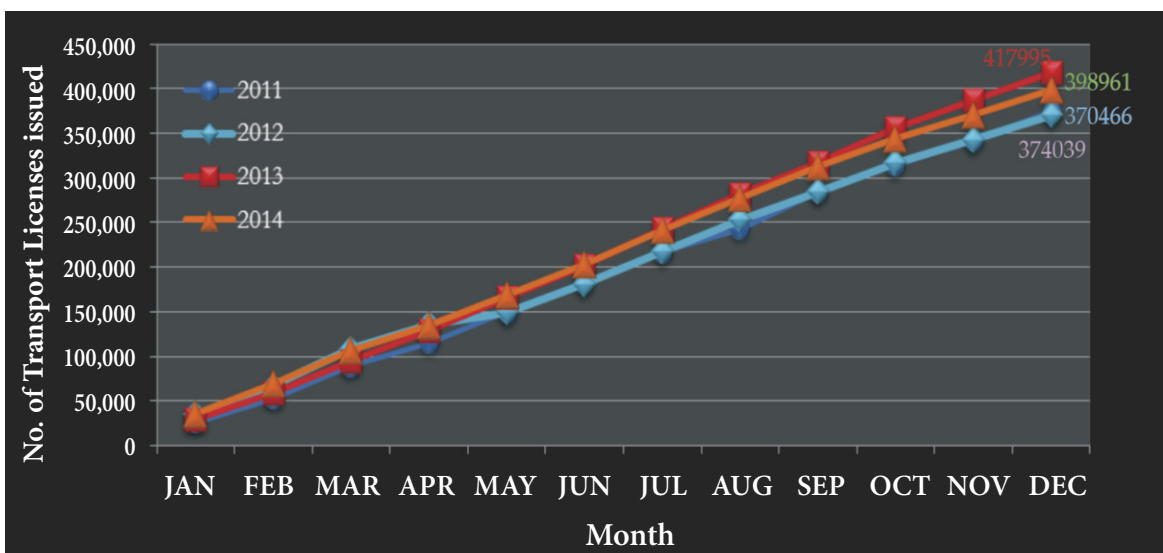
**Fig. 4: Trading Licenses issued during the period of 2011 to 2014**

Trading License issued in Year 2014

Category A	12
Category B	954
Category C	00

● **Transport Licenses**

License to transport mineral-bearing substances or minerals shall be issued for such quantity and period and for such minerals as may be specified in such license. All exploration, mining and trading licenses shall require a transport license to transport mineral-bearing substances or minerals.



**Fig. 5: Transport Licenses issued during the period of 2011 to 2014**

Transport Licenses issued in Year 2014–398,961

● **Export of Minerals**

All exploration, mining and trading licensees shall obtain the special authorization of the Director of the GSMB to export minerals in respect of which the license is issued.

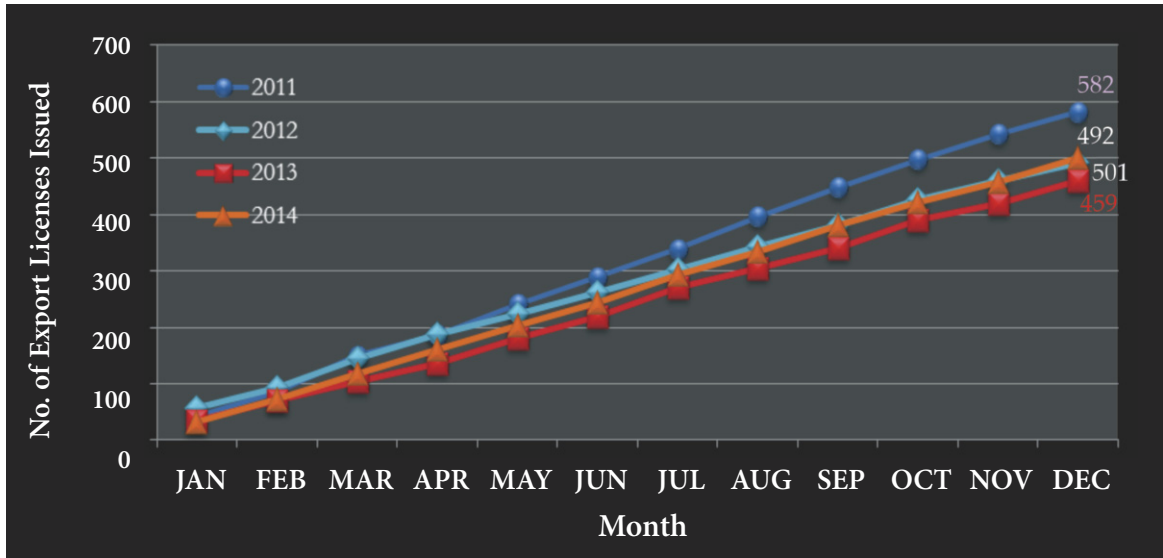


Fig.6: Export Licenses issued during the period of 2011 to 2014

Export Licenses issued in Year 2014 - 501

● **Royalty Income**

Following chart shows the royalty income collected by the GSMB on behalf of the Government of Sri Lanka. It clearly shows a general increase of royalty collection.

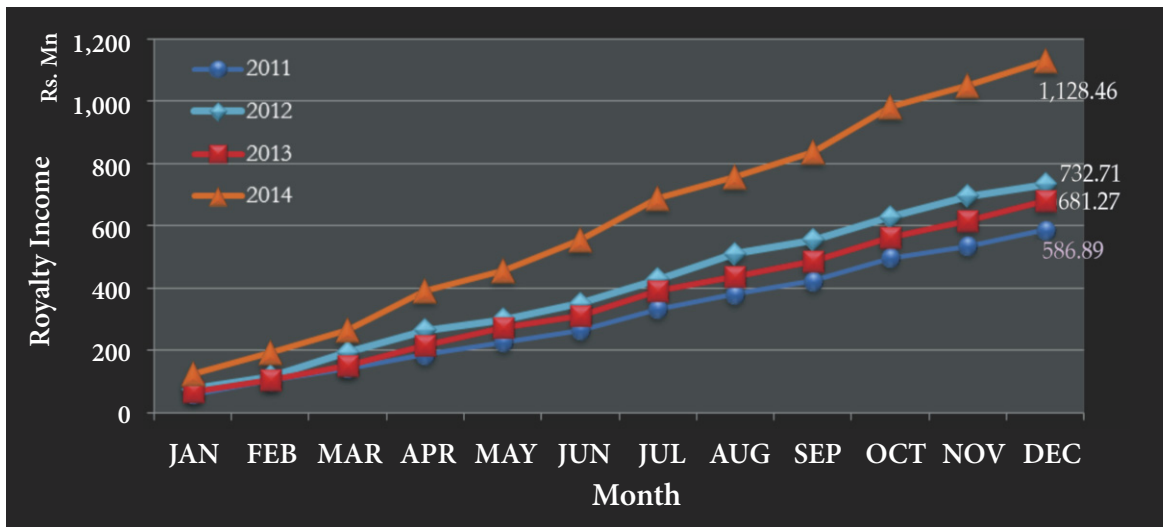
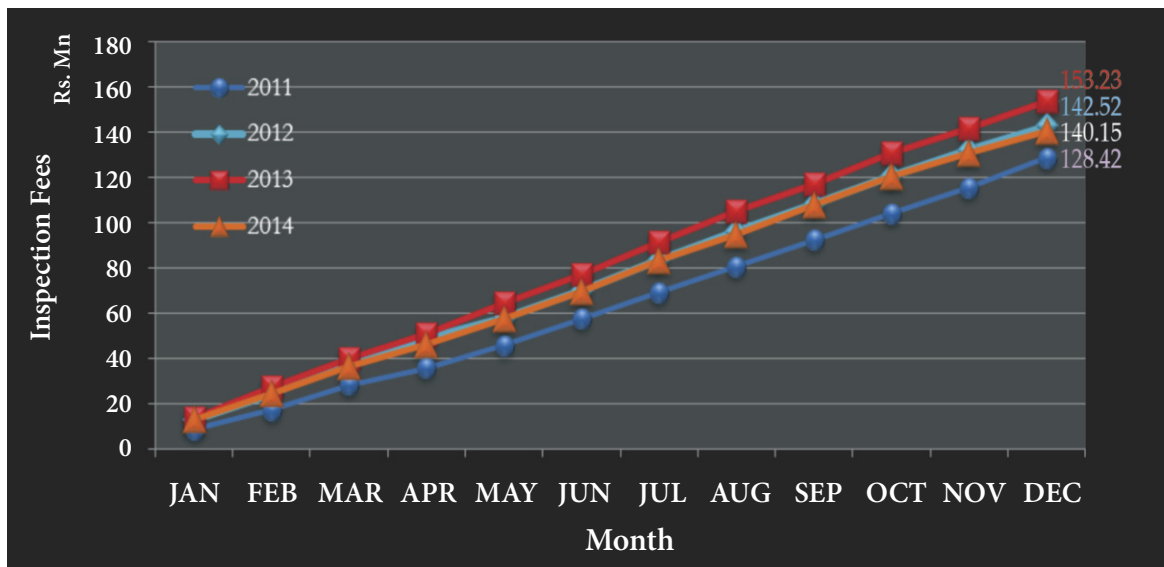


Fig.7: Royalty income during the period of 2011 to 2014

## Income generated by Mines Inspection

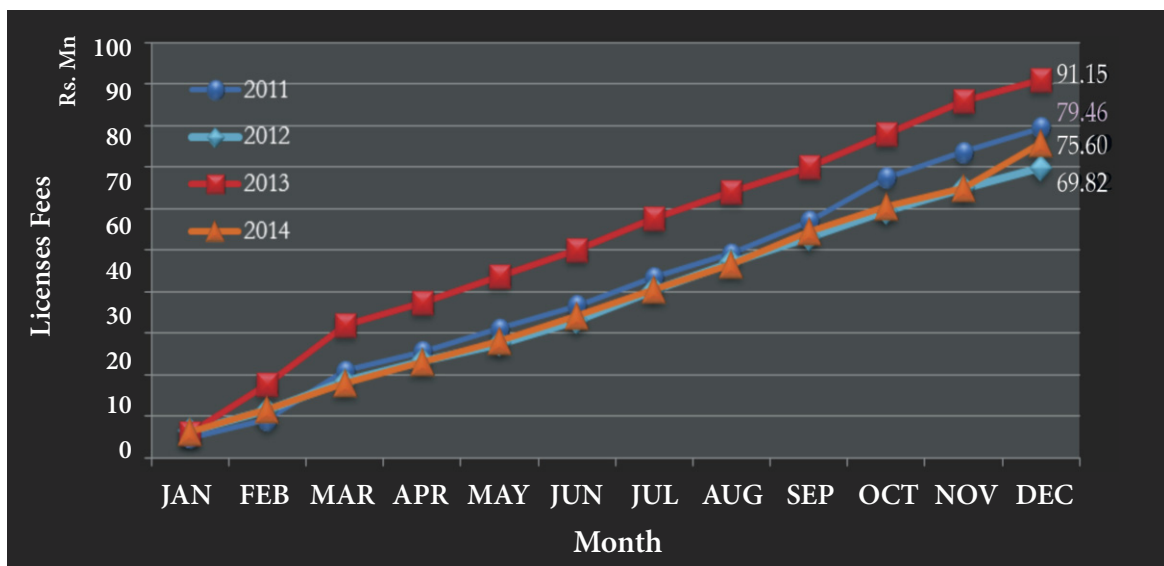
Rapid increase of Income generated by Mines Inspection shows in following graph tells the rapid development of the Mineral Industry of the country.



**Fig. 8: Income generated by mines inspection during the period of 2011 to 2014**

- **Income generated by Issuing Licenses**

Following chart shows the income generated by issuing licenses for exploration, mining, trading, transportation and export of minerals.



**Fig.9: Income generated by issuing licenses during the period of 2011 to 2014**

## **Regional Offices:**

The Mines Division is presently functioning with 14 Regional Offices at Kandy, Matara, Kurunegala, Badulla, Ratnapura, Anuradhapura, Ampara, Monaragala, Hambantota, Trincomalee, Kalutara, Jaffna, Batticaloa and Gampaha and with 2 sub offices at Hasalaka and Kantale. The major activities of these Regional Offices are to cater better services for the customers who are engaged in various Mining Industries in relevant provinces and control the illegal mining activities.

