

# **Annual Report**

**2020**

**MAHAWELI AUTHORITY  
OF SRI LANKA**



# Annual Report of the Mahaweli Authority of Sri Lanka -2020

<b>Contents</b>	<b>page</b>
Vision and Mission	1
Historical Background	2-7
Profile of the Board of Directors during the year 2020	8
Senior Management	9-11
Review of the Director General - 2020	12
Brief Report of the Board of Directors	13
Report of the Audit Committee - 2020	14-15
Assets and Liabilities in the Preceding 7 year's	16-17
Board of Directors of the Companies Established under MASL – 2020	18
<b>Part I</b>	<b>Administrative Report</b>
Chapter 1	Establishment of MASL 20
	Constitution and Functions of MASL 21-22
	Administrative Structure of MASL 23
	Structure of Mahaweli Systems and Administration 24-36
	Planning and Monitoring Unit 37
	Internal Audit Division 37-38
	Water Management Secretariat 38-41
	Procurement Division 42
Chapter 2	Technical Services Division 43-44
	Down stream development 45-46
	Engineering design & planning 46-49
	River Basin Management Office 50-53
	Electrical and Mechanical 54-62
	Major Dams & Reservoir Operation 63-69
	Land Use Planning Division 70-73
	Environment and Forest Conservation Division 74-81

Chapter 3	Development Division	
	Lands Division	82-83
	Agriculture Development Division	84-95
	Fisheries and Livestock Development Division	96-105
	Institutional Development Division	106-109
	Business Development Division	110-116
	Research Development & Special Projects	117-120
Chapter 4	Personal & Finance Division	121-122
	Legal Division	123-124
	Finance Division	125-126
	Mahaweli Security Corps	127-130
	Mahaweli Center	131-139
	Transport Division	140-144
Part I	Companies Established under MASL	145
Part II	Annual Accounts	147-164
Part III	Auditor General's Report	165-174
Part IV	Director General's Comments on Auditor General's Report	175-184
Part V	Overall Performance of MASL and the Investment Plan – 2020	185-197

## **VISION**

The best organization in Sri Lanka, in excellence use of land & water for the innovative agriculture, renewable energy, conserving environment and raising the living standard of citizens.

## **MISSION**

We strive lead the use of land & water for the innovative agriculture productivity based on the latest technology the supplementing the generation of renewable energy, best environment and tourism for the enrichment of the Sri Lankan

## **Historical Background.**

Mahaweli Development Program remains the largest physical and human resources program ever implemented in Sri Lanka. This program basically focusing on the rural development of the dry zone was designed in 1968 by the then government with the technical support of UNDP/FAO and played a key role in harnessing the natural water resources of the central hills towards the agricultural and settlement development activities of the dry zone.

In the pursuit of solutions to the problems which were the by-products of rapid population increase of Sri Lanka, it was required to focus on accelerating production. Compared to the 1940's figure the population of Sri Lanka doubled by the year 1969 and reached 11.8 million. The country had an annual population increase of 3.1 %. In the backdrop of the increase of population that was taking place at that time, it was assumed that by 1980 the country would require 1.8 million tons of rice for consumption. However, only 0.7million tons of rice was produced in the country at that time. Further, the demand for electricity for both industrial development and domestic consumption was estimated at 2000 Gwh. However, annual generation of electricity remained at 470 Gwh in 1969 and hydro power plants contributed 388 Gwh and the balance was generated by thermal power. The annual import of rice during 1960 – 67 period was 466,000 metric tons and as a result each year an out flow of Rs.200 million was recorded. In addition to that, an annual expenditure of Rs.139 million was incurred for the import of supplementary food crops. These expenditures reflected an exceptionally high value. During that period it was found that population was concentrating within the wet zone of the country by recording a density of 465 persons per square km. The density of population in the dry zone was approximately 80 persons per square km. While the dry zone covered 66% of the total land area of the country, 70% of the population was concentrated in the wet zone. Accordingly, a low density of population was observed across the large extent of the dry zone. Compared to the other rivers of the country, the Mahaweli Ganga which has its origin in the central hills of the wet zone and reach the sea flowing through the dry zone after having collected rain water inflows of an area which is equaling to the 1/6 of the total land extent of the country, considered a perennial river. In this context, it was apparent that the future needs of the country could be fulfilled by diverting Mahaweli waters to the dry zone so as to develop agricultural production in that zone while contributing to the hydro power generating plants in the upper Mahaweli areas. A United States Mission, under the request of the government of Sri Lanka, initialed a Feasibility Study in 1956, to explore the possibility of land development in the dry zone. Simultaneously, Hunting Survey Corporation of Canada, in collaboration with Sri Lanka's Departments of Irrigation and Survey carried out a study of Mahaweli River at the request of the then government. Two independent reports were submitted by these

organizations in 1961 covering their respective studies, and the relevant studies were presented to the Parliament in 1962 for approval.

This proposal was not approved by the Parliament, since the local experts were of the view that diversion of part of Mahaweli waters, without carrying out a comprehensive study on the water Resources of the entire Mahaweli basin, would result in negative impacts. Subsequently, a request was forwarded to the United Nations in 1962 in order to obtain independent recommendations in selecting projects for development on priority basis, after having carried out a comprehensive study on the entire lands and water resources covering all rivers, including the Mahaweli Ganga. Subsequent to that request an FAO team was sent to Sri Lanka by the United Nations Development Program. In addition, a team of experts from Sri Lanka and other supporting staff were appointed to assist the FAO team.

After four years of extensive study the relevant research report was published in 1968 in 3 volumes comprising 14 separate reports. Thus the Mahaweli Development Plan was approved by the Parliament in 1968.

The areas located within the North Central Province and the Eastern Province, which would receive benefits from this program were divided into 13 Systems and named in alphabetical order from A to M. The projects which were considered as economically viable and provide larger benefits with less investments, were taken up for implementation during the first phase.

### **Mahaweli Master Plan**

The main objective of the Mahaweli Master Plan was providing of approximately 6900 million cubic meters of waters from the Mahaweli water resources for the purposes of generation of electricity and irrigation. The second objective was construction of 15 reservoirs and utilizing 11 of such reservoirs for generation of electricity.

