

Sri Lanka Land Development Corporation

**Annual Report &  
Accounts for the year  
2019**

Ministry of Urban Development & Housing



## ***VISION***

*To be the leader in creating and managing flood free eco friendly environment and pollution free water bodies.*

## ***MISSION***

*Providing engineering and management services for;*

- ✓ Flood management works in drainage improvement & management, drainage consultancy works and low land management*
- ✓ Achieving self-sustainability through infrastructure development, reclamation works and deriving maximum economic benefit from existing assets and new avenues of businesses*

*by excellence in performance through a highly motivated workforce.*



# CONTENTS

	<b>Page No</b>
<b>General Manager's Message</b>	<b>01</b>
<b>Corporate Information</b>	<b>02</b>
<b>Board of Directors</b>	<b>03</b>
<b>Senior Management Team</b>	<b>04</b>
<b>Organization Structure</b>	<b>05</b>
<b>Operational Review</b>	<b>06</b>
<b>Financial Review</b>	<b>64</b>
<b>Report of the Directors</b>	<b>65</b>
<b>Auditor General's Report</b>	<b>66</b>
<b>Statement of Comprehensive Income</b>	<b>80</b>
<b>Statement of Financial Position</b>	<b>81</b>
<b>Statement of Changes in Equity</b>	<b>82</b>
<b>Cash Flow Statement</b>	<b>83</b>
<b>Significant Accounting Policies</b>	<b>84</b>
<b>Notes to the Financial Statements</b>	<b>88</b>
<b>Financial Highlights of the Corporation</b>	<b>99</b>



## General Manager's Message

---

2019 was indeed a challenging year for Sri Lanka Land Development Corporation, with the economic progress of the Country impacted by the calamitous events of April 21<sup>st</sup> 2019. Further economic activity and corporate confidence were further affected due to political uncertainty in the lead up to the presidential election in November 2019.

The economic disruption stemming from the Easter Sunday incident saw the financial service industry being challenged on several fronts.

Total turnover of the Corporation during the year 2019 was Rs.6538Mn (including the Treasury Funds allocated for Canal Maintenance & Special Flood Mitigation worth Rs.1514Mn and the Treasury Funds allocated for Werar Ganga Project worth Rs.1272Mn). This includes income generated from the sale of Lands, Reclamation and Dredging projects, Construction projects, sale of Offshore Sand and income generated through Fertilizer Project.

Weras Ganga Storm Water Drainage & Environment Improvement project was initiated in 2013. The revised estimate cost for the project is Rs. Rs.11,050 Mn. the total catchment area of the project is about 55.5km<sup>2</sup>. Main objective of the project is flood mitigation by improving existing drainage network. During the year 2019 projects works were continued to mitigate floods by increasing the conveyance capacity of canals with reconstruction of crossing structures. Meanwhile several lakes and ponds have been partially completed to enhance the retention capacity.

Under the program initiated for flood mitigation in and around Colombo, the Corporation initiated Kolonnawa Storm Water Drainage Improvement Project by the end of 2018 with the approval of the National Planning Department and the Cabinet. Kolonnawa is situated within the unprotected area of the flood plain of Kelani River. This area has undergone overland flooding due to Kelani River and inland flooding due to inadequate capacity of retention, conveyance and outfall, in the drainage basin. During the year 2019 improvements of many culverts have been carried out. The cumulative value of work done up to date is Rs.226.6Mn.

Furthermore, Corporation will require to undertake new projects to mitigate flooding. Unauthorized structures and land filling that block the natural water flows resulting in disastrous floods in the recent past will be removed and no unauthorized structures will be allowed in the future.

Corporation has significantly contributed to the economy of the country as a strategic partner in sustainable, eco-friendly infrastructure development using engineering excellence and resources within the ethical frame work of the Corporation.

As the Sri Lanka Land Development Corporation gears up for 2020, I wish to thank my colleagues on the Board for their valuable counsel and continued support. I also take this opportunity to thank the Senior Management staff and all employees for their unstinted assistance extended. I wish to extend my gratitude to the officials of other organizations under the purview of the Ministry of Megapolis & Western Development, our suppliers, contractors and all other stake holders who helped us in numerous ways to make the year under review a success.

**Eng Srimathi Senadheera**  
**General Manager**

Date:03.10.2020

# Corporate Information

---

## **Legal Status**

Sri Lanka Land Development Corporation (formerly known as the Colombo District (Low Lying Areas) Reclamation and Development Board and subsequently Sri Lanka Land Reclamation & Development Corporation) is incorporated by Act of Parliament No.15 of 1968. By amendment Act No.27 of 1976 the objects of the Corporation were widened. By amendment Act No.52 of 1982 the name of the Board has changed as Sri Lanka Land Reclamation and Development Corporation and widened its area of authority as to cover-up the entire country. The Act was again amended by Act No.35 of 2006 empowering the Corporation to take legal action against unauthorized filling and pollution of water bodies. Further, by amendment Act No.11 of 2019, the Corporation was renamed as Sri Lanka Land Development Corporation.

## **Head Office**

No. 3, Sri Jayawardenapura Mawatha  
Welikada  
Rajagiriya.  
Tel. No. 2867369  
E-mail : [mail@slrldc.lk](mailto:mail@slrldc.lk)  
Website : [www.landdevelopment.lk](http://www.landdevelopment.lk)

## **Regional Offices**

- **Colombo North**  
Regional Engineer Office  
Avisawella Road  
Orugodawaththa  
Wellampitiya  
Tel. No. 2532600
- **Colombo East**  
Regional Engineer Office  
No. 28/10A Kirimandala Mawatha  
Nawala  
Rajagiriya  
Tel. No. 2863205
- **Colombo South**  
Regional Engineer Office  
No 19 Stafford Road  
Colombo 06  
Tel. No. 2589862
- **Muthurajawela**  
Regional Engineer Office  
No. 123 Kerawalapitiya  
Handala  
Wattala  
Tel. No. 3193130

## **Subsidiaries**

- Land Reclamation & Development Company Limited (REDECO)  
No. 28/10A, Kirimandala Mawatha  
Nawala  
Rajagiriya  
Tel. No. 2876608  
E-mail : [lrcltd1@gmail.com](mailto:lrcltd1@gmail.com)
- L.R.D.C Services (Pvt) Ltd  
No. 28/10, Kirimandala Mawatha  
Nawala  
Rajagiriya  
Tel. No. 2861948  
E-mail : [info@lrdcservices.com](mailto:info@lrdcservices.com)

## **Auditors**

Auditor General  
National Audit Office  
306/72, Polduwa Road  
Battaramulla.

## **Bankers**

Bank of Ceylon  
People's Bank

## **Legal Advisor**

Attorney General  
Attorney General's Department  
Hulftsdorp,  
Colombo 12.

## Board of Directors

---

<b>Name</b>	<b>Position</b>	<b>Period</b>
Major General (Rtd) MRW De Zoysa USP psc MSc (Defence)	Chairman Sri Lanka Land Development Corporation	w.e.f. 06/12/2019
Mr. Roshan Gunawardena	Chairman Sri Lanka Land Development Corporation	31.12.2018 – 21.11.2019
Mr. P A K Gunawardena	Vice Chairman Sri Lanka Land Development Corporation	31.12.2018 – 01.12.2019
Ms. J C Weligamage	Treasury Representative Additional Director General Department of Public Finance General Treasury	03.05.2018 – 12.01.2020
Dr. Jagath Munasinghe (Ex-Officio Member)	Director Director General National Physical Planning Department	30.03.2016 – 16.01.2020
Mr. S Mohanrajah	Director Director General Department of Irrigation	02.11.2017 – 15.05.2020
Eng. D Sajjana de Silva	Director Actg. Director General Geological Survey & Mines Bureau	30.01.2019 – 02.12.2019
Mr. G M D Bogammana	Director Engineer	16.08.2018 – 07.01.2019
Mr. R B M Gunawardene	Director Engineer	30.01.2019 – 02.12.2019

## Senior Management Team

---

01.	Eng. (Mrs.) M. A. S. M. K. Senadheera	-	General Manager
02.	Eng. W. R. C. Fernando	-	Additional General Manager (Planning & Design)
03.	Eng. C. B. Amarasinghe	-	Additional General Manager (Implementation)
04.	Mr. T. B. Chandrasekara	-	Deputy General Manager (Human Resources Development)
05.	Eng. W. H. Keerthirathna	-	Deputy General Manager (Research & Designs)
06.	Mr. J. A. P. K. Jayasinghe	-	Deputy General Manager (Finance)
07.	Eng. S. P. Muthumala	-	Deputy General Manager (Drainage & Reclamation)
08.	Eng. R. M. N. D. Rathnayaka	-	Deputy General Manager (Special Project)
09.	Eng. Y. P. C. De Silva	-	Deputy General Manager (Construction)
10.	Dr. N. S. Wijerathna	-	Deputy General Manager (Wetland Management)
11.	Dr. S. D. Dharmarathna	-	Deputy General Manager (Supplies & Stores)
12.	Eng. R. M. S. C. Rathnayaka	-	Deputy General Manager (Plant & Equipment)
13.	Eng. O. V. W. R. Gunathilaka	-	Deputy General Manager (Planning & Business Development)
14.	Mr. Hemantha Kamalasinghe	-	Deputy General Manager (Lands & Marketing)
15.	Mr. A. L. A. S. K. Ambeygodan	-	Deputy General Manager (Internal Audit) - Acting
16.	Mrs. H. K. K. W. Ekanayake	-	Chief Legal Officer
17.	Eng. (Mrs.) P. M. P. Wijerathna	-	Assistant General Manager (Research & Designs)
18.	Eng. (Mrs.) S. N. Gamage	-	Assistant General Manager (Research & Designs)
19.	Mrs. A. B. N. Sahabandu	-	Assistant General Manager (Finance)
20.	Eng. S. R. M. Prasad	-	Assistant General Manager (Plant & Equipment)
21.	Eng. K. M. N. K. Ranasinghe	-	Assistant General Manager (Construction)
22.	Eng. M. M. M. Moufer	-	Assistant General Manager (Special Projects)
23.	Eng. S. M. P. D. Siriwardhana	-	Acting Assistant General Manager (Drainage & Reclamation)
24.	Eng. (Ms.) N. A. A. S. V. Nissanka	-	Assistant General Manager (Civil)
25.	Eng. N. P. S. De Silva	-	Assistant General Manager (Research & Designs)
26.	Mr. L. Thrimavithana	-	Assistant General Manager (Human Resources Development)
27.	Eng. (Mrs.) P. P. Vineetha	-	Assistant General Manager (Research & Designs)



# Operational Review

## Drainage & Reclamation Division

### TREASURY FUNDED PROJECTS

#### 1. Maintenance of Canals, Lakes and Walkways

During the year 2019 Treasury allocated Rs. 409 Mn for Maintenance of Canals, Lakes and Walkways and Rs. 237Mn for Drainage Improvement works and flood mitigation activities in Colombo and suburbs.

#### Maintenance of Canals:

SLLDC maintains 44km length of Main Canals and 52km length of Secondary Canals in Colombo Metropolitan region.

Followings are the Lakes & Walkways maintains by SLLDC

#### ❖ Lakes

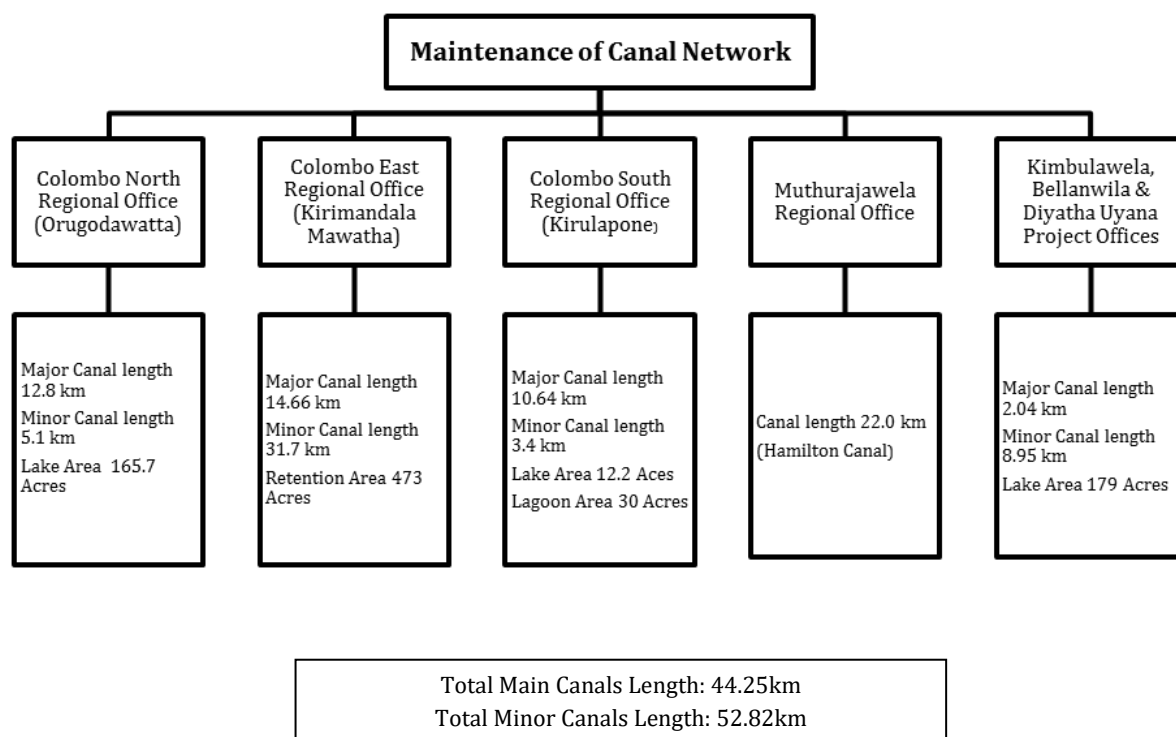
- Diyawanna (Diyatha Uyana) Lake
- Parliament Lake
- Bellanwila Lake
- Thalawathugoda Lake
- Rampalawatte Retention pond

#### ❖ Walkways

- Diyatha Uyana
- Japan friendship Road
- Kimbulawela
- Malambe
- Bellanwila
- Katubedda
- Nugegoda Wetland Park
- Boralessgamuwa “Kelimadala”

#### ❖ Drainage Improvement works:

- Canal Bank Improvement in Colombo and Suburbs
- Improvement and Maintaining Peliyagoda Pumping Station
- Creating Retention Ponds
- Dredging the silted Canals and Lakes
- Implementation of Master Drainage Plan



### 1.1. Maintenance of Major Canals, Minor Canals, Secondary Canals in and around Colombo City

Main purpose of maintenance of canal network in and around Colombo is prevention of local floods, which has been done with the involvement of the Colombo Municipal Council and other relevant stake holder agencies to prevent localised flooding.

Maintenance work in the canals involves,

- Surface clearing
- Canal bank maintenance and jungle cleaning
- Canal dredging work and transporting of dredged materials
- Canal bank protection using gabion boxes
- Cleaning of catch pits & cleaning of side drains, etc.

In addition to manual cleaning, Corporation deploys heavy mechanical equipment such as dredgers, excavators, back-hoe loaders, tractors and trucks to dredge and clean the canal embankments and its surrounding areas.

For operational purposes, the SLLDC is maintaining 03 Regional offices which are located at Orugodawatta (Colombo North), Nawala Kirimandala Mawatha (Colombo East) & Kirulapone (Colombo South).

#### 1.1.a Colombo North



Mahawaththa Canal



Sebastian East Lake



Sebastian South



Uththarananda Mawatha

#### • Major Issues

Residential populations near to the canals are mostly higher in the Colombo North regions rather than the other regions. The people who live near to the canals are not in good level of education and have less awareness for the canal's aesthetic value and Local Authorities which are responsible for the solid waste management have not implemented proper collecting method of garbage from there.

Therefore, they used to dump solid waste and waste line to the canal for their convenience. Collecting of solid waste at canals is a major activity under the maintenance. The trapping and collecting of the garbage in the water is difficult, cost wasting and damaging to the water body and their biodiversity.



Collecting dumped Solid waste in to the Canal by Neighbours



Discharging of Sewerage to the Canals



Dehiwala Canal

### 1.1.b Colombo East



Heen Ela Canal



Kotte Canal

### 1.1.c Colombo South



Wellawaththa Canal

During the year 2019 SLLDC has attended the maintenance of the Colombo canal network with the total cost of work done for Rs. 259.45 million.

### 1.2 Maintenance of Hamilton Canal

During year 2019 SLLDC attended regular canals & canal banks maintenance works for the Hamilton canal from Kelani Ganga end to Negombo lagoon (Length of 14.3Km) & Maha Oya end (Length of 7.7 km) where necessary.

Maintenance work in the canals involved,

- Surface clearing
- Canal bank maintenance
- Canal dredging work and transporting of dredged materials
- Canal bank protection using gabion boxes



Therefore, the total cost of maintenance works done for the year 2019 was Rs. 21.08 million.

### 1.3 Maintenance of Lakes / Ponds Surrounding Parliament and its related Catchment

SLLDC implemented several drainage proposals as a solution to unprecedented flood in November 2010, where even the Parliament was inundated. Under the Treasury funds these drainage systems are regularly maintained in order to protect inundation of the parliament and the surrounding area such as the Waters' Edge, Diyawanna Garden, Rampala watta, Thalawathugoda during flooding.

Maintenance work in the canals involved,

- Maintaining of feeding canal system
- Surface Cleaning of water body

- Maintenance of Canal bank, reservations, Boundary demarcated walk path and recreational areas.
- Enhancing flood retention capacity by dredging the Lake / Pond
- Controlling encroachment of Lake / Ponds
- Convert to agriculture lands at Kimbulawela

**1.3. a Waters Edge – Diyawanna Lake**



**1.3.b Kimbulawela**



Controlling encroachment of Lake / Ponds by Boundary demarcated walkways

Benefits of this project include

- Prevent un-authorized encroachments from existing Walkways
- Solid Waste Management
- Improve the water quality of the water bodies.

Residents within the Parliament Upper Catchment and surroundings have been benefited specifically and the entire Colombo area in general has been benefitted by flood protection.

During year 2019 a total of Rs. 43.63 million spent for maintenance works of the lakes/ponds surrounding parliament and its related catchment.

**1.4 Maintenance of Lakes/Ponds, Walkways and Parking Areas including Solar Light System in Bellanwila Area**

Bellanwila area is one of the most important area having natural wetlands with rapid development, adjacent to the southern part of Colombo city. This area frequently inundated during the rainy season. Under the Weraganga Storm Water Development Project long term flood mitigation work such as creating lake and canal system with the agriculture lands which helps to increase the value of social and cultural background of this area was implemented.

Bellanwila walkways and bicycle track was developed with the drainage implementation as a demarcation for the boundary of the water retention. The main purpose of the walkway and bicycle track has been further prevention of encroachment. In addition to the main purpose side benefits are being receiving to the public.

Maintenance work in the canals involved,

- Maintenance of Walkways and Bicycle track
- Surface Cleaning of water body
- Maintaining turfing area to create a greenery view environment from surrounding area
- Maintaining created and creating an ideal eco development for the upstream Bellanwila bird sanctuary
- Creating and Maintaining Entertainment locations

The annual maintenance works of this buildable area is very important for sustainability of the created green city by SLLDC.



Benefits of this project included

- Prevent un-authorized encroachments from existing walkways
- Improve health of people by cleaning water bodies, parking areas and walk path by motivating people for exercise around that area.
- Improve the water quality of the water bodies.
- Prevention of soil erosion of the road in flood seasons.
- Cost minimization by using solar light system

Therefore the work has been carried out and the total cost of maintenance work done for the year 2019 is Rs. 39.03 million.

**1.4.a Maintenance of Lakes & Water Bodies**



**1.4. b Walk Path and Urban Landscaping Works**



**1.5 Maintenance of Walkways & Parking Areas including Solar Light System**

The number of projects has been completed under the Metro Colombo Urban Development Project to develop the commercial capital and its suburbs into a model green, clean and people friendly city, such as Diyatha Uyana Park, Nawala Wetland Park, Development of Japan Sri Lanka Friendship Road, Rampala watta Lake and Kimbulawela area are some of them.

Under these projects, created retention ponds the eco-friendly turfed secondary embankment designs have been introduced to the water retention areas such as Japan friendship road, Waters Edge, Kimbulawela and Chandrika Kumarathunga Mawatha to protect the eroding of the adjacent main roads and other important places from the wave generation. Also Walkways have been introduced to prevailing illegal land encroachments.

The maintenance of these parks has been carried out from SLLDC.

- Clearing and Maintaining water bodies
- Maintaining the turfing area create a greenery view environment from surrounding
- Maintaining the developed urban landscaping and parking areas (tree planting along the bank)
- Creating and Maintaining locations for social activities
- Tourism based ventures created new employment opportunities and scenery beauty

**1.5.a Waters Edge**



**1.5.b Kimbulawela**



Japan Friendship Walkway



Kimbulawala Walkway

**1.5.c Colombo East**



Pagoda Wetland Park

Benefits of this project included

- Prevent un-authorized encroachments from existing walkways
- Improve health of people by cleaning water bodies, parking areas and work path by motivating people for exercise around that area.
- Improve the water quality of the water bodies.
- Cost minimization by using solar light system

The total cost of work done for year 2019 is Rs.46.76 million.

**2. Development, Urban Landscaping and Improvement to Existing Secondary Canals and Maintain Offices in Metro Colombo Area (The canals are not being maintained by any institution)**

Most of secondary canals which do not come under the preview of any organization are also not being maintained by any organization. Every organization back out from this work as they have no responsibility. This was resulted in many minor flooding problems due to reducing of canal section and the blockages in canal links. In order to mitigate this problem, it is necessary to improve these secondary canals and link them. So these secondary canals also have been maintained by the SLLDC. Improvement of the existing secondary canals results in flood free environment.

Main activities in this project were as follows,

- Prevent encroachments in to the canals and their reservations
- Provide an access road where necessary for maintenance work
- Control of solid waste disposal, discharge of sewerage

Under this item, SLLDC has to maintain the canals of Sri Wickrama canal in CMC area, Wedamulla lakes and Highway cross canals at Peliyagoda area and some important secondary canals in Mudun Ela (Around KTU site). Also canals in outside Colombo area which are identified as more sensitive for flooding.

The objectives of this project include,

- Prevent any inconvenience to the public due to the localized flooding area
- Create better connection of the entire canal system
- Keep entire environment clean and beautiful



Highway Cross Canal



Sri Wickrama Canal



Wedamulla Lake 1



Wedamulla Lake 2



Canals around KTU Site

Accordingly, the total cost for maintenance work of these canals is Rs. 29.05 million for year 2019.

**3. Drainage improvements & taking remedial measures for the flood related issues in public places on request of disaster situation**

Frequent flooding is the most destructive form of natural hazards in Sri Lanka. This is true in terms of both losses of life and property damage. It is also the most prevalent form of natural hazard. In order to prevent this situation, SLLDC has taken remedial measures to sort-out the problems affected to the general public.

During the last years the public places, societies and religious places are located in Western Province region requested to get our immediate help to solve the drainage problems in and around their premises such as Canal block cleaning work at Sadhaham Mawatha Canal and Kindha at Dhahamwela Canal, Flood Mitigation Activities during Flood Season at Kolonnawa, Peliyagoda areas and Kimbulawala.

Requisitions were made for,

- Cleaning Block Path in Canals during Flooding
- Removing Unauthorized Structures to proving free flow to the Flood.
- Cleaning of canals for reduction of water borne diseases, etc.

The total cost for year 2019 is Rs. 2.24 million.

- **Remedial activities taken by Colombo North Regional office during the high flood.**



- **Remedial activities taken by Colombo East Regional office during the high flood at Parliament premises**



Prepared sand barriers around the Parliament premises

#### 4. Kalu Oya Basin Maintenance of Canals

Kalu Oya starts from 5 Minor tanks which are located in Gampaha District and it covers 5 divisional secretariat Divisions and finally ended up in Kelani River (Nearly 12km including both Major and Minor Canals)

- Kelaniya
- Biyagama
- Wattala
- Ja-Ela
- Mahara

The Kalu Oya basin has experienced steady growth in residential and industrial sector. It has attracted new residents due to the lower property values. It is now targeted as a priority area for future urban expansion as the population of Colombo grows. With this rapid development it needs more attention on urban infrastructure, including storm water drainage to reduce vulnerability of the natural hazards.

SLLDC carry out canal improvement and maintenance works by dredging of canals, desilting and canal bank

protection works where necessary in both major and minor canal.

The objectives of the project were set up as follows,

- Decrease flood damage by improvement of the stormwater drainage system
- Raise the standard of living by reducing (or managing) the flood risk
- Improved safety and security for community
- Reduced disruption to social and commercial activities
- Reduced health risks to residents
- More attractive urban environment

Total value of work done for year 2019 is Rs. 19.76 million.



Kalu Oya

#### 5. Canal Bank Protection Work (Gabion Work, Sheet Piling, RRM Walls, RCC walls)

Treasury has allocated funds to rehabilitate and improve canal banks to serve the drainage needs of the Colombo Main Canal System.

During the period of 1992 to 1998 the canal system in and around Colombo was developed with the canal bank improvement works etc. However at present some part of the canal banks are damaged due to several reasons carried out by the public and the natural erosion of the canal banks.

Considering the above facts, it is proposed to protect the banks of major canals in Colombo North region, Colombo South region and Colombo East region and its suburbs to avoid scouring and collapsing of canal banks and also to define the canal banks properly to maintain the maximum possible width.

Under this project following development works have been carried out in these areas.

- Construction of Gabion wall at Heen Ela near SLLDC workshop and Playground at Kirimandala Mawatha
- Lake improvement work of Sudassanarama Viharaya at Battaramulla
- Construction of Chain Link fence along the Attidiya Lake II
- Construction of Chain Link fence along Badowita Canal near Mini playground

Total cost of work done for the year 2019 is Rs. 36.71 million.



Construction of Gabion Wall at Heen Ela



Surface clearing work of Lake at Sudarshanarama Viharaya



Chain Link fence along the Attidiya Lake II



Chain Link fence along Badowita Canal

**6. Rehabilitation and Maintenance Road along the canals and Lakes**

Maintenance Roads along canal network in Colombo Metropolitan region has been rehabilitated by SLLDC.

By improving the Maintenance roads, the Corporation achieved the out comes as follows

- To provide easy access to the heavy machines

- To provide required space to the tippers and Lorries
- To provide required Space to the mobilization and Demobilization of machinery.
- To prevent encroachments in to the canals and their reservations.
- To minimize the dumping waste to the Canals.

Further, the rehabilitation of roads will create new bypass within the Colombo city and it will help to reduce the current vehicle traffic congestion. Under this project following development works have been carried out in these areas.

- Proposed improvement work on the Gabion wall along the Heen Ela (RHS) from Sri Jayawardanapura road to Model Farm Land
- Proposed Widening of Culvert at Road between Narahenpita- Nawala and Kirimandala Mawatha



Total cost of work done for the year 2019 is Rs. 10.32 million.



Improvement work on the Gabion Wall along the Heen Ela



Widening of Culvert near to Lanka Wall Tile Nawala-Narahenpita

**7. Dredging, rehabilitation and maintenance of N1, N1 - iii, S1 and S2 Canals in Lunawa Canal network and urban landscaping of Lunawa Lake and its surroundings**

Lunawa Lake is in the south of the Colombo District covering 6.15 km from the Dehiwala-Mount Lavinia Municipal Council area in the North to the Moratuwa Municipal Council area in the South. The Government in July 2000 launched the Lunawa Environment Improvement and Community Development Project with international funding, when the lagoon was heading for disaster.

In the proposed project area, the Lunawa Ela is the main canal, which runs through the low-lying area extending from North to South and flows into the Lunawa Lake. The basin is composed of many minor basins which drains storm water directly into the lake in the Western and Southern parts of the lake. The Lunawa Lake is connected to the sea under the railway bridge located to the south of the Angulana Railway Station.

Annually SLLDC maintains the part of the main canal system. Dredging and some of rehabilitation works to be done in and around the Lagoon area and part of the Main Canal System, as well. Accordingly, SLLDC has attended to cleaning and dredging works in Main Canal System in order to create a pleasant environment to the public, as social responsibility.

The outputs of this project were,

- Creating a hygienic environment in urban area for people's healthy life and for keeping dignity of the city at a high level through improvement of the storm water drainage system.
- Preventing floods in the project area where the economic and cultural activities, including education have been often disrupted.
- Improving the water quality of the canals and the sea that receives storm water from urban area.
- Creating a pleasant environment by dredging, cleaning and maintaining part of the Main Canal System.
- Increasing of water carrying capacity of the canal by siltation
- Controlling the solid waste comes into the Lake and canal system.
- Preventing encroachments and illegal activities within the canal and lagoon reservations.

Therefore the total cost of work done for the year 2019 is Rs. 19.18 million.



S1 Canal



S2 Canal



N1 Canal



N1 - iii Canal

**8. Improvement Drainage system and Embankment in Ragama & surrounding including Polgahawewa Tank and upper reservoir at Ragama**

The main objective of this project is maintaining and developing the tanks and its surrounding area in order to collect the storm water and retain during the rainy season and develop walkway around retentions to stop encroachments and keep the environment clean by improving the water intakes.

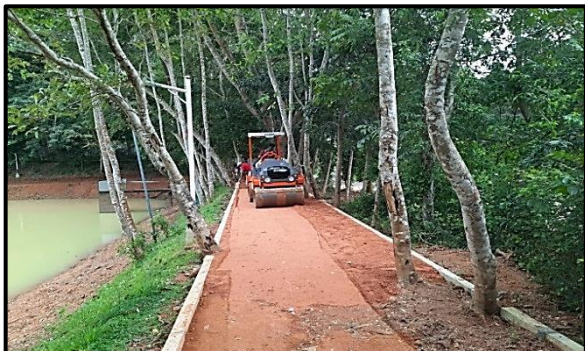
Other benefits of this project include beautification work in the vicinity of water bodies to enhance recreational activities, increasing the standards of living of the people in surrounding area and improving the existing canal systems etc.

Under this project we attended for following,

- Construction of proposed chain link fence along the Polgahawewa Lake.
- Dredging of Basilika Lake, Thewatta by using machinery and forming walk path using the dredge materials, fixing concrete kerbs and laying of buffalo turf along the embankments with fertilizer layer.

- Formation of Cofferdam for the pond at Pope Benedict Center
- Dredging of Peralanda Wewa at Ragama

Accordingly the total value of work done for year 2019 is Rs. 40.55 million.



Rehabilitation of Thewatta Basilika Lake



Rehabilitation of Ragama, Peralanda

#### 9. Maintenance of Old Dutch canal and connected water bodies along the Colombo- Katunayake express way (CKE)

During Construction of CKE, the nearby area has been severely flooded due to inland water. Later on the Old Dutch canals and connected water bodies has been improved to create free flow of the rain water in order to minimize the flood risk and to reduce the inland water related issues.

Accordingly, SLLDC has been regularly attended to the maintains of the Old Dutch canals and connected water bodies and the total value of work done for year 2019 is Rs. 15.95 million.

#### 10. Improvement of Existing Pumping Station at Peliyagoda (PSP) and its Annual Maintenance & Operation

The existing Pump House at Peliyagoda which was developed for pumping storm water in Peliyagoda area during the Kelani River downstream at High Flood level. It consists of 2 nos. of Vertical Axial Pump (Electrical Driven) currently maintained by the SLLDC.

Under 2019 budget allocation, SLLDC has attended for rectification and maintenance of existing Peliyagoda Pump House & its inflow Canals.

Main Objectives were,

- Rehabilitation of Existing Pumping station and its feeding canal
- The Annual Operational and Maintenance works

Total value of work done for year 2019 for the above project is Rs. 5.02 million.



Inflow Canal to the Pump House

#### 11. Drainage Improvement and Urban Landscaping Development Project in Katubedda

On 20<sup>th</sup> May 2018 this park has been opened to the public. Other benefits of this project include, increase the capacity of lake and protect the surrounding area from further encroachment, beautification work in the vicinity of water bodies to enhance recreational activities, improve the existing canal systems and lakes due to the changes of town development filling and surrounding developments etc.

Under the objectives of this project were maintenance of Katubedda Lake, Parking area and Walkway along the Lake Bund and to keep the environment clean and create a better connection of the canal system.