The Regional Mining Engineers attached to the Regional Offices in Year 2014 are as follows:

<b>Regional Office</b>	<b>Regional Mining Engineer</b>
Kandy	Mr. Dammika Prasad
Kurunegala	Mr. S.A.I.J. Rodrigo
Matara	Mr. U.H.T. Priyantha
Badulla	Mr. T.M.W. Bandara
Anuradhapura	Mr. Chamila Karunananda
Ratnapura	Mr. T.S. Kumara
Ampara	Mr. H.K.C.K.W. Bandara
Monaragala	Mr. W.G.S. Kokila
Hambantota	Mr. Asanka Rupawansa
Trincomalee	Mr. K.N.W.K. Wimalarathna
Batticaloa	Mr. M.R.M. Farees
Jaffna	Mr. D. Mayooran
Kalutara	Mr. K.V. Jagath
Gampaha	Mr. H.K.M. Gunasekara



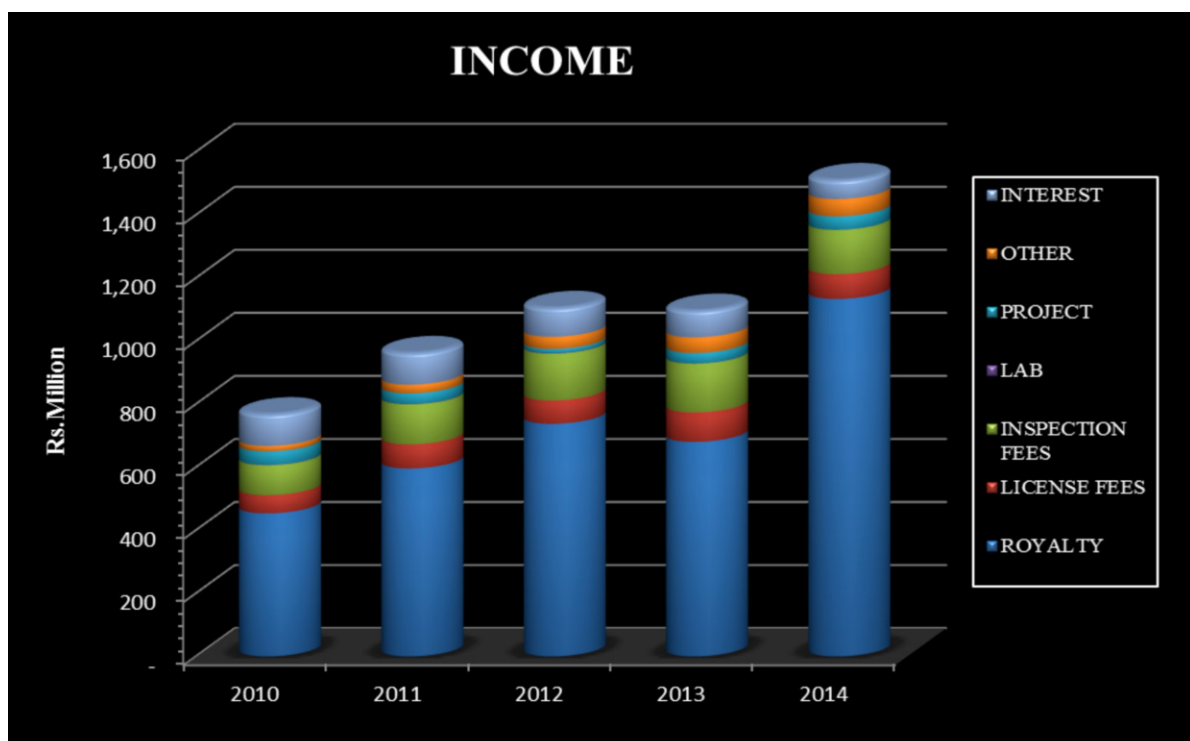
## FINANCIAL REVIEW

The financial year 2014 was one of the most challenging period for the Geological Survey and Mines Bureau. Despite these odds the Bureau recorded its highest revenue of Rs. 1.5Bn, with Profit before tax Rs. 842 Mn and Profit after tax reaching an all-time high of Rs. 826.9 Mn.

EBIT during the year increased by 44.9% compared to the previous year, including efficiencies achieved despite a difficult year.

As shown in the Bureau Revenue chart, Royalty and inspection income categories have been the key contributors to the Bureau. It is also noteworthy that growth in revenues has been maintained at very healthy levels over the past 4 years, as clearly illustrated in the Bureau Revenue chart.

Year	2010	2011	2012	2013	2014
Total Turnover (Rs. Mn)	768	962	1,105	1,096	1,510



## **LEGAL DIVISION**

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The function of the Legal Division includes representing the Bureau in cases filed by and against the Bureau. The actions filed by the Bureau are based on unauthorized mining activities carried out in some areas and the non-rehabilitation of mined sites.

There were 22 cases pending in Courts. (Supreme Court, Court of Appeal, District Court, High Court and Human Rights Commission) 04 cases were filed against those who were engaged in unauthorized mining activities.

Eight Consultations were held with Attorney General's Department to discuss the issues of above cases.

Seven awareness programs have been held for Police Officers, Special Task Force Officers and other Government Officers at Police Academy at Maradana and Katana in order to aware them about the Mines and Minerals Act and legal issues relating to Mines and Mineral Act.

As directed at the Supreme Court Case No. 81/2004 Legal Section coordinated the discussions held at Geological Survey & Mines Bureau with stake holders on implementation of the management plan and sand survey in river Maha Oya.

The meetings of Board of Management have been convened and Minutes were prepared. Followed up action have also been taken, according to the decisions taken at the meetings of Board of Management.

The meetings of Committee of Audit & Management and Functional Heads have been coordinated and Minutes were prepared. Followed up actions have also been taken, according to the decisions taken at the meetings.

Actions were taken to recover the Royalty Arrears by sending Letters of demand. Also Letters of demand were sent to the license holders who have not rehabilitated mined areas.

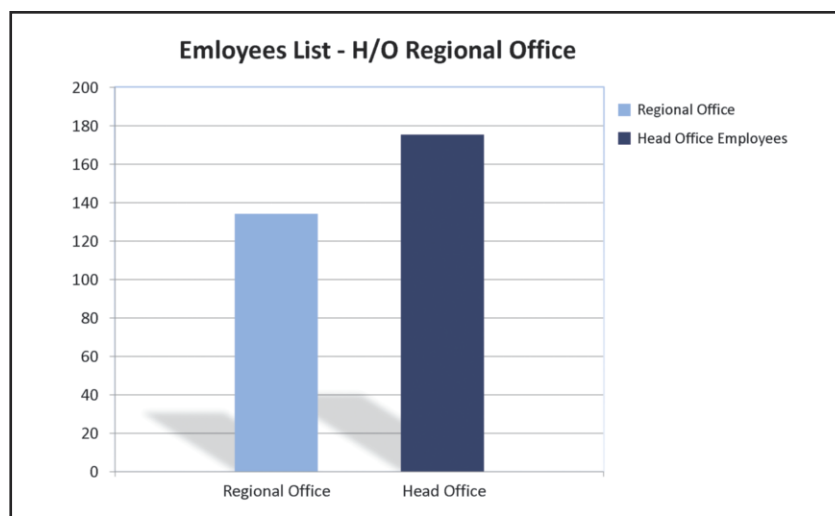
The titles of Regional Office properties have been checked at the land registries and necessary arrangement were made to execute the relevant Lease Agreements for Regional Offices.

Eight Agreements have been prepared for Projects undertaken by Geology Division.

On executing non Notarial Agreements of Geological Survey & Mines Bureau relevant to Mineral Investment, Janitorial Services, Security Services, Vehicle Agreements were prepared /executed / provided the necessary advices.

# REVIEW ON HUMAN RESOURCES

Employees List Male/Female	
Male	210
Female	99
Total	309
Employees List – H/O Regional Office	
Head Office Employees	175
Regional Office Employees	134
Total	309
Executives /Non Executives	
Executives	94
Non Executives	215



## CORPORATE GOVERNANCE

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This section set out how we manage GSMB to ensure that strategies and plans are place to optimize customer value and to ensure that we will have the human resources to pursue our plans.

For our Bureau to be successful over the long term and create value of customers, it must create value for society. Our approach to Creating Value is built upon a set of strong principles and values set by the Board of Directors. We regularly review our governance against legal requirements and best practices.

The Board is the custodian of the Bureau’s values and of its long-term vision, and provides strategies direction and guidance to the Bureau. The Board receives regular updates, including between meetings if necessary, on a range of matters including core activities, financial, legal and customer affairs.

The GSMB is governed by a Board of Management. The members of the Board of Management (BOM) are appointed by the Hon. Minster in charge of the subject from suitably qualified persons as per the requirements of the Mines and Mineral Act. As per the Mines and Mineral Act # 33 of 1992 there were five members in the BOM. They are three members appointed by the Hon. Minister, the Director as the Chief Technical Officer and the Treasury representative. The Legal Officer of GSMB serves as the Secretary to the BOM.

By the amended Mines and Mineral Act #66 of 2009 the number of constituent members of the BOM was expanded to cover the subjects of industries and environment. Also, the post of Director was re designated as Director General and he has become the Chief Executive Officer. Accordingly there are seven members in the BOM and they are as follows.

- Three members appointed by the Minister from among persons who appear to the Minister to have knowledge of Geology, Mining or Business Management, Finance and Law
- One member appointed by the Minister in consultation with Minister in charge of the subject of Finance
- The Director General of Geological Survey and Mines Bureau
- The secretary to the Ministry of the Minister in charge of the subject of industries or his representative
- The secretary to the Ministry of the Minister in charge of the subject of environment or his representative

The BOM holds its meetings monthly in the last week of every month. Prior to every BoM meeting the Audit and Management Committee (AMC) of GSMB holds its meeting monthly. The AMC consists of all members of BoM other than the Chairman and the DG. The AMC is convened by the Auditor of GSMB and the Audit Superintendent of Auditor General's Department is also a mandatory member. The AMC follows the guidelines of the Public Enterprises Department of the Treasury.

# Financial Reports

# Financial Reports

# **GEOLOGICAL SURVEY & MINES BUREAU**

## **ACCOUNTING POLICIES - 31ST DECEMBER 2014**

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### **1. COPERATE INFORMATION**

#### **1.1 General**

The Geological Survey & Mines Bureau (GSMB) is a statutory body established by Act No. 33 of 1992 and the principal place of business is situated at No. 569, Epitamulla Road, Pitakotte.

#### **1.2 Principal Activities**

- To undertake systematic geological mapping of Sri Lanka and preparation of geological Maps.
- To identify and assess the mineral resources of Sri Lanka.
- To evaluate the commercial viability of mining for processing and export of such minerals
- To regulate the exploration and mining for minerals and processing, trading and export of minerals by issuing licenses.
- To undertake geological investigation, seismic activity monitoring, geological research and provide geological consultancy services.
- To advice the Minister on measures to be adopted for the promotion of the extraction and production of minerals on a commercial basis.
- To undertake projects in regard to engineering geology and provide advice and remedial measures caused in respect of geological hazards and disasters

#### **1.3 Number of Employees**

The number of permanent employees at the end of the year was 309.

### **2. GENERAL ACCOUNTING POLICIES**

#### **2.1 General**

##### **Statement of compliance**

The financial statements of the Bureau have been prepared in accordance with the generally accepted accounting principles, concepts and Sri Lanka Public Sector Accounting Standards laid down by the institute of Chartered Accountants of Sri Lanka.



## **Basis of Preparation**

Financial Statements have been prepared under the historical cost convention. No adjustment has been made for inflationary factors affecting the accounts. Wherever there are exceptions and wherever appropriate, the accounting policies followed have been disclosed in the notes.

## **2.2 Going Concern**

The Directors confirm that the Bureau has adequate resources to continue in operations to justify applying the going concern basis in preparing these financial statements.

## **2.3 Comparative Information**

Comparative Information has where necessary been reclassified to confirm with the current year's presentation.

# **3. ASSETS AND BASES OF THEIR VALUATIONS**

## **3.1 Accounts Receivable**

Accounts receivable are stated at the amounts they are estimated to be realized.

## **3.2 Inventories**

Inventories have been valued at the lower of cost or net realizable value. Costing in this context is confined to aggregate cost of purchase and includes all expenses incidental to purchasing.

## **3.3 Investments**

Investments are stated at cost.

### **3.3.1 GSMB Technical Services (Pvt) Ltd**

GSMB has invested Rs 4,000,000 in GSMB Technical Services (Pvt) Ltd. This company has been incorporated by the Companies Act. Rules & regulations are relevant to the Companies Act.

During the year 2014 GSMB Technical has declared dividends. This has been shown in the Financial Statements of GSMB. As the company's year-end 31/3/2014, dividend receivable cannot be shown in the Financial Statements of GSMB.

## **3.4 Property Plant and Equipment**

Property Plant and Equipment are stated at a cost or valuation less aggregate depreciation. The cost of an item of property plant & equipment comprises its purchase price and any directly attributable cost of bringing the assets to working condition for its intended use.

Depreciation of property, plant and equipment of the Bureau is provided on straight line basis, over the period appropriate to the estimated useful life of the assets as follows.

	<b>Useful life (Year)</b>	<b>Rate Per Annum</b>
Building	5	20.0%
Plant & Machinery	8	12.5%
Lab Equipment	5	20.0%
Motor Vehicles	5	20%
Furniture & Fittings	10	10%
Office Equipment	5	20%
Field Equipment	5	20%
Mapping Equipment	5	20%
Communication	8	12.5%
Library Books / Maps	20	5%

No depreciation has been provided on land. Full depreciation is provided on Property, Plant & Equipment purchased during the year.