According to the Mahaweli Master Plan submitted by United Nations Development Program (UNDP) and Food and Agriculture Organization (FAO) it was proposed to provide irrigation waters for both Yala and Maha seasons for 364, 372 hectares of land situated within the Mahaweli basin and other river basins of the dry zone. Out of this total land extent, 264, 777 hectares were new lands to be opened up for agriculture; cultivation in the remaining 110, 404 hectares has been carried out only for one season. It has also been pointed out that 2037GWh of electricity could be generated by utilizing the potential of the planned reservoirs and canals. As per the Mahaweli Master Plan, it has been proposed to carry out the development activities within a 30 year period. Considering the convenience of utilization of funds and implementation, particularly the need for development benefits, the activities of this program were divided into three phases:

## **I First Phase**

It was proposed to implement the first phase during the 1969-1980 period. It was planned to provide irrigation waters during this phase for 74, 494 hectares of new lands and 58, 300 hectares of old lands and generate 820GWh electricity annually. The activities of this stage were divided into 3 projects:

- Polgolla Diversion (1969-1973)
- Victoria/Minipe Diversion (1973-1977)
- Moragahakanda Multipurpose Unit

## **II Second Phase**

Under this phase irrigation facilities would be provided to 93, 117 hectares of land in the Mahaweli and Maduruoya basins. Further, the headworks related to Maduruoya reservoir, Thaldene Multi-purpose Complex and Kandakadu anicut would be carried out. Out of the land extent of 93, 117 earmarked for provision of irrigation facilities, 8502 hectares of land have already been under cultivation. The main activities of this phase included: Construction of a hydro power plant with the installed capacity of 15Mwh at Thaldene, to construct a tunnel from Rathkinda reservoir to the Maduruoya reservoir in order to feed it with water, construction of a mini hydro power plant along with Maduruoya reservoir with installed capacity of 4.9Mwh.

## **III Third Phase**

Under this phase 105, 668 hectares of new lands in the North Central Province would be developed. The implementation of the Final Plan to generate hydro power would result in the construction of hydro power plants with the installed capacity of 293MWh. Through such plants 1169 gwh power would be generated annually. The development of the left bank canal of the old Minipe Tank, construction of the 164 km North Central Canal, construction of reservoirs such as Rotalawala, Umaoya, Rantambe, Kotmale, and Kaluganga were included under this phase.

However, Mahaweli Master Plan is being implemented in three development phases by according to the priority of present needs.

### **Implementation of the Mahaweli Master Plan (First Development Phase)**

Polgolla and Bowatanna Project as the first project of the Mahaweli Master Plan, was commenced in 1970 and its construction activities were completed by 1976. The completion of this project enabled the supply of irrigation water for existing 16,000 hectares of lands and 23,000 hectares of new lands and generation of electricity with an installed capacity of 40MWh. Under this project, 23,000 farmer families were settled at the Kalawewa basin within the

Mahaweli H System by 1977. As of now, all activities related to settlements at system H under Mahaweli Program have been completed and the total number of families settled there remains as 39,500.

By 1977 the economy of Sri Lanka was facing several issues. The increase of the import expenditures of agricultural commodities including rice remained the main issue. Of the total requirement of rice only 69% was produced within the country and 31% of the supplies was dependent on imports. In addition to that, several other essential agricultural commodities, as well, were also being imported into the country.

By 1977 the generation of electricity by the Ceylon Electricity Board was 408Mwh and it was not adequate to fulfill the demand for electricity existing in the country at that time. Electricity breakdowns has become a routine issue and No. of days of power cuts per year has been increased to 70 by that time.

The rate of unemployment rose to 17%. Reducing unemployment became an essential aspect and immediate solutions were required for such issues.

As a step to address these issues in an urgent manner, the then government decided on 12th October 1977 to accelerate the implementation of the Mahaweli Master Plan.

### **Accelerated Mahaweli Program (Second Development Phase)**

The 1977 government decided to implement a few selected projects from the Mahaweli Master Plan and complete them within a short period of six years. An exclusive ministry was also established in order to implement those projects. Accordingly, steps were taken to commence and implement Kotmale, Victoria, Randenigala and Maduruoya reservoir projects. Later, Rantambe Project as well, was included into this program. Hydro power is being generated at all these reservoirs, other than Maduruoya, and the same water is being used for irrigation purposes. Accordingly, development of Mahaweli Systems C & B along with settling of farmer families also included into the Accelerated Program. Number of families settled at System B and System C remained at 30,645 and 45,488, respectively.

Financial assistance was provided for these projects by Great Britain, Canada, Sweden and Germany, respectively. Downstream development activities were funded by World Bank, EEC, Japan and Kuwait. Mahaweli Authority of Sri Lanka was established in 1979 in order to launch these projects. Mahaweli Engineering and Construction Agency and Mahaweli Economic Agency were established for engineering and design functions and resettlement activities,

respectively. For the purpose of management of the large reservoirs constructed under the Accelerated Mahaweli Program, Head works Operation & Administration Division was established in 1986.

The Accelerated Mahaweli Development Projects were completed by 1990 and through such projects a massive investment has been made in the sectors of generation of power and agriculture. In this context, the government was rather reluctant to make further investments in the agriculture sector and therefore the Moragahakanda Reservoir project which has been included in the Mahaweli Master Plan, was to be kept at abeyance. However, this project which remained confined only to plans relatively for a long period, is being implemented at present. This would result in expanding the benefits of Mahaweli Development Program, further.

### **Present Role and Future Plans of the Mahaweli Program (Third Development Phase)**

The third development phase could be called the phase in which Mahaweli development program would expand throughout the country. The Moragahakanda and Kalu Ganga Development Project has been commissioned to supply water to 1200 small scale tanks in the North, North Central, Eastern, North Western and Central Provinces through the Moragahakanda Kalu Ganga Reservoir Project. Among its main objectives are contributing to the self-sufficiency of the country through the development of agriculture by supplying water to freshly cultivated 81,000ha of lands through the provision of uninterrupted water supply to paddy fields of Elahara, all the reservoirs in Polonnaruwa area and all major reservoirs in Trincomalee District throughout the year and contributing to quell the national energy demand by adding 25 mega watts of capacity to the national grid through the generation of its power plant. Further, going beyond the building of settlements to the people displaced due to this project, the yeoman task of building anew of the Laggala town with all the infrastructure facilities and handing it over to the public is successfully completed by now. With the acquisition of this project by the Mahaweli Authority of Sri Lanka, the Mahaweli Authority of Sri Lanka will see another successful completion of one of its major development programs.

The Mahaweli Development Authority launched the Uma Oya Multipurpose Development Project with the aim of further expanding its mission. Through this, the water of the Uma Oya river basin will be collected in two reservoirs constructed in the Welimada area and for the first time in the island the water would then be diverted to the Kirindi Oya basin through a 15.6 km tunnel. Through this, the project is successfully in pursuing its primary objectives of adding 120 MW capacity to the national grid through Asia's largest underground power plant, and thereby contributing to the national energy supply and increasing the agricultural productivity of the extremely difficult Uva Province and meeting the drinking water needs of the people.

Moreover many projects are being implemented in Mahaweli regions, such as Mahaweli Integrated Development Project, large and medium irrigation projects including emergency infrastructure reconstruction, Ridhimaliyadda Integrated Development Project, Welioya Integrated Development Project, Maduruoya Right Bank Development Project, Rambakanoya Integrated Development Project and Agricultural and Livestock Development Project etc.

Also, at present, various development works are being implemented in Mahaweli H, B, C, D, Moragahakanda, Rambakanoya, Huruluwewa, E and L zones, navigating Mahaweli Authority of Sri Lanka to a new direction and increasing the production and productivity of Mahaweli scheme and the income of Mahaweli settlers. It is expected to maintain the standard of living of Mahaweli settlers at a high level by increasing their incomes and quickly resolving the land related problems of the farmers and affirming the land rights.