Main objectives of this project were,

- Maintaining turfing area create a greenery view environment from surrounding with minimum usage of material (Rubble, sand).
- Maintaining urban landscaping (tree planting along the bank).
- Maintaining created walkways & parking area including solar light system.
- Maintaining and improving the created new employment opportunities & scenery beauty.
- Improving and maintaining existing drainage system to facilitate free flow of the canals.
- Creating a green and flood free environment to the public.
- Increase commercial value of the properties of the area.

Accordingly, SLLDC has been carried out maintenance work of Walkway at Katubedda and the total cost of work done for the year 2019 is Rs. 9.29 million.



Maintenance work of Walkway in Katubedda

### 12. Drainage Improvement related to Flood mitigation projects within the Western Province

Drainage improvement works were carried out to mitigate loss of life and property damage due to the frequent flooding. It is the most destructive form of natural hazards in Sri Lanka.

The following projects were carried out under the above work:

- Dredging of Ambathale Canal
- Dredging of Angoda Mandawila Lake
- Improvement of Marsh Area at Nelumpedesa Kalapaluwawa
- Dredging of Diyawanna Lake (Sea plane Area)

Accordingly, total value of work done for year 2019 is Rs. 43.05 million.

### 13. Drainage improvement & urban landscaping projects in Outside Colombo District

The objectives of this project are rehabilitation of lakes, desilting and dredging of the illegal filling done by the encroachers, construction of Walkway along the lake bund and keeping the environment clean and create a better connection of the canal system related to development etc in major cities and location Outside Colombo District in order to mitigate the flood risks.

During Year 2019, Construction of Bank protection work from Siriniwasa Road to Sea outfall for Maha & Kuda Waskaduwa Area at Kaluthara has been carried out to address the prevailing flood risk around Waskaduwa Area.

Other benefits of this project include,

- Improve the existing canal systems and lakes due to the changes of town development
- Increase the capacity of lake
- protect the surrounding area from further encroachment
- beautification work in the vicinity of water bodies to enhance recreational activities

Total value of work done for year 2019 is Rs. 28.27 million.



Proposed Construction of Gabion Structure under Storm Water Drainage System for Maha & Kuda Waskaduwa Area, Kalutara

### 14. Drainage & Environmental Improvement Works in Parliament Upper Catchment of Battaramulla and its Surrounding Area

Main purpose of the project is flood mitigation of Parliament premises and its surroundings and conservation of wetland in upper catchment by improving the environment for Green City concept.

The following projects were carried out under the above work;

- Dredging of Palamthuna Junction Lake – Battaramulla
- Dredging of Canal Silumini Temple at Kimbulawala
- Surface Clearing works of Akuregoda Peripheral canal

Other benefits of this project include,

- Create flood free, eco-friendly Green Environment by increasing retention capacity and urban Landscaping
- Prevent encroachments for land filling activities
- Solid Waste Management
- Improve the water quality
- Drainage Improvements
- Urban Landscaping

The total cost of works done for the year 2019 is Rs. 1.13 million.



Dredging of Palamthuna Junction Lake



Surface Clearing works of Akuregoda

**CLIENT PROJECTS**

**1. Design and Construction of Landscape Works for Urban Square at Galawaththa -Panadura**

Client : Ministry of Megapolis & Western Development  
 Starting Date : 2018.11.10  
 Project Status : Completed on 2019.01.15  
 Estimated Cost : Rs. 88.29 Mn (without Con. & VAT)  
 Work done up to 2019 : Rs. 61.64 Mn



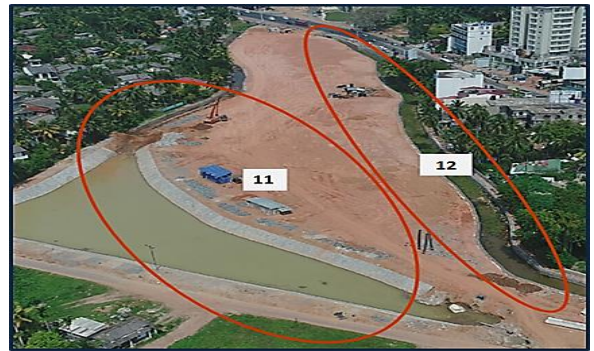
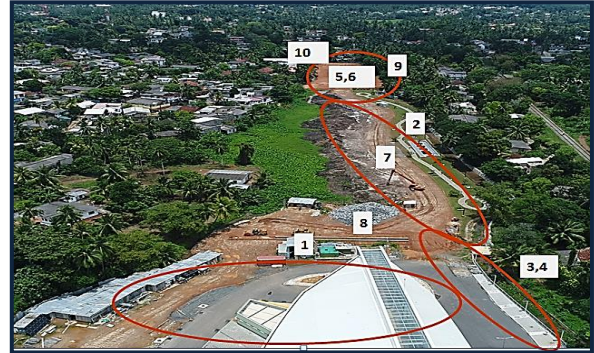
**2. Land Improvement of Garbage Dumping Site at Peliyagoda**

Client : Urban Development Authority  
 Starting Date : 2017.11.22  
 Project Status : Completed on 2019.07.21  
 Estimated Cost : Rs. 36.31 Mn  
 Work Done up to 2019 : Rs. 24.01 Mn



**3. Makumbura Multi – Modal Center Project**

Sri Lanka Land Development Corporation (SLLDC) involved in the design and construction of Land Improvement work, Drainage Improvement work and landscaping work at the Makumbura Multi- modal center premises. Accordingly, afore mentioned sub projects at Makumbura MMC, were executed by SLLDC with our great capacity of field of Engineering and core competence for carrying out the Land and Drainage Improvement work.



Site Layout of the projects executed by SLLDC

**3.1 Land Development, Drainage Improvement Linear Park Walkway - Makumbura Phase I**

Client : Urban Development Authority  
 Starting Date : 2017.11.22  
 Extension of Time : 2019.02.08  
 Project Status : On Going  
 Estimated Cost : Rs. 209.14 Mn  
 Work Done up to 2019 : Rs. 167.92 Mn

**3.2 Drainage & Reclamation between High Level Road & DD Kulathunga Road - Makumbura Phase II**

Client : Urban Development Authority  
 Starting Date : 2017.11.22  
 Extension of Time : 2019.03.31  
 Project Status : On Going  
 Estimated Cost : Rs. 194.31 Mn  
 Work Done up to 2019 : Rs. 161.90 Mn

**3.3 Design and Construction of Land Development Work for the Overflow Bus Park - Package IV (Multimodal Transport Centre at Makumbura)**

Client : Township Development Component (3K Project)

Starting Date : 2018.04.05  
 Project Status : Completed  
 Estimated Cost : Rs. 66.26 Mn  
 Work Done up to 2019 : Rs. 46.39 Mn

**3.4 Design and Construction of Drainage Improvement Work for overflow Bus Park & Access Road – Package VIII (Multimodal Transport Center at Makumbura)**

Client : Township Development Component (3K project)  
 Starting Date : 2018.11.26  
 Project Status : Ongoing  
 Estimated Cost : Rs. 82.81 Mn (without Con. & VAT)  
 Work Done up to 2019 : Rs. 56.03 Mn

**3.5 Asphalt Work for Overflow Bus Park (Package V), Multimodal Center, Makumbura**

Client : Township Development Component (3K project)  
 Starting Date : 2019.01.18  
 Completion Date : Completed on 2019.05.19  
 Estimated Cost : Rs. 61.04 Mn (without Con. & VAT)  
 Work Done up to 2019 : Rs. 46.36 Mn

**3.6 Asphalt Work for Access Road Side, Side Drains, Catch Pits and (Package VI), Multimode Center, Makumbura**

Client : Township Development Component (3K project)  
 Starting Date : 2019.01.18  
 Completion Date : Completed on 2019.05.19  
 Estimated Cost : Rs. 78.07 Mn (without Con. & VAT)  
 Work Done up to 2019 : Rs. 48.62 Mn

**3.7 Construction of 5m Length Concrete Drains (1mx0.9m) to collect water from the catchment areas, Two Nos. Of Two bay Box Culverts (1.5mx1.5m) for 4m Length, catch pits, land improvement works and paving block for the walk way of access road (Package IX), Multimodal Center, Makumbura**

Client : Township Development Component (3K project)  
 Starting Date : 2019.01.18  
 Completion Date : Completed on 2019.05.19  
 Estimated Cost : Rs. 36.97 Mn (without Con. & VAT)  
 Work Done up to 2019 : Rs. 6.07 Mn

**3.8 Construction of over flow Bus Park, Access road at Multimodal Transport Center Makumbura - Package VII**

Client : Township Development Component (3K project)  
 Starting Date : 2018.02.05  
 Project Status : Completed  
 Estimated Cost : Rs. 36.97 Mn (without Con. & VAT)

Work Done up to 2019 : Rs. 6.07 Mn



**4. Proposed Drainage Improvement Works of Interchange at Kerawalapitiya**

Client : Metallurgical Corporation of China Ltd (OCH)  
 Starting Date : 2018.02.05  
 Project Status : Ongoing  
 Estimated Cost : Rs. 32.76 Mn  
 Work Done up to 2019: Rs. 18.26 Mn



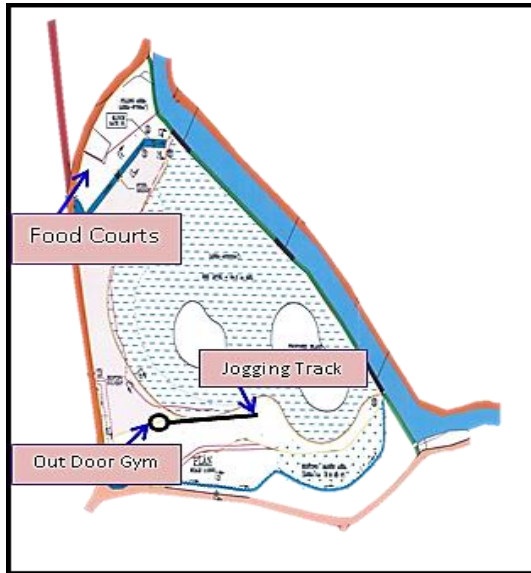
**5. Proposed Development project at Kawanthissa Wewa in Embilipitiya**

**Stage III**  
 Client : Ministry of Megapolis & Western Development  
 Starting Date : 2018.05.04  
 Project Status : Completed on 2019.03.31  
 Estimated Cost : Rs. 88.66 Mn (without Con. & VAT)

Work Done up to 2019 : Rs. 78.85 Mn

**Stage IV**  
 Client : Ministry of Megapolis & Western Development  
 Starting Date : 2018.10.26  
 Project Status : Completed on 2019.08.15  
 Estimated Cost : Rs. 28.60 Mn (without Con. & VAT)

Work Done up to 2019 : Rs. 21.59 Mn



Improvement works of Kawanthissa Wewa in Embilipitiya

**6. Cleaning of east Beira Lake (dredging work) under the Beira lake intervention area development plan**

Client : Ministry of Megapolis & Western Development  
 Starting Date : 2018.06.22  
 Project Status : Completed on 2019.03.22  
 Estimated Cost : Rs. 74.32 Mn (without Con. & VAT)  
 Work Done up to 2019 : Rs. 74.53Mn



Cleaning of East Beira Lake (Dredging Work)

**7. Cleaning of west Beira Lake (dredging work) under the Beira lake intervention area development plan**

Client : Ministry of Megapolis & Western Development  
 Starting Date : 2018.06.22  
 Project Status : Completed on 2019.02.24  
 Estimated Cost : Rs. 54.54 Mn (without Con. & VAT)  
 Work Done up to 2019 : Rs. 47.58 Mn



**8. Dredging and maintenance of canals in Colombo city**

Client : Colombo Municipal Council  
 Starting Date : 2018.08.01  
 Project Status : Completed on 2019.08.01  
 Estimated Cost : Rs. 26.66 Mn (without Con. & VAT)  
 Work Done up to 2019 : Rs. 24.73 Mn



Aramaya Canal



Port Access Road Canal



Madampitiya Canal



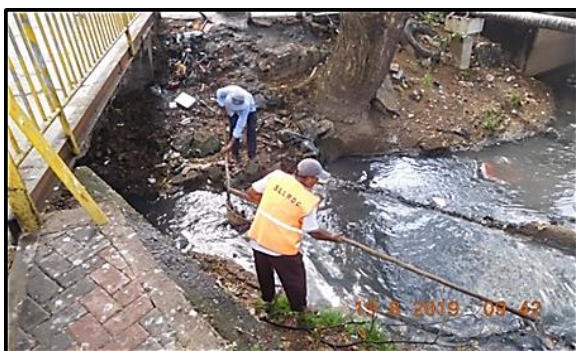
Stadiumgama Canal



Kimbula Ela Canal



Maligawaththa Canal (II)



Maligawaththa Canal (I)

**9. Beira Lake - linear park development project (construction of bank protection wall along western bank of east)**

Client : Ministry of Megapolis & Western Development  
 Starting Date : 2018.07.30  
 Extension of Time : Completed on 2019.12.31  
 Estimated Cost : Rs. 154.24 Mn (without Con. & VAT)  
 Work Done in Year 2019: Rs. 122.22 Mn

*Sri Lanka Land Development Corporation*



Linear Park Development Project

**10. Design & Construction of Proposed Wetland Park "Siyatha" at Gampaha - Stage I - Phase II**

Client : Ministry of Megapolis & Western Development  
 Starting Date : 2018.09.09  
 Project Status : Temporally Suspended by the Client due to Public resist  
 Estimated Cost : Rs. 107.82 Mn (without Con. & VAT)  
 Work Done in Year 2019: Rs. 41.95 Mn



Construction of Proposed Wetland Park 'Siyatha' at Gampaha

**11. Design & Construction of land Development Works for Proposed River Side Development works for proposed river side Development at Matara- Stage II**

Client : Ministry of Megapolis & Western Development  
 Starting Date : 2018.10.30  
 Project Status : Completed on 2019.06.21  
 Estimated Cost : Rs. 44.36 Mn (without Con. & VAT)  
 Work Done up to 2019 : Rs. 27.11 Mn



Development at Matara - Stage I

**12. Landscape works of Community Building at Thalawthugoda**

Client : Ministry of Megapolis & Western Development  
 Starting Date : 2018.09.09  
 Project Status : Completed  
 Estimated Cost : Rs. 3.73 Mn (without Con. & VAT)  
 Work Done in Year 2019: Rs. 2.75 Mn

**13. Rehabilitation & Rectification of Moragoda Ela - Galle**

Client : Strategic Cities Development Project  
 Starting Date : 2018.07.17  
 Project Status : Ongoing  
 Date of Completion : 2019.09.18  
 Estimated Cost : Rs.628Mn (without Con. & VAT)  
 Work Done in Year 2019: Rs. 41.95 Mn



Moragoda Ela – Galle Project

**14. Repair to the Damage Retaining wall around the Parliament Complex**

Client : Parliament of Sri Lanka  
 Starting Date : 2019.11.03  
 Project Status : Completed on 2020.01.03  
 Estimated Cost : Rs.27.00 Mn (without Con. & VAT)  
 Work Done up to Year 2019: Rs. 12.15 Mn

**OWN PROJECTS**

**1. 400m strip land development at Muturajawela**

Project Status : On Going  
 Estimated Cost : Rs. 308.02 Mn  
 Work Done in Year 2019 : Rs. 332.85 Mn



Sri Lanka Land Development Corporation

**2. Construction of Proposed RCC Drain at Kerawalapitiya**

Project Status : Completed  
 Estimated Cost : Rs 75.08 Mn  
 Work Done up to 2019 : Rs. 69.18 Mn

**3. Construction of Four lane road at Kerawalapitiya**

Project Status : Completed on 14.08.2019  
 Estimated Cost : Rs 65.09 Mn  
 Work Done up to 2019 : Rs. 66.30 Mn



**4. Proposed Box Culvert for Sand packing plant at Kerawalapitiya**

Project Status : Completed  
 Estimated Cost : Rs 28.15 Mn  
 Work Done up to 2019 : Rs. 15.74 Mn

**5. Proposed internal Roads and access road to the Sand packing plant at Kerawalapitiya**

Project Status : Completed on 14.08.2019  
 Estimated Cost : Rs 55.01 Mn  
 Work Done up to 2019 : Rs. 70.86 Mn

**6. Proposed 10m Wide Road for Battery Watta land at Kerawalapitiya**

Project Status : Completed  
 Estimated Cost : Rs 7.88 Mn  
 Work Done up to 2019 : Rs. 7.30 Mn

**7. Proposed Gabion Structure and Chain Link Fence at Kerawalapitiya**

Project Status : Completed on 30.07.2019  
 Estimated Cost : Rs 7.53 Mn  
 Work Done up to 2019 : Rs. 8.62 Mn



**8. Proposed 8m wide Access Road to SLLRDC Lane at Kerawalapitiya**

Project Status : Completed  
Estimated Cost : Rs 25.95 Mn  
Work Done up to 2019 : Rs. 25.18



**9. Proposed Road Development for Sand Packing Plant at Kerawalapitiya**

Project Status : Completed on 06.08.2019  
Estimated Cost : Rs 7.25 Mn  
Work Done up to 2019 : Rs. 7.25 Mn

**10. Removal of Mud layer from the Land allocation for Reclamation by using sea sand -400m**

Project Situation : Completed  
Estimated Cost : Rs 15.82 Mn  
Work Done up to 2019 : Rs. 3.25 Mn

**11. Asphaltting of Proposed 8m Wide Access road to the rear side of the Sand Packing plant & 4m wide Service Road to the Loading bay at Kerawalapitiya**

Project Status : Completed on 09.11.2019  
Estimated Cost : Rs 25.51 Mn  
Work Done up to 2019 : Rs. 22.68 Mn

## Weras Ganga Storm Water Drainage and Improvement Project

As a result of the rapid urbanization in and around Colombo city, unplanned land filling and canal encroachments have been increased. The massive floods in Nugegoda, Raththanapitiya, Boralesgamuwa, Piliyandala & Werahera areas during rainy season is experiencing almost every year. Sri Lanka Land Development Corporation (SLLDC) with the assistance of Japan International Cooperation Agency (JICA) has prepared a comprehensive Master Drainage Plan for Colombo Metropolitan Region. As per the recommendations of the study, Weras Ganga Storm Water Drainage & Environment Improvement Project was launched in 2011.

The Cabinet approval has been obtained for the aforementioned project on 30<sup>th</sup> August 2013 to commence construction work by SLLDC, since the SLLDC is the only organization who has the capacity to carry out major flood control projects, it compelled to do the entire designing work and the implementation and construction of the project. The revised cost of the project is Rs.11, 050 million.

### Objectives

Main objective of this project is to mitigate flood by further widening of existing canal network, bank protection of canal banks, preserve flood retention areas and create lakes, improvement of existing culvert and bridges, construction of new structures, enhancing re-cultivation of abandoned paddy fields, water front recreational activities and restoration of Attidiya Bird Sanctuary. Since this project has mainly targeted for flood mitigation, the whole island and the residents of the area are benefited by minimizing flood damage and mosquito borne deceases and leptospirosis. After the project commenced the land value of the area has been increased considerably.

Weras Ganga Storm Water Drainage & Environment Improvement Project is an investment for the nation which uses the local engineering technical capacity to build flood free canal system under gravity by local contractors of the Sri Lanka.

Currently cumulative value of work done up to the end of December 2019 is about Rs. 7,058.68 million.

The project activities are continuing and the public is getting the maximum benefit from the completed sections of the project.

### Effective Catchment of the Project

The catchment size of the Weras Ganga Storm Water Drainage & Environment Improvement Project is about 55.5 km<sup>2</sup>.

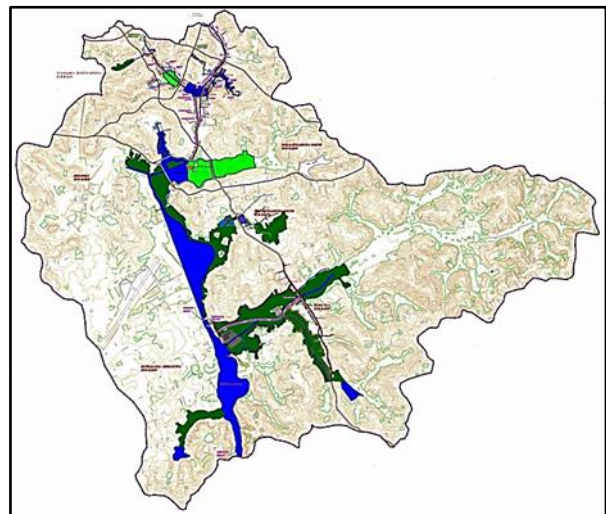


Figure 1: Effective Catchment Area

The whole catchment was divided in to six zones and constructions are currently ongoing.

### 1. Completed Construction Works at the End of Year 2019

#### 1.1 Storm Water Drainage Improvement Canal Improvements



Approximately 6km of total length of Concrete, Gabion and Sheet Pile Bank protections canal improvements have completed with motorable asphalt or gravel maintenance road. Approximately 10 km total lengths of earthen periphery canals have excavated to connect lateral flow to main canal.

**Structure Improvements**



**Sooriyamal Mawatha Bridge**



**Pengiriwatta Bridge**

Under the project 7 Nos of Bridges, 12 Nos of Culverts and 3 Nos of Steel Foot Bridges were constructed to match with the level of newly constructed Canals and Roads.

**Retention Area Improvements**

Under the project approximately 55 hectares extent of retention areas are being developed as Ponds, Lakes and Marshes to enhance water retention capacity.



**Manel Mawatha Lake**



**Sooriyamal Mawatha Lake**



**Werahera Retention Area**

**2. Re-Cultivation of Abandon Paddy Land**



Total extent of 3.02 hectares is developed as Paddy cultivated area and 1.52 hectares is developed as crop cultivated area to enhance agriculture activities.

**3. Environment Improvement Work with Enhancement of Recreational Activities.**

**3.1 Bellanwilla Retention Area**





Total extent of 15.3 hectares is developed as Bellanwillia Retention Area with environment improvement and water front recreational activities. This will have optimized the land usage and facilitate the urban community as Linear parks. The work includes Parking Ares, Water Fountain, Foot Path, Children's Play Areas with Shops and Food Stalls, Jogging Tracks, Cycle Tracks, etc...

### 3.2 Kelimadala Leisure Park

Total extent of 1.9 hectares Kelimadala Leisure Park was specially designed for differently able children. Leisure Park consists of Car Park, Water Fountain, Foot

path, Shops and Food Stalls and Children's Play Areas. This was proposed to optimize the land usage and facilitate to urban community. The total expenditure is about Rs. 400 Mn.



## Research and Designs Division

### Consultancy Services

The Research & Designs division undertakes consultancy works on Storm Water Drainage Designs, Reclamation projects, Architectural Designs & Structural Designs for buildings and bridges for the public and private sector institutions.

### Engineering Materials Testing Laboratory

The Engineering Materials Testing Laboratory (EMT Lab) functions under the Research and Designs Division of SLLDC. It is capable of carrying out various materials testing ranging from soil, concrete (fresh and hardened), aggregate (fine and coarse) and water.

Moreover, borehole investigations are being carried out by EMT Laboratory using rotary (wash boring), percussion or hand auguring techniques. The EMT Laboratory consists of a YWE D45 rotary drilling machine and a DANDO 2000 percussion drilling machine.

The highest income in the history of the EMT Laboratory, which amounted to Rs. 31 Million, was recorded in 2019. The EMT Laboratory has supported various projects carried out by SLLDC and a few are mentioned below.

- GCFC & EI Project
- Proposed Regional Office at Muthurajawela
- Off-shore sand dredging project
- IEER for Dikowita Sea Water Outfall
- Makumbura Development Project
- Water Quality Monitoring of Diyawanna Lake
- Homagama Land Development Project
- Colombo Water Quality Management Programme
- Waterfront Development Project at Ragama
- Proposed Bridge and Access Road to Sand Packing Building, Kerawalapitiya
- Land Improvement at the Garbage Dumping Site at Peliyagoda
- Proposed New Building for SLLDC Head Office
- Proposed Dredging Works in South-West Beira Lake
- Water Quality Monitoring for preparation of EIA Report of Development of land at Muthurajawela for CEB
- Proposed Pumping Station at Oliyamulla
- Wetland Center at Diyasaru Park

Furthermore, the EMT Laboratory plays a major role in monitoring the quality of off shore sand by monitoring chloride content and shell content as per SLS 1397:2010.

### Architectural Unit

This unit is established under Research & Designs division of SLLDC. It covers preparation of Architectural designs in building projects and Landscape work.

### Quantity Surveying Section

This section is established under Research & Designs division of SLLDC. It plays a very important role in

covering a vast area of quantity surveying activities providing services to the major projects of SLLDC.

On average the quantity surveying section has earned revenue of Rs. 58.9 Million for the provision of services for external and internal projects.

### TREASURY FUNDED PROJECTS

Drainage Designs for all the Treasury funded projects handled by the Drainage & Reclamation Division has been prepared by the Research & Design Division. The division was entrusted with the preparation of Storm Water Drainage plans, Landscape drawings and Estimations.

#### 1. Preparation of Master Drainage Plans (Outside Area)

Treasury allocation for year 2019 – Rs. 7 Mn

Value work done for year 2019 – Rs. 7 Mn

Collection of data, survey work and preparation of Master Drainage Plans for Colombo & Outside area, have been done to mitigate floods. Two Master drainage proposals have been completed. One proposal has been suspended and another four proposals are in progress. These six projects are tabulated below.

Table no.1 Drainage Proposals

No.	Project	Remarks
1	"City Sewerage Master Plan" for Koswatta. (JICA)	Conceptual design completed. Pending EIA approval for detail design
2	Review the drainage study of Polduwa Road & Subuthipura, Battaramulla.	Polduwa project continue with RDA & line Ministry guidance. 1km completed.
3	Review of UDA Master plan at Koswatta.	Completed
4	Surveying works along existing canal system at Widya road.	Completed
5	Bindunu Ela Rehabilitation Project	Conceptual design completed. Forwarded to Kalutara Dist. Secy. for NPD approval.
6	Storm water drainage system for Maha & KudaWaskaduwa area- Kalutara.	Conceptual drainage plan & cost estimate have been prepared. Drainage plan is being reviewed after the heavy flood which occurred in 2019.

#### 2. Detail Drainage Study in Moratuwa Ratmalana Sub Basin

The Moratuwa – Ratmalana sub basin is located in the Western part of the Werasganga basin. The extent of the sub basin is 8.1 Km<sup>2</sup>. The central area between Kandawala and Thelawala is occupied by densely populated residential areas and industrial compounds. Drainage condition in the lowland is unsatisfactory due to the absence of drainage system and topographic constraints. Within Moratuwa – Ratmalana sub basin there are 3 sub basins. These basins require channel improvement of the main stream and major tributaries, to cope with the increase in runoff due to urbanization. It is to be implemented to mitigate the flood damages in the sub basins.

Collection of Hydrologic and hydraulic data as well as survey data processes were launched in year 2016 and 2017, and for sub basin 1 it is almost completed. Conceptual design for sub basin 1 is in progress.

In the year 2018, the Corporation had planned to commence drainage improvement work in sub basin 1 and review sub basins 2 & 3 (except pumping station) and to complete detail designs of selected main channels. A few families are to be relocated for identified main channel trace before implementation of drainage proposal for sub basin 1.

Objective of this project is to improve the drainage network within the study area and the living standard of the people by improving the surrounding environment.

As per the recommendation of letter No. NPD/UDA/201/6/PP/20 dated 29.08.2016. NPD has given approval to implement the project with foreign funds. Meanwhile expertise team from JICA visited in Sri Lanka to examine the possibility of reviewing the "STORM WATER DRAINAGE PLAN FOR THE COLOMBO METROPOLITON REGION" which was done in year 2003. During the discussions they agreed to review the whole Moratuwa Ratmalana sub basin drainage study in coordination with SLLDC during the year 2018. Approval of the Board was granted to spend preliminary cost through Treasury Funds. Therefore, the Corporation allocated Rs. 30Mn as expenditure for 2018. Due to delays in the arrival of JICA team, SLLDC decided to use this Treasury allocation to enlarge culvert across Kandawala Road to clear the bottle neck. At that location bore hole investigation and design of culvert was completed.

### 3. Detailed Drainage Study in Peliyagoda, Mudun Ela Sub Basin

Treasury allocation for year 2019 – Rs. 3Mn  
Value work done for year 2019 – Rs. 3Mn

Peliyagoda and Mudunela are two sub basins that are located downstream of the Kelani river basin. These two sub basins are subject to frequent flooding mainly due to inadequate capacity of the drainage system and unplanned urbanization.

Hence it is planned to carry out a feasibility study in relation to the improvement of drainage system with a view to addressing the flooding effect in the basin. In line with above study, it has been planned to construct a pumping station at basin outlet at Oliyamulla and improve the associated drainage network.

Targets achieved in year 2017 are topographical and geotechnical survey, evaluation of existing canal system and hydraulic model set up.

Several field data relevant to the study which were missing during the survey were collected.

In 2018, Hydraulic model set up was fine tuned for several scenarios and different return periods. According to the results achieved, preparation of Hydrology & Hydraulic study report was initiated.

### 4. Preliminary Study in Attanagalu Oya & Ja - Ela Basins

Treasury allocation for the year 2019 is Rs. 1Mn Value of work done for year 2019 is Rs. 1Mn

The main causes for flooding in Attanagalu oya basin have been identified as, overflow from main streams (Attanagalu Oya, Uruwal Oya, Dandugam Oya and Ja-Ela), difficulty in natural drainage in lowland surrounding Muthurajawela Marsh and inadequate capacity of the storm water drainage system.

Survey work has been carried out in selected sub basins for future designs.

### 5. Drainage improvement work in Mulleriyawa Master Plan

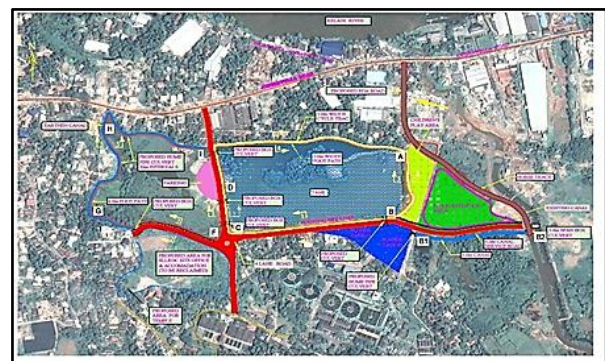
Treasury allocation for the year 2019 is Rs. 0.60Mn  
Value of work done for year 2019 is Rs. 0.60 Mn

The project area is located within the Kotikawatta-Mulleriyawa Pradeshiya Sabha limits and is bounded by Awissawella road to the North, Ambatale Water Treatment Plant & Pump House to the South and Madiwela East diversion canal to the East. SLLDC intended to commence the project to rehabilitate the Mulleriyawa Lake and its surroundings with a view to mitigating flood problems and creating a pleasing environment with upgrading the living standards of low income community of the area.

UDA initiated this project with SLLDC. UDA requested to SLLDC to resubmit the proposal of phase I. Revised project proposal is to be submitted for NPD approval.



Existing flood situation



Proposed drainage plan

## 6. Drainage Improvement Work at Piliyandala Town Development Area

Treasury allocation for the year 2019 is Rs. 3.0 Mn  
Value of work done for year 2019 is Rs. 3.0 Mn

Piliyandala is one of the towns located within the suburb of Colombo administrative area. Therefore, it receives high pressure for development. The existing town is already congested. Therefore, UDA has proposed expansion of the town by developing an abandoned paddy land and relocating the bus stand, market etc. A bypass road extending from Jaliyagoda to Kesbewa junction is already constructed to avoid traffic congestion along Colombo/Horana road and provide easy access to Southern highway.

At present, the extent of the land filled area is approximately 40 Acres, including bypass road and Piliyandala town ship. It is proposed to dredge a 10m canal and retention area to compensate for above land filling and drainage improvement work to mitigate the local flood and prevent illegal land filling along the bypass road.

National Planning Department approval received for the total cost of Rs.993 M for the period 2019 - 2021. Detail design works have commenced and are being coordinated with RDA and UDA for culvert construction and bus stand development respectively.

Survey work has been completed and several site inspections were carried out and conceptual Drainage Management plan was prepared. Downstream land acquisition work is completed.