Lab Equipment, Plant & Machinery , Motor Vehicles and Furniture & Fittings have been revalued during the year.

### **3.5 Leasing of Property Plant & Equipment**

Assets obtained under finance leases, which substantially transfer the entire risks and rewards incidental to that of ownership are capitalized at the cash price of the assets concerned. Assets obtained under such finance leases are depreciated on the same rate, as applicable to other Property, Plant & Equipment.

### **3.6 Cash & Cash Equivalents**

Cash and cash equivalents comprise cash in hand, deposits in banks & call deposits.

For the purpose of cash flow statement, cash and cash equivalents include cash in hand and call deposits in banks, net of outstanding bank overdrafts.

## 4. LIABILITIES & PROVISIONS

### 4.1 Provisions

Provisions are made for all obligations existing as at the balance sheet date when it is probable that such an obligation will result in an outflow of resources and a reliable estimate can be made of the quantum of the outflow.

### 4.2 Defined Benefit Plan – Gratuity

Provision has been made for retiring gratuity Payable under gratuity Act No. 12 of 1983. The liability to an employee arises only on completion of 5 years of continued service.

### 4.3 Defined Contribution Plans Employees' Provident fund & Employees' Trust fund

Employees are eligible for Employees' Provident fund contribution and Employees' Trust Fund Contributions in line with the respective statutes and regulations. Bureau contributes 12% and 3% of gross emoluments of the employees to Employees' Provident Fund and Employees' Trust fund respectively.

## 5. COMPREHENSIVE INCOME STATEMENTS

### 5.1 Revenue Recognition

**5.2** Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Bureau and the revenue and associated costs incurred or to be incurred can be reliably measured. Revenue is measured at the fair value of the consideration receivable. The following specific criteria are used for the purpose of recognizing revenue.

a) **Rendering of Services**

Revenue from rendering of services is recognized in the accounting period in which the services are rendered or performed.

b) **Interest**

Interest Income is recognized on an accruals basis.

c) **Others**

It is the policy that net gains and losses of a revenue nature on the disposal of Property, Plant & Equipment and other noncurrent assets including investment are been accounted for in the income Statement, having deducted from proceeds on disposal, the carrying amount of the assets and related selling expenses.

d) **Royalty income**

Income received under royalty has been accounted on a cash basis.

The mines & Mineral Act allows royalty of a particular year to be paid in the following year up to 20th April of the year. As the Royalty cannot be ascertained until the declaration is made a provision cannot be made in this regard. A change to the regulations in the year 2006 allowed GSMB to collect an advance on Royalty. This could be set off any unpaid Royalty at the end of the licensing period or will have to be refund in full to the licensee's holder.

### **5.3 Expenses**

All expenses incurred in the running of the business maintaining the capital assets in a state of efficiency has been charged to revenue in arriving at the profit for the year.

## **6. CASH FLOW**

The cash flow of the Bureau has been presented using the indirect method in accordance with the Sri Lanka Public Sector accounting standard No.2 –Cash flow statement.

## **7. TAXATION**

As per the section 07(b) of Inland Revenue Act No 10 of 2006 GSMB is liable to pay Income Tax.

## **8. POST BALANCE SHEET EVENTS**

All material events occurring after the balance Sheet date and where necessary we make adjustments or disclosure to these financial statements.

**GEOLOGICAL SURVEY & MINES BUREAU****STATEMENT OF FINANCIAL POSITION AT 31<sup>ST</sup> DECEMBER 2014**

	Note	2014 ACTUAL Rs.	2013 ACTUAL Rs.
<b>ASSETS</b>			
Non Current Assets			
Property, Plant & Equipment	1	523,655,528.06	518,516,003.25
Working Progress	2	5,348,476.37	19,405,845.59
Total Non – Current Assets		529,004,004.43	537,921,848.84
Investment	3	10,542,302.61	10,542,302.61
<b>Current Assets</b>			
Inventory	4	16,613,205.95	11,248,399.38
Trade & Other Receivables	5	78,530,098.68	85,743,175.38
Fixed Deposits	6	840,820,447.32	589,057,948.40
Cash & Cash Equivalents	7	12,397,557.53	15,175,473.24
Total Current Assets		948,361,309.48	701,224,996.40
Total Assets		1,487,907,616.52	1,249,689,147.85
<b>EQUITY &amp; LIABILITIES</b>			
Equity			
Consolidated Fund	8	27,652,883.05	27,652,883.05
Departmental Fund	9	1,746,725.68	1,746,725.68
Capital Fund	10	68,916,655.00	68,916,655.00
Foreign Fund	11	1,984,210.00	1,984,210.00
Local Grants	12	51,999.00	51,999.00
Revaluation Reserves		103,616,100.00	45,673,000.00
Retained Earnings		926,492,377.37	804,573,949.43
<b>Total Equity</b>		<b>1,130,460,950.10</b>	<b>950,599,422.16</b>
<b>Non Current Liabilities</b>			
Provision on Gratuity	13	94,288,148.50	36,791,211.63
<b>Current Liabilities</b>			
Creditors and Payables	14	143,480,755.54	157,580,884.03
Other Payables	15	119,677,762.38	104,717,630.03
		263,158,517.92	262,298,514.06
<b>Total Equity &amp; Liabilities</b>		<b>1,487,907,616.52</b>	<b>1,249,689,147.85</b>

**GEOLOGICAL SURVEY AND MINES BUREAU**

**STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 31ST DECEMBER 2014**

	Note	2014 ACTUAL Rs.	2013 ACTUAL Rs.
Income	17	1,395,612,132.41	962,360,100.66
Cost of Sales	18	248,873,715.60	191,952,323.88
<b>Gross Profit</b>		1,146,738,416.81	770,407,776.78
Other Operating Income	19	55,179,948.43	49,513,452.79
Administration	20	419,473,253.76	280,235,005.36
<b>Operating Profit</b>		782,445,111.48	539,686,224.21
Net Finance Income	21	59,617,297.45	84,300,268.89
<b>Net Profit Before Tax</b>		842,062,408.93	623,986,493.10
Income Tax Expenses	22	15,143,981.00	23,482,923.00
<b>Net Profit for the Year</b>		826,918,427.93	600,503,570.10

# Notes to the Financial Statements

**Note 01**  
**Property, Plant & Equipments**

	Balance	Additions	Revaluation	Adjustment	Disposal	Balance
	as at 01.01.2014 Rs.	durint the Year Rs.	Rs.	Rs.	Items Rs.	as at 31.12.2014 Rs.
Land, Building and Land Fencing	7,850,576.90	0.00	-	-	-	7,850,576.90
Land	208,729,819.58	624,262.38	-	-	-	209,354,081.96
Building	60,088,744.07	21,571,083.76	-	(527,276.21)	-	81,132,551.62
Building Partioning	8,055,384.35	45,320.00	-	-	-	8,100,704.35
Plant & Machinery	68,924,102.80	803,421.43	7,234,000.00	-	2,862,174.97	74,099,349.26
Motor Vehicles	216,078,976.34	-	14,800,000.00	-	35,783,335.00	195,095,641.34
Mapping Equipment	10,358,159.44	-	-	-	70,596.00	10,287,563.44
Drilling Spares	15,455,977.35	2,425,528.57	203,000.00	-	56,709.21	18,027,796.71
Lab Equipment	166,176,728.60	6,439,528.20	35,545,500.00	-	54,042,734.73	154,119,022.07
Field Equipment	11,278,757.78	2,083,993.00	-	-	190,456.32	13,172,294.46
Office Equipment	117,041,536.48	7,079,823.01	-	-	6,284,058.24	117,837,301.25
Communication Equipment	5,115,275.10	431,934.28	-	-	36,565.00	5,510,644.38
Furniture & Fittings	10,520,384.69	2,127,386.57	160,600.00	-	287,228.03	12,521,143.23
Maps	475,824.75	-	-	-	-	475,824.75
Library Books	24,987,003.26	41,640.00	-	-	-	25,028,643.26
	931,137,251.49	43,673,921.20	57,943,100.00	(527,276.21)	99,613,857.50	932,613,138.98



**Depreciation**

	Balance as at 01.01.2014 Rs.	Additions durint the Year Rs.	Adjustment Rs.	Disposal Rs.	Balance as at 31.12.2014 Rs.
Land, Building and Land Fencing	474,016.81	37,515.96	-	-	511,532.77
Land	-	-	-	-	-
Building	21,693,040.19	11,310,031.30	-	-	33,003,071.49
Building Partioning	674,835.50	1,617,874.77	-	-	2,292,710.27
Plant & Machinery	31,014,612.07	5,879,907.95	103.02	(2,862,174.97)	34,032,448.07
Motor Vehicles	129,495,220.56	36,603,620.25		(34,075,001.62)	132,023,839.19
Mapping Equipment	7,222,500.96	1,537,160.97		(70,595.00)	8,689,066.93
Drilling Spares	6,082,161.05	1,975,270.14	6.00	(34,123.40)	8,023,313.79
Lab Equipment	107,311,389.11	19,107,785.15	16.35	(54,042,643.30)	72,376,547.31
Field Equipment	7,657,805.22	1,728,464.24	20.00	(190,452.75)	9,195,836.71
Office Equipment	85,009,681.44	11,642,114.24	42.00	(6,284,056.09)	90,367,781.59
Communication Equipment	2,013,673.48	503,260.91		(36,565.00)	2,480,369.39
Furniture & Fittings	4,948,936.00	1,002,669.32	309.51	(287,225.63)	5,664,689.20
Maps	193,424.75	23,791.20			217,215.95
Library Books	8,829,951.10	1,249,237.16			10,079,188.26
	412,621,248.24	94,218,703.56	496.88	(97,882,837.76)	408,957,610.92
<b>Net Book Value</b>	<b>518,516,003.25</b>				<b>523,655,528.06</b>

	<b>2014 ACTUAL Rs.</b>	<b>2013 ACTUAL Rs.</b>
<b>Note 02</b>		
<b>Working Progress</b>		
Proposed GPR/ERP System	1,505,000.00	1,505,000.00
Proposed Building for Lab	-	17,900,845.59
Proposed Building – Anuradhapura	3,843,476.37	-
	<b>5,348,476.37</b>	<b>19,405,845.59</b>
<b>Note 03</b>		
<b>Investments</b>		
Investments	4,000,000.00	4,000,000.00
Instruments of G.S.N Station	5,974,799.94	5,974,799.94
V-SAT Installation	567,502.67	567,502.67
	<b>10,542,302.61</b>	<b>10,542,302.61</b>
<b>Note 04</b>		
<b>Inventory</b>		
Stock Stationary	2,166,655.41	2,551,345.78
Stock – Hardware	11,156,162.44	7,166,343.70
Stock Library Book / Maps	668,527.30	668,527.30
Stock – License	2,621,860.80	862,182.60
	<b>16,613,205.95</b>	<b>11,248,399.38</b>

	<b>2014 ACTUAL Rs.</b>	<b>2013 ACTUAL Rs.</b>
<b>Note 05</b>		
<b>Trade &amp; Other Receivables</b>		
Debtors – Project	5,518,645.40	13,303,085.52
Debtors – Other 05A	1,877,425.72	2,601,187.35
Debtors – Return Cheques	132,416.19	0.00
Debtors – GSMB Tec. Services	504,283.83	2,162,197.27
Prepayment	7,416,631.88	7,105,038.13
Staff Loans	46,327,913.10	44,462,831.87
Festival Advance	191,950.00	201,250.00
Special Advance	10,500.00	8,500.00
Advance – Field Officers	1,680,715.88	1,192,090.88
Advance – Other Officers	2,235,830.00	1,250,354.14
Advance Foreign Journals	80,952.83	80,952.83
Advance – Purchases	7,611,350.25	85,182.24
Advance & Advance B loan	208,775.26	208,775.26
Building Deposit	66,000.00	2,866,000.00
Prior Year Adjustments	-	7,294,688.22
Refundable Deposits	317,000.00	317,000.00
Rent Advance	4,349,708.34	2,604,041.67
	<b>78,530,098.68</b>	<b>85,743,175.38</b>

**Note 05A - Debtors**

Chemical Analysis	162,517.50	44,965.00
Sundry Debtors	385,589.49	386,758.78
Inland Revenue GST Receivable	973,143.00	973,143.00
Insurance Claim	151,646.58	558,919.58
H & S Insurance	113,732.35	113,732.35
Debit Notes	90,796.80	523,668.64
	<b>1,877,425.72</b>	<b>2,601,187.35</b>

**Note 06****Fixed Deposits**

Deposit – Peoples Bank (GSN Station)	6,090,437.26	5,761,728.75
Deposit – Peoples Bank (Gratuity Fund)	35,757,212.22	32,050,410.00
Deposit – Peoples Bank (Galle Rd)	572,987,453.73	341,127,942.25
State Surplus Fund	6,249,362.84	5,687,353.93
Treasury Bills	219,735,981.27	204,430,513.47
	<b>840,820,447.32</b>	<b>589,057,948.40</b>

	<b>2014 ACTUAL Rs.</b>	<b>2013 ACTUAL Rs.</b>
<b>Note 07</b>		
<b>Cash &amp; Cash Equivalents</b>		
Bank of Ceylon – Current Account	89,446.35	107,267.47
Commercial Bank - Current Account	49,392.81	180,347.28
Sampath Bank – Current Account	193,019.80	363,561.79
Sampath Bank GSN – Current Account	631,292.41	1,325,638.53
Peoples Bank – Matara	24,332.92	107,303.43
Peoples Bank – Wellawatta	213,011.73	262,449.38
Peoples Bank – Galle Rd	2,874,480.92	4,019,169.01
Treasury Bills – Interest Account	1,617,919.04	2,094,712.66
Surplus Trust Fund – Interest Account	0.00	188,962.59
Peoples Bank – Interest Account	5,592,201.55	5,435,590.74
Stamp Imprest	20,460.00	10,460.00
Petty Cash Imprest – Regional Offices	1,080,000.00	1,080,000.00
Petty Cash Imprest – Head Office	12,000.00	10.36
	<b>12,397,557.53</b>	<b>15,175,473.24</b>

#### **Note 08 – Consolidated Fund**

This represent the total net value of Assets transferred from Geological Dept (GSD) to GSMB in 1993

#### **Note 09 – Department Fund**

GSMB had to use fund allocated for GSD at the initial stage  
This represents such funds use by GSMB

#### **Note 10 – Capital Fund**

This represents the capital grants received by the GSMB from 1993 to 2001

#### **Note 11 – Foreign Fund**

GSMB received AUSAID from the GOVT of Australia to purchase Computers in the year 2001.  
This represents the value of such grants.