The Environment and Forest Conservation Division of the Mahaweli Authority of Sri Lanka is currently working on a project to clean up the large reservoirs and other reservoirs of the Mahaweli Authority of Sri Lanka as well as a project to protect catchment areas and river basins.

In the same way, necessary steps have been taken to promote animal husbandry related to the Mahaweli region to ensure national food security.

Under the Sustainable Energy Program, the Mahaweli Authority of Sri Lanka is identifying new strategic revenue streams through the installation of floating solar power systems in the Mahaweli reservoirs and the development of small scale hydropower projects to contribute to the national energy supply in an environmentally friendly manner and thereby generate a handsome revenue.

At the same time, by initiating large scale development projects in order to achieve the all the primary objectives of the third development phase, the Mahaweli Authority of Sri Lanka is expanding throughout the country and moving towards the objective of providing maximum contribution from the fields of Agriculture, Irrigation and Livestock, Energy Generation and Environmental Conservation.

## Board of Directors During the year 2020

Serial No.	Name / Position	Period
01	Mr H K D W M N B Hapuhinna Secretary Ministry of Mahaweli, Agriculture, Irrigation and Rural Development	Since February 2020
02	Mr M A Thajudeen, Additional Secretary ( Administration) Ministry of Irrigation	Since August 2020
03	Eng. B.A. Sunil Perera Director General Mahaweli Authority of Sri Lanka	Since December 2020
04	Ms Malarmathy Gangadharan Additional Director Genral Ministry of Finance	Since January 2020
05	Mr A.P.R Jayasinghe, Member	Since January 2020
06	K.V.P. Ranjith de Silva , Member	Since January 2020

## Senior management

### Information Report on Senior Management of Mahaweli Authority of Sri Lanka at the end of the year 2020.

Serial No.	Position	Name
1	Director General	Eng. Sunil S Perera ( From 24.12.2019 to 10.02.2021)
2	Additional Director General	-
3	Deputy Director General (Administration and Finance)	-
4	Deputy Director General (Technical Services)	Eng P.G.Gunapala ( 19.04.2019 – 06.02.2021) (covering up of duties)
5	Deputy Director General (Development)	-
6	Director (Personnel and Administration)	Ms. H.K.G. Niroshana ( 01.04.2019 – 12.02.2020)
		H.M.K.R. Herath ( 28.02.2020- 04.04.2021)
7	Director (Finance)	Mr. T.D. Priyantha
8	Director (Internal Audit)	Ms. K.A.M.C.M. Peiris (24.04.2017 – 31.12.2018) (acting) 01.01.2019- 01.10.2020) (permanent)
9	Director (Mahaweli Center)	Mr. H.M.K.R. Herath (28.02.2020 – 20.12.2020)
		Mr. P.C.K. Paranagamage ( 21.12.2020 – 21.12.2021) ( Contract basis)
10	Director (Agriculture )	Mr. R.M. Neville Rajapakse ( from 15.03.2017 to date)
11	Director (Fisheries and Livestock)	Ms. M.G.T. Priyadarshini ( 20.12.2018 to date)
12	Director (Land)	Mr. D.A.U. Gunasekara (31.01.2019 - up to 31.12.2020) (on secondary basis)
13	Director (Institutional Development)	Mr. M.L.D.C. Abeywardena (covering up of duties)
14	Director (Business Development)	Mrs. D.K.H.W.M.W.R. Seneviratne
15	Director (Engineering Design and Design)	Eng. Mrs. T.M. Athapattu (from 18.05.2016 to date)

16	Director (Lower Valley Development)	Eng. PG Gunapala (2017.06.01 - 2021.02.06)
17	Director (Head Works Operation & Maintenance)	Eng. S.R.K. Aruppola (as on 01.02.2017 till now)
18	Director (River Basin Management)	Eng. Ms. Chandra Senarath
19	Director (Land Use Planning)	Mrs. J.M.I.H. Jayawardena (covering up of duties)
20	Director (Forest and Environment)	Mr. A.M.K.B. Attanayake
21	Director (Water Management Secretariat)	Eng. Ms. G.K.T. Samaratinga (up to 23.07.2020)
22	Director (Planning and Regulation)	Mr. B.L.B. Senaratne (covering up of duties)
23	Director (Research, Development and Special Projects)	Mrs. DKV Vijayaweera
24	Director (Electrical and Mechanical)	Mr. JR Bopitiya (from 15.11.2019 till todate) (covering up of duties)
25	Director (Legal)	Mrs RL Rajapaksa (until 15.05.2021)
26	Resident Project Manager (System B)	Mr W.M.S. Weerasinghe (16.01.2020 - 28.10.2020) (covering up of duties)
		Mr. PG Noel Jayasiri (from 29.10.2020 to date) (covering up of duties)
27	Resident Project Manager (System C)	Mr. K.A.C. Wimal Kumara (2020.01.01 - 2020.02.17)
		Mr. PG Noel Jayasiri (18.02.2020 - 25.10.2020) (covering up of duties)
		Mr. I.M.U.K. Kumar (from 26.10.2020 till todate )
28	Resident Project Manager (System D)	JP Jayatilaka Maya (covering up of duties)

29	Resident Project Manager (System G)	A.G.T. Hemantha Jayasinghe Maya (covering up of duties)
30	Resident Project Manager (System L)	P.G.N. Jayasiri Maya (28.02.2019 - 17.02.2020) (covering up of duties)
		R.M.K.B. Randeniya Maya (2020.02.27 - 2021.03.08 till date) (covering up of duties)
31	Resident Project Manager (System H)	I.M.U.K. Mr. Kumara (From 29.04.2016 - 04.06.2018) (Permanent) (From 05.06.2018 - 25.10.2020) (Permanent)
		Mr W.M.S. Weerasinghe (from 29.10.2020 till date) (covering up of duties )
32	Resident Project Manager (Victoria Region)	Mr. A.M.A.P.G. Gunawardena (until 2018.06.05 - 2021.02.03)
33	Resident Project Manager (Huruluwewa System)	Mr. E.H. Jayaratne (Upto 09.11.2020) (Acting)
		Mr. M.M.A. Gunathilaka (from 14.10.2020 till now)
34	Resident Project Manager (Rambaken Oya System)	Mr. H.M. Wijeratne (2018.11.01 - 2021.10.02) (covering up of duties)
35	Resident Project Manager (Walawa System)	Mr. A.L. Osman de Silva (until 31.08.2019) (Acting ) and (24.09.2019 - 03.10.2021) (Permanent)

## **Review of Director General for the Year 2020.**

Mahaweli Authority of Sri Lanka was established in terms of Act No. 23 of 1979, in order to implement the Multi-purpose Mahaweli Development Program. The population of the Mahaweli areas, which cover approximately 1/3 of the total land area of the country, is approximately one million. The initial objectives of the Mahaweli Development Program included creating a prosperous nation by increasing productivity of agricultural, fisheries, electricity, livestock sectors of dry zone areas, flood control and generation of new employment.