## 7. Water Level & Discharge Measurements

Treasury Allocation for year 2019 – Rs. 8.5Mn  
Value of work done year 2019 – Rs. 8.52Mn

The main scope of Research and Designs division is to carry out Hydrological and Hydrodynamic studies and to prepare drainage plans. In this context, collection of Hydrologic data and Hydrodynamic data are essential for calibration and verification of Numerical Modeling system.

SLLDC collects Water Level data manually at 134 locations of canal system in seven identified basins as shown in Table no. 2.

At present, SLLDC is gradually moving to establish Automatic Water Level Gauges, so as to get more reliable Data sets in the future.

Table no.2 Locations of Water level measurements

Code	Basin	No of Locations	Now Processing	2018	2019	2020	2021
B-1	Bolgoda Basin	36	4	-	√	√	√
J-2	Jaela Basin	14	4	√	√	-	-
M-3	Mudun Ela Basin	18	13	√	-	-	-
K-4	Kalu Oya Basin	16	16	-	-	-	-
G-5	Greater Colombo	34	22	-	-	√	√
Ko-6	Basin	13	1	√	√	-	-
Be-7	Kolonnawa Barawa Basin	03	-	√	-	-	√
	Total	134	60				

The Corporation will plan to develop this system (period 2018 – 2021) as per the table 2 and convert manual reading method to Automatic update reading method.

In December, 2017, an agreement was signed between the SLLDC and the expertise team from JICA to review the Storm Water Drainage Plan for the Colombo Metropolitan Region which was done in year 2003.

Therefore, priority was given for collecting more data with high accuracy. The Corporation decided to purchase several instruments and Automatic water level data loggers spending around Rs. 6 Mn.

The repair works of the damaged gauge stations were carried out and the data collection is continued.

Table no.3 Summary of the progress

Code	Basin	No. of Location	Now Processing	Damage	2018 New	2018 Repair	2019 New	2019 Repair	2019 Auto Level
B-1	BOLGODA BASIN	40	11	20	5	2	5	4	4
I-2	JA-ELA BASIN	17	11	2	8	3	7	4	2
M-3	MUDUNEL A BASIN	18	13	1	0	5	0	5	2
K-4	KALUOYA BASIN	16	14	1	0	5	0	4	3
G-5	GREATER COLOMBO	35	32	1	1	27	1	9	1
KO-6	KOLONNA WA BASIN	13	12	0	0	1	0	2	0
BR-7	BARAWA BASIN	3	0	0	0	0	0	0	0
	TOTAL LOCATION	142	93	25	14	43	14	43	12

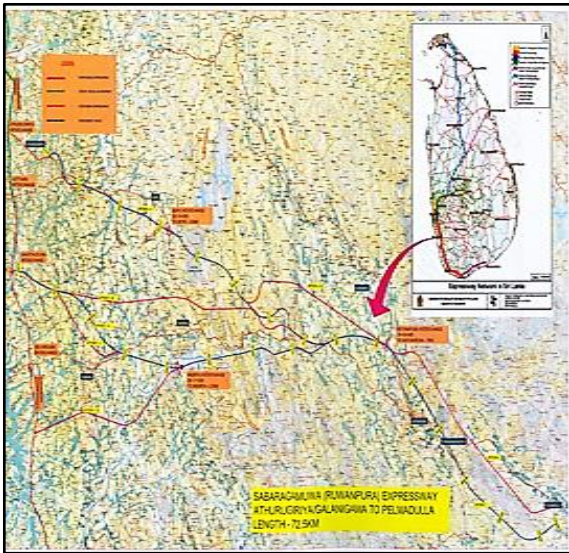
## CLIENT PROJECTS

### 1. Extension of Southern Expressway Project (ESEP) from Matara to Hambanthota

The Corporation had completed the review of Hydrology studies for ESEP for all Stages in year 2018. However, periodical site inspection has been carried out in year 2019 too. The value of work done for the year 2019 is Rs.0.29 Mn.

### 2. Hydrology Study for Ruwanpura Expressway Project

The Corporation undertook the consultancy services for hydrology study of Ruwanpura expressway in year 2017. The expressway has been designed to be constructed from Kahatuduwa up to Pelmadulla, and the total length is 74.0 Km. The scope of work includes carrying out hydrological and hydro dynamic studies and provision of dimensions of crossing structures together with High Flood Levels. At the inception, the estimated cost of the consultancy was Rs. 15.18 Mn. It was revised as scope of work was changed from review of feasibility study on hydrology to detailed hydrology study. The new estimated cost of the consultancy is Rs. 48.6 Mn. However, cost of survey works will vary as it is outsourced through tendering process. This was partially completed and only urgent survey works were done due to delay in payment approval by RDA. The value of work done for the year 2019 is Rs.2.5 Mn.



Proposed Ruwanpura Expressway

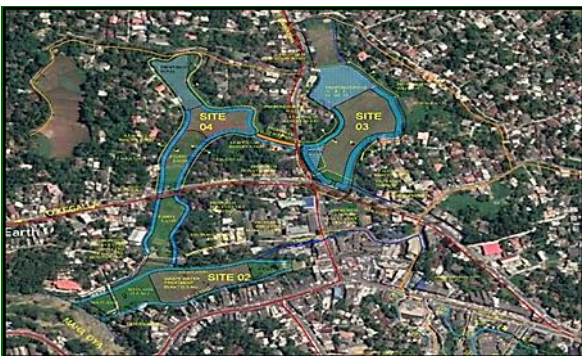
**3. Mawanella Town Development Project - Stage II**

Client : Divisional Secretariat – Mawanella/ Urban Development Authority  
 Funding Source : Divisional Secretariat – Mawanella/ Urban Development Authority  
 Category : Client Project / Consultancy Work  
 Estimated Consultancy Fee : Rs. 3.6 Mn (excluding Taxes)

Scope of this consultancy is to prepare a storm water drainage plan for proposed Mawanella town development project of Urban Development Authority.

90 % of the work was completed by the end of year 2019. Preparation of cost estimate is in progress.

Total consultancy fee for above work is amounting to Rs. 3.6 Mn excluding taxes.



Mawanella Town Development

**4. Hydrological & Drainage Study of Logistics & Business Park Project (LPB) and its surrounding Land Areas - Ekala**

Client : Ministry of Urban Development, Water Supply and Housing Facilities

Funding Source : Ministry of Urban Development, Water Supply and Housing Facilities, Aerocity Development Project  
 Category : Client Project / Consultancy Work  
 Estimated Consultancy Fee : Rs. 2.87 Mn(excluding taxes and contingencies)

This project consists of implementing three key projects namely Logistics and Business Park, Wetland/Amusement Park and Residential Development in Attanagalu Oya basin around Ekala town. The purpose of the study is to assess the urban drainage condition of the project area and evaluate the hydrological and hydrodynamic effects due to the implementation of that development. The study consists of feasibility level designs, technical plans and BOQs for structural and non-structural improvements, socio-economic impact appraisals of proposed improvements. Accordingly, SLLDC carried out the study and completed it as per the agreement.

Value of consultancy work done for year 2019 was Rs. 2.56 Mn.

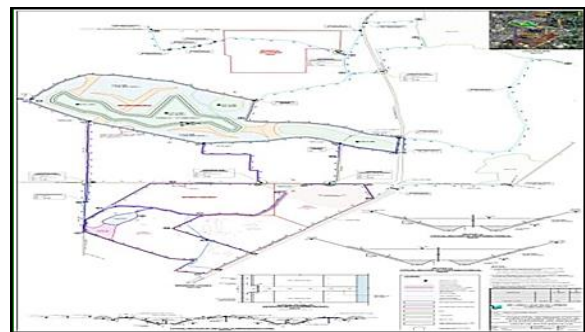


Fig 5. Lay out of Logistic & Business Park



Lay out of Wetland Park

**5. Consultancy Work on Drainage related to Western Bypass Road and Access Roads to the Mahenwatta Tech City (Homagama)**

Project Proponent : Western Region Tech City Development Project  
 Client : Road Development Authority  
 Category : Client Project / Consultancy Work  
 Estimated Consultancy Fee : Rs. 1.58 Mn.

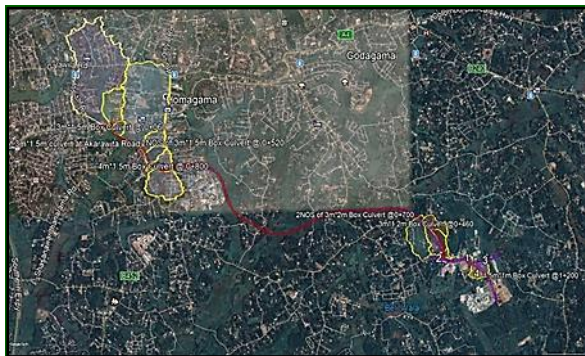
This consultancy is to conduct the hydrological & hydrodynamic studies for the proposed road network

in order to determine cross drainage requirement, road side drain tail water canal capacities, to provide the design flood levels and to decide the road finish levels. In the year 2019, the study was completed by covering 50% of the road network shown in following table as per the request made by RDA.

Value of the consultancy work done for the year 2019 is Rs. 0.75 Mn.

Table no.4 Detail of Road Stretch

Location Description	Tec City Project ID	Chainage	Progress
Dampe-Pitipana Road from SLT National data center to NSBM university	Part-B	0+570 to 1+610	Completed
Proposed western bypass road from SLT national data center to NCS premises	Part-C	0+000 to 0+500	Completed
Proposed western bypass road from Walawatta Junc. to Diyagama Junc.		0+000 to 1+150	Cross Drainage Structures details provide road side drain design on progress
Proposed road from NSBM to UOC premise	Part-D	1+600 to 2+330	Completed

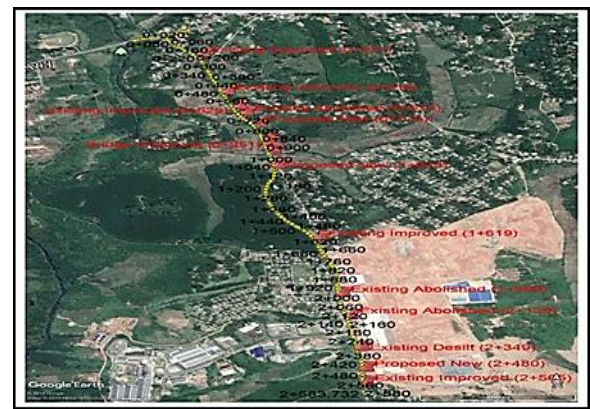


Lay out of Tech City

Category : Client Project / Consultancy Work  
 Estimated Consultancy Fee : Rs. 2.25 Mn (excluding Taxes and Contingencies)

This study is to conduct the hydrological study for the improvement of 2.5km length of road including providing the cross drainage structure capacities, road side drain and tail water canal capacities and provide the design flood levels to decide the road finish levels. Currently, cross drainage structures, road side drain and lead away canal details have been provided for road stretch from chainage 1+620 to 2+580 as per the client requirement. Moreover, high flood levels (HFLs) were given for 25year return period rainfall event covering the whole road stretch. 50% of the work has been completed.

Value of consultancy work done for the year 2019 was Rs. 1.29 Mn.



Lay out of Wagawatte Road

**6. Rehabilitation & Environment Improvement of Piliyandala – Maharagama Road Project**

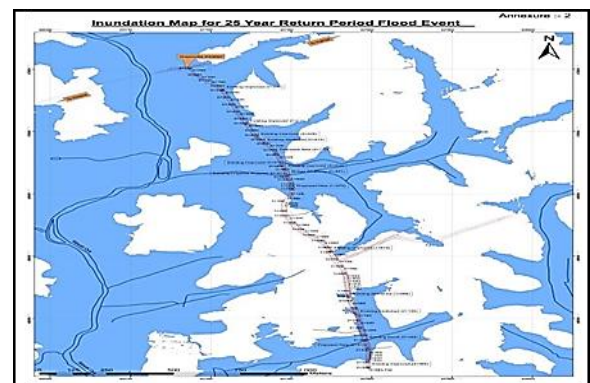
Client : Road Development Authority  
 Category : Client Project / Consultancy Work  
 Estimated Consultancy Fee : Rs. 4.5 Mn

Objective of this consultancy is to determine the required cross drainage to be provided for the road from Piliyandala to Maharagama. The Corporation has carried out comprehensive drainage studies and provided the required cross drainage requirement to the client. 80% of the work is completed.

Value of consultancy work done for the year 2019 is Rs. 3.6 Mn.

**7. Hydrology Study for Widening and Improvement to Road from Wagawatta Junction to Wagawatta Industrial Zone Main Entrance**

Client : Road Development Authority



Inundation map for 25 yr. return period

**8. Sukitha Purawara Projects**

The Corporation undertakes Consortium consultancy service including supervision and project management for Sukitha Purawara Township Development Programme carried out by the Ministry of Megapolis & Western Development. Projects are as follows. Consortium fee for the work is 6% of the total project cost.

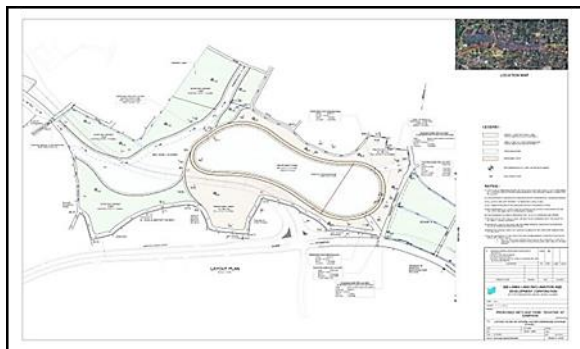
**8.1 Design & Construction work under “Sukitha Purawara” Progress (“Siyatha Uyana” - Gampaha**

Client : UDA (Sukitha Purawara Program)

Funding Agency : Ministry of Megapolis and Western Development  
 Engineer : Sri Lanka Land Development Corporation (SLLDC)  
 Architect : Urban Development Authority  
 Main Contractor : Sri Lanka Land Development Corporation (SLLDC)  
 Project Cost :  
 For stage 1  
 • Phase 1 - Rs. 8.06Mn (inclusive of VAT & Contingencies)  
 • Phase 2 - Rs. 41.95Mn (inclusive of VAT & Contingencies)  
 • Phase 3 - Rs. 124.35Mn (inclusive of VAT & Contingencies)

Total Project Duration : 3 Years  
 Estimated Consultancy Fee : 3% of the implementing cost

This project aims to develop an urban wetland park in abandoned paddy land in front of the Gampaha Bandaranayake School. Hydrological study has been carried out and storm water drainage plan has been prepared for UDA acquired area. Detailed design of first stage had been submitted to UDA and project was implemented stage wise. Consultancy fee of the project is 3% of the project cost.



Storm water Drainage Plan

### 8.2 Kawantissawewa Urban Park Development Project. Stage – III & IV

Client : UDA (Sukitha Purawara Program)  
 Funding Agency : Ministry of Megapolis and Western Development  
 Engineer : SLLDC  
 Architect : UDA  
 Main Contractor : SLLDC  
 Estimated Consultancy Fee:  
 Stage – III = Rs. 93.1Mn  
 Stage – IV = Rs. 30.4 Mn  
 Contract period : 02.05.2018 to 30.04. 2019

Value of work done for year 2019 – Rs.1.92Mn  
 UDA had designed a project for rehabilitating Kawanthissa Wewa at Embilipitiya into an urban park for the general public. The implementation of the project was carried out by the Drainage & Reclamation Division and the drainage & consultancy work was carried out by the Research & Designs Division.

Value of work done for the year 2019 was Rs. 1.92 Mn.



Drainage plan for Kawantissawewa

### 8.3 Infrastructure Facilities for Sri Dalada Maligawa, Kandy Stage – III

Client : Ministry of Megapolis and Western Development  
 Consultant : SLLDC  
 Architect : UDA  
 Contractor : Central Engineering Services (Pvt) Ltd (CESL)  
 Contract Sum : Rs.45.5 Mn  
 Contract period : 270 days  
 Date of Commencement : 19.08.2018  
 Scheduled date of Completion : 18.04.2019  
 Actual date of Completion : 30.06.2019  
 Completed Contract Sum : Rs. 50.7 Mn

The Project consists of construction of perforated pipe drainage system and storm water drainage system at premises of Dalada Maligawa .During the site visit, the insufficient drainage system right round the Maligawa was identified. Some drainage had been diverted to Diya Agala and the connection point of the Diya Agala was heavily silted. To solve the above problems SLLDC prepared a master drainage plan including subsurface drainage system.

A new sprinkler system and turfing was introduced to Maha Maluwa area as per the instructions given by the Client.

This project was completed on 30th June 2019.

Value of consultancy work done for the year 2019 was Rs. 3.1 Mn.



Sprinklers at Maligawa premises



Hume pipe culvert construction



Pumping well for sprinkler system

#### 8.4 Infrastructure Facilities for Sri Dalada Maligawa, Kandy Stage - IV

Client	: Ministry of Megapolis and Western Development
Consultant	: SLLDC
Architect	: UDA
Contractor	: Central Engineering Services (Pvt) Ltd (CESL)
Contract Sum	: Rs. 27.3Mn
Contract period	: 270 days
Date of Commencement	: 20.06.2019
Schedule date of Completion	: 17.10.2019
Actual date of Completion	: 30.12.2019
Completed Contract Sum	: Rs. 21.7Mn

Objective of this project was to rehabilitate the drainage infrastructure while preserving the value of Archeological features. Under this consultancy the Corporation has redesigned the rainwater collected within the premises into the Diya Agala without letting stagnation of water at the premises.

The Project consists of construction of pump house and a well for sprinkler system and construction of culverts at VIP entrance of Dalada Maligawa area. Due to April 2019 terrorist attacks there were a few additional works to be done as per the instructions given by the client.

Interlocking paving and ground preparation of Udawatta forest area was included for this contract as per the instructions given by the client.

This project was completed on 30th December 2019.

Value of the consultancy work done for the year was Rs. 1.36 Mn.



Pump house for sprinkler system

#### 9. Thalduwa Public Fair Development

The purpose of this project is to develop part of the Sathipola area including proper drainage management plan to mitigate local flooding.

Client	: Ministry of Megapolis & Western Development
Consultant	: SLLDC
Project Cost	: Rs. 45.707Mn (excluding VAT)
Contractor	: Weerasooriya Builders
Contract Period	: 180 days
Date of Commencement	: 26.07.2018
Progress by end of year 2019:	completed

Value of consultancy work done work for year 2019 was Rs. 0.32 Mn.



Drainage layout plan for Thalduwa pola surrounding area



Ground preparation for pola area

#### 10. Proposed New Building for Children's Orphanage at Attidiya - Stage I

Client	: Ministry of Urban Development, Water
--------	--

	Supply & Housing Facilities
Consultant	: SLLDC
Contractor	: GPD Engineering (Pvt) Ltd.
Contract Sum	: Rs. 54.95Mn (excluding VAT)
Completed Contract Sum	: Rs.55.08 Mn(excluding VAT)
Contract Period	: 270 days
Date of Commencement	: 22.05.2018
Scheduled Date of Completion	: 17.02.2019
Actual Date of Completion	: 05.12.2019
Progress by end of year 2019:	completed

The Project consists of construction of two buildings with RCC structures and timber roofs. One is two storied with average area of each floor being 355 m<sup>2</sup>. The other is a single story building with 68 m<sup>2</sup> floor area.

Value of consultancy work done for Year 2019 was Rs. 0.98 Mn.



New Building for Children's Orphanage at Attidiya - Stage I

### 11. Construction of Improvements to Kithudana Pubuduwa National Center at Walpola, Ragama Stage -III

Client	: Ministry of Urban Development, Water Supply & Housing Facilities
Consultant	: SLLDC
Contractor	: JSM Construction (Pvt) Ltd.
Initial Contract Sum	: Rs. 20.67Mn (excluding VAT)
Contract Period	: 180 days
Date of Commencement:	09.08. 2018
Progress up end of year 2019 -	99%

Project consists of construction of accommodation building and improvement of storm water drainage system around the building area. The accommodation building is a RCC single story building with roof terrace. The floor area of the building is 2500 ft<sup>2</sup>.

Value of consultancy work done for the year 2019 is Rs. 0.62 Mn.

#### • Consultancy Work For Urban Development Authority

The Storm Water Drainage designs and preparation of Storm Water Drainage master plans and Structural Designs for buildings and bridges for following projects.

Consultancy fee for the work is 3% of the total project cost.

### 12. Proposed Boralesgamuwa Wewa Surrounding Area Development Project. Phase -I

Plan has been prepared for rehabilitation of Boralesgamuwa Tank by UDA. It was proposed to do bank protection by gabion wall as stage I, stage II & stage III of the project, according to availability of funds.

Project Cost	: Rs. 68.4Mn
Contractor	: SF Construction
Contract period	: 01.08.2018 to 31.01.2019

Value of consultancy work done in stage I, II & III for year 2019 was Rs. 8.83 Mn.



Gabion wall Construction for bank of the lake



Embankment filling of the lake

### 13. Urban Development Work at Makumbura

Client	: UDA and 3K Project
Consultant	: Research and Designs Unit SLLDC
Contractor	: Drainage and Reclamation Unit SLLDC
Total project cost	: Rs. 1.003 Mn
Estimated Consultancy Fee	: 3% of the implementation cost

Makumbura Interchange Township Development Project is a component of the Greater Colombo Urban Transport Development Project. The purpose of this project is to develop the existing paddy lands to build a Bus Park and a multimodal center where the bus and train service intersect and creates an integrated highway transport network. Multi Model Centre (MMC) at Makumbura is located 300m towards Colombo from the Kottawa entrance to the Southern Expressway and the proposed Outer Circular Highway (OCH), which

connects 3 main transport hubs (Kadawatha, Kaduwela and Kottawa) in the Western Province is also in the proximity. Identified site for the township development is a 8.6 ha (21 acre) abandoned wetland (paddy) on either side of the High-Level road, and the Kelani Valley rail road is also conveniently running alongside part of the western border of the site. Makumbura is about 1.2km from the edge of the Kottawa town. There are 7 local bus routes originating from the Kottawa town and many inter provincial buses are also travelling through this route. This project has been carried out in several phases according to availability of funds.

SLLDC's main scope of the work is land filling and establishing drainage system for the project area to avoid floods in the future.

The Research & Designs division of SLLDC had undertaken the design and consultancy services including supervision for land development and drainage improvement work for MMC. A 25 year return period was considered and it was decided to store the retention water within the upstream area and control the flow with two culverts across the high level road.

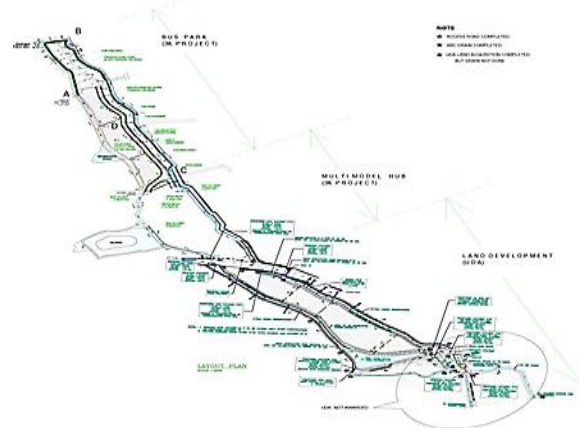
Value of consultancy work done for the year 2019 was Rs. 8.78 Mn.



Overall view of the site



#### Culvert & Drain construction in MMC project



Master Plan for the Drainage Improvement Work for MultiModal Centre at Makumbura

### 14. Proposed Drainage Improvement Plan for Kuda and Maha Waskaduwa Area

Client : District Secretariat - Kalutara  
 Design & Construction: SLLDC  
 Project cost : Rs. 314 Mn

This project was initiated upon the request made by Kalutara District Secretariat to address the flood issue in Waskaduwa area. The area under consideration for the project was about 1.15 km<sup>2</sup> in extent and bounded by Galle road to the East and sea to the West from railway station No. 1 to Abrew road. This area was affected by severe floods every year.

In addition, there was a sand bar formation issue at the sea out fall of Managala canal. SLLDC proposed a special out fall design to avoid the sand bar formation and got the approval from coastal engineering unit. Special attention was given to the construction of additional crossing structures along the railway line to increase the flow towards the downstream.

### OWN PROJECTS

#### 1. Development of 100 ac Land at Muthurajawela for CEB

The country is facing an energy crisis and there is a need to establish more power plants to meet the current demand. Therefore, it was decided to construct a Liquefied Natural Gas (LNG) fired power plant since it is more ecofriendly than sources like coal or diesel. The LNG, which is in gaseous form at room temperature, has to be converted to liquid form to transport by ship. Once the LNG is unloaded it is stored in gaseous form and transported via pipeline to the required power plants. This storage unit is known as Floating Storage Regasification Unit (FSRU) and is generally constructed on a barge. Therefore, the Ceylon Electricity Board (CEB) was in search of a land of 100 acres in extent to establish the two LNG fired power plants in close proximity to the Colombo port to facilitate the use of this same FSRU, for the proposed power plant and to the existing power plants at Kelanitissa and Kerawalapitiya, since the cost of construction of a FSRU is very high. Furthermore, the main load center of Sri Lanka is located in the Western region.

An extent of 100ac of land was identified in the Muthurajawela marsh for this purpose. This land consists of 2 blocks. Block I consisting of 55.9ac vested in SLLDC and Block II consisting of 40.7ac under the custody of Divisional Secretariat, Wattala. A Cabinet Decision (Cabinet Memo 19/0223/113/006 dated 06.02.2019) was taken to lease these lands to CEB for establishing power plants. Block I will be developed by SLLDC as contractor. Block II will be developed by SLLDC and then leased to CEB on chief valuer's valuation.

Preparation of the EIA report for the land development work of above project was undertaken by SLLDC. The hydrology study and ecological study was carried out by SLLDC by its own staff and the sociology part was outsourced. The hydrology models run for this study are HEC RAS, HEC HMS, MIKE11, MIKE 21 and MIKE FLOOD. The cost of preparation of EIA Report amounts to Rs. 11M and it will be shared by CEB and SLLDC on pro rata basis of land extent as agreed at meeting held with CEB on 26/2/2020. Value of work done for the year 2019 is Rs. 3 Mn for EIA preparation.

The land filling has been planned to be carried out using the dredged offshore sand.



Drainage management plan for Muthurajawela land

**2. Implementation of Middle Income Housing Project for Government Employees and an Ex-gratia Mechanism for Original Land Owners at Ragama**

SLLDC currently holds a land plot with an extent of 20.93ha (51.7 Acres approx.) at Ragama designated for flood mitigation activities, residential and commercial development. Hence the location is highly suitable for a housing development project considering the close proximity to the city.

Considering the above facts, SLLDC proposed to implement a Middle Income Housing Development Project for Government Employees in the said land plot with an extent of 4.5 Acres including minimum of 400 housing units in the form of Condominiums in multiple towers including basic infrastructure facilities.

The aforementioned land situated in Ja-ela Divisional Secretariat area is an acquired land by SLLDC for development purposes in 2008. Further, SLLDC is empowered to allocate the said land for either Industrial, Commercial, Housing or Agricultural purposes after development.

From the inception of this massive development project, the original land owners (most of them are still homeless), who sacrificed their native lands for the proposed development, requested SLLDC to share at least a part of the benefits with them too. Accordingly, the Board of Directors of SLLDC proposed to implement an ex-gratia scheme, by way of giving the ownership of a newly built house proportionately considering the land extent that the individual land owners have sacrificed for this development project.

Accordingly, two separate housing projects have been designed as follows

- Housing project for ex-gratia scheme
  - Housing project for middle income Govt. employees
- Value of the work done in year 2019;
- Architectural Design, Structural design and preparation of cost estimate for ex-gratia scheme –Rs. 1.0Mn
  - Architectural Design, initial Structural design of 15 storied condominium towers comprising 400 housing units – Rs. 9.0Mn(for middle income Govt. employees)



Housing project for middle income Govt. employees



Layout Plan - Housing project for ex-gratia scheme



Housing Project for ex-gratia scheme

## Wetland Management Division

### Diyasaru Park

Diyasaru is a marshland which converted into a park in 2013 without damaging its beauty. Diyasaru Park has become one of the major nature attractions in Colombo city which acts both as a wetland center that provides wetland related CEPA (Communication, Education, Participation and Awareness) activities and tourist destination for both local and foreign tourists. Being a wetland, this park serves habitats to marshy plants, and different animals such as mammals, birds, butterflies, fishes, amphibians, reptiles, dragonflies, crocodiles and endangered animals for instance, fishing cat. Diyasaru covers approximately 65 acres marsh area and contains with study center, open study area, board walks, butterfly garden, children pond, canals, bird watching tower, waiting center (resting hut), ground water wells, agriculture area, laboratory, office, ticketing counter, car park, store room, and labor hut.



### Special Events

Diyasaru Park conducted many awareness programs and workshops in 2019 on urban wetland conservation for different groups which are mainly designed in way to connect people with the nature. The park played a major role in the World Wetlands Day in 2019; Celebration Program series organized by the SLLDC by conducting an exhibition, tree planting programme and wetland fair. Moreover, Prof. Dewaka Weerakoon conducted the lecture about wetlands and at the same time Colombo wetland city was accredited to Urban Development Authority. Diyasaru celebrated the New Year festival with SLLDC members of Wetland Management Division. In October 2019 Diyasaru celebrated Children's Day programme with school children for 7 days. In addition, many other awareness programs were organized by the park for instance, Surakshi programme to enhance the education and awareness on wise use and sustainable urban wetland management. Moreover, Wetland Weekend Program which conducts a program with a special theme every third week of the month for kids and adults. Through these programs, a large visitor community has been linked with the park. Furthermore, the park was used by outside parties for many nature activities.



### Internationalization

Year 2019 was an important year for the Diyasaru Park in gaining of international recognition. Members of wetland management division of SLLDC participated for a round table discussion with 18 city mayors which was conducted in South Korea by RAMSAR Convention. Many international delegations visited during the year for instance, Vice Mayor of Suncheon City, Republic of South Korea in October, 2019 to gain experience of city parks.



### Construction and Maintenance

The Park introduced many new physical features to attract visitors, to enhance more visitor's facilities as well as to improve the facilities of park maintenance staff which include habitat improvements, visitor attractive areas and new constructions. These features are increased by the turfing areas, new flowering areas, planting of 500 new native wetland plants, habitat improvements of birds, improve the nursery plantation (up to 2000), home garden and the maintenance of foot paths, foot bridges, resting huts, study centers. Moreover, walking path cleaning done by labors daily, and once a week they were trimming the bushes, cutting the grasses and clean the canals manually. Furthermore, there were few main constructions commenced in year 2019; construct a new ticketing counter, fixed chain links (for protection from crocodiles), repair the hand rails in the bird watching tower, and build up Island 2 bridge again.



**Development**

The park income was approximately Rs. 9.7 million in 2019 and it demonstrates the development of the park along the 6 years. Currently Diyasaru is well popular among kids, youth, and elders as well as foreigners and it tends to the park well developed. There were many TV documentaries as well. In addition, the park Facebook page was one of the main marketing tools of the park.



**Conducting workshop awareness programmes for wetland conservation and lowland Development**

This programme was implemented in year 2015 and continues as an annual programme. Scope of this project is to make aware the general public as well as the stake holder institution relevant to land development, low land conservation and wise use of wetlands. In this year special commemoration were done for World Wetland Day, World Water Day etc. 21 general awareness programmes for wetland conservation were held at a total cost of Rs. 5.9 million.

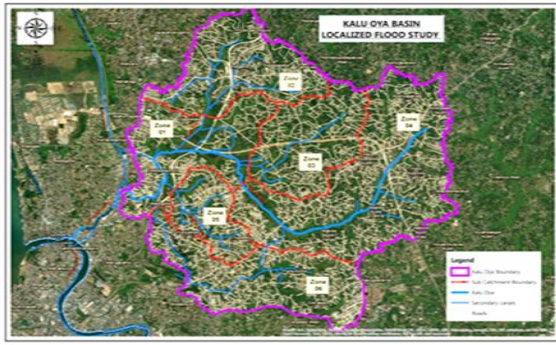


**Drainage Improvement of Selected Area in Kalu Oya Basin and Detailing of Flood Mitigation Options Proposed by Kalu Oya Feasibility Study**

Localized flooding occurs frequently in the vicinity of Ragama Medical faculty area due to the inadequacy of existing drainage facilities. Therefore, the rehabilitation of existing structures and improvement of existing drainage network is essential for flood mitigation.