#### **Note 12 – Local Grants**

GSMB received a computer from Sri Lanka Telecom in the year 2013 (SLT MEGA TWENTY 20AWARD)

**Note 13 – Gratuity**

Provision has been made for retiring gratuity payable under gratuity Act No. 12 of 1983. The liability to an employee arises only on completion of 5 years of continued service.

**Note 14****Creditors and Payables**

	<b>2014</b>	<b>2013</b>
	<b>ACTUAL</b>	<b>ACTUAL</b>
	<b>Rs.</b>	<b>Rs.</b>
Staff Salary Payable	24,537.10	-
Unpresented Cheques	-	103,445.71
Creditors	4,077,618.34	12,583,413.42
E.P.F/E.T.F Payable	2,304,969.03	1,535,112.23
Stamp Duty Payable	1,660,053.58	1,895,031.62
Payee tax	56,869.00	74,763.00
VAT Payable	31,998,474.00	7,300,978.82
ESC Payable	1,476,897.26	623,923.00
NBT Payable	6,823,449.29	-
Prior Year Adjustments	-	100,991,652.95
Income Tax Payable	2,951,568.00	11,065,367.00
Unpresented Cheques on Refund		28,530.00
Accruals Expenses	92,106,319.94	21,378,666.28
	<b>143,480,755.54</b>	<b>157,580,884.03</b>

**Note 15****Other Payables**

Advance on G.S.N Station 15A	6,665,050.20	6,279,811.79
Advance on I.E.E.R	137,685.00	6,521,375.30
Advance on Project	2,288,686.50	2,638,287.47
Advance on Chemical Analysis	59,464.29	69,334.00
Advance on MIA	14,000.00	0.00
Rehabilitation Deposit	35,872.00	662,545.26
Advance on Royalty	31,666,395.84	21,748,009.92
Advance on Mining License 15B	48,846,608.55	43,992,266.29
Bank Guarantee	29,964,000.00	22,806,000.00
	<b>119,677,762.38</b>	<b>104,717,630.03</b>

**Note 15A****Advance On G.S.N Station**

GSMB Received funds from university of California to maintain the activities at Pallekelle G.S.N Station.

This Represent such money received.

**Note 15B**

**Advance On Mining Licence**

This is the Money Held for Processing of Licence Applications.

Once the Licence is Granted this is taken for income.

If the Licence is rejected the money held is paid back to Client.

	<b>2014</b>	<b>2013</b>
	<b>Rs.</b>	<b>Rs.</b>
Advance Received on Exploration Licence	12,328,465.47	8,301,584.80
Advance Received on IML - A	6,786,423.84	11,358,100.00
Advance Received on IML – B	14,303,315.37	11,867,991.90
Advance Received on IML – C	5,798,603.30	3,401,410.20
Advance Received On AML – A	5,922,388.74	5,615,924.52
Advance Received on AML – B	2,585,320.36	2,467,193.36
Advance Received on TDL – A	106,467.08	69,200.00
Advance Received on TDL – B	931,969.36	828,679.00
Advance Received on TDL – C	14,427.40	14,427.40
Excess Money on Mining Licence	69,227.63	67,755.11
	<b>48,846,608.55</b>	<b>43,992,266.29</b>

**Note 16**

**Prior Year Adjustment**

Prior Year adjustment includes;

a) An amount of income Rs. 7,094,064.97 relevant for the year of 2013 which had not been recognized as income in the financial statement of 2013 such income of recognized during the year and relevant adjustment were made to retain earnings account and respective trade & other receivable account. The corresponding figure were restated accordingly.

b) An amount of expenses Rs. 100,791,029.70 relevant for the year of 2013 which had not been recognized as expenses in the financial statement of 2013 such expenses is recognised during the year and relevant adjustment were made to retain earnings account and respective creditors and payables account. The corresponding figure were restated accordingly.

**Note 17**

**Income**

Royalty 17A	1,133,601,622.30	680,234,505.41
Licence Fee 17B	78,633,199.63	93,475,225.00
Inspection	140,512,835.99	154,830,984.30
Lab	628,365.77	697,637.00
Project (Driling) 17D	42,236,108.72	33,121,748.95
	<b>1,395,612,132.41</b>	<b>962,360,100.66</b>

	<b>2014 ACTUAL Rs.</b>	<b>2013 ACTUAL Rs.</b>
<b>Note 17A</b>		
<b>Royalty</b>		
Royalty – Building material	694,380,431.05	407,636,758.71
Royalty – Industrial Minerals	308,659,522.29	180,570,044.87
Previous – Building Material	95,086,381.08	65,009,956.61
Previous – Industrial Mineral	11,888,306.89	11,779,568.02
Penalty – Building Material	22,647,231.66	14,317,517.89
Penalty – Industrial Mineral	939,749.33	920,659.31
	<b>1,133,601,622.30</b>	<b>680,234,505.41</b>
<b>Note 17B</b>		
<b>Licence Fee</b>		
Export	2,500,000.00	2,300,000.00
Exploration	3,898,000.00	5,945,000.00
IML	22,568,000.00	33,544,000.00
AML	6,811,750.00	7,810,000.00
Trading	4,834,500.00	4,798,000.00
TPL	38,020,949.63	39,078,225.00
	<b>78,633,199.63</b>	<b>93,475,225.00</b>
<b>Note 17C</b>		
<b>Inspection</b>		
Inspection	128,527,395.99	142,932,844.30
Special Inspection – IML A	776,820.00	800,000.00
Special Inspection – IML B	1,056,100.00	1,010,000.00
Special Inspection – IML C	365,000.00	462,000.00
Special Inspection – AML A	830,820.00	1,119,890.00
Special Inspection – AML B	-	30,000.00
Major site special Inspection	8,956,700.00	8,476,250.00
	<b>140,512,835.99</b>	<b>154,830,984.30</b>

	<b>2014 ACTUAL Rs.</b>	<b>2013 ACTUAL Rs.</b>
<b>Note 17D</b>		
<b>Project Details</b>		
Geo Mines – Gampha	595,226.59	707,726.58
Drilling – Kurunegala	835,124.28	4,464,285.71
Polopithigama		
Pathakada	5,645,736.43	5,899,553.57
Sigiriya	3,497,230.86	
Pasyala	566,700.00	
Poonarine	1,269,000.00	
Habarana – Huruluwewa	11,983,312.50	
Galewela	1,519,500.00	
Warakapola	9,542,756.29	
Uwa cen – Kandy	3,497,571.90	
Mulathive	1,789,687.50	
Pothuwil – Ampara	1,494,262.37	
Geophysical – Kurunegala		1,810,000.00
Polpithigama		
Wellawaya iron ore		399,840.00
Alechem – Ambalantota		963,255.00
Aluketiya		12,860,110.18
Randenigala – Kaluganga		4,756,375.00
Ruwanwella		252,075.00
Mathugama		340,425.00
Kalpitiya – Puttalam		525,602.91
Mahiyangana – Uwa		142,500.00
	<b>42,236,108.72</b>	<b>33,121,748.95</b>

**Note 18**

**Cost of Sales**

Geology 18.A	47,869,748.73	34,866,813.22
Mapping 18.B	6,380,133.73	10,556,893.83
Project 18.C	29,077,160.09	11,713,728.58
Regional 18.D	135,609,045.00	109,532,128.75
Mining 18.E	29,937,628.05	25,282,759.50
	<b>248,873,715.60</b>	<b>191,952,323.88</b>



**Note 18A**  
**Geology**

ACCOUNT TYPE	2013			2014		
	Rs.	Rs.	TOTAL	Rs.	Rs.	TOTAL
Salaries	10,718,467.92	233,541.93	3,192,920.55	14,144,930.40	13,657,905.58	
Allowances	8,378,452.31	162,908.38	2,195,922.71	11,407,533.40	5,701,617.29	
E.P.F	1,781,342.23	40,313.03	500,603.73	2,322,258.99	1,641,441.06	
E.T.F	439,437.14	10,078.26	125,150.88	574,666.28	410,360.29	
Weges	1,708,959.19	269,789.04	346,450.00	2,325,198.23	1,181,577.42	
Overtime	362,313.10	1,905.94	32,496.45	396,715.49	267,490.92	
Travelling	172,815.00		2,300.00	175,115.00	269,025.00	
Fuel	73,166.00			73,166.00	69,644.92	
Stationary	641,925.25	289,268.17	1,961,144.85	2,892,338.27	4,512,850.06	
Newspaper		286,762.00		286,762.00	211,860.78	
Courier Chargers		92,689.27		92,689.27	38,906.07	
Research – Office	903,789.89			903,789.89		
Recearch – Intern	472,400.00			472,400.00		
Other	1,201,965.90	6,858,671.71	3,447,347.90	11,802,185.51	6,904,133.83	
	<b>26,855,033.93</b>	<b>7,528,921.71</b>	<b>11,804,337.07</b>	<b>47,869,748.73</b>	<b>34,866,813.22</b>	

**Note 18B  
Mapping**

Account Type	Damana Wacingala Mapping Rs.	Restoration of Dilapidated Core Boxes Mapping Rs.	Quaternary Puttalam Mapping Rs.	Geo Chemical Rakwana Mapping Rs.	Galle - Laterite Inspection Mapping Rs.	Kaipitiya Mapping Rs.	Batticolo Mapping Rs.	Mitipola Area Nuclear Material Mapping Rs.	Ampara - Min. Ex. Mapping Rs.	Bathuluoya Quaternary Field Sur. Mapping Rs.	Kaudulla Geo Chemical Mapping Rs.	Polomaruwa Geo Chemical Mapping Rs.	Walawe Gaga Stream Sediment sur. Mapping Rs.	2014 Total Rs.	2013 Total Rs.
Salaries	-	70,987.26	77,443.75	204,796.45	16,317.42	154,063.82	43,310.00	368,651.30	35,952.26	39,206.92	101,758.22	160,166.13	26,902.39	1,299,555.92	2,700,062.31
Allowances	-	43,629.93	44,811.25	127,864.23	11,321.42	87,291.76	28,062.00	216,043.16	17,145.29	18,890.41	101,348.17	121,120.63	28,471.68	845,999.93	1,281,858.31
Wages	211,300.00	152,600.00	111,850.00	227,200.00	47,400.00	165,825.00	34,100.00	330,800.00	81,962.13	41,150.00	205,000.00	279,000.00	25,100.00	1,913,287.13	3,090,275.00
Over Time	-	5,497.40	13,302.70	34,424.22	8,450.09	6,708.80	10,273.57	59,791.50	-	7,658.64	13,174.83	13,988.26	927.67	174,197.68	191,450.75
E.P.F	-	11,594.37	12,803.25	34,992.35	2,924.28	24,043.19	7,525.20	61,315.71	5,508.85	6,030.71	17,376.41	24,176.71	4,898.30	213,189.33	324,007.46
E.T.F	-	2,898.59	3,200.81	8,748.09	731.07	6,010.80	1,881.30	15,328.93	1,377.21	1,507.68	4,344.10	6,044.18	1,224.57	53,297.33	81,001.91
Travelling	-	18,900.00	64,250.00	146,250.00	7,900.00	35,525.00	23,775.00	184,075.00	19,125.00	17,900.00	67,550.00	64,625.00	23,200.00	673,075.00	1,021,178.00
Fuel	39,022.00	-	15,720.00	93,899.00	21,770.60	35,342.00	44,362.00	61,000.00	54,512.00	15,993.90	53,000.00	48,895.00	-	483,516.50	791,849.80
Stationary	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	76,017.00	175,000.00	37,480.00	69,688.01	17,378.00	73,541.00	26,335.00	92,143.00	18,771.00	12,500.00	66,464.00	45,138.00	13,559.90	724,014.91	1,075,210.29
	326,339.00	481,107.55	380,861.76	947,862.35	134,192.88	588,351.37	219,624.07	1,389,148.60	234,353.74	160,838.26	630,015.73	763,153.91	124,284.51	6,380,133.73	10,556,893.83