It is planned to seek the involvement of relevant agencies in the identification of entrepreneurs for agriculture, agro-business, water control, animal production processes and renewable energy generation and implementation to increase productivity in the present Mahaweli areas. It is hoped to work with the Ministries in charge of the subjects and other government departments in this regard. It is hoped that the ongoing research in these areas will yield successful results and further enhance the productivity of Mahaweli products in the future. Accordingly, the successful results of the research of the Lihiniyagama, Kotmale Tissue Cultivation Institute are among the research projects being implemented with the aim of increasing the productivity of agriculture in these Mahaweli Systems. In the future, agri business development projects and new technologies will be introduced to encourage youth to engage in agriculture.

Currently, the irrigation system established under the Mahaweli Project covers a large area of the country and makes a significant contribution towards agricultural and drinking water as well as for power generation for a large area of the country. However, in the face of the increasing demand for water in the future, the possibility of increasing the water carrying capacity of the Mahaweli River by diverting it from the Kehelgamu Oya upper catchment area (Kelani River) with a view to providing water without any shortfall to certain areas with scarcity of water, especially in severe drought conditions, is being explored. Preliminary investigations in this regard are already being carried out by engineers of the Mahaweli Authority of Sri Lanka. In addition, preliminary planning / testing work has been initiated to increase the water capacity of the Kotmale Reservoir.

Also, the Environment and Forest Conservation Division is in the process of implementing a large-scale reservoir clean-up project and a project to protect river basins in catchment areas. At present the Mahaweli Authority of Sri Lanka is implementing this massive program extending to all parts of the country except the Western Province.

I greatly appreciate the inducement provided by Hon. Chamal Rajapaksa, Hon. Minister of Mahaweli, Agriculture, Irrigation, Rural Development and Internal Trade, Food Security and Consumer Welfare in providing the vision, guidance and advice required to accomplish the above tasks. I would also like to take this opportunity to extend my gratitude to the entire staff of the Mahaweli Authority of Sri Lanka and the entire project staff who are working diligently to successfully achieve the above objectives under the guidance of the Hon. Minister of State for Mahaweli Development, Secretary to the Ministry as well as the Secretary to the State Ministry.



Keerthi.B. Kotagama  
Director General  
Mahaweli Authority of Sri Lanka

## **Brief Note of the Board of Directors.**

The Report of the Board of Directors of the Mahaweli Authority of Sri Lanka with the Audited Financial Statements of the Organization as at 31st December 2020 is kindly submitted herewith.

### **Review for the Year**

The Review submitted by the Director General contains a detailed description of the operations of the Organization during the year ended on 31st December 2020.

Also proper steps have been taken to ensure that the assets of the Organization are safeguarded and proper systems of internal control have been made available with a view to the prevention and detection of fraud and other irregularities and minimizing of risks.

As the Board we wish to express our great appreciation to all Staff Members of MASL for the enormous commitment shown by them in fulfilling the tasks entrusted to them.



Ms Malarmathy Gangadharan  
Additional Director Genral  
Ministry of Finance



Mr M A Thajudeen,  
Additional Secretary ( Administration)  
Ministry of Irrigation



Mr A.P.R Jayasinghe  
Member



K.V.P. Ranjith de Silva  
Member

## **Report of the Audit Committee – 2020**

### **Internal Audit Division**

In order to achieve the objectives of the MASL in accordance with the Financial Regulations, Administration Regulations issued by the Republic of Sri Lanka, circulars issued from time to time, policy decisions and statutory requirements, the Internal Audit Division of the MASL assists management in implementing the internal audit plan through inspection and observations.

### **Activities**

In the implementation of the annual action plan, ensuring that it is carried out in accordance with the existing internal control methods and good governance policies and that economic benefits (Value for Money) are obtained from the transactions carried out and performing the audit with audit tests, observations, reconciliations, physical inspections, and in accordance with the standards issued by the Institute of Chartered Accountants of Sri Lanka (ICA) and International Accounting Standards (IAS) and report to the management.

In spite of the epidemic situation in the country in the year 2020, the following tasks have been completed.

1. The number of audit reports prepared as per internal audit plan are 10.
2. The number of investigation reports issued are 08.
3. Number of audit and management meetings held
  - Audit Management Committee Meetings at Ministry Level 03
  - 03 Audit Management Meetings at Authority Level
4. Follow up on responses to internal audit queries and implementation of recommendations made by queries.
5. To implement the guidelines and recommendations provided by the Audit and Management Committees, by providing advice through obtaining progress reports.

## Composition of Audit and Management Committee

The Audit and Management Committee of MASL is comprised as follows.

1. Mrs. Malarmati Gangatharan – Chairperson - Treasury
  2. Mr K.V.P. Ranjith De Silva – Committee Member
  3. Mr. A.P.R. Jayasinghe - Committee Member
  4. Chief Internal Auditor – Ministry
  5. Audit Officer representing the Auditor General
  6. Director (Technical Audit)- Ministry
- } Director Board of MASL

Other officers participating in the committee

7. Director (Internal Audit)
8. Director (Finance)
9. Such other officers as may be required

### **Role of the Committee**

- Monitoring the Annual Internal Audit Plan
- Reviewing the Auditor General's Reports and Internal Audit Reports and giving necessary advice to resolve the issues/problems so identified.
- Advising to regularize the internal administration by paying special attention to the matters raised by the Auditor General in terms of sub section 142 (c) of the Finance Act No. 38 of 1971.
- Conducting Quarterly Committee meetings.

## Assets and liabilities for the last 07 years

	2020 Rs'000	2019 Rs'000	2018 Rs'000	2017 Rs'000	2016 Rs'000	2015 Rs'000	2014 Rs'000
<b>Assets</b>							
<b>Non Current</b>							
<b>Assets</b>							
Property, Plant and Equipment	119,033,935	4,972,468	4,675,657	4,116,187	4,195,724	4,294,893	4,259,208
Investments	164,555	166,299	171,313	187,531	178,556	152,577	175,359
Intangible Assets	785						
Capital Working Progress -	57,166	47,482	84,947	78,552	41,301	74,286	62,506
<b>Total Non Current Assets</b>	<b>119,256,441</b>	<b>5,186,249</b>	<b>4,931,917</b>	<b>4,382,270</b>	<b>4,415,581</b>	<b>4,521,756</b>	<b>4,497,073</b>
Biological Assets - Capital	259,342	219,777	167,027	134,578	101,940	-	-
Proposed write-off		-	-	859	859	-	-
<b>Current Assets</b>							
Inventories / Stocks	166,810	170,983	180,342	184,815	168,173	157,428	180,900
Biological Assets - Trading	42,721	47,178	26,312	15,875	22,630	-	-
Trade and Other Receivables	2,594,637	2,997,661	2,032,715	2,084,069	1,730,015	1,307,077	1,274,329
Suspense Account		-	-	-	-	-	-
Prepayments		-	4,767	3,896	8,754	5,172	-
Bank Guarantees	377	374	6,292	6,164	4,153	1,372	837
Inter-Agency Current A/c Balances		-	-	-	-	-	-
Cash and Cash Equivalents	667,498	258,877	312,702	343,312	312,750	429,588	190,391
<b>Total Current Assets</b>	<b>3,472,043</b>	<b>3,475,073</b>	<b>2,563,130</b>	<b>2,638,131</b>	<b>2,246,475</b>	<b>1,900,637</b>	<b>1,646,457</b>
<b>Total Assets</b>	<b>122,987,826</b>	<b>8,881,100</b>	<b>7,662,074</b>	<b>7,155,838</b>	<b>6,764,855</b>	<b>6,422,393</b>	<b>6,143,530</b>
<b>LIABILITIES</b>							
<b>Current Liabilities</b>							
Payables	39,970,622	968,185	651,986	879,967	376,737	341,286	491,622