In 2019, mitigation of localized floods in Nelum Mawatha at Ragama which is not addressed by major projects was designed and scheduled to implement in latter part of the year. Field survey was done and prepared the necessary designs for culverts and road side drains. Design report has been submitted for NPD approval. It is scheduled to implement the work in year 2020 after get the NPD approval.



**Colombo Water Quality Management Program**

The city of Colombo is rapidly urbanizing with an increasing number of high-rise apartment buildings dominating the skyline. The increased generation of wastewater from these dwelling units will be eventually discharged to the canals in the absence of a proper piped system for collection and treatment of domestic/industrial wastewater, which is a significant factor that will contribute to an already worsening situation. Most of these new pollution footprints go unchecked and in the absence of up-to-date knowledge on water quality trends within the catchment, the problem will continue to incur huge economic and social costs, not to mention the lost opportunities of this valuable resource to Colombo.



The SLLDC has jurisdiction over the canals and is responsible for their routine maintenance, primarily for conveyance of storm water, and also maintain pollution free waterways. The jurisdiction over the canal catchments from where the pollution arises lying with multiple agencies, over which SLLDC has no direct control. Although the SLLDC has been conducting monthly water quality tests for a number of parameters in 24 locations in the canal network within the CMR since 1995, the data is neither processed nor used for planning management actions aimed at water quality improvement in the canals at the site as well as at the catchment level.



Therefore, to minimize the increasing pollution and associated impacts, the need of implementing a long-term sustainable water quality management program for CMR has identified.

Accordingly, CWQM Program has planned and implemented in six steps i.e

- (1) build partnerships,
- (2) Characterize Colombo Catchment to identify problems,
- (3) set goals and identify issues,
- (4) Design of an Implementation Program,
- (5) Implement the Plan and,
- (6) Progress review and make adjustments.



It is important to have a comprehensive, long-term plan for water quality management of entire catchment considering complexity of this issue. The pollution sources can be both point sources and non-point sources and the causes of pollution and associated impacts could be varied from minimal to severe, as well as acute to chronic. Therefore, this plan will be able to provide a sustainable framework to restore water quality in impaired water as well as to protect water quality in other waters.

Intensive field surveys along the canal network have made to identify the pollution sources and water quality of each of inlet to the canals has checked. The data collected are being assessed to develop Water Quality Improvement Program.



**Inland Water Transportation Project (IWT)**

Megapolis Transport Master Plan has identified three waterways for implementing inland water passenger transportation.

- From Wellawatta to Battaramulla along the canal (IW1)

- From Fort to Union Place Line across Beira Lake (IW2)
- From Mattakkuliya to Hanwella Line along Kelani River (IW3)

Based on the Master Plan, the pre-feasibility was carried down for first two waterways. The main objective of this project is to use inland waterways for commuter transportation to reduce the traffic congestion at main transport corridors during the peak time, while generating revenue for a self-sustainable canal network through water based recreation.

#### Fort to Union Place Line across Beira Lake (IW2)

The pilot project was planned to initiate from Beira Lake, thus two comfortable, unsinkable, 50 passengers, air conditioned boats were constructed with the corporation of Sri Lanka Navy. The operation of the Project initiated on 22nd August 2019 as a pilot project also with the support from Sri Lanka Navy for boat navigation and rescue facilities. During peak hours, morning 7.30am to 9.30 am and evening 3.30 pm to 6.30 pm boats facilitate passenger transportation from Fort to Union place while during other times boats are used for recreational activities generating revenue for the system.



- **Name of the Project:**  
Inland Water Transportation Project (IWT)
- **Scope of the project:**  
Operation of passenger crafts along Beira Lake linking other transport modes to mitigate traffic congestion and wise use of water body while generating revenue through recreational activities
- **Date of Commencement :** 22nd August 2019
- **Project Value:** Rs. 100Mn
- **Proposed plans for 2020 and beyond:**

2020:

- Introduce passenger transportation at IW (Wellawatta to Battaramulla)
- To introduce sustainable water based recreation and ecotourism to Beira Lake

Beyond 2020:

- Construction of permanent jetties at Beira Lake
- Introduce water fountains and aesthetically pleasant items at Beira Lake
- Using e-card systems and smart operation facilities

- **Prospects, problems and issues:**
  - Bad water quality at Beira Lake
  - Lack of lands to facility services
  - Beira Lake ownership issues

#### Wetland Encroachment Prevention Project – Stage I – Gothetuwa Area

##### Preparation of a walkway around the acquired land boundary in Kolonnawa marsh

##### Introduction

After the project of Re-Opening of acquired land boundaries in main four marshes within the Colombo catchment, it could be identified, the extent of acquired land are losing very rapidly because of the unauthorized encroachments by the people around the periphery of the marsh. As a solution for this problem, we decided to prepare a walkway along the acquired land boundary to protect the water retention area. As the 1st stage of this, the marsh depicted in Preliminary Plan no. PP CO 7415 in Kolonnawa was selected.

The total length of periphery is 4000 m.

##### Progress in 2019

As this project was commenced in April 2019, the following items were finished at the end of the year.

Scope of work	Progress up to November 2019	Work Done (Rs.)
Excavating the marsh and preparation of walk path using excavated material by an amphibious machine	Completed (1150 m) except several locations having boundary problems	12,286,452.26
Preparation of walk path using imported debris	The work is ongoing (completed 76 m length)	
Placing of pre-cast 450 x 450 mm U drain along the boundary line	-	
Construction of catch pits in 100 m intervals and place Hume pipes to discharge water to the canal	-	
Fixing of chain link fence to separate the private lands and the government acquired lands	-	

#### Development of Environmental Quality of the Marsh Area Pattivila, Biyagama

**Client** : National Water Supply and Drainage Board

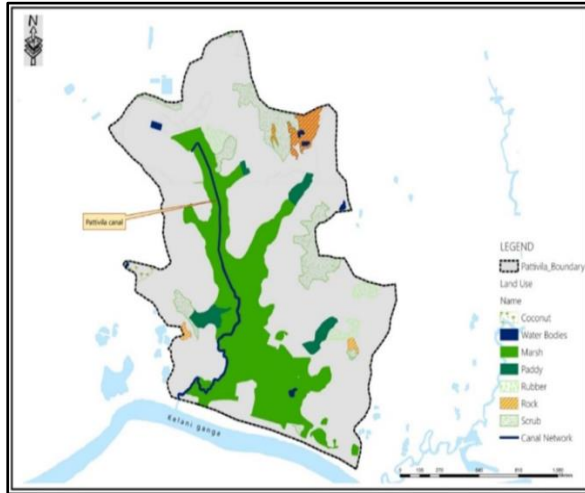
The main objective is to improve the water quality of Pattivila Wetland in order to ensure effective water treatment of Biyagama WTP.

Kelani Right Bank Water Treatment Plant (Biyagama Water Treatment Plant) is one such Water Treatment Plant which was planned with the intention of providing safe drinking water to the Gampaha District.

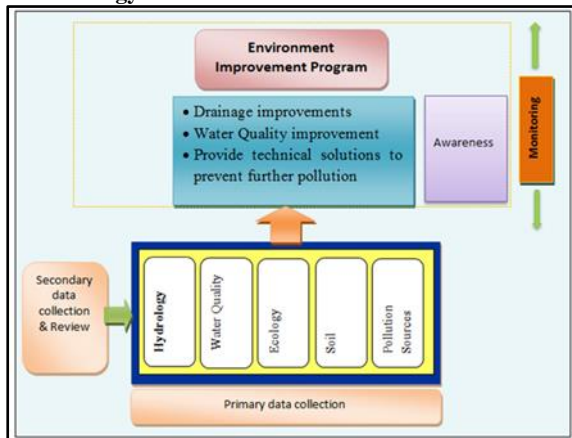
Polluted water from Pattivila canal which is located in most upstream of the intake point of the Biyagama Water Treatment Plant is one such major source of pollution which impairs the quality of water use for treatment. The polluted water can cause various negative impacts on social, economic and biological environment. The heavy oil contamination and organic pollution from Pattivila canal can cause the failure of water treatment process.

Therefore, through this project it is intended to assess the existing condition of the Pattivila canal and adjacent wetland and propose and implement an environment improvement program and improving drainage system in the marsh area to improve the water quality of Pattivila canal and adjacent marsh.

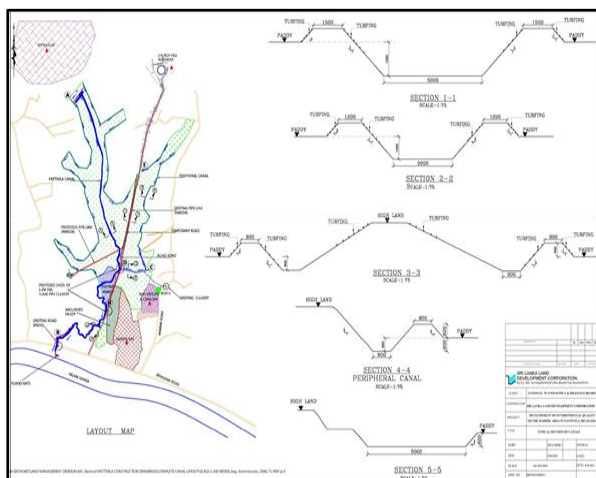
**Project Area**



**Methodology**



**Drainage Proposal**



**Contract Amount:** Rs. 27,371,410.00

**Progress up to 31/12/2019:** Rs. 6,087,477.00

**Canal Rehabilitation Work**



**Environmental Improvement Study (Checking of Water Quality)**



**Establishment of Enforcement Units in Provincial Level**

With declaration of areas such as low-lying, marshy, swampy, barren etc., in provincial level under section two of the amended act Act No. 35 of 2006 SLLDC was empowered to act against illegal land filling, pollution of canals and internal water bodies and unauthorized construction within declared canal reservation and retention areas.

SLLDC was empowered to act against illegal land filling, pollution of canals and internal water bodies and unauthorized construction within declared canal reservations and retention areas under the SLLDC Act. Scope and volume of work to be done have been increased considerably and therefore expansion of institutional capacity of the Corporation become vital and paramount requirement.

Inspections of unauthorized filling sites, land filling sites, have to be done Corporation has to be attended in meetings in District Secretaries, Divisional Secretaries, Pradeshiya Sabhas and Provincial Councils

Corporation has to be attended in meetings in provincial and district offices of CEA, UDA, ID, etc.

## Special Projects Division

Special Projects division undertakes the projects to carryout storm water drainage designs, to prepare drawings. Cost estimates, bidding documents and to manage/supervise the implementation, mostly of hydrological/hydraulic works. The works undertook in year 2019 could be categorized as follows;

- Foreign funded projects
  1. Metro Colombo Urban Development Project (World Bank funded)
- Treasury funded projects
  2. Drainage study for Madiwela South Diversion Scheme

### FOREIGN FUNDED PROJECTS

#### 1. Metro Colombo Urban Development Project (MCUDP)

Flooding in and around the Colombo City has been occurring for many years and causes considerable economic disruption and social hardship to a large segment of population.

MCUDP aims to improve the flood control, infrastructure and drainage management system of the Colombo water basin as well as enhance the competence of central and local governmental authorities to deliver and manage infrastructure and services in Colombo Metropolitan area.

There are two main components of MCUDP;  
Component 1: Flood and Drainage Management.  
Component 2: Institutional Strengthening for Sustainable Metropolitan & Local Infrastructure and Service Provision and Implementation Support.

The main component, which is implemented under Sri Lanka Land Development Corporation (SLLDC), is Flood and Drainage Management. This will support rehabilitation and improvement of priority flood and drainage management infrastructure identified as critical to improve the drainage network in the Colombo metropolitan region. This will mainly focus on improving the outfall capacities of the existing drainage network, introduction of new diversion channels and storm water pumping stations.

The project is managed by the Project Management Unit and the main implementing agency of Flood & Drainage Management Component is SLLDC.

The list of sub projects carried out under MCUDP by SLLDC are listed below.

No.	Sub-project
<b>Completed</b>	
1	Dehiwala Canal
2	Main Drain & Mutwal Tunnel
3	St. Sebastian South Canal
4	Dredging of Thalagama Tank
5	Wellawatte Canal
6	Improvements to MED - II
7	Improvements to MED - I
8	St. Sebastian North Canal

9	Kolonnawa Canal Diversion – Scheme II
<b>Ongoing</b>	
10	Improvements to MED - III
11	Design and building of St-Sebastian North lock Gates & Pumping Station
12	New Mutwal & Torrington tunnel
13	Construction of St. Sebastian South Pumping Station
14	Ambathale Pumping Station
15	Kolonnawa Canal Diversion – Scheme III
16	Supply & Installation of Real Time Integrated Flood Management (RTC) System
17	Kolonnawa Canal Diversion – Scheme I
18	Kolonnawa Canal Diversion – Scheme IV
19	Design and installation of flushing gates for water quality improvement

#### Completed Sub Projects (before year 2019)

##### 1.1. Construction of Canal Bank Protection Works of Dehiwala Canal

Project Value : Rs. 128,205,449.45

Date of Commencement : 20.05.2013

Date of completion : 27.02.2015

- Main scope of this sub project includes;
- Canal bank protection
- Rehabilitation of Operation & Maintenance (O & M) Road and side drains
- Removal of rock outcrops from the canal bed



##### 1.2. Construction of Aluth Mawatha Culvert, Mutwal Box Drain, Mutwal Tunnel Manholes, Canal Bank Improvements at Mutwal Sea Out-Fall and Canal Bank Protection Works of Main Drain

Project Value : Rs. 342,438,294.31

Date of Commencement : 27.11.2012

Date of completion : 31.10.2014

Main scope of this sub project includes;

- Bank protection works
- Re construction of Aluth Mawatha culvert
- Rehabilitation of tunnel inlet
- Rehabilitation of sea outlet
- Cleaning of box drain
- Dredging of canal



### 1.3. Construction of Canal Bank Protection Works of St. Sebastian South Canal

Project Value : Rs. 194,965,674.59  
 Date of Commencement : 27.10.2014  
 Date of Completion : 20.06.2016

Main scope of this sub project includes;

- Bank protection works
- Construction of O & M Road and side drains
- Dredging of canal



### 1.4. Conveyance Improvements to Wellawatta Canal at Galle Road Bridge

Project Value : Rs. 111,570,072.22  
 Date of Commencement : 21.07.2016  
 Date of Completion : 27.11.2017

Main scope of this sub project includes;

- Sheet pile and capping beam
- Removal of the earthen berm
- Dredging of canal



### 1.5. Dredging of Thalagama Tank

Project Value : Rs. 107,283,697.70  
 Date of Commencement : September 2016  
 Date of Completion : 31.08.2017

Main scope of this sub project includes;

- Removal of Wel Atha trees
- Removal of roots of Wel Atha trees
- Underwater dredging
- Disposal of removed and dredged material

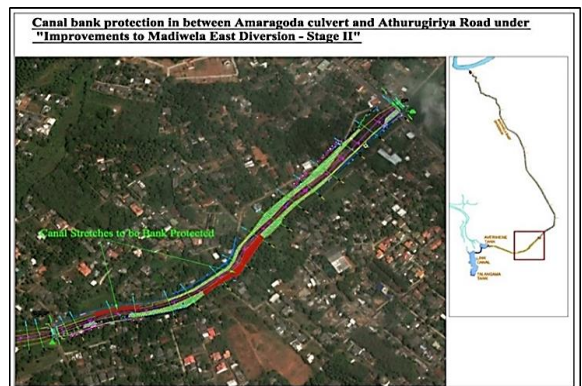


### 1.6. Improvements to Madiwela East Diversion Scheme : Stage -II

Project Value : Rs. 106,798,220.87  
 Date of Commencement : 16.12.2016  
 Date of Completion : 04.12.2018

Main scope of this sub project includes;

- Bank protection with Gabion and Renometress
- Rehabilitation of O & M Road and side drains
- Construction of cascade type drop structures for lateral drains
- Canal dredging





**Completed Sub Projects (during year 2019)**

**1.7. Construction of Canal Bank Protection Works of St. Sebastian North canal**

Project Value : Rs. 322,500,102.88  
 Date of Commencement : 22.05.2017  
 Date of Completion : 29.01.2019

Main scope of this sub project includes;

- Bank protection of canal using Gabion and sheet pile
- Construction of O & M Road, foot path and side drains
- Dredging of canal

**1.8. Improvements to Madiwela East Diversion Scheme : Stage -I**

Project Value : Rs. 167,873,795.03  
 Date of Commencement : 10.10.2016  
 Date of Completion : 31.01.2019

Main scope of this sub project includes;

- Bank protection works
- Construction of O & M Road and side drains
- Construction of new culvert with gate system
- Raising of causeway
- Construction of new drop structure
- Removal of existing drop structure which acts as a bottleneck
- Dredging of canal

**Project Area**



**Work is in progress**



**1.9. Kolonnawa Canal Diversion Scheme - Stage II**

Contractor : Edward & Christie  
 Contract Value : Rs. 282,740,936.50  
 Date of Commencement : 27.12.2017  
 Date of completion : 15.10.2019

Main scope of this sub project includes;

- Bank protection works with O & M Road and side drains
- Construction of crossing box culverts and hume pipe culverts
- Dredging of canal



**Ongoing Sub Projects**

**1.10. Improvements to Madiwela East Diversion Scheme : Stage -III**

Contractor : E & C Komuthi JV  
 Contract Value : Rs. 344,577,482.70  
 Date of Commencement : 11.01.2017  
 Expected Date of Completion : April 2020

Main scope of this sub project includes;

- Rehabilitation of the flap gates of the existing main flood gate structure
- New flood gate structure, and installation of new gates for secondary canal
- Bank protection works with O & M Road and side drains
- Raising of water mains owned by NWS&DB and construction of new pipe supporting structure
- Removal of gated structure owned by Irrigation Department, which acts as a major bottleneck to flow
- Opening of an additional bay of Low Level Road Bridge

**Project Area**



**1.11. Design & Building of St. Sebastian North Lock Gate and Pumping Station**

Contractor : China Geo Engineering Corporation  
 Contract Value : USD 9,766,653.08 + LKR 473,212,403.68  
 Date of Commencement : 01.06.2017  
 Expected Date of Completion : March 2020  
 Pumping capacity : 30 m<sup>3</sup>/s, which comprises of 5 Nos. of 6m<sup>3</sup>/s pumps

Main scope of this sub project includes;

- Construction of gate structure and fixing of new vertical gates
- Removal of existing gate structure which acts as a major bottle neck to flow
- Construction of new pumping station and installation of pumps with screens and other necessary equipment
- Bank protection works
- Dredging of canal



**1.12. Design and Building of Torrington Tunnel and New Mutwal Tunnel**

Contractor : China Petroleum Pipeline Engineering Company Ltd  
 Contract value : USD 32,098,189 + LKR 246,060,603.00  
 Date of Commencement : 30.05.2018  
 Expected Date of Completion : August 2020  
 New Mutwal Tunnel : 3 m diameter, 700 m long, capacity is 15 m<sup>3</sup>/s.  
 Torrington Tunnel : Diameter of Main Tunnel is 3 m (1100 m long), and there is a network of spine and lateral tunnels (1.2 m – 2.0 m diameter; 2500 m long), capacity is 32 m<sup>3</sup>/s

Main scope of this sub project includes,

- Construction of inlet channel
- Construction of receiving shaft
- Construction of outlet channel
- Tunnel boring
- Construction of man holes



### 1.13. Design and Building of Ambatale Pumping Station

Contractor : Salcon Engineering Berhad  
 Contract value : USD 5.85 Mn + LKR 1,181.53 Mn  
 Date of Commencement : 03.09.2018  
 Expected Date of Completion : July 2020  
 Pumping capacity : 20 m<sup>3</sup>/s, comprising of 5 Nos. of 4m<sup>3</sup>/s pumps

Main scope of this sub project includes;

- Fixing of new vertical gates to the existing gate structure
- Construction of new pumping station and installation of pumps with screens and other electro-mechanical equipment
- Bank protection works

### 1.14. Construction of St. Sebastian South Pumping Station

Contractor : China Geo-Engineering Corporation  
 Contract Value : USD 5,934,884.90 + LKR 165,833,566.49  
 Date of Commencement : 01.02.2019  
 Expected Date of Completion : September 2020  
 Pumping capacity : 10 m<sup>3</sup>/s, comprising of 2 Nos. of 5m<sup>3</sup>/s pumps

Main scope of this sub project includes;

- Rehabilitation of existing gates
- Construction of new pumping station and installation of pumps with screens and other necessary equipment
- Bank protection works
- Dredging of canal

### 1.15. Kolonnawa Canal Diversion Scheme I

Contractor : E&C - RR JV  
 Contract Value : Rs. 859,487,036.93  
 Date of Commencement : 01.02.2019  
 Expected Date of Completion: July 2020

Main scope of this sub project includes;

- Construction of 15 m wide box culvert across Gothatuwa bund and underneath the existing Kolonnawa-Gothatuwa Main Road
- Installation of three vertical gates, each of 5.0m wide x 3.5m high
- Bank protection works with O & M Road and side drains
- Dredging of canal

### 1.16. Kolonnawa Canal Diversion Scheme - Stage III

Contractor : E & C - RR JV  
 Contract value : Rs. 1004 Mn  
 Date of Commencement : 23.10.2018  
 Expected Date of Completion : February 2020  
 Main scope of this sub project includes;

- Bank protection works with O & M Road and side drains
- Construction of crossing box culverts and hume pipe culverts
- Dredging of canal

### 1.17. Kolonnawa Canal Diversion Scheme IV

Contractor : E&C - RR JV  
 Contract Value : Rs. 1,431,682,105.43  
 Date of Commencement : 01.02.2019  
 Expected Date of Completion : October 2020

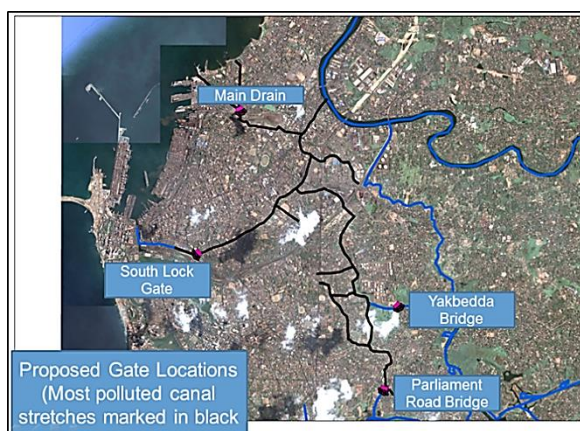
Main scope of this sub project includes;

- Construction of gate structure across the Kittampahuwa canal near Kalu palama and Installation of three vertical gates, each of 6.0m wide x 4.5m high
- Replacing the existing bridge along Sedawatta-Ambatale Road, near Kalu Palama, with an 18 m wide single span bridge
- Demolition of CPC owned gate structure and construction of Foot Bridge
- Canal bed lining near CPC premises
- Bank protection works with O & M Road and side drains
- Dredging of canal

### 1.18. Construction of Flushing Gates

Contractor : DGES-RR-INDOEAET JV  
 Contract Value : LKR 609,618,238.99  
 Date of Commencement : 01.03.2019  
 Expected Date of Completion: May 2020  
 Main scope of this sub project includes;

- Construction of three gate structures across the main canal system at;
  - Yakbedda Bridge (Kolonnawa Canal)
  - Sri Jayawardenepura Mawatha Bridge (Heen Ela Canal)
  - Port Access Road Culvert (Main Drain)
- Installation of vertical gates at each location
- Bank protection works adjoining to gate structures



### 1.19. Real Time Control System (RTC)

1.20.  
 Engineers Estimate : Rs. 414 Mn  
 Date of Commencement : July 2017  
 Expected Date of Completion : September 2020

Objectives

1. Develop an integrated flood control and water management information system
2. Provide early warning support for the Metro Colombo area
3. Develop optimal operational rules for the flood control facilities such as pumps and storage facilities considering also the potential storage and use water to make a pleasant urban environment.
4. Assess current and evolving future water related risks to Megapolis from urban development as well as climate change.

The Scope and activities

1. Development of a rainfall data integration system, using existing sources such as satellite rainfall observations, numerical weather forecasts and observations from rain gauges
2. Setting up rainfall monitoring stations for the metro Colombo area
3. Setting up water level monitoring gauges in canals/rivers/ponds and establishment of canal flow measurement system
4. Establishing communication links from the monitoring devices to the flood control and water management center
5. Developing a flood forecasting system comprising of rainfall integration, hydrological forecast model, hydro-dynamic model for inundation forecasting.
6. Developing a decision support system using all inputs to calculate the best operation of gates and pumps and setting up a Scada control system for real time operation
7. Establishment of a center for data integration, information dissemination and providing water management services for Metro Colombo
8. Setting up a system for continuous research and development to assess evolving risks due to urbanization and climate change and propose remedial measures.

**TREASURY FUNDED PROJECTS**

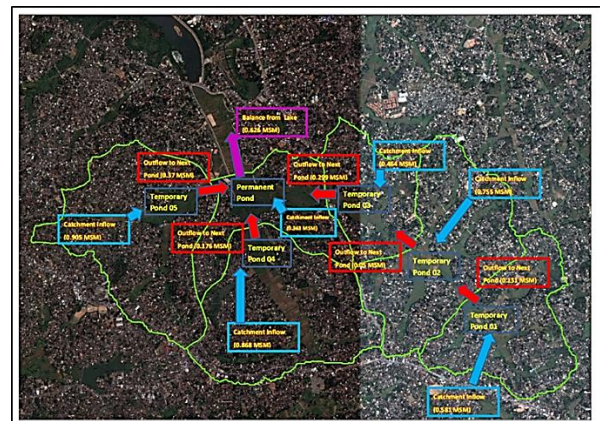
**2. Madiwala South Diversion Project**

The option of Madiwala South diversion has been previously decided in terms of a trans-basin diversion. However, that diversion does have some shortcomings as follows.

- a) High construction cost and difficulty up on a suitable construction methodology of the diversion through the basin ridge at Pannipitiya.
- b) Possible adverse hydrological impacts to Kalu ela of Werasingha basin
- c) Adverse social and environmental issues.

Due to above constraints, an alternative solution of a storage pond system was brought forward to do an optional study for both the options and thereby finalize the suitable solution in consultation with decision makers. Therefore, a hydrological model study for this optional study was conducted. The flood modeling works were done mainly focusing the option of storage pond system and economic comparison was done for both the options.

In addition to that Survey works and some of preliminary design done in 2018.



## Construction Division

### TREASURY FUNDED PROJECTS

#### 1. Maintenance work at “Suwatha Uyana” at Kadawatha

The total allocation for the above project for year 2019 was Rs. 20 Mn and the maintenance work is carried out throughout the year.

The project consists of Canal Surface Clearing, Canal Banks Clearing, Canal Inspection, Turf Cutting, Maintenance of Internal Roads, and Temporary Soil Transportation including loading, transporting and spreading.

The value of work done during the year 2019 was Rs. 22.55 Million and cumulative value of work done was Rs. 22.55 Mn up to year 2019.



#### 2. Proposed Rehabilitation of Basilica Lake at Ragama

The total estimated cost of the project was Rs. 28.95 Mn. The project commenced in August 2019 and scheduled to complete by end of January 2020.

The project consists of Construction of foot bridge, 11nos of catch pits and construction of 272m length retaining walls.

The value of work done during the year 2019 was Rs. 15.82 Million and cumulative value of work done was Rs. 15.82 Mn by the end of 2019.



### CLIENT PROJECTS

#### Client – Ministry of Megapolis & Western Development

#### 1. Design and Construction of Horana Bus Stand – Stage III, IV and V

The above project was awarded under the Sukithapurawara Regional Town Development Programme by Ministry of Megapolis & Western Development. Total estimated cost of the project is Rs. 139.45 Mn excluding VAT, which includes finishing works, metal work, electrical works, roofing works, washroom construction works, and construction of internal roads and Jogusuwa sewerage treatment plant in the bus stand.

The project commenced in March 2018 and was completed by August 2019. The Value of work done during the year 2019 was Rs. 41.84 Mn and cumulative value of work done was Rs. 131.40 Mn.



#### 2. Development of Padukka Play Ground – Phase II

The above project was awarded under the Sukithapurawara Regional Town development Programme by Ministry of Megapolis & Western Development.

Total estimated cost of the project is Rs. 41.57 Mn excluding VAT which includes improvement of playground, construction of car park, walkways, landscaping works, net metering systems and Changing rooms.

Project commenced in June 2018 and was completed by end of the May 2019.

Value of work done during the year 2019 Rs. 37.64 Mn and cumulative value of work done was Rs. 38.18 Mn.



### 3. Construction of Commercial Development between Station and Bus Stand at Kalutara – Stage III

The above project was awarded under the Sukithapurawara Regional Town Development Programme by Ministry of Megapolis & Western Development. The estimated cost of the project is Rs. 17.18 Mn excluding VAT which includes construction of two storied building with structural and finishing works.

The project commenced in November 2017 and was completed by June 2019. The value of work done during the year 2019 was Rs. 1.40 Mn and cumulative value of work done was Rs.17.60 Mn.



### 4. Construction of Real Time Flood Control and Water Management Centre at Kirimandala Mawatha

The above project was awarded by Ministry of Megapolis & Western Development. The revised estimated cost of the project Rs. 752.00 Mn excluding VAT. The project commenced in December 2017 and is scheduled to be completed by May 2020.

The project consists of construction of five storied building (3250 sqm) associated with HVAC system, fire detection and protection system and 02 nos of passenger elevators etc.

The value of work done during the year 2019 was Rs. 181.66 Mn and cumulative value of work done was Rs. 223.50 Mn.



Client – Urban Development Authority

### 5. Proposed Land Development Work at Homagama

The above project was awarded under the Town Development Program by Urban Development Authority. Total cost of the project phase is Rs. 90.79 Mn excluding contingencies and VAT which includes Land improvement work (1.5 Acres), 75m long Gabion work, 62m long canal construction and 75m long construction of Concrete drain.

The project commenced in November 2018 and is scheduled to be completed by January 2020.

Value of work done during 2019 was Rs. 65.50 Mn and cumulative value of the work done was Rs. 65.50 Mn.



### 6. Beire Lake Linear Park Development Project

Total estimated value of the project is Rs. 24.87 Mn which include Construction of Hand Rail, Concrete Drain, Electrical Works, Construction of Catch Pits and Sluice ways and Bank Protection wall along Western Bank of East Beire.(Approx. 86m)

The project commenced in October 2019 and is scheduled to be completed by the end of January 2020.

Value of work done during 2019 was Rs. 10.55 Mn and cumulative value of the work done was Rs. 10.55 Mn.



**7. Construction of Gabion Walls and Land Filling for the Proposed 600 Housing Units at Peliyagoda**

The above project was awarded under the Town Development Programme by Urban Development Authority. The total cost of the project is Rs. 217.34 Mn excluding contingencies and VAT which includes land filling (2 Acres) Construction of Gabion Walls (600m), Canal Improvement work & Construction of a Culvert

The project commenced in September 2019 and is scheduled to be completed by May 2020.

Value of work done during 2019 was Rs. 8.21 Mn and cumulative value of the work done was Rs. 8.21 Mn.



**Client – District Secretariat Polonnaruwa  
“Pibidemu Polonnaruwa” District  
Development Programme**

**8. Proposed Medical Officers Quarters for 30 Doctors for Madirigiriya District Hospital – Stage I & II**

The total estimated cost of the project was Rs. 260.67 Mn excluding VAT. The project commenced on August 2016 and completed by October 2019.

The project consists of Construction of four storied building (3250 sqm) associated with all civil, mechanical, electrical work and 02 nos of passenger elevators.

The value of work done during the year 2019 Rs. 15.50 Million and cumulative value of work done was Rs. 218.67 Mn up to year 2019.



**9. Proposed OPD, Clinic & Admin building for Welikanda Divisional Hospital**

The total estimated cost of the project was Rs. 185.45 Mn excluding VAT. The project commenced on August 2016 and completed by April 2019.

The project consists of Construction of two storied building associated with all civil, mechanical, electrical work and air conditioning work.

The value of work done during the year 2019 Rs. 9.78 Million and cumulative value of work done was Rs. 169.78 Mn up to year 2019.



**OWN PROJECTS**

**1. Proposed Circuit Bungalow and Service Block at Anuradhapura**

The total estimated cost for the project Rs 108.90 Mn (excluding VAT) which consists of construction of circuit bungalow and service block.

The project commenced in July 2017 and was completed by May 2019 and the construction work for Service block was completed by end of the March 2019.