**Note 18C  
Project**

Account Type	Gampaha Geo Mapping Rs.	Randeniya Kaluganga Rs.	Pathakada Drilling Rs.	Sigiriya Drilling Rs.	Pasyala Geo Mapping Rs.	Poonarime Drilling Rs.	Hurutuwewa Drilling Rs.	Galewela Drilling Rs.	Warakapola Drilling Rs.	Kandy Feldspar Quartz Rs.	Mulathive Mineral Sur. Rs.	Pothuwil Ampara Mineral Sand Sur. Rs.	2014 Total Rs.	2013 Total Rs.
Salaries	8,948.67	358,919.00	157,916.00	610,435.83	58,950.00	252,362.00	1,216,046.17	131,240.00	514,540.83	200,256.00	64,976.00	101,345.17	3,675,935.67	2,192,888.38
Allowances	3,869.73	151,343.80	99,725.47	371,492.17	30,510.00	156,892.40	920,331.90	184,438.00	554,473.17	117,531.20	45,235.20	69,649.03	2,705,492.07	963,443.49
Wages	98,000.00	210,100.00	758,350.00	1,186,900.00	43,900.00	837,100.00	4,231,050.00	290,650.00	1,297,500.00	351,000.00	54,400.00	-	9,358,950.00	4,249,000.00
Over Time	5,292.60	55,107.21	42,948.87	91,468.69	5,469.01	84,239.62	242,676.75	47,783.53	223,507.51	34,714.40	40,120.21	35,241.89	908,570.29	304,090.51
E.P.F	1,073.84	43,070.28	18,949.92	73,252.30	7,074.00	30,283.44	145,925.54	15,748.80	61,744.90	24,030.72	7,797.12	12,161.42	441,112.28	263,146.60
E.T.F	268.46	10,767.57	4,737.48	18,313.08	1,768.50	7,570.86	36,481.39	15,115.20	15,436.23	6,007.68	1,949.28	3,040.36	121,456.09	65,786.67
Travelling	23,000.00	159,170.00	62,818.00	359,551.00	16,300.00	130,683.00	610,165.00	43,000.00	239,940.00	119,450.00	44,952.00	55,725.00	1,864,754.00	764,542.00
Fuel	-	-	-	-	-	-	504,897.30	-	536,502.38	-	380.85	-	1,041,780.53	0.00
Stationary	-	51,845.00	272,319.00	229,888.40	13,328.00	447,085.50	1,019,510.50	105,134.20	631,152.00	167,570.30	101,822.50	48,517.00	3,088,172.40	1,369,452.20
Other	-	94,850.00	412,294.00	833,129.89	17,625.00	584,296.00	2,848,311.71	68,871.00	874,479.00	92,852.00	31,384.50	12,843.66	5,870,936.76	1,541,378.73
	140,453.30	1,135,172.86	1,830,058.74	3,774,431.36	194,924.51	2,530,512.82	11,775,396.26	901,980.73	4,949,276.02	1,113,412.30	393,017.66	338,523.53	29,077,160.09	11,713,728.58

**Note 18D**  
**Regional**

Account Type	Kandy	Matara	Kurunegala	Apura	Badulla	Polonnaruwa	Ratnapura	Ampara	Monaragala	Hambantota	Kanthale	Jaffna	Trinco	Batticaloa	Kalutara	Gampaha	2014 Total Rs.	2013 Total Rs.
Salaries	3,747,630.96	1,853,866.39	3,093,192.24	1,983,487.24	2,046,224.43	315,428.33	2,110,979.13	1,333,048.36	1,776,766.61	1,453,467.08	341,663.30	1,099,351.23	1,437,173.51	1,178,974.18	3,046,432.66	1,350,774.00	28,170,461.55	26,701,596.44
Allowances	2,972,286.76	1,604,611.88	2,884,555.23	1,755,307.93	1,733,662.90	234,564.05	1,940,634.44	1,333,888.75	1,634,801.34	1,277,307.60	432,811.20	985,673.56	1,363,652.26	1,335,720.55	2,347,497.26	1,227,920.31	25,064,876.04	15,583,953.84
Wages	739,800.20	-	1,628,727.70	1,328,359.25	1,389,020.31	-	782,500.00	769,066.16	1,401,026.24	1,345,712.93	27,294.81	2,160,779.10	1,706,977.24	1,176,230.03	696,000.00	2,267,030.70	17,391,229.87	11,883,847.71
Over Time	367,760.14	69,486.57	314,985.34	111,167.74	90,119.01	-	84,615.15	78,060.13	254,726.35	67,536.74	27,294.81	87,736.55	202,204.47	88,208.49	83,315.21	218,767.15	2,145,983.85	1,646,769.46
E.P.F	644,190.26	330,080.20	563,663.06	359,362.48	360,122.92	55,095.40	376,176.50	249,929.80	326,743.99	256,035.45	64,519.60	186,022.14	256,204.00	211,100.90	510,732.80	238,791.97	4,988,706.47	3,204,191.48
E.T.F	161,047.60	82,520.06	140,915.78	89,840.61	90,030.72	13,773.85	94,028.38	62,482.46	81,685.99	64,008.87	16,129.90	46,505.54	64,051.02	52,775.24	127,683.20	59,697.99	1,247,177.21	801,047.91
Travelling	530,245.00	124,547.50	511,168.00	234,280.00	167,575.00	-	277,341.00	214,250.00	295,368.00	140,416.00	-	175,702.50	130,627.00	161,450.00	170,529.00	262,344.60	3,395,943.60	3,112,043.23
Rent	-	600,000.00	370,000.00	175,000.00	817,500.00	-	600,000.00	297,250.00	420,000.00	738,000.00	108,000.00	382,500.00	-	480,000.00	575,714.28	450,870.00	5,563,964.28	4,707,500.00
Fuel	1,237,443.00	320,070.00	1,451,244.74	695,650.00	566,307.00	-	745,644.60	484,207.84	865,687.23	341,037.30	-	694,178.35	542,172.21	580,829.17	490,982.00	450,870.00	9,466,323.44	9,155,875.54
Telephone	363,499.86	315,686.86	316,318.74	293,736.36	291,107.15	-	276,514.00	296,203.22	363,621.00	298,734.47	38,678.56	270,883.96	277,857.07	280,585.97	350,801.50	333,200.09	4,368,428.81	3,292,617.35
Electricity	97,710.00	40,770.00	89,560.89	89,500.00	89,635.00	-	80,865.00	29,142.90	-	157,459.40	29,516.25	67,923.13	50,146.00	61,871.64	110,690.00	108,128.00	1,102,926.21	1,146,225.15
Stationary	2,329,938.25	185,968.75	1,016,879.14	522,101.85	479,983.36	-	520,673.50	247,025.64	678,657.90	193,543.45	-	645,855.75	641,270.30	464,857.35	566,855.20	543,440.53	9,037,060.97	8,144,362.79
Security	468,858.00	491,748.00	432,165.33	495,960.00	513,658.00	-	514,148.00	476,254.00	516,956.00	498,360.00	515,268.00	471,960.00	191,328.00	504,760.00	510,948.00	1,004,400.00	7,606,761.33	9,000,900.00
Water	19,995.00	7,200.00	100,143.98	126,698.10	45,900.00	-	66,632.44	36,179.80	107,185.00	82,250.68	15,050.00	27,070.00	38,696.00	23,690.00	84,084.00	7,420.00	767,255.00	676,380.56
Repair	322,263.27	43,404.00	425,458.20	273,089.90	297,289.71	-	563,925.76	296,313.34	405,575.07	176,022.04	-	352,352.68	436,633.81	324,789.47	281,424.27	130,027.95	4,328,569.47	2,362,405.12
Cleaning	238,400.00	-	188,000.00	202,400.00	199,200.00	-	202,400.00	226,400.00	192,000.00	206,400.00	-	-	179,200.00	198,600.00	245,600.00	189,422.22	2,651,022.22	2,254,305.48
Awareness	14,000.00	-	-	311,052.00	-	-	22,861.00	-	-	-	-	-	-	-	-	5,000.00	352,913.00	354,575.00
Rehabilitation	-	-	204,515.00	-	-	-	-	-	-	-	-	-	-	-	-	-	204,515.00	20,940.00
Insurance	339,326.28	50,370.19	98,882.78	225,757.98	157,897.37	-	231,290.21	52,557.13	46,606.53	66,664.40	13,628.13	51,175.20	43,283.48	51,282.78	94,346.37	431,004.70	1,954,074.53	747,121.63
Maintenance of office Equ.	116,928.69	203,737.98	47,840.03	170,091.66	26,428.34	-	94,969.70	79,018.33	100,844.63	133,539.36	44,342.50	114,343.33	59,672.50	32,600.00	119,720.85	97,489.54	1,441,567.44	564,413.04
Other	526,224.98	257,876.50	568,098.70	364,360.00	288,510.50	-	240,356.16	114,498.69	382,986.16	210,319.01	84,690.00	139,927.50	154,043.42	231,200.00	503,454.00	269,837.29	4,339,382.71	4,171,157.02
	15,237,546.25	6,581,945.88	14,446,314.88	9,807,203.10	9,652,181.72	618,861.63	9,829,551.97	6,675,756.55	9,851,238.04	7,706,814.78	1,731,582.25	8,143,940.54	7,775,192.29	7,439,535.57	10,916,810.50	9,195,567.05	135,609,045.00	109,532,128.75

**Note 18E - Mining**

Account Type	2014 TOTAL Rs.	2013 TOTAL Rs.
Salaries	10,385,604.30	9,293,344.94
Allowances	8,007,359.03	4,793,181.03
Wages	3,181,124.92	2,527,540.29
Overtime	815,479.07	663,610.64
E.T.F	1,817,674.62	1,138,946.98
E.T.F	454,418.68	284,736.78
Travelling	402,190.00	422,206.44
Fuel	669,389.30	456,509.00
Awareness	1,276,316.26	862,250.00
Stationary	2,495,929.46	4,562,951.05
Other	432,142.41	277,482.35
	<b>29,937,628.05</b>	<b>25,282,759.50</b>

**Note 19****Other Operating Income**

Test Blast Income	4,212,000.00	4,418,000.00
Sale Of Publication	38,610.00	515,122.00
Filed Supervision	720,165.00	42,000.00
Export Sample Income	555,966.19	217,964.31
Supplier Registration	147,000.00	243,500.00
Int On Distress loan	1,813,353.22	1,670,869.21
Sundry Income- Mining	17,106,981.78	13,023,590.10
Equipment Hiring	280,000.00	0.00
Dividend Income 19A	2,160,000.00	2,160,000.00
Transfer Fee – Mining	12,314.24	6,100.00
Penalty On Not Providing Previous Licence	21,098,599.87	19,359,812.65
Training Course Fee	318,000.00	175,000.00
Sale Of Maps	252,140.00	73,050.00
Office Chargers On Refund On Licence	54,700.00	354,250.00
Office Chargers On Bank Guarantee	148,850.00	610,092.50
Photocopy chargers	14,840.00	9,119.00
Communication Fee On EL	190,000.00	195,000.00
Profit On Disposal Assets	4,894,805.72	2,368,353.23
Sundry Income – Geo	30,758.37	4,060,109.36
Rental Income	1,080,000.00	0.00
AG office Collection	0.00	0.00
Sundry Income	50,864.04	11,520.43
	<b>55,179,948.43</b>	<b>49,513,452.79</b>

## Note 19A

### Dividend Income

Rs. 2,160,000 net dividend has been received after deducting withholding tax from the GSMB Technical Services pvt Ltd.