Lease on Alliance Finance Accrued Expenses	94,434	211,909	102,067	175,733	122,286	46,159	207,705
Inter-Agency Current A/c Balances		-	-				
<b>Total Current Liabilities</b>	<b>40,065,057</b>	<b>1,180,094</b>	<b>754,053</b>	<b>1,057,853</b>	<b>502,103</b>	<b>387,445</b>	<b>699,327</b>
<b><u>Non-Current Liabilities</u></b>							
Provision for Gratuity	1,500,519	1,371,814	1,379,494	1,388,101	1,489,288	1,551,379	1,311,876
Bank Loan		-	-		2,455		
Lease Charges		-	219	271	2,653	11,247	14,329
Deferred Tax	612	612	612	612	612	612	612
<b>Total Non-Current Liabilities</b>	<b>1,501,131</b>	<b>1,372,426</b>	<b>1,380,325</b>	<b>1,388,984</b>	<b>1,495,008</b>	<b>1,563,238</b>	<b>1,326,817</b>
<b>Total Liabilities</b>	<b>41,566,188</b>	<b>2,552,520</b>	<b>2,134,378</b>	<b>2,446,837</b>	<b>1,997,111</b>	<b>1,950,683</b>	<b>2,026,144</b>
<b>Total Net Assets</b>	<b>81,421,638</b>	<b>6,328,579</b>	<b>5,527,696</b>	<b>4,709,001</b>	<b>4,767,744</b>	<b>4,471,710</b>	<b>4,117,386</b>
<b><u>NET ASSETS / EQUITY</u></b>							
Accumulated Fund	76,926,922	1,837,751	24,649,830	24,407,260	24,066,161	23,702,950	23,383,849
Reserves - B/F Balance of Income and Expenditure A/C	(1,178,028)	(657,528)	(24,040,551)	(23,755,208)	52,121	53,992	67,466
Revenue Reserve - Companies	48,288	48,288	50,865	4,006,082	4,019,027	4,021,721	3,837,266
Revaluation Reserves	5,624,456	5,100,069	4,867,551	50,865	(23,369,566)	(23,276,474)	(23,171,205)
<b>Total Net Assets / Equity</b>	<b>81,421,638</b>	<b>6,328,580</b>	<b>5,527,696</b>	<b>4,708,999</b>	<b>4,767,743</b>	<b>4,502,189</b>	<b>4,117,376</b>

## Board of Directors of the Companies Established under MASL – 2020

S. No	Name of the Company	Chairman	Board	Address of the Head Office
01.	Mahaweli Livestock & Agro Enterprises (Pvt) Ltd		1. Mr. Parakrama Abewardena 2. Mr. Edward de Mel (Director) 3. Mr. Osman de Silva (Director)	No. 260/20, Baseline Road, Colombo 09
02.	Mahaweli Consultancy Bureau (Pvt) Ltd	Dr. Harsha Samara Weera	1. Mr. K. L. S. Sahabandu 2. Eng. ( Mr.) L.R.H. Perera	No. 11, Jawatta Road, Colombo 05
03.	Natural Resources Management Services (Pvt) Ltd	Engineer (Mr.) A. A. V. Dias	1. Engineer (Mr.) B.W.N.W. Senevirathne Banda 2. Mr. N.M.K.B. Attanayake 3. Mr. L.M. Dharamasiri 4. Mr. M.G. Aberathne Bandara (Company Secretary)	Dam Street, Polgolla, Kandy

# **Administrative Report**

## **Part I**

## **Chapter One**

### **1.1 ESTABLISHMENT AND COMPOSITION OF THE MAHAWELI AUTHORITY OF SRI LANKA.**

The Mahaweli Authority of Lanka (MASL) was established under the Act No. 23 of 1979. The functions of the Mahaweli Authority of Sri Lanka in respect of a Specific Area or a Special Area are set out in Section 12 of the MASL Act.

- (a) To plan and implement, the Mahaweli Ganga Development Scheme including the construction and operation of reservoirs, irrigation distribution systems and installations for the generation and supply of electrical energy.

Provided, however, that the function relating to the distribution of electrical energy may be discharged by any Authority competent to do so under any other written law.

- (b) To foster and secure the full and integrated development and securing the sustainability

of that development.

- (c) To optimize agricultural productivity and employment potential and to generate and secure economic and agricultural development.
- (d) To conserve and maintain the physical environment.
- (e) To further the general welfare and cultural progress of the community and to administer the affairs related to that progress.
- (f) To promote and secure the participation of private capital, both internal and external, in the agricultural development
- (g) To promote, and secure the co-operation of government departments, state institutions, local authorities, public corporations and other persons, whether private or public, in the planning and implementation of Mahaweli Ganga Development Scheme.