The work done of the service block during 2019 Rs.4.30 Mn and cumulative work done was Rs. 30.53 Mn for the end of the year 2019.

Cumulative workdone for the circuit bungalow was Rs. 48.25 Mn at the end of the year 2019.



## 2. Construction of Proposed Relocation of SLLDC Workshop at Muthurajawela

The total estimated cost of the project was Rs. 239.67 Mn excluding VAT. The project commenced in July 2017 and is scheduled to be completed by end of October 2020.

The project consists of Construction of two storied buildings (Block A, B & K) associated with all civil, mechanical, electrical work.

The value of work done during the year 2019 Rs. 72.50 Million and cumulative value of work done was Rs. 144.83 Mn by the end of 2019.



## 3. Proposed Sports Complex at Kirimandala Mawatha

The total estimated cost of the project was Rs. 70.39 Mn excluding 10% contingencies and VAT. The project commenced in June 2018 and is scheduled to be completed by end of July 2020.

The project consists of Construction of two storied building with steel structure.

The value of work done during the year 2019 Rs. 7.13 Million and cumulative value of work done was Rs. 19.80 Mn by the end of 2019.



## 4. Construction of Proposed Waste Park Muthurajawela - Stage I

The total estimated cost of the project was Rs. 385.01 Mn excluding VAT. The project commenced in June 2017 and is scheduled to be completed by end of December 2020.

The project consists of Construction Driven of precast pile and construction of steel structure, leachate storage tank, production plant, windrow pad.

The value of work done during the year 2019 Rs. 112.71 Million and cumulative value of work done was Rs. 250.44 Mn by the end of 2019.



## 5. Land Development work at Ragama

The project consists of land development work at Ragama.

The project commenced in January 2019 and is scheduled to be completed by end of December 2020.

The value of work done during the year 2019 Rs. 23.89 Million and cumulative value of work done was Rs. 23.89 Mn by the end of 2019.



**6. Renovation works at Head Office Building at Rajagiriya.**

The rearrangements works of Land and Supply Division, Media unit, Tea Pantry Room, Chairman's Office, Sanasa Unit had been completed during 2019.

The Value of work done during the year 2019 was Rs.7.29 Mn and cumulative value of work done was Rs.108.91 Mn upto end of the 2019.



**7. Construction of Sand Washing and Sieving Plant at Kerawalapitiya.**

The total estimated project cost was Rs. 184.56 Mn(Excluding VAT).

The project consists of Construction of Sand Washing and Sieving Plant, Pond, Transformer room and MDB room, Sea Sand Packing Plant and Toilet Block,

Changing Room, Office Room, Laboratory, RO Plant and Partition Work.

The project commenced In August 2018 and was completed by the end of November 2019. The work done during 2019 Rs. 139.46 Mn and cumulative work done was Rs. 178.57 Mn by the end of the 2019.



## Lands & Marketing Division

Lands and Marketing Division is one of the main functional arms of this Corporation that supports to achieve its goals through the following functions.

### 1. Acquisition of lands for water retention purposes & development purposes

Acquisition of lands at Muthurajawela area has been initiated recently for conservation of wetlands in Muthurajawela in order to prevent encroachments to Conservation Zone and improving the drainage system around the area.

In addition, the Land and Marketing Division is in the process of vesting few land lots in Anuradhapura, Trincomalee and Ampara and Baticaloa area for the construction of Circuit Bungalows & Regional Office requirements with the objective of facilitating future developments in respective areas.

The Corporation has taken initiatives to acquire lands at Ragama, Kolonnawa and Oliyamulla areas for canal developments in order to facilitate flood mitigation and drainage improvements in the respective areas.

### 2. Disposal of lands as per the guidelines on land alienation

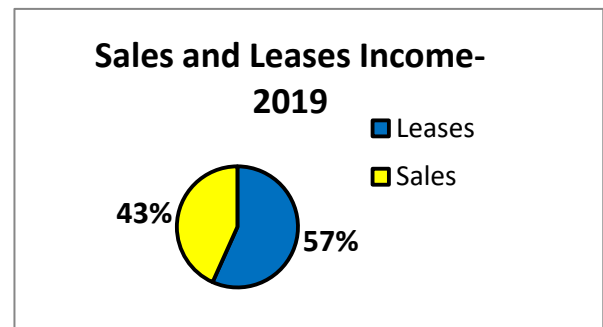
Muthurajawela area has been identified as a part of the logistic zone in Western Region by considering the proximity to main commercial hub of Colombo. Also with the development of Kerawalapitiya Outer Circular Highway Project, demand for lands at Muthurajawela area for logistics related projects were drastically increased. Accordingly, the Corporation has initiated many Logistics Development Projects in Muthurajawela area.

Several Land lots containing approximately 34 Acres were allocated to Hemas Logistics (Pvt) Ltd, Pyramid Lanka (Pvt) Ltd, East West Clearing and Forwarding Ltd, Dart Global Logistics (Pvt) Ltd and John Keells Logistics (Pvt) Ltd to set up multipurpose integrated logistics activities after obtaining competitive price through bidding process.

Most of the lands in Muthurajawela Industrial Zone has been disposed for many industries and for nationally important projects during past few years. Some of the important projects located within the zone are Petroleum Tank Farm, Litro Gas and CEB power plant etc.

In order to resolve the Garbage issue in Colombo, the Corporation has allocated 10 Acres of land at Muthurajawela to Western Power Company (Pvt.) Ltd. This Waste to Energy Projects is expected to generate 10-20 Mw to the National Grid.

Lands and Marketing Division involves in disposal of lands through long term leases, short term leases, direct sales and sales for individual housing. Accordingly, the Division has achieved a cash flow of approximately Rs. 718 Mn from sales/leases during the year 2019. The estimated revenue from sales and leases for the year 2020 would be Rs.1168 million.



### 3. Declaration of Wetlands and Canal Reservations

Also with new dimensions of development in the recent past, the scope of the Corporation has been changed towards more development oriented and conservation of environment. More attention towards flood control, conservation of Wetlands, beautification of canal banks and creation of walkways along canal banks.

In order to support the above works, Lands and Marketing Division involves in declaration of wetlands in the Country by stages. Also gazetting of Canal Reservation areas has been done in consultation with other respective divisions.

Under the declaration works Western, Southern, Uva, Central, Sabaragamuwa and North Central Provinces have already been gazetted. Declaration of Eastern, North, and North Western Provinces are being carried out.

The Canal Reservation in Western Province has already been declared and the declaration of canal reservation in Southern Province is under way.

### 4. Management of water retention lands acquired for Greater Colombo Flood Control and Environment Improvement Project (GCFC&EIP)

The Corporation also maintains marshy lands acquired for GCFC & EI Project for water retention purposes. Currently these lands are managed by the Lands & Marketing Division with the assistance of Legal Division and Security Unit of the Corporation.

### 5. Relocation and issuing deeds to unauthorized occupants

The Lands and Marketing Division has made arrangements to relocate the unauthorized occupants in marshy lands acquired by the Corporation. Such projects are located in Muthurajawela, Wedamulla, Pokuna Road, Dehiwala areas. Arrangements have been made to issue transfer deeds to such families.

## Planning & Business Development Division

### 1. Mining Off-Shore Sand for Construction Industry

Construction material supply industry plays a key role in construction industry where supply of cement, sand and the aggregate remains a major concern as there are the most essential elements in concrete production. With the boom of the construction industry in the recent past, the demand for sand has been increased enormously and to ensure continuous supply of sand has been a major issue. Though the main source of sand supply was through mining of river sand, government has imposed rules and regulations considering the adverse impacts of over extraction of river sands.



Considering these long term negative environmental impacts, government not only imposed heavy restrictions on river sand mining but also started to find an alternative solution for the same. Further river sand prices have sky rocketed due to the scarcity and it was a great need to find a feasible low cost option.

Off - shore sand is one of the best substitutes for the river sand which can be obtained in sufficient quantities at a very reasonable rate and can be obtained in the most environmentally friendly way.

Sri Lanka Land Development Corporation (SLLDC) engages in mining and pumping off-shore sand since 1993. At the beginning the off-shore sand was pumped for reclamation purposes and SLLDC have been solely supplying off-shore sand to the construction industry since 2013 in order to bridge the demand gap for sand.

Year	Contractor	Quantity Pumped
1994/1995	Boskalis International, Netherland	5 Million m <sup>3</sup>
2005/2007	Rohde Nielsen A/S, Denmark	3 Million m <sup>3</sup>
2011/2013	Dredging International, Belgium	3.8 Million m <sup>3</sup>

SLLDC owns a borrow site reserved at Kerawalapitiya. The sand is mined from the borrow site approximately 15 km distance from the shore and pumped to a specific stockpile at Kerawalapitiya. Even at present, a mining and dredging project is underway to supply over 2.5 million m<sup>3</sup> of sand to the construction industry.

- Scope of the project
  - Mining & Pumping of Off-shore sand for reclamations of lands - 1.5 million m<sup>3</sup>
  - Mining & Pumping of Off-shore sand for supply sand to construction industry - 2.5 million m<sup>3</sup>

- Contract Value - USD 19.975 million
- Contractor - Rohde Nielsen A/S (Pvt) Ltd
- Progress
  - 2,899,334 m<sup>3</sup> dredged by 2019.12.31

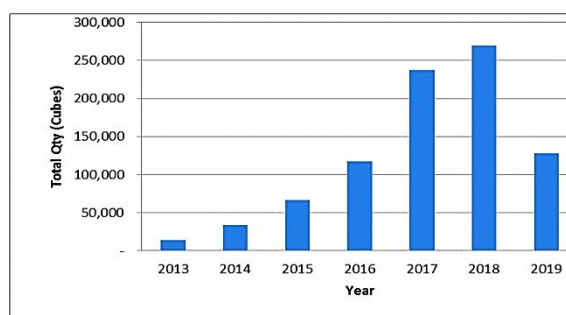
The off-shore sand obtained from the Kerawalapitiya is washed and sieved at the Washing & Sieving plant which is situated at Kerawalapitiya. Currently the washing and sieving plant supplies over 750 cubes per day. This off-shore sand is sold under the brand name "Sanstha Weli".

The demand for off-shore sand has been tremendously increased in past few years due to its price and the change in the perception amongst the public regarding the suitability of sand for construction work.

However, there was a decline in sand sales in year 2019 due to the disturbance in society and economy as a result of terrorist attack in April 2019.

Following graph depicts the annual off-shore sand sales quantities from 2013 onwards.

#### Off-shore sand sale quantities over the period 2013 - 2019



In order to ensure a continuous supply and to increase the geographic availability of "Sanstha Weli", the following steps have been taken by SLLDC which will be executed in the upcoming years.

#### • Installation of new sieving and washing plants

In order to improve the quality controlling mechanism and value proposition of the product, sieving & washing process was introduced.

A plant having a capacity of 500 cubes per day operated by Asset Engineering was commissioned in June 2017 and a capacity of 275 cubes per day REDECO was commissioned in May 2019.

#### • Establishment of sand packing plant

Sand packets of 50kg were introduced to the market in order to improve market penetration. Customers targeted are small scale contractors and house builders who need sand in small quantities.

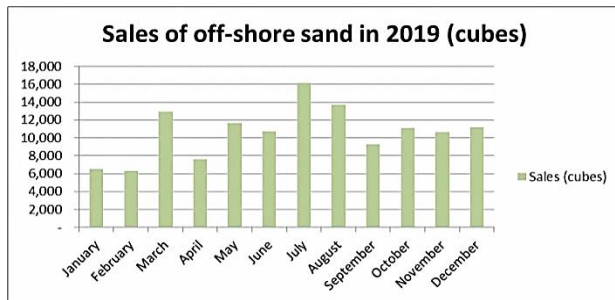
#### Off-shore sand sales

The highest revenue contribution to the corporation derives from off shore sand sales. In 2019, the Corporation was able to achieve a sales volume of

128,087.12 cubes compared to last couple of years and in terms of revenue it is LKR 1,068,742,230.92.

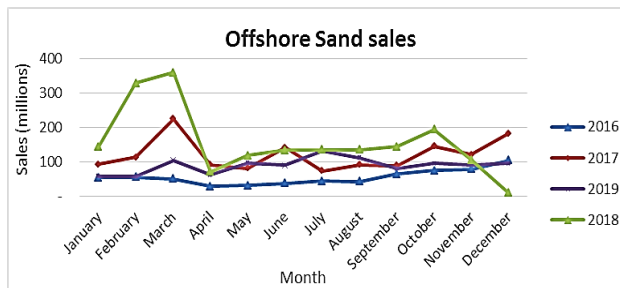
Total Income (2019) : Rs. 1,068.74 Mn

**Monthly Off-shore sand sold quantities in 2019**

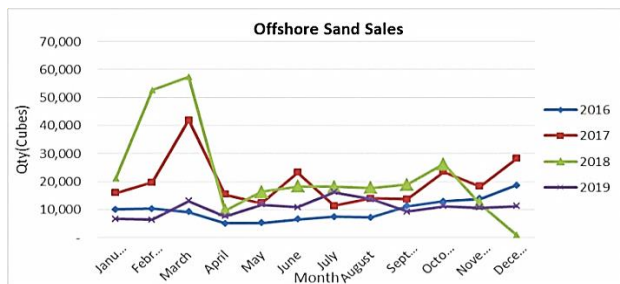


The following graphs depict the sales pattern in last consecutive four years.

Graph 01 – Monthly Off Shore Sand Sales



Graph 02 – Monthly Off Shore Sand Sold Quantities



**REVENUE GENERATING ACTIVITIES**

**1. Diyatha Uyana**

The Diyatha Uyana Park built in the banks of the Diyawanna Oya was opened in September 2012. Since its inception it has succeeded in attracting people from all walks of life from all over the country apart from those living in the vicinity. Built in a marsh land the park can be easily reached from the commercial capital. It is an ideal place for families to spend some quality time away from the hustle and bustle of the city. The shooting colorful jets of water of the musical water fountain add much vibrancy to the whole setting.

The lush greenery and the peaceful environment as the waters of the Diyawanna Oya flow placidly, in addition to the water fountain close by, have provided the public with an ideal place in which to unwind, whatever time of day.



As one passes the Diyawanna Oya one cannot help but notice the green garden chairs placed in strategic locations for the public to relax in, take the weight off their feet, and enjoy the surroundings.

Food outlets are also available to cater to the needs of the visitors. The visitors can refresh themselves with a snack and drink in a healthy and relaxed atmosphere.

The aquarium at Diyatha Uyana attracts many kids and during the evenings crowds gather around the circular aquarium as it offers a moment of tranquility to the city dwellers' lives.

3D paintings area is a major visitor attraction as you can take photographs with your loved ones.



Main features in the area are ;

- beautiful flower shops located on the banks of the Diyawanna oya waters walk along the riverside.
- take a river-boat ride or Sail boats and paddle crafts
- leaf shaped bus stop
- cement seats and tables
- central water fountain
- fountain with changing colors
- children's play areas.
- relaxing environment – students can even study
- Food outlets – refresh with a snack and drink with local and international varieties
- walking, jogging and cycling along paved pathways.
- Take a 3D photograph
- circular aquarium

Suitable venders have been selected through National Competitive Bidding process and awarded on monthly rental basis, for one year period which will be renewed on annually up to five years.

There is a decline in the revenue generation from food stalls as concessions were given to vendors until the social conditions returned to normalcy following the terrorist attack happened in April 2019.

Food Stalls	: Rs. 25.28 Mn
Flower Shops	: Rs. 35.94 Mn
Promotional Activities	: Rs. 04.44 Mn
Total Income (2019)	: Rs. 65.66 Mn

**2. Bellanwila**



Locals in Colombo know about this place very well. And hundreds or thousands come here to for running, jogging and cycling every day. Visiting this very place is an interesting thing to do in Colombo at night.

Bellanwila Park, which is situated in Boralesgamuwa, Colombo, is little different than the other parks we have talked about up to now in Sri Lanka.

The Bellanwila Park has been built as the first step of the "Weras Ganga" project in 2014 with the objective of controlling the flood threat. The main features of this park are the walking track, bicycle track and food court. It is really a nice place to spend the evening with family or friends.

There is a decline in the revenue generation from food stalls as concessions were given to vendors until the social conditions returned to normalcy following the terrorist attack happened in April.

Food Stalls	: Rs. 12.09 Mn
Promotional Activities	: Rs. 0.75 Mn
Total Income (2019)	: Rs. 12.84 Mn



**3. Kimbulawala**



The gym activities were opened with a membership of 103 members on 12.01.2015 and it has been increased up to 483 by now where it that gives an added value to healthy life style of general public.

This is accomplished by designing exercise programs which are effective, efficient and motivational. Our trainers are well qualified and keep up with new trends of the industry.

More importantly, they are very caring and supportive to the newly joined inexperienced members.

Fitness Center	: Rs. 16.19 Mn
Promotional Activities	: Rs. 0.33 Mn
Total Income (2019)	: Rs. 16.52 Mn



**4. Kelimadala**

"Boralesgamuwa - Kelimadala Children Park" is situated in Colombo - Horana road. The Kelimadala Park has been built under the "Weras Ganga" project in 2018. This is the first children's park in Sri Lanka for children with special needs. The main features of this park are the walking track, food courts and Children Park. It is really a nice place to spend the evening with family or friends.

There are 21 different type of activities designed for the disabled children. Children who have special needs can participate in collective activities to the maximum extent possible under special security.

There is a decline in the revenue generation from food stalls as concessions were given to vendors until the social conditions returned to normalcy following the terrorist attack happened in April.

Food Stalls	: Rs.1.32 Mn
Promotional Activities	: Rs. 0.18 Mn
Total Income (2019)	: Rs. 1.50 Mn



### 5. Advertising Boards at Canal Reservation

Total Income (2019) : Rs. 5.99 Mn

Company's outdoor sign is often the first thing a potential customer sees. Company logo should be sufficiently bright and conspicuous to attract attention (without being garish) and sufficiently informative to let prospective customers know what's sold there. We have given the spaces in canal banks and other areas under the control of SLLDC to private parties to advertise their product, service or company with the permission of the municipal council of the area.



### 6. Garton's Ark Restaurant

Garton's Ark is the largest sailing restaurant in Sri Lanka operating on the tranquil waters of the Diyawanna Oya, adjacent to the Urban Wetland Park in Nawala. It was launched in November 2014. An income of Rs.0.18 Mn is generated on monthly basis from this activity.

There is a decline in the revenue generation from sailing restaurant as concessions were given to vendors until the social conditions returned to normalcy following the terrorist attack happened in April.

Total Income (2019) – Rs. 0.9 Mn



### 7. Ferry Boat Service

Transport facility is provided for students to overcome time loss due to traffic congestion down parliament road, with the assistance of the Sri Lanka Navy. SLLDC has initiated a ferry service from Diyatha Uyana to the Gateway College in Rajagiriya. According to the MoU, SLLDC and the SL Navy, will manage and operate the boat service for a fee. This unique initiative has been made possible due to the beautiful waterway that is bordering Gateway College Rajagiriya which connects to the Water's Edge.

This service will not only provide an additional income to the organization but will also help to provide a good solution to a national problem of reducing traffic congestion during the rush hours and it will reduce the canal maintenance cost. Total Income (2019): Rs. 0.73 Mn



### 8. Swan Boat Service

Leisure and serenity are the promises of the Diyawanna Oya. Swan Paddle boats offer a splash of jollity while a boat ride along its marshland banks will help the city dweller get back in touch with nature. We have led a private party to operate this facility to public.

Total Income (2019) : Rs.0.34 Mn

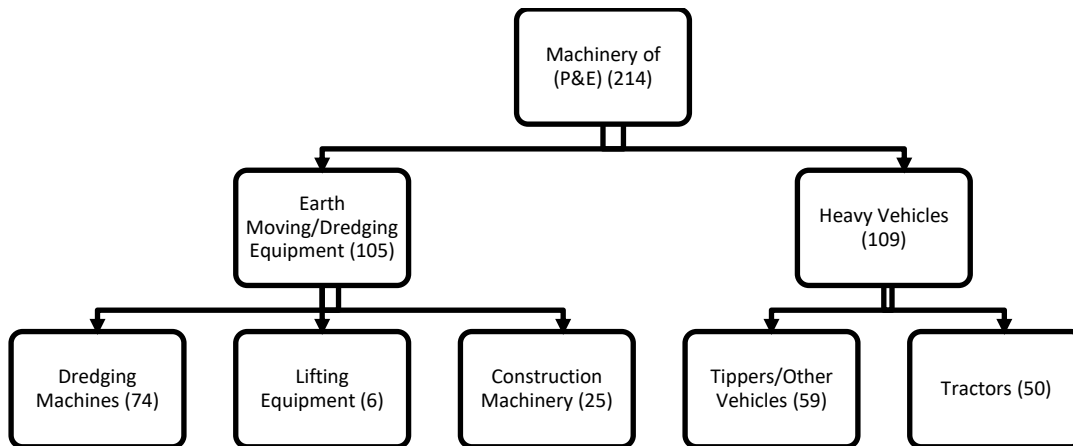


## Plant & Equipment Division

### Main Function of Plant and Equipment Division

- Operations and maintenance of
  - Earth moving/Dredging Equipment
  - Tippers, Tractors and Trailers
  - Other light and Heavy Vehicle lifting and transportation equipment
- Dredging/Desilting of canals , lakes upto 6m depth
- Response to emergency situation specially in flooding
- Repair and service of Corporation light vehicle fleet
- Fabrication and welding works

### Type of Machinery Available



### Floating Dozer for cleaning of surface and sub-surface



### Long Reach Arm Soft Terrain Amphibious Excavator for desilting/cleaning operations



### Barge Mounted Excavators for Desilting /cleaning operations



### 12 inch Cutter Suction Dredger for dredging upto 6m depth



**Amphibious Soft Terrain Excavator with 6 inch dredging Pump Attachment**



**Land Transportation of Heavy Equipment**



## Supplies Division

### **Supplies & Stores Division bringing Professionalism to continuously improve the process.**

Towards providing a professional service to our internal customers Supplies Division came up with the Vision of **to be the most customers focused professional outfit of SLLDC**. Its Mission being **“Procure Materials and Services to meet the requirements of the end user effectively, efficiently, economically, whilst adhering to the requirements of the environment”**.

In lieu of this Mission the Supplies TEAM is structured. The Supplies Division of SLLDC has contributed immensely for the achievement of Corporations Objectives for year 2019. Procurement of products and services on time at optimum price adhering to stated quality has contributed towards completing most of the projects on time. Following improvements were done to the Procurement Process. The establishment of procurement data base is one such activity and it comprises of a comprehensive detail about Purchase Requests send from all divisions. The data base contributed to reduce the lead time and to improve productivity. Further this facility was extended to Service and contracts areas and given the visibility to the Internal Customers as well. Proper communication channels were developed among other divisions of the Corporation and mainly processes at Central Stores,

Work Shop, Transport Division and Supplies Division were synchronized to make the process streamline. Division Progress Meetings were useful to integrate the processes and minimize the existing bottle necks. A representative from Supplies Division was assigned for the coordination of procurement process at identified projects. Recruitment of the Supplies Manager has done a world of good for the Supply Chain process and this was commended by the respective Deputy General Managers, Site Engineers as well. Seating arrangements were reorganized to serve the customer better. Subsequent to a Training Program regarding Procurement, new method of Tender opening were introduced. The Tender opening information was made available only to the Tender Opening TEAM and evaluation TEAM. The Sealed envelopes were directly sent to the respective evaluation authority. Introduction of Management Information System (SAP) to Store Keepers and the Supplies staff also helped towards taking Supply Chain process to the next level. Series of Training were done by DGM (Finance). All Store Keepers were given Computers. The representatives of the Store Keepers Association visited Toyota Motor Company for a knowledge sharing session. 10’x8’, 6 Converted Boxes were ordered and given to Store Keepers to streamline the process and improve the storage facility. Diesel tank was installed and made available for distribution. Capacity of this tank is 24,000 liters.

## Human Resources Development Division

### CORE FUNCTIONS OF HRD DIVISION

#### 1. HR Operations (Administration)

- For the smooth operation of main HR functions and ensure welfare of the employees

#### 2. HR Developments

- for the proper planning & Development of human capital within the Corporation to achieve individual as well as organizational objectives

#### 3. HR Training & Development

- To achieve and improve the skills of employees for the purpose of improving organizational performance

HR Operations		HR Developments	HR Training
<ul style="list-style-type: none"> <li>▪ Annual Transfers and Transfers on service requirement</li> <li>▪ Annual Insurance handling with accidents and Claims in Manpower/ Property/ Vehicles/ Machinery &amp; Equipment</li> <li>▪ Disciplinary Administration</li> <li>▪ Employee Welfare</li> <li>▪ Termination Benefits</li> <li>▪ Coordinate with Security Division, Transport &amp; Medical Center</li> <li>▪ Incoming &amp; Outgoing mail</li> </ul>	<ul style="list-style-type: none"> <li>▪ Salaries &amp; wages Administration</li> <li>▪ Annual/Salary Increments</li> <li>▪ Performance Evaluation &amp; Rewards</li> <li>▪ Managing Trade Union Matters</li> <li>▪ Employee Grievances</li> <li>▪ Scheme of Recruitment and Scheme of Promotion</li> <li>▪ Time Management</li> <li>▪ Internal &amp; External Circulars</li> </ul>	<ul style="list-style-type: none"> <li>▪ HR Planning</li> <li>▪ Recruitment &amp; Selection</li> <li>▪ Promotions</li> <li>▪ HR Policy Development, Implementation and Coordination</li> <li>▪ Coordination &amp; implementation of Board Decisions and Senior Management Decisions</li> <li>▪ Corporate Plan &amp; Annual Budget Preparations</li> <li>▪ Monitoring &amp; enhancing of processes, procedures and responsibilities for achieving quality policies and objectives with Quality Management Systems for the Corporation</li> <li>▪ LRDC &amp; REDECO Matters</li> </ul>	<ul style="list-style-type: none"> <li>▪ Conducting Local &amp; Foreign Training Programs</li> <li>▪ Conducting Training need Assessment</li> <li>▪ Preparation of Annual Training Plan</li> <li>▪ Screening will be made through a Training Committee officials for the nominated Training Programs</li> <li>▪ Collection of Feedback based on an Evaluation Criteria</li> <li>▪ Providing of Financial Assistant for higher studies</li> </ul>

### RECRUITMENT & SELECTION

Number of Recruitments made since 01.01.2019 to 31.12.2019	
EMPLOYEE TYPE	2019
Permanent	47
Contract	15
Trainees	33
<b>TOTAL</b>	<b>95</b>
<b>TOTAL NUMBER OF EMPLOYEES AS AT 31.12.2019</b>	
Permanent	1358
Contract	50
<b>TOTAL</b>	<b>1408</b>

**HR PLANNING - (PROPOSED NEW CADRE FOR YEAR 2020)**

Designation	Salary Code	Approved Cadre	Existing Cadre	No of Vacancies	Proposed Cadre
General Manager	HM 2-2	01	01	-	01
Additional General Manager	HM 2-1	02	02	-	02
Deputy General Manager	HM 1-3	12	11	01	12
Assistant General Manager	HM 1-1	16	14	02	16
Manager Category	MM 1-1	148	125	23	154
Junior Manager Category	JM 1-1	112	81	31	124
Enforcement Officer	MA 5-1	06	02	04	09
Operational/Instructional Category	MA 04	-	01	(01)	-
Associate Officer Category	MA 03	59	48	11	65
Management Assistant -Technical Category	MA 2-2	213	153	60	251
Management Assistant Non - Technical Category	MA 1-2	210	177	33	210
Primary Level Category - Skilled	PL 03	325	317	08	419
Primary Level Category - Semi Skilled	PL 02	114	72	42	116
Primary Level Category - Un Skilled	PL 01	508	404	104	452
Proposed New Designations	-	-	-	-	25
<b>GRAND TOTAL</b>		<b>1726</b>	<b>1408</b>	<b>318</b>	<b>1856</b>

**TRAINING AND DEVELOPMENT**

Conducting a new employee orientation for the newly recruited employees and this was maintaining as an essential step in building a strong employer-employee relationship. The HR training and development sector also provides training that supports the Corporation's fair employment practices and employee development to prepare aspiring leaders for supervisory and management roles. The most suitable and eligible candidates were nominated for the Programs with the recommendation of the Training Committee.

In order to maintain a competitive advantage among the Employees mainly focuses on both Local & Foreign training programmes to enhance developing skills for their future roles and responsibilities.

Further, 60 No.s' of Local Training Programmes were conducted and around 744 employees were benefited from the same amounting to Rs. 3,768,607.30/= and 14 No. of Foreign Training Programmes were conducted and 22 employees have been benefited and total expenditure occurred is Rs. 5,369,529/=

Further, Financial Assistant for Higher studies has been granted for One (01) Executive within year 2019 amounting to Rs. 186,000/-

Accordingly, Total budget spend for the Training & Development in the year 2019 is Rs. 9.324 Million.

**ISO QUALITY MANAGEMENT SYSTEM AND HEALTH & SAFETY**

- **Quality Management System of ISO 9001:2015**

Sri Lanka Land Development Corporation transformed the Quality Management System from ISO 9001: 2008 to ISO 9001: 2015 with the Certificate No. QSC 05194 issued on 06.04.2017 up to 05.04.2020

**PROMOTION**

The Promotion based on the recognition of meeting organizational objectives, the duties and functions of an employee. This may change in complexity and responsibility offered. Promotions therefore based on status changes that involve increasing responsibility levels. The added benefits of promotion serve as an incentive for better work performance, enhance morale and create a sense of individual achievement and recognition.

☞ Based on Employee qualifications and experience as per the approved scheme of Recruitment and Promotion were considered based on available vacancies in the approved cadre of the Corporation.

☞ Grade to grade promotions were given based as per the requirements stated in the approved Scheme of Promotion.

Accordingly, 55 Grade promotions and 18 promotional appointments offered following hierarchical posts in the approved cadre based on Designations throughout the year 2019.

## Internal Audit Division

The Internal Audit Division functions directly under the Chairman and the division holds the responsibility to ensure the effectiveness of the System of Internal Controls related to financial and other operations of the Corporation. The Internal Audit Division involves in, carrying out random and independent surveys with the objective of appraising the financial and other operations, to ensure the soundness and the adequacy of internal check, which is adopted to prevent and detect errors and frauds.

The Division undertakes Cost-Benefit Analysis related to various operations and supports the Top Management to make effective decisions in order to retain the maximum benefit under the minimum cost. The main areas covered by the Internal Audit Division include the following:

- Monitoring the viability of the projects undertaken by the Corporation including Treasury funded projects, in terms of physical and financial performance.
- Monitoring the effectiveness of procurement process by participating in the opening of sealed tenders, participating in Procurement Committee (PC) meetings as an observer, checking the procurement papers and technical evaluation reports and ensuring that the NPA guidelines have been properly followed.
- Determine compliance with procedures and evaluate the adequacy of implemented Internal Controls regarding the hiring of heavy machinery and vehicles.
- Review the Procedures related to the processing of invoices and payment requests made through the payment system and, implementing and developing best practices or procedures to collect the revenue from various sources.
- Regarding the newly implemented ERP System, evaluate the access control, User ID evaluation, evaluation of configurations relating to business processes, interfaces & privacy etc.
- Monitor the deployment of heavy machinery (Corporation owned and Hired) to ensure the performance, determine compliance with the procedures and evaluate the adequacy of implemented Internal Controls.
- Ensure that the Goals of the Corporation are linked to the Business Model and to the Strategy of the Corporation.
- Improve the controls to ensure accuracy and completeness of inventory records, assure the accountability of inventory transactions and safeguarding of inventory.
- Auditing of Weras Ganga Storm Water Drainage & Environmental Improvement Project.
- Ascertain whether the Waste Management Project will achieve the scope of objectives.
- Identify the unauthorized Land fillings or Constructions at the early stage.
- Management of land stock by ensuring the compliance with policies and procedures, and appraise the records and data to verify the actual land stock.
- Review and appraise the operations related to sea sand project such as, physically observing the sea sand dredging process and checking the relevant documents in connection with sea sand sales.
- Evaluate the effectiveness of the Internal Control System, operational controls and the achievement of targets related to the repair and maintenance of Heavy Machinery & Light Vehicles of the Plant & Equipment Division.
- Convene Audit Committee Meetings in accordance with the statutory requirements and report its recommendations to the Board of Directors soon thereafter, along with the Minutes of the meeting, to facilitate taking corrective measures.
- Coordinating with the Auditor General to assist in performing External Audit related functions.
- Carrying out special investigations assigned by the Top Management of the Corporation.