## Note 20 – Administration

Account Type	2014 TOTAL Rs.	2013 TOTAL Rs.
Salaries	13,125,624.88	13,590,658.17
Allowances	10,243,875.55	7,900,963.62
Wages	10,123,708.88	4,959,522.80
Overtime	2,866,890.38	2,096,590.49
E.P.F	2,305,700.56	1,670,498.72
E.T.F	576,897.49	417,624.15
Travelling	1,421,175.89	1,029,843.28
Travelling – Foreign	9,039,099.91	7,311,882.05
Uniforms	1,353,353.82	466,337.80
Medical	9,330,773.54	6,649,875.00
Incentive	69,000,000.00	0.00
Bonus	3,686,350.68	2,603,130.14
Welfare	7,557,051.80	6,340,169.03
Staff Training	727,112.20	2,121,021.00
Membership Fee	251,204.00	134,167.44
Rent	13,514,790.00	15,234,790.00
Security	4,864,207.58	4,836,653.52
Cleaning	3,597,696.00	3,383,890.82
Electricity	6,140,832.70	4,059,237.08
Water	428,738.12	620,472.38
Telephone	3,490,876.24	2,848,904.77
Fuel	8,069,923.94	7,525,574.65
Gratuity	57,766,396.87	5,579,664.75
MV – Repair	5,586,864.78	4,336,797.42
MV – Service Chargers	2,673,556.94	2,939,305.38
MV – Hiring Chargers	86,877.00	108,528.00
MV – Other	816,838.49	644,257.64
Insurance – Personal Accident	626,433.82	468,894.59
Insurance – Other	1,315,296.49	1,662,674.36
Insurance H&S	2,663,233.29	3,229,484.06
Insurance – MV	4,027,522.58	3,764,307.04
Insurance – Building	319,294.05	457,367.66
Maintenance – Building	2,255,225.72	925,432.56

Account Type	2014 TOTAL Rs.	2013 TOTAL Rs.
Maintenance – Plant & Machinery	378,700.04	31,000.00
Maintenance – Elevator	60,180.31	171,501.43
Maintenance – Office Equ.	3,388,606.67	3,371,189.89
Maintenance – Software	618,586.07	587,768.70
Maintenance – Generator	405,389.51	71,625.80
Board Exp	556,331.50	489,988.91
Legal Fee	667,997.00	647,343.00
Audit Fee	960,455.00	914,811.48
Bank Chargers	51,397.99	121,630.75
Postage	609,015.00	553,574.00
Stamp Fee	179,825.00	106,875.00
Stationary	2,057,667.67	3,421,584.47
Advertisement	1,577,466.35	1,811,882.08
Trade Promotion	429,498.78	343,773.16
Depreciation	94,218,703.55	101,589,644.18
V.A.T/N.B.T/E.S.C	27,029,015.18	21,201,136.15
Donation	3,013,631.41	1,931,649.71
Rehabilitation	671,988.00	4,867,785.17
Other Exp – Note 20A	22,745,374.54	17,721,721.11
	<b>419,473,253.76</b>	<b>280,235,005.36</b>

### Note 20A Other Expenses

Intervie Board	43,500.00	35,260.00
Vehicle Loan Interest Reim.	435,820.97	556,339.07
Housing Loan Interest Reim.	3,447,150.75	2,599,374.70
Deyata Kirula	1,921,824.17	
Environmental Day	68,135.85	0.00
Vehicle Tracking	329,152.33	776,880.11
Municipal Council Tax	591,855.60	570,812.13
CSR	5,072,132.16	4,989,522.50
Tender Board	112,300.00	148,000.00
Yakkala Lease Exp	1,771,875.00	959,755.62
Staff Transport	1,594,485.00	
Inventory – Below than 5000	2,167,807.81	1,801,459.01
Consultancy Fee	50,000.00	171,800.00
Donation – Scholarship Exam	45,000.00	30,000.00
Other Office Exp.	5,094,334.90	5,082,517.97
	<b>22,745,374.54</b>	<b>17,721,721.11</b>

Account Type	2014 ACTUAL Rs.	2013 ACTUAL Rs.
<b>Note 21</b>		
<b>Finance Income</b>		
Peoples Bank – Galle Rd	39,019,694.73	61,753,733.10
Peoples Bank (Gratuity Fund)	3,706,802.22	50,410.00
Int On Treasury bills	16,476,304.18	21,819,712.76
Int On Surplus Fund	414,496.32	676,413.03
	<b>59,617,297.45</b>	<b>84,300,268.89</b>

**Note 22**  
**Income Tax**

As per the section 07 (b) of inland Revenue Act No 2006 GSMB is liable to pay income Tax Accordingly. Rs. 15,143,981.00 Have been Paid For the year 2014.



# Auditor's Reports



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கணக்காய்வாளர் தலைமை அ்திபதி திணைக்களம்  
AUDITOR-GENERAL'S DEPARTMENT



මගේ අංකය }  
எனது இல. } TM/J/GSM/1/14/2  
My No. }

ඔබේ අංකය }  
உமது இல. }  
Your No. }

දිනය }  
திகதி } 30 July 2015  
Date }

The Chairman,  
Geological Survey and Mines Bureau

**Report of the Auditor General on the Financial Statements of the Geological Survey and Mines Bureau for the year ended 31 December 2014 in terms of Section 14(2) (c) of the Finance Act, No. 38 of 1971.**

The audit of financial statements of the Geological Survey and Mines Bureau for the year ended 31 December 2014, comprising the statement of the financial position as at 31 December 2014 and the statement of financial performance, statement of changes in equity and cash flow statement for the year then ended and summary of significant accounting policies and other explanatory information was carried out under my direction in pursuance of provisions in Article 154(1) of the Constitution of the Democratic Socialist Republic of Sri Lanka read in conjunction with Section 13(1) of the Finance Act, No.38 of 1971 and Section 18(3) of the Mines and Minerals Act, No.33 of 1992. My comments and observations which I consider should be published with the Annual Report of the Bureau in terms of Section 14(2)(c) of the Finance Act appear in this report. A detailed Report in terms of Section 13(7)(a) of the Finance Act will be furnished to the Chairman of the Bureau in due course.

1:2 Management's Responsibility for the Financial Statements

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



### 1:3 Auditor's Responsibility

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

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

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

### 1:4 Basis for Qualified Opinion

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



2. Financial Statements  
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2:1 Qualified Opinion  
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In my opinion, except for the effects of the matters described in paragraph 2:2 of this report, the financial statements give a true and fair view of the financial position of the Geological Survey and Mines Bureau as at 31 December 2014 and its financial performance and cash flows for the year then ended in accordance with Sri Lanka Public Sector Accounting Standards.

2:2 Comments on Financial Statements  
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2.2.1 Consolidated Financial Statements.  
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Even though the Bureau has 66 per cent ownership of a subsidiary company affiliated to the Bureau with a net assets of Rs.108,452,724 , a consolidated financial statement had not been furnished consolidating the financial statements of that company with the financial statements of the Bureau.

2:2:2 Sri Lanka Public Sector Accounting Standards  
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(a) Sri Lanka Public Sector Accounting Standards 01

Although a sum of Rs.6,665,050 received from an American University for the construction and maintenance of Earth Tremor Measurement Towers from the year 2000 to the year under review cannot be settled within the ensuing year, it had been shown as current liabilities in the financial statements.



(b) Sri Lanka Public Sector Accounting Standards 02

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Even though the actual amount spent for the acquisition of property, plants and equipment and work- in- progress during the year under review amounted to Rs.29,616,552, it had been shown as Rs.43,673,921 in the cash flow statement. Further, a sum of Rs.17,900,845 had been transferred to the Building Account from the Work-In –Progress Account during the year under review, and out of that amount a sum of Rs.3,843,476 spent for the work-in-progress for the year under review had been deducted and Rs.14,057,369 had been erroneously shown as a cash receipt from the work- in- progress in the cash flow statement.

(c) Sri Lanka Public Sector Accounting Standards 03

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The comparative details on the corrections carried out relating to preceding periods as a result of accounting policies, changes in accounting estimates and errors should be shown as a restatements made to the financial statements and such corrections should be disclosed in the financial statements through the detailed notes. However, the Bureau had carried out corrections amounting to Rs.108,286,341 relating to the previous year and restated their comparative details pertaining to the preceding year in the financial, but it had not been disclosed in the financial statements through a detailed note.

(d) Sri Lanka Public Sector Accounting Standards 07

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Although assets costing Rs.477,156,170 and belong to 5 categories had been revaluated at Rs.535,099,270 during the year under review, the date of revaluation, whether the revaluation had been done by an independent qualified assessor, the specific assumptions made in the revaluation and the manner in which the fair value of the assets was determined had not been revealed in the financial statements.





(e) Sri Lanka Public Sector Accounting Standards 09  
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Although it had been stated that stocks had been shown in the financial statements at the cost or net realized value, whichever is less, the basis for stock valuation had not been disclosed in the financial statements.

2.2.3 Accounting Policies  
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In terms of the Generally Accepted Accounting Principles, royalty should be recognized on accrual basis according to the terms of the agreement pertaining thereto, whereas the Bureau has used the cash basis for this purpose. At the test check conducted in this connection it was observed that the royalty receivable for 1,400 issued licences had not been calculated and shown in the financial statements.

2.2.4 Accounting Deficiencies  
-----

The following observations are made.

- (a) The expenditure totalled Rs.71,322,061 incurred during the year under review had been shown as a previous year adjustment in the financial statements instead of being accounted for as expenditure of the year under review.
  
- (b) A sum of Rs.55,000,000 granted to the Ministry for the construction of proposed Ministry building had been shown as a financial remittance made to the General Treasury in the financial statements.
  
- (c) Although the Employee Distress Fund established with a sum of Rs.1,300,910 obtained from the employees' incentives had been deposited in fixed deposits in favour of the Bureau, the Fund and the investment had been omitted from the accounts.



- (d) The value of the equipment awarded from foreign countries for Earth Tremor Measurement Towers had not been assessed and shown in the financial statements. The other expenses including the custom duties amounting to Rs.6,542,303 incurred on these equipment had been shown as investments in the financial statements.

#### 2.2.5 Lack of Evidence for Audit

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Evidence indicated against the following items had not been furnished to audit

Item	Value Rs.	Evidence not made available
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(a) Payment of incentives	60,823,367	Details relating to the computation of the profits of the projects used as the basis for the payment of incentives and the income and expenditure schedules.
(b) Staff transport expenditure	975,330	Running charts
(c) Building rent income	1,080,000	Rent agreement.



2.3 Nan-compliance with Laws, Rules, Regulations and Management Decisions

The following non-compliances were observed.

Reference to Laws Rules, and Regulations and Management Decisions	Non-compliance
(a) Section 28(1) of the Mines and Minerals Act, No.33 of 1992	Although Sri Lanka Land Reclamation and Development Corporation is engaged in the sale of sea sand since the year 2008, no trade licences or transport permits had been obtained from the Bureau for that purpose. The transportation of sand had been made using transport permits prepared by that Corporation, but the Bureau had not taken necessary action in this connection.
(b) Paragraph 6(2)(a) of part II of the Payment of Gratuity Act, No.12 of 1983	Although the payable gratuity should be calculated by multiplying the sum equivalent to 14 days of the last salary of the officer with the period of service, contrary to that provision for the gratuity had been made by taking into consideration the salary of 30 days during the year under review. The approval of the Department of Management Services had not been obtained for that purpose.
(c) Section 14 (1) of the Finance Act, No.38 of 1971 and Public Enterprises Circular No.PED 12 dated 02 June 2003.	A draft annual report had not been furnished along with the financial statements.
(d) Section 11 of the Finance Act, No.38 of 1971	Without being obtained required approval, sums of Rs.219,735,981 and Rs.579,077,890 had been invested in Treasury Bills and fixed deposits respectively.





- (e) Value Added Tax Act, No.14 of 2002 Value Added Tax amounting to Rs.23,980,451 relating to the royalty advances of Rs.149,117,003 for which applications had been entertained from 2006 to 2012 but licenses were not issued and the permit charges of Rs.81,290,903 pertaining to the period from the year 1993 up to the year under review had not been remitted to the Department of Inland Revenue.
- (f) Financial Regulations of the Democratic Socialist Republic of Sri Lanka.  
Financial Regulation 104 (2) Although two vehicles owned by the Bureau had met with accidents during the year under review, it had not been reported to the Auditor General.
- (g) Public Administration Circular No.30 dated 30 April 1994 Although the receipts of foreign aid should be reported to the Director General of Foreign Resources and the Auditor General, action had not been taken accordingly with regard to the equipment and funds received from the Germany and America for the Earth Tremor Measurement Towers.
- (h) Section 02 of the Public Administration Circular No.15/2001 dated 07 August 2001 In order to record arrival and departure of the employees of the Gampaha Regional Office, a finger print machine had not been utilized from July 2013 up to the reporting date.
- (i) Section 02 (b) of the Public Administration Circular No.08/2014 dated 31 March 2014. It was observed at the audit test check that the employees had left the station without covering the prescribed hours of service.



- (j) Public Enterprises Circulars No.PED/56  
dated 27 January 2011

Having retained an adequate sum for the working capital requirement for a period of ensuing 06 months, all the balance sum should be credited to the Consolidated Fund, whereas it had not been so done by the Bureau.

- (k) Letter of the Department of Management Services dated 17 June 2013.

Scheme of recruitment and promotion had not been prepared and approved in terms of the provisions of the Department of Management Services Circular No.30 and the approved restructuring proposal had also not been implemented.

- (l) Letter of the Department of Management Services dated 28 June 2013.

Without prior approval of the Department of Management Services, 02 new posts had been created in addition to the approved cadre and two officers had been recruited to those posts. A sum of Rs.118,379 had also been paid as salary during the year under review.