## **1.2 The Functions of the Mahaweli Authority of Sri Lanka**

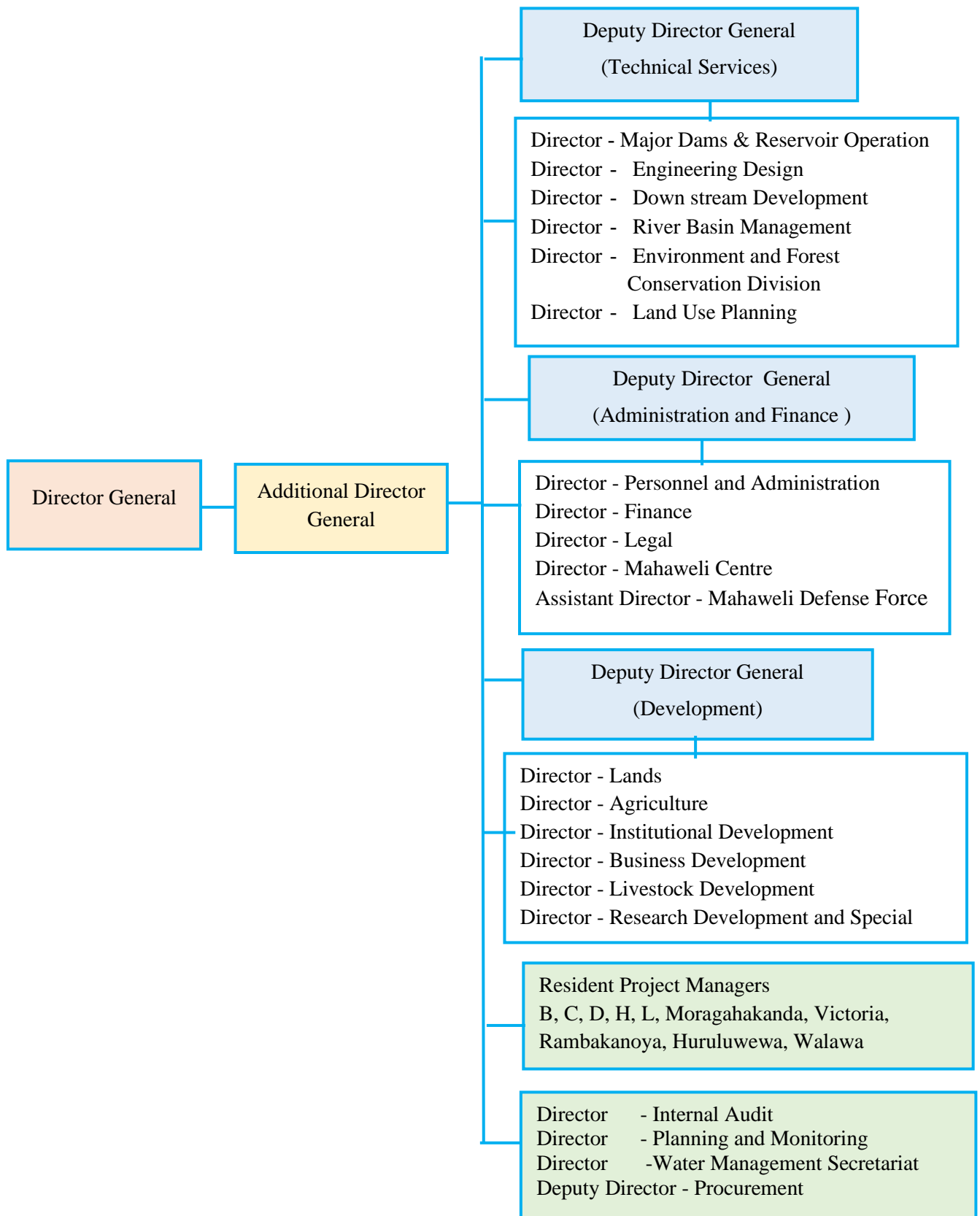
The administration of the Projects and Field Offices established under each subject area of the MASL by the Director General is coordinated by the respective Deputy Directors General, Directors, Project Directors and Resident Project Managers.

Accordingly, the MASL has performed the following functions:

- Conducting monthly reviews on the progress of the Authority as per the Corporate Plan and Annual Activity Plan and achieving the relevant targets through required interventions.
- Disposal of assets according to a Plan prepared for the maintenance and administration of assets.
- Construction of the Moragahakanda-Kaluganga Reservoir and Kivuloya Reservoir according to a time frame.
- Identifying of areas and conducting Initial Environmental Studies in order to expand the extent of irrigated lands in the Right Bank of the System 'B' and System 'L'.
- Promoting agricultural supporting services, promoting agriculture and income generating programs and ensuring the food security of the country.
- Empowerment of Officers and farmer representatives to enable them to strengthen the Farmers Organizations to facilitate the delegation of the maintenance and management of Irrigation Systems to the Farmers Organizations.
- Empowering livestock sector under the theme of "Mahaweli Animal productions for a Prosperous Nation" to improve the livelihoods of the Mahaweli settler communities.
- Initiating investment projects for employment creation in sectors other than traditional agriculture for the economic development and employment of second and third generations of Mahaweli settlers, who possess only limited land resources.
- Capacity development of Officers and employees at all levels and taking steps to introduce an e-human resources management system by computerizing all personnel related information.

- Distribution of water from the major reservoirs for settlement schemes, hydro-power generation, domestic hydro-power and domestic water supply through the process of Season Planning by conducting discussions with the line agencies.
- Initiating steps to facilitate for crop diversification, socio-economic development and employment creation in B, C, H, L, D, Moragahakanda, Huruluwewa, Walawe, Victoria and newly declared Rabbakkanoya project areas.
- Raising the awareness of the community on issues such as water management, human resources management, livestock development, agricultural development, soil and water conservation, watershed management, environment pollution and water pollution.
- Formulation and implementation of effective operational maintenance programs in order to ensure the safety of main diversion reservoirs and raising awareness of the Farmer Organizations.

### 1.3 General Administrative Structure of the MASL



## **1.4 Mahaweli Systems –Structure & Administration and the Present Situation**

Mahaweli area is divided into 10 Administrative Units according to the Master Plan for the Development of the Mahaweli Basin, so as to facilitate the settlements administration, operations and maintenance of the Irrigation Systems. The Systems B, C, D, H, Moragahakanda, Victoria and Huruluwewa are established along the Mahaweli river basin and Udawalawe, Weliloya (System 'L') and Rambakkan oya Systems have been set up as Special Areas.