In addition to above works performed, the Division is also carrying out the internal audits of Subsidiary Companies; Land Reclamation and Development Company Limited and LRDC Services Private Limited.

## Legal Division

The Legal Division functions under powers conferred on the Sri Lanka Land Development Corporation (SLLDC) by the Act No. 15 of 1968 and subsequent amendments.

Legal aspects of:

1. Draft Legal documents in relation to Land Development, Resettlement, Community Consultation and providing legal assistance to people living in Low Income Settlement areas.
2. Safe Guard the Corporation against the litigations in Court by the Corporation and against the Corporation.
3. Advise on all matters pertaining to day to day issues of the Corporation.
4. The Corporation is empowered to take legal action against all unauthorized fillings, violation of conditions given on drainage design, unauthorized occupants in the canal reservation and people who are polluting the canals, within the areas declared under the

SLLR&DC Act and the amendment Act No. 35 of 2006.

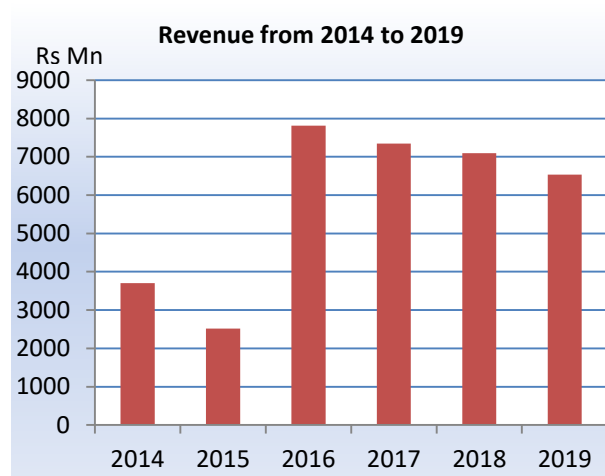
5. Prepare and attest all M.O.U, Sales Agreement, Contract/Consultancy Agreements, Long Term Lease, Annual Leases, Short-Term Leases, Transfer Deeds, related Legal Documents and Foreign Employment Bonds (No-pay/with pay), Car Loan Agreement, Power of Attorney and ownership of land titles for land clearance certificates.
6. The proposals for amendments have been approved by the Cabinet. In Accordance with the Cabinet approval, the draft final bill of the SLLDC Act has been prepared by the Legal Draftsman Department and the Attorney General's Department certificate has been issued.

The final draft has been forwarded the Cabinet of Ministers to obtain approval for publishing the same in the Gazette.

## Financial Review

In the year under review, the Corporation recorded turnover of LKR 6.5 Bn. with corresponding declining rate of 3%. The main reason for the decline was the drop in Sale of Sea Sand and Revenue from Compost Production facility at Kerawalapitiya.

Despite the macro level challenges faced by the Industry, SLLDC able to deliver a profit before tax of Rs. 752 Mn in the year compared to a profit of Rs. 1,620 Mn in the preceding year.

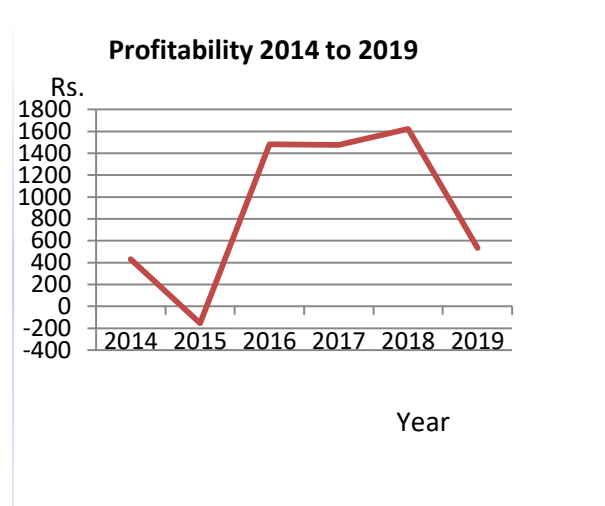


Compared to the year 2018, Overhead Expenses have gone down by 8%. However the Administrative Expenses has increased as a result of increase in personal costs including gratuity provision. Further Other Operating Income increased by Rs. 3Mn over provision made for bad and doubtful debts due to the recovery of debts which were treated as bad and doubtful bets in preceding year.

Interest expenses of the Corporation increased from LKR 435 Mn to LKR 592 Mn mainly as a result of utilizing the sea sand loan facilities.

Interest income of the Corporation decreased from LKR 541 Mn to LKR 476 Mn due to utilizing more funds on own projects and utilization of funds in subsidiary company to support the increase in the operational and project activities.

As at 31<sup>st</sup> December 2019, the Corporation revalued the fair value of Motor Vehicle in reference to the market based evidence. The result of such revaluation was incorporated in these Financial Statements from its effective date which is 31.12.2019. Rs. 212 Mn surplus arised from the revaluation was transferred to a revaluation reserve.



### Financial Position

The Non-Current Assets of the Corporation increased by 10% due to investing funds more in investment properties. However the current assets declined by 2% as the Corporation liquidated short term investments to repay debts & other liabilities. Consequently the total Assets base of the Corporation increased to Rs. 17.7 billion and net worth of the Corporation stood at Rs. 6.4 billion as at 31<sup>st</sup> December 2019

### Group Performance

Land Reclamation and Development Company reported a Net Loss of Rs. 45.2 Million however LRDC Services (Private) Ltd reported a Net Profit of Rs. 55 Million. Therefore the group reported Rs. 555 Mn Profit before taxation.

# Report of the Directors

The Directors are pleased to submit their report and the accounts of the Corporation for the year ended 31 December 2019.

## Principal Activities

The principal activities of the Corporation have been described in the Operations Review and Note 1 to the Financial Statements.

## Operational review of the year

The Operations review provides a detailed review of activities of the Corporation during the year.

## Turnover

The Turnover of the Corporation for the year 2019 was Rs.6,537 million (2018: Rs. 7,097 million)

## Profit

During the year under review the Corporation made a profit of Rs. 456 million compared to the profit of Rs. 1,148 million in 2018.

## State of Affairs

The State of Affairs of the Corporation is as indicated in the Statement of Financial Position. (Page 81)

## Property, Plant and Equipment

Movements in property, plant and equipment during the year is shown in the Note 9 to the Financial Statements.

## Taxation

Provision for income tax is made based on the profit for the year as adjusted for taxation purposes in accordance with the provisions of the Inland Revenue Act No. 24 of 2017 and subsequent amendments thereto.

## Directors' Interests in Contracts

Directors do not have direct or indirect interest in the contracts or proposed contracts with the Corporation, other than those disclosed in Note 22 to the financial statements.

## Board Meeting

The Board gathers at least once in every month. During the year 2019, 16 Board meetings were held. Number of Board Meetings attended by each Director is as follows.

Name of the Director	Date of Appointment	Meetings Eligible to Attend	Number of Meetings Attended
Mr. Roshan Gunawardena	31.12.2018	16	16
Mr. PAK Gunawardena	31.12.2018	16	14
Ms. J C Weligamage	03.05.2018	16	16
Eng. S Mohanrajah	02.11.2017	16	12
Dr. Jagath Munasinghe	30.03.2016	16	13
Eng. R.B.M.Gunawardene	30.01.2019	16	16
Eng. D Sajjana De Silva	30.01.2019	16	15
Eng. GMBD Bogamma	30.01.2019	16	13

## Going Concern

The Directors are of the view that the Corporation has the ability to continue as a going concern.

## Statutory Payments

The Directors, to the best of their knowledge and belief, are satisfied that statutory payments in relation to the Government and the employees have been made up to date.

## Employees

As at 31<sup>st</sup> December 2019 the Corporation was providing employment to 1408 persons. (2018: 1432)

## Post Balance Sheet Events

All material events occurring after the date of Statement of Financial Position have been considered and where necessary adjustments have been made in the accounts.

## Extraordinary Items

Transactions of exceptional/extraordinary nature, which require separate disclosure, have been reported in the notes to the Financial Statements.

## Auditors

The National Audit Office will audit the accounts of the Corporation for the year 2019.

By order of the Board



**HKKW Ekanayake**

Board Secretary

27<sup>th</sup> August 2020

# Auditor General's Report

---

HUD/C/SLLRDC/1/19/19

28 April 2021

Chairman

Sri Lanka Land Development Corporation

**Report of the Auditor General on the Consolidated Financial Statements and Other Legal and Regulatory Requirements of the Sri Lanka Land Development Corporation and its Subsidiary Companies for the year ended 31 December 2019 in terms of Section 12 of the National Audit Act, No. 19 of 2018.**

---

## 1. Financial Statements

### 1.1 Qualified Opinion

The audit of the consolidated financial statements of the Sri Lanka Land Development Corporation and its Subsidiary Companies for the year ended 31 December 2019 comprising the statement of Consolidated financial positions at 31 December 2019 and the Consolidated statement of financial performance, statement of changes in equity and consolidated cash flow statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, was carried out under my direction in pursuance of provisions in Article 154(1) of the Constitution of the Democratic Socialist Republic of Sri Lanka read in conjunction with provisions of the National Audit Act No. 19 of 2018 and Finance Act No. 38 of 1971. My report to Parliament in pursuance of provisions in Article 154 (6) of the Constitution will be tabled in due course.

In my opinion, except for the effects of the matters described in the basis for Qualified Opinion section of my report, the accompanying financial statements give a true and fair view of the financial position of the Corporation and the Group as at 31 December 2019, and of its financial performance and its cash flows for the year then ended in accordance with Sri Lanka Accounting Standards.

### 1.2 Basis for Qualified Opinion

(a) According to the LKAS-01, the assets, liabilities, income, expenditure should be shown in the financial statements at their fair value. However, the value of the Property, Plant and

Equipment had not been shown in the financial statements at the cost of Rs. 2,424.37 million without being ascertained the fair value.

- (b) According to the report submitted by the asset's useful life assessment committee of the Corporation, the unusable motor vehicles, the cost of Rs. 11.41 million, had been shown in the financial statements as non-current assets as at end of the year under review contrary to the LKAS-5. Further, action had not been taken to rectify the estimation error of the useful life the fully depreciated assets cost of Rs.715.67 million, but still in use, according to the LKAS-8.
- (c) According to Paragraph 36 of the LKAS - 16, if an item of property, plant and equipment is revalued the entire class of property, plant and equipment to which those assets belong should be revalued. However, 160 motorcycles and a Jeep cost of Rs. 24.74 million and Rs. 26.47 million respectively belonged to the Corporation as at end of the year under review, had not been revalued
- (d) Two investments properties had been shown in the financial statement at their cost of Rs.158.28 million, without being ascertained the fair value of investment properties according to the LKAS 40. Further, the land leased to the external parts, had not been shown in the financial statements as investment properties
- (e) Without having the Engineer's certificate, the contract revenue amounting to Rs.266.76 million relating to 6 contracts had been identified based on the cost of work done which were included in the bills for payments. Further, due to not identifying the contract cost related to the contract revenue, the profit of 3 contracts were varied from 100 per cent to 1132 per cent.
- (f) According to the Accounting policy No. 1.6 and the LKAS - 23, the directly attributable borrowing costs for manufacturing should be identified as a part of the manufacturing cost. However, the burrowing cost that had been incurred to processing of sea sand, amounting to Rs.261 million had not been added to the cost of sea sand stock shown in the financial statements at a cost of Rs.1, 323 million as at end of the year under review. As a result, the sea sand stock had been understated by that amount.

- (g) Due to amendments made to the contract rates by the standard Technical Committee relating to 2 contracts as at end of the year under review, a loss of Rs. 6.20 million had been incurred by the Corporation. However, owing to not making of necessary adjustment in the accounts in that regard, the contract revenue shown in the financial statements had been understated by that amount.
- (h) The value of 10 Tractor Trailers that had been modernized as Browsers in the year 2010, and the value of an Excavator machine and 2 Boats which have been used since the year 2012 had not been estimated and shown in the financial statements. Further, 3 motor vehicles valued at Rs.1, 620,000 had not been shown in the financial Statements.

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

### **1.3 Responsibilities of Management and Those Charged with Governance for the Financial Statements**

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

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

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

As per Section 16(1) of the National Audit Act No. 19 of 2018, the Corporation is required to maintain proper books and records of all its income, expenditure, assets and liabilities, to enable annual and periodic financial statements to be prepared of the Corporation.

#### **1.4 Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's

report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.

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

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

## **2. Report on Other Legal and Regulatory Requirements**

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

- Except for the effect of the matters described in the Basis for Qualified Opinion paragraph, I have obtained all the information and explanation that required for the audit and as far as appears from my examination, proper accounting records have been kept by the Corporation as per the requirement of section 12 (a) of the National Audit Act, No. 19 of 2018.
- The financial statements presented is consistent with the preceding year as per the requirement of section 6 (1) (d) (iii) of the National Audit Act, No. 19 of 2018.
- The financial statements presented includes all the recommendations made by me in the previous year as per the requirement of section 6 (1) (d) (iv) of the National Audit Act, No. 19 of 2018, except an observation aspires in paragraph 1.2 (d) of this report..

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

- to state that any member of the governing body of the Corporation has any direct or indirect interest in any contract entered into by the Corporation which are out of the normal cause of business as per the requirement of section 12 (d) of the National Audit Act, No. 19 of 2018.
- to state that the Corporation has not complied with any applicable written law, general and special directions issued by the governing body of the Corporation as per the requirement of Section 12 (f) of the National Audit Act, No. 19 of 2018 except for;

**Reference to Laws, Rules/ Directions**

**Description**

- | <b>Reference to Laws, Rules/ Directions</b>   | <b>Description</b>   |
|---|--|
| (a) Section 4 (a) of the Corporation act No. 35 of 2006   | According to Section 3 and 4 of the Act, recommendation of the Ministers of Industrial and Local Governments should be obtained for sale of Corporation's lands. However, that recommendations had not been obtained for the sale of land valued at Rs.272.62 million  |
| (b) Financial Regulation of the Democratic Socialist Republic of Sri Lanka:<br>Amended Financial Regulation 139 (5) | Without being established the identity of the payee, a payment amounting to Rs. 4.11 million had been made to an irrelevant person in the year under review, instead of being made the payment to a foreign legal firm. As a result, the Corporation had lost that amount.   |
| (c) The public Enterprises Circular<br>No.PED/12 dated 02 June 2003   |  |
| (i) Section 2.2.2   | The approval of the Cabinet of Ministers had not been obtained for the procedure applied for sub-leasing of lands belonging to the Corporation.  |
| (ii) Section 8.1.4  | A loan amounting to Rs.200 million had been given to a Subsidiary Company of the Corporation as at end of the year under review, without being followed the circular instructions. However, repayment ability of the loan had not been assessed by the Corporation. Further, according to the Corporation's Act, the provisions are not available to provide the loans to other parties. |

- (iii) Section 8.2.2
- Without being obtained the concurrence of the Minister of Finance and having only the approval of the Board of Directors, a sum of Rs.2,981.47 million had been invested in fixed and short term deposits.
- (d) Section 9.6 of the Trade and Investment Policy Circular No.01/2018 dated 05 February 2018
- Twofold of interest paid on the loans obtained for the purchase of Motor vehicles using duty fee permits that had been given to public officers based on their posts, had been reimbursed by the Corporation contrary to the circular instructions. The interest reimbursed so during the year under review amounted to Rs. 616,228.
- (f) Government Procurement Guidelines
- (i) Section 3.8
- In carrying out of procurements under the National Competitive Building System, the minimum bidding period shall be 14 to 21 days. However, bidding period of only 7 days had been given to the contractors, relating to 2 procurements made for Rs.35.70 million (excluding VAT) during the year under review.
- (ii) Section 5.3.19 (b)
- The post qualification criteria of the bidder should be clearly stated in the bidding documents. However, the post qualification criteria of the bidders had been amended without obtaining the prior approval of the Procurement Committee in connection with procurement of the Cutter Section Dredger Machine for Rs.244.70 million in the year under review. Further, without fulfilment of the requirement stated by the Procurement Committee, the tender had been awarded.

- to state that the Corporation has not performed according to its powers, functions and duties as per the requirement of section 12 (g) of the National Audit Act, No. 19 of 2018 except for;
  - (a) According to the Gazette Notification 1662/7 dated 14 July 2010, the Corporation should take actions to protect the reservation lands belonging to the canals in the Western Province. However, the Corporation had not taken positive actions to identify the reservation lands and to remove the unauthorized settlers in the reservation lands since the year 2010.
  - (b) A wetland, extent of about 6 hectares, which is mainly attributed for flood controlling system in the area and biodiversity situated nearby the Muthurajawela Sanctuary at Shuhada Mawatha, Delathura had been filled. However, action had not been taken against that regard in terms of section 2 of corporation Act No.35 of 2006.
- to state that the resources of the Corporation had not been procured and utilized economically, efficiently and effectively within the time frames and in compliance with the applicable laws as per the requirement of section 12 (h) of the National Audit Act, No. 19 of 2018 except for;
  - (a) According to the decision made by the Cabinet of Minister No.----- /19/1643/116/165dated 02 July 2019,the the estimated cost for purchase of 3 machines for the Project of Cleaning of Bairei Lake by removing of sediment amounted to Rs.283.50 million. However, the Corporation had taken action to purchase those machines exceeding the approved cost by Rs. 120.49 million.
  - (b) A land belonged to the Corporation, extent of about 2 acers and situated in Muthurajawela , had been sold to a Public Company in the year under review for Rs. 272.62 million , based on the valuation made to lease out an another land in the year 2017, instead of being obtained the current valuation to sale. As a result, a loss of Rs. 12.10 million had to be incurred to the Corporation. Further, although that land had been disposed on selling basis, determining the selling consideration based on the lands lease out prises for the sale of that land is a problematic issue in audit.

- (c) The Corporation had purchased 02 Long Aram Excavator machines valued at Rs. 41 million in the year under review. The supplier had fraudulently supplied the machines by fixing Long Aram excavator parts to the short Aram excavator machines violating the technical specifications provide by the Corporation.

### **3. Other Audit Observation**

- (a) A sum of Rs238.11 million should have been receivable to the Corporation from 23 Institutions up to end of the year under review, for disposing of garbage to the Kerawalapitya Garbage Management Centre. Out of that receivables, a sum of Rs119.9 million was remained as unsettled less than one year and the receivable in arrears for a period ranging from 1 to 3 year amounted to 118.21 million. Not entering into agreements stating the conditions applicable to the garbage disposing was the main reason for the debts recovery delays. Further, the receivable to the Corporation from the client's projects as at end of the year under review amounted to Rs. 549.81 million and out of that, the receivables for over 5 years amounted to Rs.71.37 million. Furthermore, the value of the debtor confirmations called by audit amounted to Rs.827 million. However, none of the debtors, had confirmed their balances to audit.
- (b) Out of the contract creditor balances as at end of the year under review amounted to Rs.265 million, unsettled creditor balances for a period from 2 to 5 year amounted to Rs.48 million. Further, even though the confirmations had been called by audit relating to creditor balances amounting to Rs.67 million, any confirmation had not been received to audit.
- (c) In order to minimize the damages cause due to floods to the general public and to the industries in the areas of Kelaniya, Biyagama, Wattala and Peliyagoda Deivisonal Secreteriats, the Mudun Ela development project had been started by the Corporation at the estimated cost of Rs.3,000 million in the year 2016. The financial and physical progress of the project as at end of the year under review were 43 per cent and 56 per cent respectively. Although a sum of Rs.1,456 million had been expended for the project using the Treasury Provisions as at end of the year 2020, the provisions had not been

made from the Annual Budget for the year 2021. Thus, it was observed in audit that the project would have to be suspended without being achieved the objectives.

- (d) Out of the competitive construction contracts in the market, the Corporation had submitted bids for 7 contracts valued at 1,453 million. However, the Corporation had failed to receive any contract. The higher quotations submitted by the Corporation, than the market prices, had been directly attributed for that failure.
- (e) According to the decision made by the Cabinet of Ministers in the year 1996, the land, extent of about 1,000 acres located in the western boundary of Parliament had been vested to the Corporation under the Grater Colombo Flood Controlling and Environment Improvement Project to Conserve the lands as water basin and to protect them as the specialist entity that had been incorporated for those functions. Even though the sole responsibility to remove the unauthorized settlers and reclaims of those lands is vested with the Corporation, about 163 acres had been acquired by the unauthorized settlers and 82 acres had been divested by the Corporation. Hence, it was observed that the Corporation had failed to fulfil the expected responsibilities by the Cabinet of Ministers, from the Corporation. Further, although 1324 unauthorized constructions and reclamations of lands had been identified by the Corporation in the water retention areas belonging to 5 Divisional Secretariat Divisions by the end of the preceding year, the Corporation had failed to remove those unauthorized constructions.
- (f) Due to inadequacies in the provisions of the Act, to avoid the current unauthorized reclamations, a Cabinet memorandum had been furnished to the cabinet of Ministers in the year 2012, in order to make necessary corrections by amending the Act. However, the Act, had not been amended up to end of the year under reviews. Further, due to the prevailing weakness of the Act, adequate actions had not been taken against the complaints received on unauthorized land fillings. As well, unfavourable court orders had been given against the Corporation owing to that situation.
- (g) Even though the Corporation had gazetted the boundaries of low, marshy, barren and muddy lands in 6 regions of the county, a procedure to identify unauthorized land fillings and settlements in those lands had not been prepared and the officers had not been

appointed to supervise the lands. Therefore, it could not be ruled out in audit the possibility that creation of social and environmental problems owing to that situation.

- (h) In order to control the sea sand stock levels, the recorder quantities had not been determined by the Corporation. As a result, when it occurred the shortage of sea sand stocks, 351.3 million sea sand cubic meters had been extracted from a land leased out to the Ceylon Electricity Board in the Kelawarapitiya to fill the sea sand stock shortages. However, the land had not been refilled since a period over 5 years. Further, due to extracting of sea sand, the land area to be refilled as at end of the year under review was 1,034,846 cubic meters.
- (i) Following the decision of the Cabinet of Ministers dated 30 August 2013, a loan amounting to Rs.14,227 million had been granted by the National saving Bank (NSB) under the guarantee given by the Treasury. Accordingly, the Corporation had entered into an agreement with the NSB on 14 July 2014 being agreed to repay the loan within a period of 14 1/2 years. However, according to the Cabinet decision made on 07 December 2017, it had been proposed to cancel the first loan agreement on Rs.14,227 million and to re-sign a new loan agreement for the loan amount already obtained amounting to Rs2,550 million and make provisions through the Annual Budget so as to provide funds for the payment of loan instalments, the interest and the expenditure that required to continue the project. Although it had been expected to be completed the project by 24 October 2018, the actual physical progress achieved by the project even after laps of over 06 years up to end of the year under review was about 60 per cent. Nevertheless, a programme to complete the project activities avoiding the abnormal time delays within a short period of time, had not been introduce by the management. 18 contract works, which should be completed by the project within 03 to 06 month period, had been divided into packages and given to sub-contractors. Out of the mobilization advances given to the Sub-contractors, unsettled advance balances as at 31 December of the year under review amounted to Rs.89.17 million. Further the outstanding advance balance was remained as unsettled for over one year amounted to Rs.52.16 million.
- (J) The subsidiary Company of the Corporation had incurred a sum of Rs.404.40 million for the sea sand paking project. The Corporation had given a loan amounting to Rs.200

million on 12 per cent interest, and an advance amounting to Rs. 109 million. In addition, a sum of Rs. 170.21 million to be receivable from the Company for construction of buildings. Thus, the total amount to be receivable from the Company as at end of the year under review amounted to Rs.479.21 million. But the Company unable to settle the payables due to the lack of financial feasibility. Further, due to the lack of demand for the sea sand bags in the market, the project had been suspended during the year under review and it was observed in audit that there is a doubt to the Corporation to recover the loan.

- (k) Without being carried out a feasibility study, a sum of Rs.112 million had been expended up to end of the preceding year for the construction of an entrance Road at Madinnagoda. However, due to the creation of land acquisition issues, the project had been suspended. As a result, the expenditure incurred for the project, had been become fruitless expenditure
- (l) The project building that had been constructed for the Muthurajawela compost project by incurring a sum of Rs.89.87 million had been kept in idle without being utilized up to end of the year under review.
- (m) The approved cadre of the Corporation as at 31 December 2019 had been 1,875 whereas the actual carder as at the date had been 1,407. Thus, 437 vacancies and 31 excess had been existed. 102 and 800 employees had been recruited by the Corporation form the Land Development Company and the LRDC Services Company respectively on the basis of reimbursement of salaries, as at end of the year under overview. The salaries paid for those employees as at end of the year under review amounted to Rs.486.86 million. Furthermore, in addition to the above staff, 175 employees had been obtained from the Civil Security Service Department by paying Rs.750 per day, to work at the sites of the Corporation
- (n) According to the Action plan, the projects valued at Rs.211 million scheduled to be identified as at end of the year under review, but the Corporation had failed to identify those Projects. Further, 03 projects valued at Rs.7,473 million that had been scheduled to be implemented during the year under review had not been implemented. Furthermore, a sum of Rs.89.32 million had been incurred by the Corporation for 04 projects which were not included to the Action plan. In addition, it was observed that in order to make the

provisions amounting to Rs.553 million for a project, which had not been included to the action Plan prepared at first, the Action Plan had been amended.

- (o) The Construction works of the Kirimandala Mawatha Flood Control and water management Centre had been awarded by the Corporation to a Client for an amended Project Cost of Rs.563.26 million. The cost incurred for the project up to end of the year under review amounted to Rs.297.63 million and accumulated loss incurred from the project amounted to Rs.108.57 million. Incurring of project's costs exceeding the agreed BOQ rates was attributed for this situation.
- (p) The work-in-progress relating to 7 projects that had been shown in the financial statements at the cost of Rs.242.14 million as at end of the year under review were existed for a period ranging from 02 to 03 years, and due to not completing the works in timely manner the expected gains had been lost by the Corporation. Further, accumulated loss of Rs.125.84 million had been incurred by the Corporation from 7 contracts implemented during the year under review. Hiring of manpower for the construction works while being kept in idle the permanent employees of the Corporation and contract management weakness were directly attributed for these losses.
- (q) Even though the contract work of 09 contracts valued at Rs.620.72 million scheduled to be completed as at end of the year under review, those contract works had not been completed as at end of the year under review. Not conducting of proper supervision over the contract works and inefficiencies of the sub-contractors were directly affected for that situation.
- (r) Without being obtained the mobilization advances and entered into formal agreements, 03 contracts valued at Rs.520.74 million had been commenced by the Corporation during the year under review. Further, the receivable amount for the work done of the contracts as at end of the year under review amounted to Rs.135.95 million and the work done to be further certified by the clients amounted to Rs.97.82 million. Furthermore, a sum of Rs.98.43 million was remained as receivables from those contracts even as at end of 2020.

- (s) Without being conducted a feasibility study, a boat service had been started by the Corporation in the Barrei Lake in the year under review and a loss of Rs.3.48 million had been incurred from the service as at end of the year under review. 4 new boat cost of Rs.40 million had been put into service by the Corporation and the total expenditure incurred to the project amounted to Rs.41.02 million
- (t) A land belonged to the Corporation situated in Muthurajawela and extent of 4 acres had been sub-leased to a private Company during the year under review. However, without being charged the relevant lease amounting to Rs.56.60 million to the land, only a sum of Rs.2 million had been charged after being made the computations. As a result, a loss of Rs.54.60 million had been incurred by the Corporation. Further, action had not been taken by the Corporation to obtain the approval of the Cabinet of Ministers to lease the land.

W.P.C. Wickramaratne

Auditor General

# Statement of Comprehensive Income

	Note	GROUP		CORPORATION	
		2019 Rs 000	2018 Rs 000	2019 Rs 000	2018 Rs 000
<b>For the Year ended 31<sup>st</sup> December</b>					
Revenue from Contract with Customers	1	8,339,384	8,872,736	6,537,657	7,097,374
Direct Cost	2	(6,362,450)	(6,059,016)	(4,714,876)	(4,499,760)
<b>Gross Profit</b>		<b>1,976,934</b>	<b>2,813,720</b>	<b>1,822,781</b>	<b>2,597,614</b>
Other Operating Income	3	147,623	114,347	100,237	97,069
<b>Gross Profit with Other Income</b>		<b>2,124,557</b>	<b>2,928,067</b>	<b>1,923,018</b>	<b>2,694,683</b>
Administrative Expenses		(1,141,960)	(1,131,173)	(970,431)	(969,537)
Depreciation		(170,546)	(236,840)	(153,554)	(220,463)
Promotional Expenses		(77,664)	(116,423)	(77,124)	(116,108)
Other Operating Expenses		(60,157)	(63,659)	(60,157)	(63,659)
<b>Profit from Operations</b>	4	<b>674,230</b>	<b>1,379,972</b>	<b>661,752</b>	<b>1,324,916</b>
Finance Cost	5	(596,346)	(438,286)	(592,913)	(435,467)
Finance Income	6	470,990	552,475	476,910	541,258
Amortization of Deferred Income	7	206,856	189,584	206,856	189,584
<b>Profit before Taxation</b>		<b>755,730</b>	<b>1,683,745</b>	<b>752,605</b>	<b>1,620,291</b>
Taxation	8	(314,087)	(495,705)	(296,137)	(472,075)
<b>Profit for the year</b>		<b>441,643</b>	<b>1,188,040</b>	<b>456,468</b>	<b>1,148,216</b>
<b>Profit Attributable to:</b>					
Equity Holders of the Parent		440,387	1,179,432	456,468	1,148,216
Non-Controlling Interest		1,256	8,608	-	-
<b>Other Comprehensive Income</b>					
Actuarial Gain/(Loss) on Defined Benefit Plans	18	(15,151)	1,556	(18,209)	1,556
Surplus on Revaluation of PPE		212,430	-	212,430	-
<b>Total Other Comprehensive Income for the year</b>		<b>197,279</b>	<b>1,556</b>	<b>194,221</b>	<b>1,556</b>
<b>Total Comprehensive Income for the year</b>		<b>638,922</b>	<b>1,189,596</b>	<b>650,689</b>	<b>1,149,772</b>
<b>Total Comprehensive Income attributable to :</b>					
Equity Holders of the Parent		637,054	1,180,988	650,689	1,149,772
Non-Controlling Interest		1,868	8,608	-	-


The Accounting Policies and Notes on pages 84 to 98 form an integral part of these Financial Statements.