- (m) Letter of the Ministry of Finance No PE1/000/6 dated 02 August 2013.

Even though approval had been received for the payment of incentives up to 50 per cent of net earnings of the **Drilling** and Mineral **Exploration** Projects, contrary to that having considered the inspection charges relating to the field inspections conducted for the general licences, Test Blast charges and the entire laboratory income as the net earnings of the **Drilling** and Mineral **Exploration** Projects, the Bureau had erroneously paid a sum of Rs.60,823,367 as incentives without having authority.



### 3. Financial Review

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#### 3:1 Financial Results

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According to the financial statements presented, the financial results of the Bureau for the year ended 31 December 2014 amounted to a pre-tax net profit of Rs.842 million as compared with the corresponding pre-tax net profit of Rs.624 million for the preceding year. As compared with the preceding year, the financial result indicated an improvement of Rs.218 million during the year under review. The increase in royalty income and the project income by Rs.453 million and Rs.9 million respectively had been mainly attributed to this improvement.

#### 3.2 Analytical Financial Review

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The following observations are made

- (a) The royalty charged from mining had been increased from 2 per cent to 4 per cent and therefore, royalty income of the year under review had increased by Rs.453 million or 66 per cent.
- (b) As compared with the preceding year the total expenditure of the Bureau had increased by Rs.196 million or 42 per cent. The increase in the administration expenses of the Bureau by Rs.139 million or 50 per cent during the year under review had been the main reason for the increase in the expenditure.



#### 4. Operating Review

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##### 4.1 Performance

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According to the Action Plan, the progress of 40 activities including the preparation of maps pertaining to the surveys scheduled to be implemented by the Geology Division during the year under review, preparation of special reports for minerals, development of laboratories and provincial mineral surveys had been at minimal level of 50 per cent.

##### 4.2 Operating Inefficiencies

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The following observations are made on the matters revealed during the course of audit test check conducted on the major operations carried out by the Bureau.

###### (a) Recovery of Royalty.

- (i) Action had not been taken to recover royalty and the delay charges amounting to Rs.44,727,062 recoverable for the year under review and the preceding year in respect of a permit issued to the Sri Lanka Land Reclamation and Development Corporation for mining sand. Further, action had not been taken to recover the royalty exceeding Rs.100 million recoverable for a stock of 3,750,074 cubic meters of sea sand mined under the permits issued for the previous years.
- (ii) According to the financial statements of the year under review a sum of Rs. 1,133,601,622 had been collected as the royalty. However, only a sum of Rs.650,000,000 had been remitted to the General Treasury.





- (iii) In the computation of royalty for the metal quarry licenses, the Bureau had made the relevant computation based on the report obtained from the Controller of Explosives. It was observed in the audit that this method was not logical and effective and as a result a considerable amount of royalty for metal minning was deprived.
- (iv) Although royalty was calculated based on the market value of the minerals, that value had not been revised after 2011.

(b) Reservation of Various Lands for Explorations activities

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- (i) When refunding a sum of Rs.5,656,685 relevant to 96 applications for which recommendation for the release the lands for explorations had not been received since year 2003 up to 2012, any field inspection in the lands reserved relating to that permits had not been carried out. Further, despite the rejection of appeals made to the Ministry against the disapproval of the applications for explorations, 15 new applications had been entertained without having the recommendations.
- (ii) As above, although the Bureau had specially allocated lands for the explorations in the vicinity of the beach, action had not been taken to obtain reports on either the progress on the explorations or the mineral found. Further, mining licences should be obtained on completion of the explorations, whereas it had not been so done. Although there was tendency for unauthorized mining on the ground of the allocation of lands by the Bureau in such a manner, any follow up action had not been taken in this connection.



(c) Issue of Licences and Recovery of Licence Charges

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- (i) Despite being fulfilled the requirements to be satisfied prior to issue of a licence, Bureau had recovered a full licence fee and the relevant Value Added Tax and the Stamp fee along with the application. In addition, advances had been obtained for the royalty according to the amount of minerals mined on the licence since the year 2006. Nevertheless, the Value Added Tax payable for the aforesaid royalty had not been recovered from the applicants even by January 2015.
- (ii) Since Bureau had not established a raiding unit to control illegal mining, unauthorized mining had taken placed island wide. But it had been failed to take legal action in this regard.
- (iii) Although the Environmental Clearance Certificates issued by the Central Environment Authority should be obtained before carrying out the mining , in many instances licences had been issued without those Environmental Clearance Certificates.

(d) Control of Laboratory Equipment.

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- (i) The platinum equipment in the laboratory weighing at 1,491 grams had not been categorized according to their capacity and the weight and the inventory registers had also not been updated. Without being confirmed the cleanliness and the value of the aforesaid platinum by an independent institute, those had been valued by the officers of the Bureau and shown in the financial statements.
- (ii) Three items (50 cc dish) under the item No.2064 had not been furnished to audit for physical verification.



(iii) Five category of equipment weighing at 102 Grams furnished to physical verification had not been recorded in the inventory.

(e) When sand mining and clay mining are carried out around the Ma-Oya, the Attanagalu Oya and the Kelani river, it had been done in a manner violating the licence conditions and causing environmental damages. Nevertheless, issuance and renewal of licences had been continued without being considered the violation of the conditions.

#### 4.3 Transactions of Contentious Nature.

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Contrary to the objectives of the institute, the Bureau had paid a sum of Rs.1,786,640 to external institutions for various purposes during the year under review.

#### 4.4 Staff Administration

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- (a) The approved and the actual staff as at 31 December 2014 had been 405 and 317 respectively. Accordingly, there were 88 vacancies. Instead of taking action to fill 54 vacancies in Non-Staff Grade and 11 vacancies in the minor staff , employees had been recruited on contract basis from a private company and payments had been made.
- (b) A transfer procedure had not been formulated for the transfer of officers between the head office and the regional offices. Therefore, officers had been employed in regional offices for a long period from 8years to 14 years.
- (c) The report of the inquiry carried out on the irregularity revealed in July 2013 relating to the record of arrival and departure of the officers of the Gampaha Regional Office had not been furnished even as at July 2015.



4.5 Idle and Underutilized Assets.  
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The Fuel sensors and Geographical Position System installed to the vehicles of the Bureau in the year 2011 had been removed and the amount spent by the Bureau for the purchase of the system amounted to Rs.2,880,000.

5. Accountability and Good Governance.  
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5.1 Action Plan  
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In terms of the Public Enterprises Circular No.1/2014 dated 17 December 2014, an Annual Action Plan including the activities targeted for the achievement of objectives of the Act should be prepared. However, Action Plan of the Ministry had not been prepared accordingly.

5.2 Budgetary Control  
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Significant variances were observed between the budgeted and actual income and expenditure. As such the budget had not been made use of as an effective instrument of management control.

5:3 Tabling of Annual Reports  
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The Annual Report for the year 2013 had not been tabled in Parliament even by May 2015.





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

- (a) Human Resources Management
- (b) Recovery of Royalties
- (c) Issue of Licences.
- (d) Inventory Control
- (e) Mining activities
- (f) Budgetary Control.

W.P.C.Wickramaratne  
Acting Auditor General.

2016.01.19

Your Number : TM/J/GSM/1/14/2

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

**Explanation of the Geological Surey and Mines Bureau in regard to the Report of the Auditor General on the Financial Statements of the Bureau for the Year Ended as at 31st December, 2014 in terms of Section 14(2) c of the Financial Act No. 38 of 1971.**

**2.2 Comment on the Financial Statements**

**2.2.1 Consolidated Financial Statements**

The Bureau has been established by an Act of Parliament. The Technical Services Institution was established under Companies Act No. 17 of 1982. In this perspective consolidated financial statements cannot be prepared and due to that reason revelations in regard to the accounts concerned have been made in the accounts of the Bureau.

**2.2.2 Sri Lanka Government Accounting Standards**

**(a) Sri Lanka Government Accounting Standard No. 01**

The amount of money sent by the University of California for the maintenance of the G.S.N. Station is indicated as 6,665,250 rupees. The money which is left in this account has to be handed over to the relevant institution and due to that reason it has been recorded as a long term liability.

**(b) Sri Lanka Government Accounting Standard No. 02**

Noted down to make corrections in the future as has been shown by the audit.

**(c) Sri Lanka Government Accounting Standard No. 03**

Steps will be taken to make the relevant revelations in the future as has been shown by the audit.

**(d) Sri Lanka Government Accounting Standards No. 07**

- Revaluation has been done during the period from 14.11.2014 up to 24.11.2014. The relevant assets have been revalued by an internal committee which comprised of officers

who have a specialized knowledge on each item, as outside persons could not be found as has been recommended by the COPE.

- The fair value of assets was determined by the internal committee using their specialized knowledge.
- Steps will be taken to reveal this type of particulars in financial statements in time to come.

**(b) Sri Lanka Government Accounting Standards No. 09.**

The stock of the Bureau is presently issued by first in first out system (FIFO)

### **2.2.3 Accounting Policies**

Contingent incomes cannot be recorded in accounts according to Accounting Standards. A firm conclusion cannot be made in regard to the receipt of the royalty. However, it was noted down to look into the fact whether there are 1400 licenses from which royalty should be received, as has been shown by the audit.

### **2.2.4 Accounting Deficiencies**

- (a) Action has already been taken to make corrections in this regard taking into consideration the matters pointed out by the audit.
- (b) This has been done on the instructions of the Treasury Operations Department.
- (c) Action was taken to record the relevant fund in accounts as has been shown by the audit.
- (d) Noted down to take necessary action considering this as an expense as has been pointed out by the audit.

### **2.2.5 Non availability of evidence for the audit.**

- (a) Income and Expense schedules relevant to the Profit and Loss Account of the projects have been handed over by now.
- (b) Running charts having already been given.
- (c) A lease agreement is not available for G.S.M.B. Technical Services Institution as it is an affiliated body of the Bureau.

### **2.3. Non compliance with Rules, Regulations and Management Decisions.**

- (a) The Bureau issued transport licences for transporting sea sand a few years ago and discussions are being conducted with the Department of Land Reclamation in regard to implementation of systematic methodology to issue transport licences in the future.

- (b) The board of directors took a decision in accordance with the provisions of Mines and Minerals Act No. 33 of 1933 to consider the monthly salary of employees in calculating the gratuity. Accordingly the relevant allocations have been made in the accounts. Even the Department of Labour has informed that there is no legal impediment to pay the monthly salary in this manner. This is a positive step taken for the employees who retire having completed a long period of service in the Bureau.
- (c) A copy of the draft of the annual report of 2014 has been submitted by now.
- (d) The relevant approval has been received by now.

The amount of 149,117,003 rupees received as royalty advance and was considered as income was reduced up to 148,829,582 rupees due to the repayments and the offsetting of the receivable royalty made out of that money. The amount of value added tax was 1,594,602 rupees. The amount of money recorded in Mines Advance Account during the period of time from the year 1993 upto 2014 was 67,710,854 rupees and the amount of value added tax for it was 8,021,021.79 rupees. It is being discussed with the Department of Inland Revenue in regard to the value added tax and action will be taken in connection with the relevant payments later.

- (e) Noted down to take necessary action in the future in accordance with the Financial Regulation No. 104(2) in this regard as has been shown by audit.
- (f) Necessary action will be taken in the future having inquired into this.
- (g) The Time Attendance Recording Machine in Gampaha Regional Office has been sealed by the Investigation Unit of the Ministry of Environment in connection with an irregularity concerning it. The aforesaid seals cannot be opened until the investigation is over and memoranda have been sent to the Investigation Unit of the Ministry of Environment requesting to expedite the investigation and send the relevant report to us due to the fact that an additional expense has to be borne to purchase a new time attendance recording machine. However the aforesaid report has not yet been sent to the Bureau. Therefore we would like to inform that steps will be taken to install another machine taking into consideration the observations made by the audit as well.
- (h) The audit should be thanked for pointing out this shortcoming and we would like to inform that this error has already been corrected.
- (i) Inactive funds have to be transferred to the consolidated fund as per Public Enterprises Circular No. 56 of 27th January, 2011. However, there are not inactive funds in the Bureau. Funds are available in the Bureau for specific tasks for which approval has been granted and the money which is left is sent to the Treasury.
- (j) Approval has been granted to the cadre plan on 28th June, 2013. Even though a Recruitment Scheme was prepared for the aforesaid cadre plan and it was submitted to the Ministry of

Environment on 28th May 2014, the said scheme was not able to be sent to the Management Services Department due to certain objections made by trade unions.

Taking the aforesaid matters into consideration It was decided by the Board of Directors on 29th May, 2015 to amend the cadre plan and recruitment scheme after making a new study in order that they would be in accordance with the new future plans of the Bureau and would suit for a number of years in the future. Necessary action is being taken at present accordingly.

- (k) Instructions have been received as per Public Administration Circular No. 25/2014 of 24.10.2014 to give permanent appointments to the employees who had completed a period of service of 180 days as at 24.10.2014 working on casual / contract basis. Accordingly two employees of the Bureau, who had completed the aforesaid qualifications were given permanent appointments.