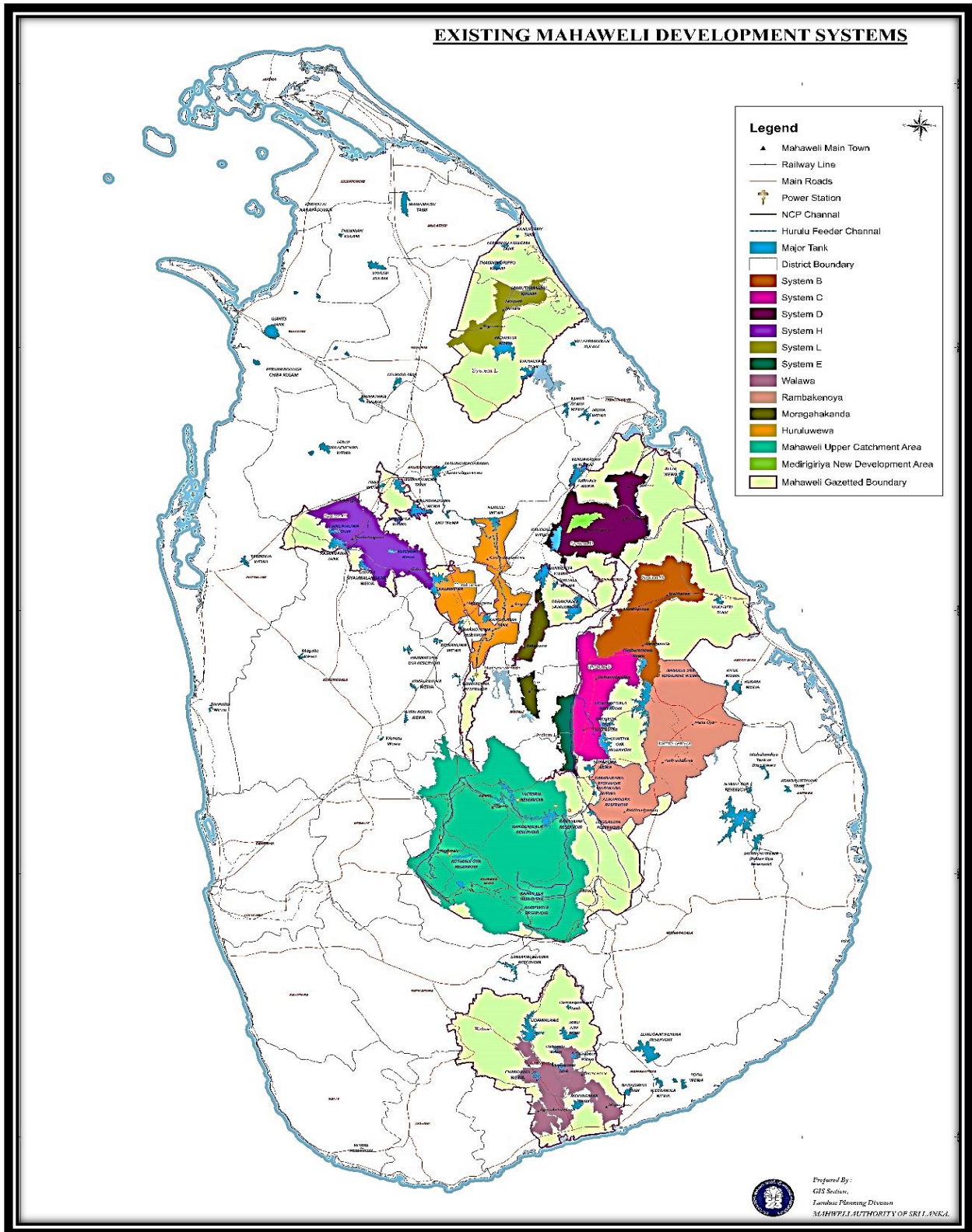
The development and management functions of the Mahaweli Systems and the Special Areas have been delegated to the Resident Project Managers. The Resident Project Managers are required to report directly to the Director General and Additional Director General. They are supported by Directors appointed at Head Office level for each subject area, in respect of the functions to be carried out at System level under the purview of Deputy Director Generals.

The Resident Project Manager functions as the Chief Executive Officer in respect of each System and Deputy Resident Project Managers are attached as the supervisory officers looking after the technical, land, agricultural and development functions. The Block Office, which comprises a few Units, functions under the purview of the Block Managers and an Irrigation Engineer, Institutional Development Officer, Agriculture Officer and a Land Officer are attached to each Block Office. Unit Managers are appointed for each Unit and they perform their duties in respect of each subject area, under the supervision of the above Officers. Approximately 250 – 300 allotments of land are settled under each Unit.

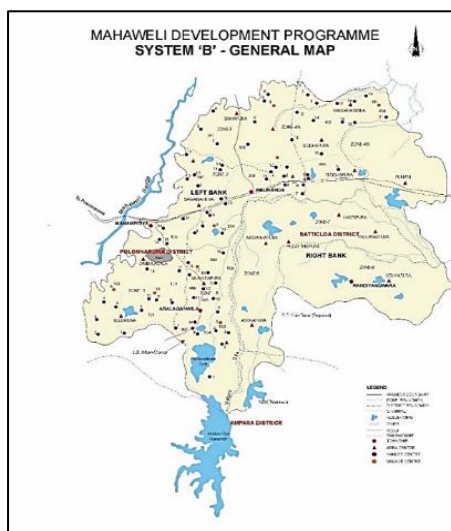
Land administration in the Mahaweli Systems is carried out according to the Land Policy of the government based on the Land Development Ordinance and Crown Lands Ordinance. From functions related to alienation of state lands for development activities to issuing of Grants are performed in this regard. Further, activities related to leasing out of land for commercial and investment purposes and granting of lands to the second and third generations of settlers, in addition to the original settlers, are handled by the Block Offices.

The following activities are also being carried out under the supervision of System Administration : Irrigation, water management, maintenance and improvement of irrigation Systems under institutional development , production of seeds, farm development, training and demonstrations under agriculture development, livestock, fisheries and environment conservation, project development, implementation of small and medium scale credit schemes, commercial agriculture ventures, agro- industries and related self-employment programs.

# Mahaweli Systems – Map



## System B

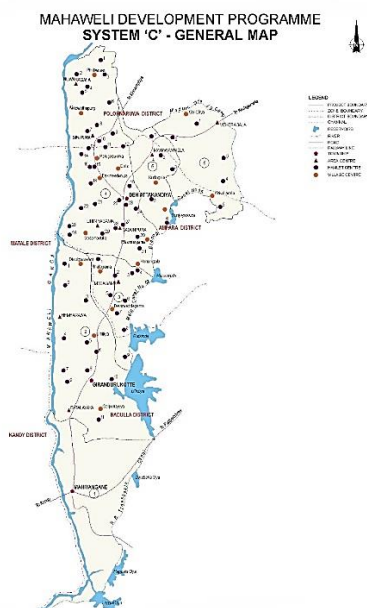


### Introduction to the System

Mahaweli B Zone could be called as the largest project in the administration districts of Polonnaruwa and Batticaloa and it covers a total land area of approximately 75,441.5 hectares in the lower valley under the Maduru Oya Reservoir. With the objective of irrigation management, the project area is divided into 08 administrative divisions

Serial No.	Division	Allocation for Year 2020	Progress as at 31 <sup>st</sup> Dec 2020	Progress as at 31 <sup>st</sup> Dec 2020 as a percentage (%)
		(Rs. Million)	(Rs. Million)	
1	Technical Services	84.66	72.06	85%
2	Finance	15.35	14.48	94%
3	Land Use Planning	0.40	0.40	100%
4	Institutional Development	8.40	8.12	97%
5	Business Development	2.00	1.84	92%
6	Cultural and Sports Division	0.57	0.53	93%
7	Environment and Forest Conservation	7.65	6.48	85%
8	Administration	6.16	6.14	100%
9	Transport	4.25	4.02	95%
10	Livestock (Institutional Capital)	1.73	1.16	67%
	Total	131.16	115.22	88%
1	Agriculture ( Projects)	13.36	13.36	100%
2	Livestock (Projects)	8.69	5.34	61%
3	RMMIS	2.90	-	-
	Total	24.95	18.70	75%
	Grand Total	156.11	133.92	86%

## System C



### Introduction to the System

System “C” which started as a new development zone under the Mahaweli Development Program is bordered by Mahaweli River to the west, Ulhitiya Reservoir and Maduruoya National Park to the east, Mahaweli System B to the north and Mahiyangana area to the south and located within Badulla, Ampara and Polonnaruwa administrative districts. The approximate land area of this region is 30,760 hectares

### Basic information about the System:

- Agro-climatic zones - DL<sub>1</sub>/DL<sub>2</sub>/IL<sub>2</sub>
- Extent of cultivated land ha. - 22,406
- developed home gardens - 35,640
- Population - 185,356
- Main crop cultivated - paddy
- Major reservoirs supplying water - Ulhitiya, Rathkinda
- No. of Reservoirs that collect water - 56