# Statement of Financial Position

As at 31 <sup>st</sup> December	Note	GROUP		CORPORATION	
		2019 Rs.000	2018 Rs.000	2019 Rs.000	2018 Rs.000
<b>ASSETS</b>					
<b>Non-Current Assets</b>					
Property, Plant & Equipment	9	2,887,981	2,760,452	2,424,370	2,671,811
Intangible Assets		4,232	5,031	3,575	4,034
Investment Properties	10	2,489,809	1,893,358	2,489,809	1,893,358
Investment in Subsidiary Companies	11	-	-	2,000	2,000
Amounts due from Related Parties	14	-	-	203,500	128,250
Deferred Tax Assets		111,422	77,208	78,878	50,603
		<b>5,493,444</b>	<b>4,736,049</b>	<b>5,202,132</b>	<b>4,750,056</b>
<b>Current Assets</b>					
Inventories	12	3,122,019	2,486,950	3,024,762	2,417,199
Trade & Other Receivables	13	6,370,966	6,629,355	5,635,272	5,859,322
Taxation		3,422	408	-	-
Amounts due from Related Parties	14	-	-	341,011	78,105
Held to Maturity Financial Assets		3,145,992	3,752,965	2,981,475	3,602,876
Cash & Cash Equivalents	15	706,097	980,606	546,896	795,025
		<b>13,348,496</b>	<b>13,850,284</b>	<b>12,529,416</b>	<b>12,752,527</b>
<b>Total Assets</b>		<b>18,841,940</b>	<b>18,586,333</b>	<b>17,731,548</b>	<b>17,502,583</b>
<b>EQUITY &amp; LIABILITIES</b>					
<b>Capital &amp; Reserves</b>					
Contributed Capital		1,000	1,000	1,000	1,000
Capital Reserve		13,461	13,461	13,461	13,461
Asset Replacement Reserve		1,471	1,471	-	-
Asset Revaluation Reserve		229,316	19,646	212,430	-
Retained Earnings		6,503,306	6,075,922	6,263,585	5,825,326
Medical Fund		69,728	56,909	69,728	56,909
Non-Controlling Interest		71,100	69,232	-	-
<b>Total Capital &amp; Reserves</b>		<b>6,889,382</b>	<b>6,237,641</b>	<b>6,560,204</b>	<b>5,896,696</b>
<b>Non-Current Liabilities</b>					
Compensation Payable on Lands Acquired		200,482	212,363	200,482	212,363
Deferred Tax Liability		241,132	193,353	241,132	193,353
Deferred Income	16	796,795	863,205	796,795	863,205
Interest Bearing Loans & Borrowings	17	2,731,046	3,020,891	2,716,057	2,996,781
Retirement Benefits Obligation	18	412,336	384,580	281,707	264,217
		<b>4,381,791</b>	<b>4,674,392</b>	<b>4,236,173</b>	<b>4,529,919</b>
<b>Current Liabilities</b>					
Interest Bearing Loans & Borrowings	17	1,474,442	685,452	1,466,859	678,859
Trade & Other Payables	19	2,023,016	2,735,424	1,286,905	2,086,510
Amounts due to Related Parties	21	-	-	143,371	104,170
Taxation		89,742	313,585	82,533	287,531
Provision for Land Filling		557,993	534,805	557,993	534,805
Dividend Payable		910	910	-	-
Advances Received	20	3,397,510	3,384,093	3,397,510	3,384,093
Bank Overdrafts	15	27,154	20,031	-	-
		<b>7,570,767</b>	<b>7,674,300</b>	<b>6,935,171</b>	<b>7,075,968</b>
<b>Total Liabilities</b>		<b>11,952,558</b>	<b>12,348,692</b>	<b>11,171,344</b>	<b>11,605,887</b>
<b>Total Equity &amp; Liabilities</b>		<b>18,841,940</b>	<b>18,586,333</b>	<b>17,731,548</b>	<b>17,502,583</b>

The Accounting Policies and Notes on pages 84 to 98 form an integral part of these Financial Statements.

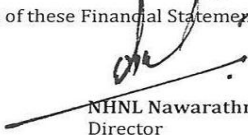
The Financial Statements have been prepared and presented in compliance with Sri Lanka Accounting Standards issued by the Institute of Chartered Accountants of Sri Lanka.

  
**JAPK Jayasinghe**  
 Deputy General Manager (Finance)

The Board of Directors is responsible for the preparation and presentation of these Financial Statements. Signed for and on behalf of the Board by:

  
**Major General (Rtd) MRW De Zoysa USP psc MSc (Defence)**  
 Chairman  
 27<sup>th</sup> August 2020

  
**Eng. (Mrs.) Srimathi Senadheera**  
 General Manager

  
**NHNL Nawarathne**  
 Director

# Statement of Changes in Equity

## GROUP

Description	Contributed	Capital	Assets	Assets	Retained	Medical	Non	Total
	Capital	Reserve	Replacement	Revaluation	Earnings	Fund	Controlling	
	Rs'000	Rs'000	Reserve	Reserve	Rs'000	Rs'000	Interest	
<b>Balance as at 01.01.2018</b>	1,000	13,461	1,471	22,501	4,892,079	44,631	60,624	5,035,767
Profit for the year 2018	-	-	-	-	1,179,432	-	8,608	1,188,040
Increase in Medical Fund	-	-	-	-	-	12,278	-	12,278
Actuarial Gain on Defined Benefit Plan	-	-	-	-	1,556	-	-	1,556
Surplus on Revaluation of PPE	-	-	-	(2,855)	2,855	-	-	-
<b>Balance as at 01.01.2019</b>	<b>1,000</b>	<b>13,461</b>	<b>1,471</b>	<b>19,646</b>	<b>6,075,922</b>	<b>56,909</b>	<b>69,232</b>	<b>6,237,641</b>
Profit for the year 2019	-	-	-	-	440,387	-	1,256	441,643
Increase in Medical Fund	-	-	-	-	-	12,819	-	12,819
Actuarial Loss on Defined Benefit Plans	-	-	-	-	(15,763)	-	612	(15,151)
Disposal of Revalued Assets	-	-	-	(2,760)	2,760	-	-	-
Surplus on Revaluation of PPE	-	-	-	212,430	-	-	-	212,430
<b>Balance as at 31.12.2019</b>	<b>1,000</b>	<b>13,461</b>	<b>1,471</b>	<b>229,316</b>	<b>6,503,306</b>	<b>69,728</b>	<b>71,100</b>	<b>6,889,382</b>

## CORPORATION

Description	Contributed	Capital	Asset	Retained	Medical Fund	Total
	Capital	Reserve	Revaluation	Earning	Rs.000	
	Rs.000	Rs.000	Reserve	Rs.000	Rs.000	
<b>Balance as at 01.01.2018</b>	1,000	13,461	-	4,675,554	44,631	4,734,646
Profit for the year 2018	-	-	-	1,148,216	-	1,148,216
Increase in Medical Fund	-	-	-	-	12,278	12,278
Actuarial Gain on Defined Benefit Plans	-	-	-	1,556	-	1,556
<b>Balance as at 01.01.2019</b>	<b>1,000</b>	<b>13,461</b>	<b>-</b>	<b>5,825,326</b>	<b>56,909</b>	<b>5,896,696</b>
Profit for the year 2019	-	-	-	456,468	-	456,468
Surplus on Revaluation of PPE	-	-	212,430	-	-	212,430
Increase in Medical Fund	-	-	-	-	12,819	12,819
Actuarial Loss on Defined Benefit Plans	-	-	-	(18,209)	-	(18,209)
<b>Balance as at 31.12.2019</b>	<b>1,000</b>	<b>13,461</b>	<b>212,430</b>	<b>6,263,585</b>	<b>69,728</b>	<b>6,560,204</b>

The Accounting Policies and Notes on 84 to 98 form an integral part of these Financial Statements.

# Cashflow Statement

For the year ended 31 <sup>st</sup> December	GROUP		CORPORATION	
	2019 Rs.000	2018 Rs. 000	2019 Rs. 000	2018 Rs. 000
<b><u>Cash Flows from Operating Activities</u></b>				
Net Profit/(Loss) before Taxation	755,730	1,683,745	752,605	1,620,291
<b>Adjustments for;</b>				
Depreciation	371,400	164,038	357,118	143,844
Amortization of Deferred Income	(206,857)	(189,584)	(206,857)	(189,584)
Provision for Doubtful Debts	(74,936)	57,815	(42,688)	41,216
Foreign Exchange Loss	2,180	15,242	2,180	15,242
Foreign Exchange Gain	(3,063)	(60,999)	(3,063)	(60,999)
Bad Debts Written Off	20,994	1,630	-	-
Income from Unclaimed Balances Written Off	(7,681)	(206)	(7,681)	(206)
Finance Costs	595,499	437,439	592,066	434,619
Finance Income	(470,990)	(552,475)	(476,909)	(541,258)
Profit on Sale of Property, Plant & Equipment	(465)	(1,721)	(163)	(1,847)
Provision for Slow Moving Inventories	(21,724)	(1,041)	(21,724)	(1,041)
Provision for Compensation	847	847	847	847
Provision for Defined Benefit Obligations	81,269	58,195	45,431	41,093
<b>Operating Profit before Working Capital Changes</b>	<b>1,042,203</b>	<b>1,673,924</b>	<b>991,162</b>	<b>1,563,861</b>
<b>Changes in Working Capital</b>				
(Increase)/Decrease in Inventories	(613,344)	(1,385,789)	(533,174)	(1,392,646)
(Increase)/Decrease in Advance Received	13,417	336,544	13,415	336,549
(Increase)/Decrease in Trade & Other Receivables	330,867	102,349	269,802	368,171
(Increase)/Decrease in Amounts due from Related Parties	-	-	(233,372)	2,684
Increase/(Decrease) in Amount due to Related Parties	-	-	39,201	(17,594)
Increase/(Decrease) in Trade & Other Payables	(622,127)	392,201	(778,599)	306,324
<b>Cash Generated from Operations</b>	<b>151,016</b>	<b>1,119,229</b>	<b>(231,565)</b>	<b>1,167,349</b>
Income Tax Paid	(519,010)	(565,966)	(466,951)	(551,341)
Gratuity Paid	(68,664)	(51,676)	(46,150)	(37,006)
<b>Net Cash from/(used in) Operating Activities</b>	<b>(436,658)</b>	<b>501,587</b>	<b>(744,666)</b>	<b>579,002</b>
<b><u>Cash Flows from Investing Activities</u></b>				
Acquisition of Property, Plant & Equipment	(814,818)	(579,981)	(407,449)	(528,285)
Net Investment in Fixed Deposits	606,974	(826,255)	621,401	(806,281)
Interest Income Received	455,893	545,134	448,349	435,644
Proceeds from Sale of Property, Plant & Equipment	4,606	29,521	4,305	2,220
<b>Net Cash from/(used in) Investing Activities</b>	<b>252,655</b>	<b>(831,581)</b>	<b>666,606</b>	<b>(896,702)</b>
<b><u>Cash Flows from Financing Activities</u></b>				
Interest and Compensation Paid	(15,659)	(2,002)	(15,659)	(2,002)
Loans obtained	1,470,000	1,036,700	1,470,000	1,030,000
Loan Repayment	(964,743)	(157,102)	(962,724)	(156,379)
Loan given to Subsidiary Companies	-	-	(81,250)	(118,750)
Interest paid on Loans	(580,436)	(431,403)	(580,436)	(431,403)
Lease Rentals Paid	(6,791)	(7,137)	-	-
<b>Net Cash from/(used in) Financing Activities</b>	<b>(97,629)</b>	<b>(439,056)</b>	<b>(170,069)</b>	<b>321,466</b>
Net Increase/(Decrease) in Cash and Equivalents	(281,632)	109,062	(248,129)	3,766
Cash and Cash Equivalents at the beginning of the Year	960,575	851,513	795,025	791,259
Cash and Cash Equivalents at the end of the Year (Note 15)	<b>678,943</b>	<b>960,575</b>	<b>546,896</b>	<b>795,025</b>

The Accounting Policies and Notes on 84 to 98 form an integral part of these Financial Statements.

# Significant Accounting Policies

## 1. CORPORATE INFORMATION

### 1.1 Reporting Entity

Sri Lanka Land Development Corporation is a Public Corporation domiciled in Sri Lanka. The Corporation was incorporated on September 22, 1968 by Act No.15 of 1968.

The registered office and the principal place of business of the Corporation is situated at No. 03 Sri Jayawardenepura Mawatha, Welikada, Rajagiriya.

### 1.2 Consolidated Financial Statements

The consolidated financial statements of Sri Lanka Land Development Corporation for the year ended 31<sup>st</sup> December 2019 comprise the Corporation and its two subsidiaries (together referred to as the "Group"). The financial statements of all entities in the group have a common financial year which ends on 31<sup>st</sup> December. Sri Lanka Land Development Corporation do not have any identifiable parent of its own. The Corporation is the ultimate parent of the Group.

### 1.3 Principal Activities and Nature of Operations

During the year principal activities of the Corporation and its subsidiaries were as follows.

Name of the Entity	Nature of Business
Sri Lanka Land Development Corporation	Drainage improvements, land developments, urban landscaping, management of wetlands, mining and sale of offshore sand, waste management, civil constructions and providing related engineering services
Land Reclamation and Development Company Ltd	Manufacturing of cement blocks, and packeting and sale of offshore sand, pre cast items, civil constructions
LRDC Services (Private) Ltd	Providing security services and manpower supply

Both subsidiaries of the Corporation have been incorporated in Sri Lanka under the Companies Act.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### 2.1 General Accounting Policies

#### 2.1.1 Basis of Preparation

The consolidated financial statements of the Group have been prepared in accordance with Sri Lanka Accounting Standards issued by the Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka).

#### 2.1.2 Basis of Measurement

The consolidated financial statements have been prepared on a historical cost basis, except for financial assets that have been measured at fair value through profit or loss.

#### 2.1.3 Presentation and Functional Currency

The consolidated financial statements are presented in Sri Lanka Rupees which is the functional and presentation currency of the Group.

#### 2.1.4 Statement of Compliance

The statement of financial position, statement of comprehensive income, statement of changes in equity and cash flow, together with accounting policies and notes ("financial statements") of the Corporation and the Group as at 31<sup>st</sup> December, 2019 and for the year then ended have been prepared in compliance with Sri Lanka Accounting Standards issued by the Institute of Chartered Accountants of Sri Lanka.

#### 2.1.5 Going Concern

The Directors have made an assessment of the Corporation and its subsidiaries' ability to continue as going concerns and do not intend either to liquidate or curtail the operations of respective entities.

#### 2.1.6 Comparative Information

The accounting policies have been consistently applied by the Corporation and the Group with those of previous year in accordance with the Sri Lanka Accounting Standards – LKAS 01 on "Presentation of Financial Statements". Comparative information is re-classified wherever necessary to conform to the current presentation.

## Significant Accounting Policies (Contd.,)

### 2.1.7 Materiality Aggregation and Offsetting

Assets and liabilities, income and expenses are not offset unless it is required or permitted by an Accounting Standards.

Each material class of items is presented separately in the financial statements. Items of the similar nature or functions are presented in aggregate unless they are material.

### 2.1.8 Significant Accounting Judgments, Estimates and Assumptions

The preparation of Group's financial statements requires management to make judgments, estimates and assumptions that would affect the reported amounts of revenue, expenses, assets and liabilities and the disclosures. Any material adjustments causing to the carrying amounts of assets and liabilities due to these judgments, estimates and assumptions are considered in the next financial year.

### 2.2 Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Corporation and its subsidiaries as at 31<sup>st</sup> December, 2019. Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control and continues to be consolidated until the date when such control ceases.

#### a) Subsidiaries

Subsidiaries are all entities over which the Group has the power directly to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether Group controls another entity. Subsidiaries are fully consolidated from the date which the control is transferred to the Group. They are de-consolidated from the date that control ceases.

Name of the Entity	Effective Holding
Land Reclamation and Development Company Ltd (REDECO)	80%
LRDC Services (Private) Ltd	80%

Total profits and losses of the Corporation and of its subsidiaries are included in consolidated statement of comprehensive income. All assets and liabilities of the Corporation and of its subsidiaries are included in the consolidated statement of financial position.

#### b) Non controlling interest

The interest of the outside shareholders in net assets of the Group and proportion of the profit after taxation applicable to outside shareholders are stated separately in the consolidated statement of financial position and the consolidated statement of comprehensive income under the heading "Non Controlling Interest"

#### c) Transaction eliminated on Consolidation

All intra group balances, income and expenses and unrealized gains and losses and dividends resulting from intra group transactions are eliminated in full.

### 2.3 Assets and Bases of their Valuation

#### 2.3.1 Property, Plant & Equipment

Property, Plant and Equipment are stated at cost of purchase or construction, less accumulated depreciation. Cost of purchase or construction includes any attributable cost of bringing the assets to its intended working condition or use.

#### Depreciation

Depreciation is provided to write off the cost of Property Plant and Equipment on a straight-line basis over their estimated useful lives as disclosed below.

Leasehold Land	Over the Lease period
Buildings-Permanent	Over 20 years
Buildings-Semi Permanent	Over 10 years
Structures on Possession owned Lands	Over 10 years
Furniture & Fittings	Over 10 years
Office Equipment	Over 8 years
Light Passenger Vehicles	Over 5 years
Plant & Machinery and Equipment	
- Earth Moving and Dredging Equipment	Over 10 years
- Material Handling Equipment	Over 10 years
- Other Plant & Machineries	Over 4 years
Communication Equipment	Over 4 years
Bicycles and Small Workshop Equipment	Over 2 years
Convertainers	Over 10 years

No depreciation is provided to write off the cost of the freehold lands.

The depreciation of an asset begins when it is available for use and ceases on the date when the asset is derecognized.

## Significant Accounting Policies (Contd.,)

### 2.3.2 Investment Properties

Investment property is a property held to earn rental income but not held for sale in the ordinary course of business or using it for the production or supply of goods or services or for administration purposes. Investment properties are stated at the acquisition cost and subsequent development costs.

### 2.3.3 Inventories

Inventories are valued at the lower of cost and estimated net realizable value, after making due allowances for obsolete and slow moving items. Net realizable value is the price at which inventories can be sold in the ordinary course of business less the estimated cost of completion and the estimated cost necessary to make the sale.

The cost incurred in bringing inventories to its present location and conditions are accounted using the following cost formulae:-

- General Stocks - At purchase cost on FIFO basis
- Sea Sand Stock - At the dredging cost plus other relevant costs

### 2.3.4 Work-in-Progress

Work-in-progress relates to long term construction projects in progress at the date of the Statement of Financial Position and is valued at direct cost comprising of material, labour and direct overheads attributable to the projects.

### 2.3.5 Trade and Other Receivables

Trade receivables are recognized at the amounts they are estimated to realize net of provisions for impairment. Other receivables and dues from related parties are recognized at fair value less provision for impairment. Provision is made in the accounts for bad and doubtful debts by considering their level of recoverability.

### 2.3.6 Cash and Cash Equivalents

Cash and cash equivalents are defined as cash in hand, demand deposits and short term highly liquid investments, readily convertible to known amounts of cash and subject to insignificant risk of changes in value. For the purpose of Cash Flow Statement, cash and cash equivalents consist of cash in hand and deposits at Banks including REPO and Treasury Bills net of Bank Overdrafts.

### 2.3.7 Government Grants

Government grant received in the form of long term assets, has been recognized as a Deferred Income and annually recognized as an income over

the useful life of the asset based on the capital approach.

Government grants (except long term assets) received during the year relating to operating activities have been recognized in full in the Statement of Comprehensive Income. The related costs are charged to the statement of Comprehensive Income in the same period.

Conditions and other contingencies attaching to the government grants will be considered and disclosed.

## 2.4 Liabilities and Provisions

### 2.4.1 Liabilities

Liabilities classified under current liabilities in the statement of financial position are expected to fall due within one year from the statement of financial position date. Items classified as non-current liabilities are those expected to fall due at a point of time after one year from the reporting date.

### 2.4.2 Retirement Benefit Obligations

#### 2.4.2.1 Defined Benefits Plans- Gratuity

The liability recognized in the statement of financial position in respect of defined benefit plan is the present value of defined benefit obligation as calculated annually by independent actuaries using Project Unit Credit (PUC) method as recommended by LKAS 19- "Employees Benefit". Actuarial gains & losses for defined benefit plans are recognized in full in the period in which they occur in other comprehensive income.

However, according to the Payment of Gratuity Act No. 12 of 1983, the liability for gratuity payment to an employee arises only after the completion of five years of continued service.

#### 2.4.2.2 Defined Contribution Plans

Employees are eligible for Employees' Provident Fund Contributions and Employees' Trust Fund Contributions in line with respective statues and regulations.

#### (a) Employees Provident Fund

The Corporation contributes 12% and employees contribute 10% to the Employees' Provident Fund.

#### (b) Employees Trust Fund

The Corporation contributes 3% on behalf of the employees to the Employees' Trust Fund.

## Significant Accounting Policies (Contd.,)

### 2.4.3 Taxation

#### a) Income Tax

Provision for income tax is based on the elements of income and expenditure as reported in the financial statements and computed in accordance with the provisions of the Inland Revenue Act No. 24 of 2017 and subsequent amendments thereto.

#### b) Deferred Tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax is measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled based on tax rates (and tax laws) that have been enacted or substantially enacted at the reporting date.

## 2.5 Statement of Comprehensive Income

### 2.5.1 Revenue

Corporation recognized revenue from contracts with customers as an when performance obligations are satisfied. The following specific criteria are used for the purpose of recognition of revenue.

#### a) Sale of Goods

Revenue from the sale of goods is recognized when the Corporation satisfies a performance obligation by transferring promise goods to a customer.

#### b) Rendering of Services

Revenue from the rendering of the service is recognized when the Corporation satisfies a performance obligation by transferring a promise service to a customer.

#### c) Income from Land Sales

When lands are sold by Tender or by other mode, the sale value is taken to revenue generally when the transfer deed has been executed or else if all payments have been received and there is no likelihood of the sale not being executed by a transfer deed.

#### d) Construction Contracts

Revenue from Construction contracts include the initial amount agreed in the contract plus any variations in contract work, claims and incentive payments, to the extent that it is probable that they will result in revenue and can be measured reliably.

The Corporation recognizes revenue from construction contracts over the period during which the contract is carried out using output method towards the complete satisfaction of the performance obligation in accordance with SLRFS 15. Contract costs are usually recognized in the accounting periods in which the work to which they relate is performed.

#### e) Interest Income

Interest Income is recognized on an accrual basis.

#### f) Dividend Income

Dividend Income is recognized when the right to receive dividend is established.

#### g) Other Income

Other Income is recognized on an accrual basis.

## 2.6 Borrowing Cost

Borrowing Costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consists of interest and other costs that an entity incurs in connection with the borrowing of funds.

## 2.7 Extraordinary Items

All relevant details have been disclosed in notes to the accounts.

## 2.8 Events Occurring After the Statement of Financial Position Date

All material events occurring after the statement of financial position date have been considered and where appropriate adjustments or disclosures have been made in the respective notes to the Financial Statements.

# Notes to the Financial Statements

	GROUP		CORPORATION	
	2019 Rs.000	2018 Rs.000	2019 Rs.000	2018 Rs.000
<b>1 Revenue</b>				
Reclamation & Dredging Income	710,217	546,963	710,217	564,338
Construction Projects Income	848,209	877,634	799,972	699,616
Sales of Offshore Sand	1,088,490	1,873,126	1,070,742	1,873,126
Sale of Offshore Sand to Port City Project	-	257,223	-	257,223
Land Sales	272,622	171,000	272,622	171,000
Lease of Lands	160,454	158,020	160,454	158,020
Consultancy Services	38,102	18,672	38,102	18,672
Land Clearance Income	36,905	26,812	36,905	26,812
Income from Leisure Park and Recreation Area	105,493	129,983	105,493	129,983
Waste Management Park Income	460,685	742,287	460,685	742,287
Plant & Equipment Division Income	765,284	470,541	765,284	470,686
Advertisement Board Income	5,938	8,950	5,938	8,950
Rent Income	43,407	32,407	42,905	31,837
Service Center Income	33,977	24,683	33,977	24,683
Wetland Management Project Income	12,991	-	12,991	-
Sale of Blocks & Hume Pipes	53,726	57,351	-	-
Income from Security Services	1,681,514	1,557,681	-	-
Miscellaneous Projects Income	-	5,757	-	5,757
	<b>6,318,014</b>	<b>6,959,090</b>	<b>4,516,287</b>	<b>5,182,990</b>
Income from Treasury Funded Projects	1,514,163	1,347,990	1,514,163	1,348,728
Income from Weras Ganga Project	1,272,981	1,018,265	1,272,981	1,018,265
	<b>9,105,158</b>	<b>9,325,345</b>	<b>7,303,431</b>	<b>7,549,983</b>
Less; Inter Segment Income	(765,774)	-	(765,774)	-
	<b>8,339,384</b>	<b>8,872,736</b>	<b>6,537,657</b>	<b>7,097,374</b>
<b>2 Cost of Sales</b>				
Cost of Reclamation & Dredging Projects	372,310	289,565	508,182	378,995
Cost of Construction Projects	812,129	611,097	826,268	519,332
Cost of Offshore Sand Sold	737,434	883,605	752,711	883,605
Cost of Land Sold	21,021	79,039	21,021	79,039
Cost of Leisure Park and Recreation Area	73,539	71,726	73,539	71,726
Cost of Plant and Equipment Division	878,380	568,082	878,380	568,082
Cost of Waste Management	181,955	222,026	181,955	222,026
Cost of Service Centers	38,099	28,452	38,099	28,452
Cost of Providing Security Services	1,996,441	1,825,210	-	-
Cost of Consultancy Services	27,891	8,223	27,891	8,223
Cost of Wetland Management Project	9,698	-	9,698	-
Cost of Miscellaneous Projects	1,707	2,046	1,707	2,046
	<b>5,150,604</b>	<b>4,589,071</b>	<b>3,319,451</b>	<b>2,761,526</b>
Cost Incurred on Treasury Funded Projects	1,185,673	1,291,332	1,369,252	1,559,621
Cost Incurred on Weras Ganga Project	788,515	631,222	788,515	631,222
	<b>7,124,792</b>	<b>6,511,625</b>	<b>5,477,218</b>	<b>4,952,369</b>
Less; Cost on Inter Segment Income	(762,342)	-	(762,342)	-
	<b>6,362,450</b>	<b>6,059,016</b>	<b>4,714,876</b>	<b>4,499,760</b>
<b>3 Other Operating Income</b>				
Profit on Sale of PPE	464	3,014	163	1,847
Exchange Gain	3,063	60,999	3,063	60,999
Bad Debt over Provision	74,936	-	44,930	-
Slow Moving Provision	21,723	1,041	21,723	1,041
Writing Off of Unclaimed Balances	7,476	207	7,476	207
Encashment of Bonds	1,497	1,199	1,497	1,199
Miscellaneous Income	38,464	47,887	21,385	31,776
	<b>147,623</b>	<b>114,347</b>	<b>100,237</b>	<b>97,069</b>

## Notes to the Financial Statements (Contd.,)

	GROUP		CORPORATION	
	2019 Rs.000	2018 Rs.000	2019 Rs.000	2018 Rs.000
<b>4 Profit/(Loss) from Operations</b>				
<i>Is stated after charging all expenses including;</i>				
Directors' Emoluments	3,405	3,056	3,036	3,529
Auditors' Remuneration	3,732	1,150	3,234	950
Defined Contribution Plan Cost -EPF & ETF	179,666	186,274	161,986	175,497
Defined Benefit Plan Cost-Retirement Gratuity	81,269	56,639	45,431	39,538
Exchange Loss	2,179	15,241	2,179	15,241
Provision for Bad & Doubtful Debtors	(74,936)	57,815	(44,930)	41,216
<b>5 Finance Costs</b>				
Interest on Banks Loans	592,066	434,891	592,066	434,620
Interest on Compensation Payable for Lands Acquired	847	847	847	847
Overdraft Interest	1,032	135	-	-
Finance Charges on Leases	2,401	2,413	-	-
	<b>596,346</b>	<b>438,286</b>	<b>592,913</b>	<b>435,467</b>
<b>6 Finance Income</b>				
Interest Income on REPO Investments	34,314	69,124	26,016	62,830
Income on Fixed Deposits Investments	412,138	446,657	402,236	436,050
Interest Income on USD Account	7,382	6,667	7,382	6,667
Staff Loan Interest	11,918	9,390	11,492	9,086
Interest on Related Party Loans	-	-	24,546	5,988
Penal Interest on Lease Rentals	5,238	20,637	5,238	20,637
	<b>470,990</b>	<b>552,475</b>	<b>476,910</b>	<b>541,258</b>
<b>7 Amortization of Deferred Income</b>				
Amortization of Assets under MCUDP	112,699	130,097	112,699	130,097
Amortization of Assets under Lunawa Project	22,020	13,404	22,020	13,404
Amortization of Assets under Kimbulawala Project	1,486	1,553	1,486	1,553
Amortization of Assets under Weras Ganga Project	11,322	14,360	11,322	14,360
Amortization of Treasury Grant Projects	35,091	28,032	35,091	28,032
Amortization of Dredging International	90	90	90	90
Amortization of GCFC Project	15,716	-	15,716	-
Amortization of Kerawalapitiya Waste Park Assets	8,432	2,048	8,432	2,048
	<b>206,856</b>	<b>189,584</b>	<b>206,856</b>	<b>189,584</b>
<b>8 Provision for Taxation</b>				
Provision for Income Tax for Current Year (8.1)	167,809	476,223	150,303	451,512
Under/(Over) Provision in respect of Previous Years	(73,670)	22,127	(73,670)	22,127
Deferred Tax Provision/ (Reversal)	19,948	(2,645)	19,504	(1,564)
Special Levy to Consolidated Fund	200,000	-	200,000	-
	<b>314,087</b>	<b>495,705</b>	<b>296,137</b>	<b>472,075</b>
<b>8.1 Income Tax</b>				
Profit/Loss before Taxation	740,579	1,685,301	734,396	1,621,847
Add: Disallowable Expenses	500,131	434,186	426,625	400,858
	<b>1,240,710</b>	<b>2,119,487</b>	<b>1,161,021</b>	<b>2,022,705</b>
Less: Allowable Expenses	(1,129,682)	(971,367)	(1,101,134)	(951,324)
Profit/(Loss) from Business	111,028	1,148,120	59,887	1,071,381
Interest Income	488,290	552,679	476,909	541,162
Loss set off	-	-	-	-
Taxable Income	<b>599,318</b>	<b>1,700,799</b>	<b>536,796</b>	<b>1,612,543</b>
Effective Tax Rate	28%	28%	28%	28%
Income Tax Provision for Current Year	<b>167,809</b>	<b>476,223</b>	<b>150,303</b>	<b>451,512</b>

## Notes to the Financial Statements (Contd.,)

## 9 A Property, Plant &amp; Equipment (Group)

Assets Category	Cost or Valuation						Depreciations						Net Book Value	
	Balance As at 01.01.2019	Adjustments due to Revaluation	Additions During the Year	Adjustments/ Transfers	Disposals During the Year	Balance As at 31.12.2019	Balance As at 01.01.2019	Adjustments due to Revaluation	Charge for the year	Adjustments/ Transfers	On Disposals	Balance As at 31.12.2019	Balance As at 31.12.2018	Balance As at 31.12.2019
	Rs. 000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000
<b>At Cost</b>														
Free hold Land	29,382	-	5,375	-	-	34,757	-	-	-	-	-	-	29,382	34,757
Leasehold Land	10,011	-	-	-	-	10,011	737	-	318	-	-	1,055	9,274	8,956
Structures on Possession on Owned lands	38,607	-	-	-	-	38,607	13,668	-	4,663	-	-	18,331	24,939	20,276
Building on Free Hold Land	822,557	-	144,791	-	(1,302)	966,046	192,020	-	43,989	-	(1,302)	234,707	630,537	731,339
Plant & Machinery	2,226,028	-	54,853	-	(6,230)	2,274,651	1,213,533	-	205,603	-	(2,178)	1,416,958	1,012,495	857,693
Motor Vehicles	448,775	(45,575)	-	(304,460)	(1,000)	97,740	284,848	(258,006)	47,089	(2,070)	(1,000)	70,861	163,927	26,879
Furniture & Fittings	65,573	-	3,193	-	(945)	67,821	24,698	-	6,020	-	(903)	29,815	40,875	38,006
Office Equipment	31,518	-	4,095	-	(1,145)	34,468	22,834	-	2,408	-	(1,117)	24,125	8,684	10,343
Computer Accessories	93,729	-	14,725	-	(1,645)	106,809	53,243	-	15,835	-	(1,641)	67,437	40,486	39,372
Drawing & Survey Instruments	18,723	-	1,986	-	-	20,709	7,898	-	3,733	-	-	11,631	10,825	9,078
Soil Lab Equipment	65,400	-	8,964	-	-	74,364	39,806	-	10,781	-	-	50,587	25,594	23,777
Workshop Equipment	49,665	-	3,032	-	(263)	52,434	44,433	-	4,763	-	(263)	48,933	5,232	3,501
Welfare Equipment	4,118	-	187	-	(105)	4,200	2,851	-	487	-	(101)	3,237	1,267	963
Convertainers	89,271	-	14,154	-	-	103,425	23,075	-	9,774	-	-	32,849	66,196	70,576
Bicycles	1,566	-	1,085	-	(44)	2,607	1,224	-	597	-	(44)	1,777	342	830
Pallets	3,565	-	-	-	-	3,565	3,564	-	-	-	-	3,564	1	1
Electronic Equipment	2,767	-	8	-	-	2,775	1,589	-	286	-	-	1,875	1,178	900
Boats & Engines	38,865	-	47,071	-	(194)	85,742	26,198	-	8,026	-	(194)	34,030	12,667	51,712
Gym Equipment	18,187	-	1,762	-	-	19,949	6,544	-	1,931	-	-	8,475	11,643	11,474
Kitchen Equipment	22,123	-	-	-	-	22,123	17,576	-	4,546	-	-	22,122	4,547	1
Safety Equipment	2,926	-	752	-	-	3,678	2,900	-	83	-	-	2,983	26	695
Inventories	6,635	-	995	-	(1,090)	6,540	5,612	-	472	-	(1,078)	5,006	1,023	1,534
<b>At Valuation</b>														
Motor Vehicles	16,100	-	-	302,390	-	318,490	5,274	-	-	-	-	5,274	10,826	313,216
<b>Total</b>	<b>4,106,091</b>	<b>(45,575)</b>	<b>307,028</b>	<b>(2,070)</b>	<b>(13,963)</b>	<b>4,351,511</b>	<b>1,994,125</b>	<b>(258,006)</b>	<b>371,404</b>	<b>(2,070)</b>	<b>(9,821)</b>	<b>2,095,632</b>	<b>2,111,966</b>	<b>2,255,879</b>
Tools at Valuation													27,539	24,054
Capital Work in Progress													620,947	608,048
													<b>2,760,452</b>	<b>2,887,981</b>

**9A.1** Fair value of the Motor Vehicles owned by the Corporation as at 31.12.2019 was determined by means of a revaluation by a Committee comprising of Mechanical Engineers, Transport Manager, Audit Officer, Accountant and, an independent valuer from the Department of Motor Traffic in reference to market based evidence. The result of such revaluation was incorporated in these Financial Statements from its effective date which is 31.12.2019. The surplus arising from the revaluation net of deferred taxes was transferred to a revaluation reserve.