Furthermore the relevant forms were completed as per the instructions of the aforesaid circular and were sent to the Director General of the Department of Management Services in order to update the particulars of the staff. Prior approval of the Department of Management services is not required to be taken as per the aforesaid circular.

- (l) Eventhough this is mentioned as field surveys, mineral exploration is also included in this process.

In this process the width of the said layers deposited in the mother rock is observed by way of drilling boreholes and thereby the amount of deposit is assessed. Royalty or licence fees are not applicable to this and this is taken as an income received from the Mineral Resources Exploration Projects and from the projects approved by the Minsitry of Finance. Bureau has given incentives to its staff under this methodology since 1994.

### **3 Financial Review**

#### **3.1 Financial results**

#### **3.2 Analytical Financial Review**

- (a) The total revenue of the Bureu has increased by 414,235,555,95 rupees or by 38% when compared with the previous year and the increase of royalty, project income and other incomes have been instrumental to this increase of the total revenue. The increase of the royalty is 453,367,116.89 rupees and the increase of the percentage of royalty has been a reason for this increase
- (b) The expenditure of Bureau in the year under review has increased by 187,820,698.12 rupees or by 38% and the increase of the expenses incurred on the geological division , projects,the regional offices, the mines division, and the on administration of the bureau by 13,002,935.51 rupees, 17,363.431 rupees, 26,076,916 rupees, 4,654,868.55 rupees and 1398,238,248.40 rupees respectively has caused this increase of exprneses of the bureau. In contrast to this the income

of the bureau has increased by 38% in comparison with the income of the previous year.

## **4. Operational Review**

### **4.1 Performance**

Mapping activities required for this has been completed. The instrument required for measuring the radioactivity of both sides of the border area of Wannai and “Usbim” Complex was given by the International Atomic Energy Agency only in May 2018. Accordingly this mapping activity will be completed within the year 2015.

The manner in which the final results of this activity is submitted was changed to some extent. Accordingly it was decided to prepare provincial maps and also to prepare the list of the places in which minerals can be found in relation to each provincial map. As a result mineral maps and a list of the places in which minerals can be found were prepared and arrangements were made to print them.

Action has been taken to prepare the mineral map of Uva province.

Taking into consideration the results of the survey carried in Uva province earlier, mineral map of the Uva province was completed instead of doing such a survey in Sabaragamuwa province. When the financial progress and the requirements of human labour concerning the activities of the geological division in the compound plan are considered, it seems that the progress of those activities have exceeded 80%. The progress of most activities are not highlighted due to the fact that the maps which indicated the results have not been printed.

### **4.2 Management Inefficiencies**

#### **(a) Collecting Royalty :**

- (i) The number of sand deposits mined by The Sri Lanka Land Reclamation and Development Board under the licence No. IML/A/HO 6921 was informed to the Bureau by them and royalty was calculated accordingly under the Act No. 33 of 1992 and the regulations formulated under it and the aforesaid institution has been informed to pay the royalty due from them.

The royalty applicable to the number of cubes of sand which was informed in writing to the Bureau to have been mined under the licence is indicated here. There are provisions under the aforesaid Act to take legal action in case wrong information is provided. Bureau will take action to look into this.

- (ii) The treasury does not provide funds to the Bureau. The expenses of the Bureau are met with the income earned by it including the royalty income. As per Mines and Minerals Act No. 33 of 1992 the expenses of the Bureau have to be met out of the income earned

by it. Due to that reason all the royalty income earned by the bureau cannot be sent to the Treasury. However, the money which is left after expenses is sent to the Treasury annually. .

- (iii) The methodology adopted by the Bureau at present to calculate the royalty for granite which is based on explosives, is a successful methodology through which technically correct information could be obtained. Accurate information can be obtained regarding granite using this technological methodology. A considerable amount of royalty has been able to be collected through this. It is expected to further intensify the supervision activities regarding "A" grade metal quarries and correct the defects in the methodology, if there are any.
- (iv) The market value of minerals was revised after the year 2011 within royalty value of 2% up to 4%, Due to that reason the assessed value of minerals was not revised. In this backdrop royalty value was able to increase by 100%.

**(b) Allocation of various land areas for surveys :**

- (i) The Act No. 33 of 1992 as amended by Act No. 66 of 2009 provides provisions under section 29 of that Act to the effect that persons whose applications are cancelled under section 37 of that Act are able to make an appeal against that decision of the Bureau. Due to that reason such applicants do not bank the cheques issued for repaying their fees. Rejected applications were accepted under the instructions of the Secretary to the Ministry having collected the due charges.
- (ii) Applications for surveys have been accepted in accordance with the provisions of the Mines and Minerals Act No. 33 of 1992 as amended by the Act No. 66 of 2002 and the regulations made under it. Mining licenses are issued as per the Act and the regulations made under it for mining the minerals identified by the survey. A mineral survey is an experiment carried out to obtain the information of mineral deposits in an area along with their chemical composition having examined the mineral resources in several locations.

This activity should be carried out in a systematic manner and the exploration licence shall be cancelled after a field inspection in case it has been done in an unsystematic manner. However, an exploration licence can only be used for collecting samples of minerals and mining of minerals cannot be done using an exploration licence.

**(c) Issuing licences and collecting charges :**

- (i) Action has been taken to collect royalty advances and value added taxes from the applicants from January 2015.
- (ii) The senior superintendents of police of Gampaha and Negambo have been informed



to educate all the police stations in their respective areas that storing of sand on commercial and non-commercial basis should be done having obtained a licence in accordance with the provisions of the Act No. 33 of 1992. However, law is not implemented in a satisfactory manner in regard to that matter. Instances have also been identified in which the methodologies introduced by circulars are not practicable. Discussions are being conducted on how to formulate an easy methodology in this regard.

- (iii) Even though action had not been taken to obtain the clearance certificate issued by the Central Environmental Authority before commencing mining activities, mining licences have been issued as per the circular No. 91/05/2011 of 25.11.211 of the Bureau upon submission of the receipt provided the Central Environmental Authority to the effect that payment due to it has been made.

This situation has been changed by now on practical reasons and licences are not issued at present without environmental clearance certificate.

**(d) Management of Scientific Equipment :**

- (i) Some platinum equipment in the possession of the Bureau is as old as more than 45 – 50 years (Equipment which belongs to the times of the Department of Geology) while there is equipment purchased in the recent past as well. Generally, the institutions which sell platinum items indicate the specifications and prices of items according to the volume of the items. Due to that reason calling quotations, purchasing of items, and documentation of the items had been done as per the volumes of items during the times in which the Department of Geological Survey existed. Accordingly, the Bureau has continued this tradition. However, the price of a platinum item (crucible and dishes) is decided taking into consideration the real mass of platinum containing in the item. Due to that reason steps have been taken to document all the platinum items in inventories as per the volume and the weight of the item. Furthermore steps have been taken to make future purchases of platinum items subsequent to getting the value and the purity of the items confirmed through an independent institution.
- (ii) Three dishes have been sold when platinum dishes were put on sale and they are the three items recorded under 2064. It is mentioned by mistake in the letter submitted by the Chief Chemists to the Accounts Division that they are the three items coming under Nos. 2062 and 2063.
- (iii) The items have been purchased as accessories for Rock powder melting machine which had been purchased under the trade name “Katana”. By now steps have been taken to record these items separately in the inventories.

- (e) The mine sites in which minerals can be found internally or externally in the mining activities that are carried out incessantly can only be rehabilitated after obtaining the relevant mineral.



However, a mining licence is extended only when a mining activity has to be done on that licence further and due to that reason rehabilitation of the site has to be done once mining activities are over. Further a separate advisor has been appointed to take action in regard to the rehabilitation of mining sites and it is the responsibility of the institution to take legal action on corroborative evidence. Furthermore acquiring the bonds placed in the Bureau by the licence holders who have not properly rehabilitated the relevant mining sites is an initial step of the above process. A separate committee has been appointed to get rid of the situation which prevailed earlier in this regard and a proper methodology is being prepared for it at present.

#### **4.3 Contraversial Transactions**

Concern has to be paid to social responsibility as well in realizing the objectives of the institutions. These expenses have been made based on that point.

#### **4.4 Admnistration of the staff**

- (a) The Bureau has outsourced the services which could only be obtained from the posts for which vacancies are not available at present or the vacancies of which cannot be filled immediately due to certain reasons. .
- (b) There is a transfer scheme for which approval was given in the year 2007. Though necessary action was taken to make transfers in accordance with the aforesaid scheme, it could not be continued due to various reasons. The Board of Directors discussed this matter on 29th May, 2015 and it was decided to implement transfers from the year 2015. As the first step of this process transfers have been given to 04 regional mining engineers by now. Action is being taken at present to implement a transfer scheme in the future in connection with the remaining regional mining engineers and the other employees. The Bureau expects to complete this task by the end of the year 2015.
- (c) The Investigation unit of the Ministry of Enviroment is carrying out an investigation at present in connection with the irregularity of the time recording machine kept for recording the attendance and departure of the officials of Gampaha Regional office. The Bureau has from time to time informed the investigation unit of the Ministry of Environment to complete the aforesaid investigation without delay and submnit its report to the Bureau. However the aforesaid report has not yet received by the Bureau. It will be submitted to the Bureau, once it received.

#### **4.5 Inactive and Underutilized Assets**

The transport advisor of the transport division of the Bureau, who served as an outside employee, resigned from the post and the problems which arose in regard to the supervision of work with his resignation has made this system inactive. In the future transport division

will be systematized and a qualified person will be appointed to the post of transport officer. It is expected to install modern navigation equipment as well.

## **5 Accountability and Good Governance**

### **5.1 Action plan**

The Action plan of the Mines Division has been submitted by now.

### **5.2 Budgetary control**

Certain fluctuations occur based on the contribution made by the Bureau to the Laws and Acts introduced by the government and also to the activities such as projects which are undertaken as required the government.

### **5.3 Tabling Annual Reports**

Necessary steps have been taken by now to table the Annual Report of the year 2013.

## **6. Systems and Controls**

Special attention has been taken to improve the field of systems and control as has been pointed out by the audit.

**Dr. Kithsiri Dissanayake**

The Chairman

Geological Survey and Mines Bureau

## CORPORATE SOCIAL RESPONSIBILITIES

### Educational Programmes

#### Certificate Course on Industrial Rock Blasting:

Fulfilling a long-standing need, the Mines Division of the Geological Survey and Mines Bureau conducted three month duration certificate course on rock blasting designed for technical, supervisory level engaged in the Sri Lankan rock blasting industry in collaboration with the Defense Ministry and Central Environmental Authority.

Major objective of this blasting course is to provide better theoretical and practical knowledge about blasting materials, methodologies and social & environmental impacts related to quarry blasting activities.

The programme planned to be conducted annually will result in raising the safety standards and blasting productivity.



#### (a) Workshops and Seminars organized by the mines division

The Mines Division has carried-out several workshops and Seminars at various districts in order to sort out major industrial problems related to mining activities and make aware state organization & license holders about Bureaus regulatory functions according to Mines and Mineral Act. The major objective of these workshops was to improve coordination between GSMB and other state organizations such as Divisional Secretaries during the implementation of Mines and Mineral Act.



**(b) Rehabilitation programme**

During the year 2014 a special rehabilitation unit was established at the head office specially to restore eroded river banks.



➤ A special attention has been given to develop the technology of river bank restoration activities and search cost effective methods.





- i. Rehabilitation Programmes conducted
- ii. Rehabilitation & restoration of degraded river bank of Maha Oya in Katana & Divlapitiya DS Divisions implemented under the main project of “Yali Pibidena Maha Oya”.





iii. A rehabilitation work has been launched in the district of Gampaha, in Diulapitiya Divisional Secretariat Division, under the guidance of GSMB officers. The said location was previously utilized for uncontrolled mechanized mining in long period ago before establishment of GSMB. The restoration has been mainly carried out with the refilling of demolished building debris, coconut roots & mainly Lateritic filling soils. Since there is an involvement of excavators, loaders and some other machinery, there will be a necessity of performing the reclamation activities under the guidance & supervision of GSMB officers. The above rehabilitation & reclamation activity was implemented under the programme of “Yali Pibidena Maha Oya” ongoing rehabilitation work associated to “Maha Oya”.





## Other Activities done by mines division

The details of major activities conducted by mines division apart from the normal regulatory functions are given below;

- **Construction of a classroom building of 80'\*20' area and Budu Medura for the W/M Thumbullegama Maha Vidyalaya**



- **Construction of a building and Provide assistance to develop the infrastructure facilities of the W/m/PP/ Nakwaththagama Junior School.**






- **Opening ceremony of new building for Anuradhapura Regional Office**

The regional office Anuradhapura was ceremonially opened on 9th October 2014 at District Secretariat Anuradhapura.

This regional office was built by GSMB funds and design & constructed compatible with the specific requirements of the bureau.





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