## Notes to the Financial Statements (Contd.,)

## 9B Property, Plant &amp; Equipment (Corporation)

Assets Category	Cost or Valuation						Depreciations						Net Book Value	
	Balance As at 01.01.2019	Adjustments due to Revaluation	Additions During the Year	Adjustments/ Transfers	Disposals During the Year	Balance As at 31.12.2019	Balance As at 01.01.2019	Adjustments due to Revaluation	Charge for the year	Adjustments/ Transfers	On Disposals	Balance As at 31.12.2019	Balance As at 31.12.2018	Balance As at 31.12.2019
	Rs. 000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000
<b>At Cost</b>														
Freehold Lands	8,172	-	-	-	-	8,172	-	-	-	-	-	-	8,172	8,172
Lease Hold Lands	10,011	-	-	-	-	10,011	737	-	318	-	-	1,055	9,274	8,956
Structures on Possession on Owned lands	38,607	-	-	-	-	38,607	13,668	-	4,663	-	-	18,331	24,939	20,276
Building on Free Hold Land	807,095	-	130,723	-	(1,302)	936,516	185,056	-	41,354	-	(1,302)	225,108	622,039	711,408
Plant & Machinery	2,215,776	-	9,326	-	(6,230)	2,218,872	1,205,129	-	198,079	-	(2,178)	1,401,030	1,010,647	817,842
Motor Vehicles	399,384	(45,575)	-	(304,460)	-	49,349	267,828	(258,006)	31,226	(2,070)	-	38,978	131,556	10,371
Furniture & Fittings	59,696	-	2,676	-	(945)	61,427	22,279	-	5,497	-	(903)	26,873	37,417	34,554
Office Equipment	18,726	-	1,212	-	(1,138)	18,800	13,421	-	1,775	-	(1,110)	14,086	5,305	4,714
Computer Accessories	84,831	-	13,618	-	(1,645)	96,804	49,927	-	14,816	-	(1,641)	63,102	34,904	33,702
Drawing & Survey Instruments	18,723	-	1,986	-	-	20,709	7,898	-	3,733	-	-	11,631	10,825	9,078
Soil Lab Equipment	65,400	-	8,964	-	-	74,364	39,806	-	10,781	-	-	50,587	25,594	23,777
Workshop Equipment	49,665	-	3,032	-	(263)	52,434	44,433	-	4,763	-	(263)	48,933	5,232	3,501
Welfare Equipment	4,118	-	187	-	(105)	4,200	2,851	-	487	-	(101)	3,237	1,267	963
Convertainers	89,271	-	14,154	-	-	103,425	23,075	-	9,774	-	-	32,849	66,196	70,576
Bicycles	1,566	-	1,085	-	(44)	2,607	1,224	-	597	-	(44)	1,777	342	830
Boats & Engines	38,865	-	47,071	-	(194)	85,742	26,199	-	8,026	-	(194)	34,031	12,666	51,711
Gym Equipment	18,187	-	1,762	-	-	19,949	6,544	-	1,931	-	-	8,475	11,643	11,474
Kitchen Equipment	22,123	-	-	-	-	22,123	17,576	-	4,546	-	-	22,122	4,547	1
Safety Equipment	2,874	-	-	-	-	2,874	2,874	-	-	-	-	2,874	-	-
Inventories	6,635	-	995	-	(1,090)	6,540	5,612	-	472	-	(1,078)	5,006	1,023	1,534
<b>At Valuation</b>														
Motor Vehicles	-	-	-	302,390	-	302,390	-	-	-	-	-	-	-	302,390
<b>Total</b>	<b>3,959,725</b>	<b>(45,575)</b>	<b>236,791</b>	<b>(2,070)</b>	<b>(12,956)</b>	<b>4,135,915</b>	<b>1,936,137</b>	<b>(258,006)</b>	<b>342,838</b>	<b>(2,070)</b>	<b>(8,814)</b>	<b>2,010,085</b>	<b>2,023,588</b>	<b>2,125,830</b>
Tools at Valuation													27,276	19,681
Capital Work in Progress													620,947	278,859
													<b>2,671,811</b>	<b>2,424,370</b>

**9B.1** Fair value of the Motor Vehicles owned by the Corporation as at 31.12.2019 was determined by means of a revaluation by a Committee comprising of Mechanical Engineers, Transport Manager, Audit Officer, Accountant and, an independent valuer from the Department of Motor Traffic in reference to market based evidence. The result of such revaluation was incorporated in these Financial Statements from its effective date which is 31.12.2019. The surplus arising from the revaluation net of deferred taxes was transferred to a revaluation reserve.

## Notes to the Financial Statements (Contd.)

	GROUP		CORPORATION	
	2019 Rs.000	2018 Rs.000	2019 Rs.000	2018 Rs.000
<b>10 Investment Properties</b>				
Balance at the beginning of the year	1,893,358	1,361,098	1,893,358	1,361,098
Transfers from/(to) Inventories	596,451	532,260	596,451	532,260
Balance at the end of the year	<b>2,489,809</b>	<b>1,893,358</b>	<b>2,489,809</b>	<b>1,893,358</b>

10.1 The Corporation applies the cost model of Accounting for Investment Properties.

10.2 Details of the Investment Properties held by the Corporation as at 31/12/2019 are as follows.

Property	Extent			Cost Rs. 000	Estimated Fair Value Rs. 000
Land at Muthurajawela	352A	3R	34.22P	1,937,724	18,372,476
Land at Lake Drive	1A	0R	12P	3,081	**
Land at Wedamulla	14A	3R	73.99P	139,994	928,046
Land at Ambalangoda	13A	3R	30.6P	22,640	278,825
Land at Kirimandala Mawatha	17A	8R	128.01P	169,152	17,424,055
Land at Attidiya	3A	6R	56.64P	3,585	408,296
Land at Narahenpita Model Farm	1A	1R	39.5P	5,326	1,317,250
Land at Mudun Ela	139A	3R	39.14P	38,425	223,455
Land at 9 <sup>th</sup> Lane – Kotte	5A	3R	29.09P	14,685	640,803
Land at Ragama	51A	1R	33P	155,197	**
<b>Total</b>				<b>2,489,809</b>	

Above estimated fair values have been determined by reference to the Chief Valuer's Valuation of the Lands in the area.

\*\* Valuations are not available for land at Ragama and Land at Lake Drive.

	GROUP		CORPORATION	
	2019 Rs.000	2018 Rs.000	2019 Rs.000	2018 Rs.000
<b>11 Investments in Subsidiaries</b>				
Land Reclamation & Development Co. Ltd	-	-	2,000	2,000
<b>11.1</b> Sri Lanka Land Development Corporation owns 80% of the issued share capital of Land Reclamation and Development Company Ltd.				
<b>12 Inventories</b>				
General Stock	316,072	345,191	280,690	321,972
Sea Sand Stock	1,323,335	-	1,323,335	-
Lands for Sale	261,976	363,794	261,976	363,794
Work-in-Progress-Own Projects	1,170,108	1,529,927	1,148,241	1,529,927
Work-in-Progress-Client Construction Projects	103,436	322,671	63,428	276,139
	<b>3,174,927</b>	<b>2,561,583</b>	<b>3,077,670</b>	<b>2,491,832</b>
Provision for Slow Moving Stock	(52,908)	(74,633)	(52,908)	(74,633)
	<b>3,122,019</b>	<b>2,486,950</b>	<b>3,024,762</b>	<b>2,417,199</b>

## Notes to the Financial Statements (Contd.,)

	GROUP		CORPORATION	
	2019 Rs.000	2018 Rs.000	2019 Rs.000	2018 Rs.000
<b>13 Trade &amp; Other Receivables</b>				
Trade Debtors	1,762,250	1,984,818	1,131,294	1,304,554
Receivable from Treasury for Treasury Funded Projects	1,513,890	1,248,728	1,513,890	1,248,728
Receivable from Treasury for Weras Ganga Project	2,406,577	2,780,210	2,406,577	2,780,210
Mobilization Advance Paid to Contractor	246,878	285,598	220,395	269,326
Staff Debtors	327,520	300,803	309,378	293,011
Rentals Receivable from Sudunelumpura Housing Project	26,332	24,149	26,332	24,149
Other Debtors	320,806	368,258	232,116	252,341
Deposits , Pre payments and Advances	187,108	129,664	179,336	113,739
	<b>6,791,361</b>	<b>7,122,228</b>	<b>6,019,318</b>	<b>6,286,058</b>
Provision for Bad & Doubtful Debts	(420,395)	(492,873)	(384,046)	(426,736)
	<b>6,370,966</b>	<b>6,629,355</b>	<b>5,635,272</b>	<b>5,859,322</b>
<b>14 Amounts Due from Related Parties (Current)</b>				
Temporary Loan to REDECO (14.1)	-	-	22,557	15,196
Term Loan to REDECO (14.2)	-	-	25,397	3,224
Other Receivables from REDECO	-	-	287,622	57,907
LRDC Services (Pvt) Ltd	-	-	5,435	1,778
	-	-	<b>341,011</b>	<b>78,105</b>
<b>Amounts Due from Related Parties (Non Current)</b>				
Temporary Loan to REDECO (14.1)	-	-	3,500	9,500
Term Loan to REDECO (14.2)	-	-	200,000	118,750
	-	-	<b>203,500</b>	<b>128,250</b>

**14.1** The Corporation granted a temporarily loan of Rs. 25 million to Land Reclamation & Development Company Ltd (REDECO) in the year 2017 at an interest rate of 13% per annum. The interest rate was subsequently reduced to 11.5% with effect from 01.01.2018. The loan is repayable in 50 in equal installments of Rs. 500,000/- each per month commencing from 21.04.2017.

**14.2** The Corporation granted a term loan facility of Rs. 200 million at an interest rate of 12% per annum to Land Reclamation & Development Company Ltd (REDECO) to invest in the sea sand packing and selling business. This loan is repayable in 12 years with 2 year grace period for Capital repayment. The loan is repayable in 120 in equal installments of Rs. 1,666,666.67 each per month.

	2019	2018	2019	2018
	Rs.000	Rs.000	Rs.000	Rs.000
<b>15 Cash &amp; Cash Equivalents</b>				
Cash at Bank	677,181	698,618	531,241	657,555
Cash in Hand	11,392	7,003	2,022	2,496
REPO Investments	-	126,467	-	126,467
State Institute Temporary Surplus Fund	9,039	8,507	9,039	8,507
Margin Deposit Accounts	4,594	-	4,594	-
Cash in Transits	3,891	140,011	-	-
	706,097	980,606	546,896	795,025
Bank Overdrafts	(27,154)	(20,031)	-	-
Cash & Cash Equivalents for Cash Flow Statement	<b>678,943</b>	<b>960,575</b>	<b>546,896</b>	<b>795,025</b>
<b>16 Deferred Income</b>				
Deferred Income (GCFC&EIP)	93,587	109,303	93,587	109,303
Deferred Income (LEI&EIP)	46,258	68,278	46,258	68,278
Deferred Income (World Bank)	417,360	521,923	417,360	521,923
Deferred Income - Treasury Grant	81,974	111,440	81,974	111,440
Deferred Income Treasury Grant - Kimbulawala	7,175	8,661	7,175	8,661
Deferred Income Weras Ganga Project	11,841	20,408	11,841	20,408
Deferred Income Kerawalapitiya Waste Park	138,600	23,192	138,600	23,192
	<b>796,795</b>	<b>863,205</b>	<b>796,795</b>	<b>863,205</b>

**16.1** Deferred Income represents the grants received from the Government for acquisition of long term assets required to carry out projects entrusted by the Government. There are no unfulfilled conditions or other contingencies attached to these grants as at the Balance Sheet date.

## Notes to the Financial Statements (Contd.)

## 17 Interest Bearing Loans &amp; Borrowings

17A	GROUP	2019 Amount Repayable Within 1 year	2019 Amount Repayable After 1 year	2019 Total	2018 Amount Repayable Within 1 year	2018 Amount Repayable After 1 year	2018 Total
		Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000
	Finance Leases (17A.1)	6,243	11,415	17,658	6,593	17,856	24,449
	Bank Loans (17A.2)	1,468,199	2,719,631	4,187,830	678,859	3,003,035	3,681,894
		<b>1,474,442</b>	<b>2,731,046</b>	<b>4,205,488</b>	<b>685,452</b>	<b>3,020,891</b>	<b>3,706,343</b>

17.A.1	Finance Leases	As at 31.12.2018 Rs.000	New Leases Rs.000	Repayment s Rs.000	As at 31.12.2019 Rs.000	Current As at 31.12.2019 Rs.000	Non - Current As at 31.12.2019 Rs.000
	Gross Liability	29,956	-	9,642	20,314	6,973	13,341
	Finance Charges allocated to future periods	(5,507)	-	(2,851)	(2,656)	(730)	(1,926)
	Net Liability	<b>24,449</b>	-	<b>6,791</b>	<b>17,658</b>	<b>6,243</b>	<b>11,415</b>

17.A.2	Bank Loans	As at 31.12.2018 Rs.000	Loans Obtained Rs.000	Interest Capitalized Rs.000	Repayments Rs.000	As at 31.12.2019 Rs.000
	Term Loan From (NSB)	2,668,590	-	-	266,859	2,401,731
	Term Loan From (BOC)	1,007,050	1,470,000	-	695,865	1,781,185
	Term Loan From (BOC-REDECO)	6,254	-	679	2,019	4,914
		<b>3,681,894</b>	<b>1,470,000</b>	<b>679</b>	<b>964,743</b>	<b>4,187,830</b>

17A.2.1 Land Reclamation & Development Company Ltd (REDECO) obtained a term loan facility of Rs. 6,700,000/- from the Bank of Ceylon to purchase two Double Cabs. The loan is repayable in 50 equal monthly installments of Rs. 111,667/- each commencing from 29.08.2018. The applicable interest rate is monthly 12.65%.

17B	CORPORATION	2019 Amount Repayable Within 1 year	2019 Amount Repayable After 1 year	2019 Total	2018 Amount Repayable Within 1 year	2018 Amount Repayable After 1 year	2018 Total
		Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000
	Bank Loans (17B.1)	1,466,859	2,716,057	4,182,916	678,859	2,996,781	3,675,640
		<b>1,466,859</b>	<b>2,716,057</b>	<b>4,182,916</b>	<b>678,859</b>	<b>2,996,781</b>	<b>3,675,640</b>

17B.1	Bank Loans	As at 31.12.2018 Rs.000	Loans Obtained Rs.000	Interest Capitalized Rs.000	Repayments Rs.000	As at 31.12.2019 Rs.000
	Term Loan From (NSB) (17 B.1.1)	2,668,590	-	-	266,859	2,401,731
	Term Loan From (BOC) (17 B.1.2)	1,007,050	1,470,000	-	695,865	1,781,185
		<b>3,675,640</b>	<b>1,470,000</b>	-	<b>962,724</b>	<b>4,182,916</b>

17B.1.1 The Corporation obtained a term loan facility of Rs. 14,227 million from the National Savings Bank (NSB) for funding the Weras Ganga Storm Water Drainage and Environment Improvement Project. The amount utilized from the facility as at 31<sup>st</sup> December 2017 is Rs. 2,802 million. As per the original loan Agreement with the Bank, the loan was repayable in 24 bi-annual installments of Rs. 593 million commencing from 23.10.2016. Since the Corporation does not intend to borrow any more under this loan facility, the loan was rescheduled in the year 2018, by limiting the facility amount to Rs. 2,802 million. As per the rescheduled loan agreement, the loan is repayable in 21 bi-annual installments of Rs. 133,429,531.80 each commencing from 24.10.2018. This loan is secured by a Rs. 3,500 million Treasury Guarantee issued by the General Treasury. The interest rate applicable for this loan is six months AWPLR plus 2.5%.

## Notes to the Financial Statements (Contd.,)

**17B.1.1** The Corporation obtained a Term Loan facility of Rs. 4,000 million from Bank of Ceylon to finance mining and pumping of 4,000,000 m<sup>3</sup> off shore sand for stock piling and reclamation purpose at Kerawalapitiya. Out of this amount, draw down as at 31<sup>st</sup> December 2019 is Rs. 2,500 million. The loan is repayable in 36 months with a grace of six months. The applicable interest rate is monthly AWPLR plus 1.25%. Securities offered for this facility are disclosed in Note No. 23.

### 18 Retirement Benefit Obligation

	GROUP		CORPORATION	
	2019 Rs 000	2018 Rs 000	2019 Rs 000	2018 Rs 000
At the beginning of the year	384,580	379,617	264,217	261,685
Provision made during the year (18.1)	96,420	56,639	63,640	39,538
Payment made for during the year	(68,664)	(51,676)	(46,150)	(37,006)
At the end of the year	<b>412,336</b>	<b>384,580</b>	<b>281,707</b>	<b>264,217</b>
<b>18.1 Provision made during the year</b>				
Current Service Cost	37,722	30,717	15,046	13,616
Interest Cost	43,547	27,478	30,385	27,478
	81,269	58,195	45,431	41,094
Net Actuarial (Gain)/ Loss	15,151	(1,556)	18,209	(1,556)
Total provision made during the year	<b>96,420</b>	<b>56,639</b>	<b>63,640</b>	<b>39,538</b>

### 18.2 Assumption used for Actuarial Valuation of Gratuity Provision

#### i). Mortality

In service: A 1967/70 Mortality Table issued by the Institute of Actuaries, London. The rates given in this table represent the probabilities of 'death' occurring within one year of any given age.

#### ii). Staff Turnover

The staff turnover rates used in this valuation are based on the staff turnover statistics of the Corporation.

#### iii). Retirement Age

60 years as specified by Corporation

The employees who are aged over the specified retirement age have been assumed to retire on their respective next birthdays.

#### iv). Rate of Discount

Actuarial valuers use a long term discount rate of 10.50% per annum.

#### v). Salary Increases

Valuers use Basic salary, salary scale revision and COLA revision with the next increment due dates. **Basic Salary** : 0.00% per annum.

**Salary Scale Revision** : 20.00% per annum once in three years with next revision due in 2021 and 25.00% increase with once in 6 years due to promotions in employee grade.

**COLA** : 10.00% per annum with next increment due in 2020.

### 18.3 Sensitivity of Assumptions Employed in Actuarial Valuation

The following table demonstrates the sensitivity to a reasonably possible change in the key assumption employed with all other variables held constant in the employee benefit liability measurement.

The sensitivity of the statement of financial position is the effect of the assumed changes in discount rate and salary increment rate on the employment benefit obligation for the year.

Increase/ (Decrease) in Discount Rate	Increase/ (Decrease) in Salary Escalation Rate	Effect on Employee Benefit Obligation	
		CORPORATION	
		2019 Rs. 000	2018 Rs. 000
+1%	*	264,963	250,809
-1%	*	300,831	279,345
*	+1%	289,003	270,117
*	-1%	275,382	259,036

## Notes to the Financial Statements (Contd.)

**18.4** The retirement benefit obligation of Sri Lanka Land Development Corporation is based on the Actuarial Valuations carried out by Messers. Actuarial and Management Consultant (Pvt) Ltd. The Corporation adopted the Project Unit Credit method to determine the present value of retirement benefit obligation as recommended by LKAS 19.

**18.5** The Corporation has not externally funded the gratuity liability. However, adequate fixed deposit investments are maintained to meet future gratuity payments.

	GROUP		CORPORATION	
	2019 Rs.000	2018 Rs.000	2019 Rs.000	2018 Rs.000
<b>19 Trade &amp; Other Payables</b>				
Trade Creditors	63,192	210,553	31,011	180,056
Contract Creditors	732,489	1,420,887	718,871	1,389,747
Sundry Creditors including Accrued Expenses	1,024,809	938,176	365,177	342,676
Sundry Deposits & Security Deposits	121,942	95,535	91,262	95,510
Interest Payable on Long Term Loans	80,584	70,273	80,584	78,521
	<b>2,023,016</b>	<b>2,735,424</b>	<b>1,286,905</b>	<b>2,086,510</b>
<b>20 Advances Received</b>				
Advance Received for Lease of Lands	2,450,078	2,282,012	2,450,078	2,282,012
Advances against Sale of Lands	493,657	493,175	493,657	493,175
Mobilization Advance Received	385,230	413,814	385,230	413,814
Other Advances Received	68,545	195,092	68,545	195,092
	<b>3,397,510</b>	<b>3,384,093</b>	<b>3,397,510</b>	<b>3,384,093</b>
<b>21 Amounts Due to Related Parties</b>				
Land Reclamation & Development Company Ltd	-	-	49,342	32,564
LRDC Services (Pvt) Ltd	-	-	94,029	71,606
	-	-	<b>143,371</b>	<b>104,170</b>

## 22 . Related Party Transactions/Directors' Interest in Contracts

**22.1** Land Reclamation and Development Company Ltd (REDECO) is a subsidiary company of the Corporation. Mr. Roshan Gunawardena (upto 15/11/2019), Major General (Rtd) MRW De Zoysa USP psc MSc (Defence)(w.e.f. 01/12/2019), Directors of the Corporation and Mr. K Rajapakse (upto 04/12/2019) and Mrs. MASMK Senadheera, (w.e.f. 21/01/2020) the General Managers of the Corporation are also Directors of REDECO.

During the year 2019, the Corporation had following transactions with REDECO.

- Purchase of Cement Blocks and Concrete products for a value of Rs. 11,016,746/44 (2018 - Rs. 9,309,207/61)
- Carrying out of the Construction Projects for Rs. 85,491,706/55 (2018 - Rs. 60,936,629/80)
- Renting of the office building and two blocks of land at Kirimandala Mawatha. The lease rental received for the year 2019 is Rs. 600,000/- (2018 - Rs. 600,000/-)
- Interest for loans granted Rs. 24,545,648/- (2018: Rs. 5,988,699/- )
- The Corporation hires employees of REDECO and for that the Corporation has reimbursed following amounts to REDECO during the year.
  - Payroll Cost Rs. 48,082,503/18 (2018: Rs. 54,647,942/48)
  - Management Fee Rs. 3,806,554/56 (2018: Rs. 4,140,664/80)
- The Corporation granted a term loan facility of Rs. 200 million at an interest rate of 12% per annum to invest in the sea sand packing and selling business. This loan is repayable in 12 years with 2 year grace period for Capital repayment. Further Rs. 40 million interest free advance payment was for working capital needs.

**22.2** LRDC Services (Pvt) Ltd is a subsidiary company of the Corporation. Mr. Roshan Gunawardena (upto 15/11/2019), Major General (Rtd) MRW De Zoysa USP psc MSc (Defence)(w.e.f. 01/12/2019), Directors of the Corporation and Mr. K Rajapakse (upto 04/12/2019) and Mrs. MASMK Senadheera, (w.e.f. 21/01/2020) the General Managers of the Corporation are also Directors of LRDC Services (Pvt) Ltd.

During the year 2019, the Corporation had following transactions with LRDC Services (Pvt) Ltd.

- Obtained Security Services for a value of Rs. 52,552,166/17 (2018: Rs. 47,286,973/92)
- Obtained Manpower Services for a value of Rs. 435,067,354/77 (2018: Rs. 399,860,746/87)
- Received Rent of Rs. 240,000/- for occupying the Corporation owned property (2018: Rs. 240,000/-)

## Notes to the Financial Statements (Contd.)

### 22.3 Transactions with Key Management Personnel

The key management personnel of the Corporation are the members of its Board of Directors, the General Manager and the two Additional General Managers. Transactions with Key Management Personnel are as follows.

	CORPORATION	
	2019 Rs. 000	2018 Rs.000
Short Term Employee Benefits Paid	10,676	9,916
Sitting Fees Paid	3,036	2,329

### 23. Assets Pledged

- This Corporation has an arrangement with Bank of Ceylon to obtain bank guarantees and Letter of Credit upto of Rs.500 million. Fixed Deposits owned by the Corporation amounting to Rs. 500 million has been pledged as security against this facility.
- The Corporation obtained a term loan facility of Rs. 4,000 million from the Bank of Ceylon in February 2018 to finance the project for mining & pumping of 4,000,000 m<sup>3</sup> off shore sand for reclamation and stock piling purpose. The following assets have been pledged as security for this loan.
  - Primary Mortgage over lot no. 5,6,7 & 8 of Plan No. 4336/SLLRDC/1 (value of the Mortgage is Rs. 2,000 million)
  - Fixed deposits held by the Corporation amounting to Rs. 1,054.25 million
  - Sea sand stock at Muthurajawela (Mortgage value Rs.1,000 million)

### 24. Post Balance Sheet Events

There have been no events occurring subsequent to the balance sheet date which require adjustment to or disclosure in the financial statements.

### 25. Commitment & Contingencies

#### 25.1 Contingent Liabilities

There were Ten (10) Legal cases pending against the Corporation as at 31/12/2019 claiming damages and compensation. The details are as follows.

- a) A former General Manager of the Corporation has filed a case claiming back wages amounting to Rs. 1,409,425/-.
- b) Two (2) cases have been filed against the Corporation claiming damages for accidents. The total claim amount is Rs. 15,000,000/-.
- c) Seven (7) legal cases are pending against the Corporation claiming compensation. The total claim amount is Rs. 460,618,875/-.

The amounts mentioned above are the amounts claimed by the Plaintiff and the actual claim, if any, will be decided by the Courts.

#### 25.2 Commitments

The Corporation has contracted but not provided for purchase commitments for acquisition of Property, Plant and Equipment incidental to the ordinary course of business amounting to Rs. 398.25 million as at 31<sup>st</sup> December 2019.

### 26. Comparative Information

The presentation and classification of following items reported in the previous year (2018) are amended to ensure comparability with the current year presentation.

	GROUP Rs. 000	CORPORATION Rs. 000
<b>a) Other Operating Income</b>		
Amount as reported in previously in 2018 Annual Report	113,306	96,028
Slow Moving Over Provision transferred from Administrative Expenses	1,041	1,041
Current Preparation of the Comparative figures	<b>114,347</b>	<b>97,069</b>
<b>b) Administrative Expenses</b>		
Amount as reported in previously in 2018 Annual Report	1,155,465	993,829
Slow Moving Over Provision transferred s to Other Operating Income	1,041	1,041
News Paper Advertising transferred from Administrative Expenses to Selling & Promotional	(668)	(668)
National Building Tax transferred from Administrative Expenses to Selling & promotional	(24,347)	(24,347)
Amortization of Lease Land transferred from Administrative Expenses to Depreciation	(318)	(318)
Current Preparation of the Comparative Figures	<b>1,131,173</b>	<b>969,537</b>

**Notes to the Financial Statements (Contd.)**

	<b>GROUP Rs. 000</b>	<b>CORPORATION Rs. 000</b>
<b>c) Selling &amp; Promotional Expenses</b>		
Amount as reported in previously in 2018 Annual Report	91,408	91,093
News Paper Advertising transferred from Administrative Expenses	668	668
National Building Tax transferred from Administrative Expenses	24,347	24,347
Current Preparation of the Comparative figures	<b>116,423</b>	<b>116,108</b>
<b>d) Depreciation</b>		
Amount as reported in previously in 2018 Annual Report	236,522	220,145
Amortization of Lease Land transferred from Administrative Expenses	318	318
Current Preparation of the Comparative figures	<b>236,840</b>	<b>220,463</b>
<b>e) Retirement Benefits Obligation</b>		
Amount as reported in previously in 2018 Annual Report	386,811	266,448
Unclaimed gratuity amount for Retired Employees transferred to Trade & Other Payables	2,231	2,231
Current Preparation of the Comparative figures	<b>384,580</b>	<b>264,217</b>
<b>f) Trade &amp; Other Payables</b>		
Amount as reported in previously in 2018 Annual Report	2,733,193	2,084,279
Unclaimed gratuity amount for Retired Employees transferred to Trade & Other Payables	2,231	2,231
Current Preparation of the Comparative figures	<b>2,735,424</b>	<b>2,086,510</b>

## Financial Highlights of the Corporation

	2019	2018	2017	2016	2015	2014	2013	2012
	Rs Mn	Rs Mn	Rs.Mn	Rs. Mn	Rs.Mn	Rs.Mn	Rs.Mn	Rs.Mn
<b>Profit &amp; Loss</b>								
Revenue from Treasury Funded Projects	2,787	2,367	2,969	5,629	1,306	1,620	1,025	926
Revenue from Other Projects and Sources	4,516	5,183	4,780	2,420	1,572	2,545	1,742	2,388
Intersegment Revenue	(766)	(453)	(406)	(239)	(362)	(459)	(264)	(214)
<b>Total Revenue</b>	<b>6,537</b>	<b>7,097</b>	<b>7,343</b>	<b>7,810</b>	<b>2,516</b>	<b>3,706</b>	<b>2,503</b>	<b>3,100</b>
Direct Cost	(4,715)	(4,499)	(4,966)	(5,602)	(2,224)	(3,247)	(2,192)	(2,750)
<b>Gross Profit</b>	<b>1,822</b>	<b>2,598</b>	<b>2,377</b>	<b>2,208</b>	<b>292</b>	<b>459</b>	<b>311</b>	<b>350</b>
Other Operating Income	100	96	190	50	61	48	54	60
Overheads	(1,260)	(1,369)	(1,224)	(926)	(1,010)	(676)	(430)	(574)
<b>Operating Profit/(Loss)</b>	<b>661</b>	<b>1,325</b>	<b>1,338</b>	<b>1,333</b>	<b>(657)</b>	<b>(169)</b>	<b>(65)</b>	<b>(164)</b>
Net Financial Income	91	296	162	144	503	600	183	196
<b>Profit before Taxation &amp; Levy</b>	<b>752</b>	<b>1,621</b>	<b>1,500</b>	<b>1,476</b>	<b>(154)</b>	<b>431</b>	<b>118</b>	<b>32</b>
Taxation	(96)	(472)	(359)	(283)	(3)	(85)	(14)	(100)
Special Levy to Consolidated Fund	(200)	-	-	-	-	-	-	-
<b>Profit / (Loss) for the year</b>	<b>456</b>	<b>1,149</b>	<b>1,141</b>	<b>1,193</b>	<b>(157)</b>	<b>346</b>	<b>104</b>	<b>(68)</b>

### Financial Position

Total Assets	17,731	17,502	14,733	13,100	9,181	8,393	6,369	5,662
Capital & Reserves	6,560	5,896	4,690	3,572	2,373	2,544	2,106	2,002
Non-Current Liabilities	4,236	4,529	1,551	2,486	1,320	1,217	2,250	1,268
Current Liabilities	6,935	7,075	8,492	7,041	5,487	4,632	3,013	2,392

### Cash Flow

Cash Flow From Operating Activities	(745)	1,467	579	2,272	444	231	(303)	(2,260)
Cash Flow From Investment Activities	667	(1,025)	(1,646)	5	(245)	(98)	797	(53)
Cash Flow From Financing Activities	(170)	(438)	(386)	(301)	(10)	(2)	(28)	(10)
<b>Increase / (Decrease) in Cash &amp; Cash Equivalents</b>	<b>(248)</b>	<b>04</b>	<b>(1,453)</b>	<b>1,976</b>	<b>189</b>	<b>130</b>	<b>465</b>	<b>(2,325)</b>

### Other Information

Number of Employees	1408	1432	1448	1432	1411	1477	1315	1150
---------------------	------	------	------	------	------	------	------	------