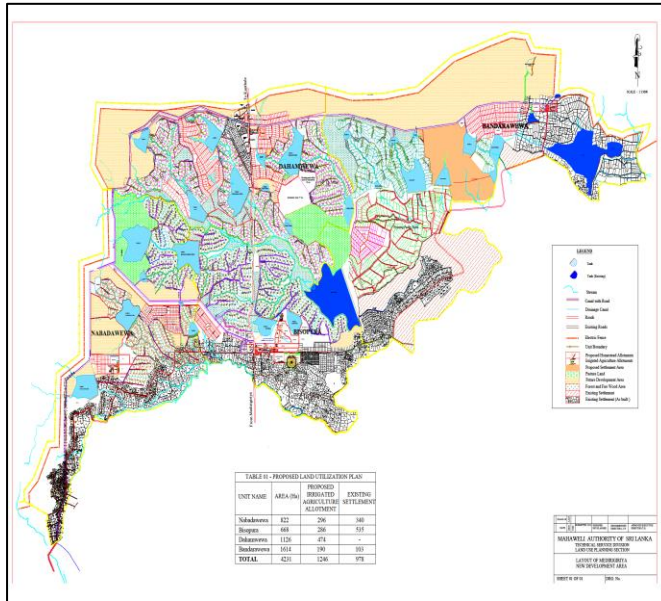
Serial No.	Division	Allocation for Year 2020	Progress as at 31st Dec 2020	Progress as at 31st Dec 2020 as a percentage
		(Rs. Million)	(Rs. Million)	(%)
1	Technical Services	78.05	68.09	87%
2	Lands	13.51	11.38	84%
3	Land Use Planning	2.06	-	0%
4	Institutional Development	11.88	11.57	97%
5	Business Development	6.22	2.93	47%
6	Sports and Culture	1.17	1.15	99%
7	Environment and Forest Conservation	4.25	3.28	77%
8	Administration	4.40	2.07	47%
9	Transport	5.22	5.21	100%
10	Agriculture (Institutional Capital)	0.50	0.47	94%
11	Livestock (Institutional Capital)	1.79	1.70	95%
	<b>Total (Institutional Capital)</b>	<b>129.05</b>	<b>107.85</b>	<b>84%</b>
1	Agriculture (Projects)	9.45	7.78	82%
2	Livestock (Projects)	4.54	2.90	64%
3	RMMIS	6.80	4.44	65%
	<b>Total (Projects)</b>	<b>20.79</b>	<b>15.12</b>	<b>73%</b>
	<b>Grand Total</b>	<b>149.83</b>	<b>122.97</b>	<b>82%</b>

## System D

### Introduction to the System

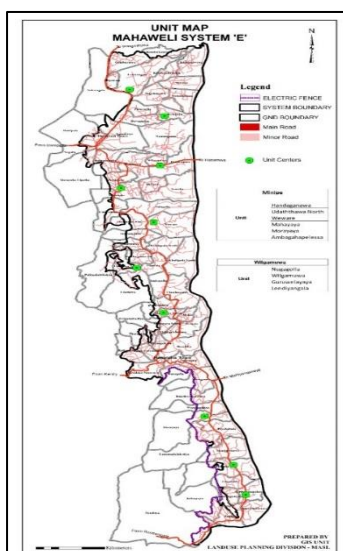
#### Special Projects

Initiation of a Mini Garment factory, the Mahaweli plant nursery, and Ornamental fish farming project was carried out. It is funded by the United Nations Development Program (UNDP) as part of a project carried out by the System. It is important to be able to provide employment opportunities for unemployed women in the region, to develop self-employed farmers to the level of small business owners, to increase the income level of their family unit and to make some contribution to the economic growth of the country to a certain extent.



Serial No.	Division	Allocation for Year 2020	Progress as at 31st Dec 2020	Progress as at 31st Dec 2020 as a percentage (%)
		(Rs. Million)	(Rs. Million)	
1	Technical Services	10.21	10.18	100%
2	Lands	9.29	4.40	47%
3	Land Use Planning	0.33	-	-
4	Institutional Development	3.25	3.05	94%
5	Business Development	2.85	2.24	79%
6	Sports and Culture	2.62	0.84	32%
7	Environment and Forest Conservation	2.61	1.56	60%
8	Administration	4.68	3.78	81%
9	Transport	2.50	2.35	94%
10	Agriculture (Institutional Capital)	0.50	0.13	26%
11	Livestock (Institutional Capital)	3.94	2.57	65%
	<b>Total (Institutional Capital)</b>	<b>42.78</b>	<b>31.10</b>	<b>73%</b>
1	Agriculture (Projects)	4.02	4.02	100%
2	Livestock (Projects)	3.96	1.89	48%
	<b>Total (Projects)</b>	<b>7.98</b>	<b>5.91</b>	<b>74%</b>
	<b>Grand Total</b>	<b>50.76</b>	<b>37.01</b>	<b>73%</b>

## System E



### Introduction about the System

#### Mission

Creating an economically and socially sustainable and prosperous region through agricultural and development processes that use eco-friendly new technology.

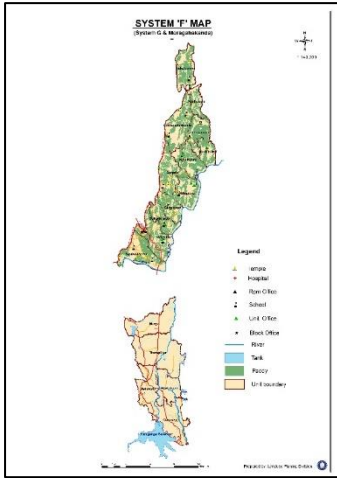
#### Main Objectives

Mahaweli System E was gazetted in 2019. Resettlement of families displaced by the construction of Kotmale, Polgolla Dam, Victoria - Randenigala - Rantabe Reservoirs in the Mahaweli Systems, resettlement of families who did not wish to relocate to other areas, providing them with necessary facilities, development activities and ensuring water security by conserving the upper Mahaweli catchment areas are the main objectives.

Divisional Secretariats belonging to System E are Minipe and Wilgamuwa. The extent of Minipe division is 61,548 square acres and 17829 families live there. The extent of Wilgamuwa division is 24131 square acres and 14098 families live there. When declaring Randenigala Wildlife Sanctuary, the land ownership of 5000 families and subfamilies residing in the relevant areas was legalized. Further providing lands formally to landless families residing in the area and for agricultural activities, integration of this outlying region with other government agencies to develop a sound socio-economic infrastructure. Directing farming families engaged in subsistence agriculture to commercial agriculture. Rs. 1000 Mn. Investment Project

Serial No.	Division	Allocation for Year 2020	Progress as at 31st Dec 2020	Progress as at 31st Dec 2020 as a percentage (%)
		(Rs. Million)	(Rs. Million)	
1	Technical Services	21.17	21.17	100%
2	Lands	12.95	12.96	100%
3	Land Use Planning	0.70	0.70	100%
4	Institutional Development	3.37	3.37	100%
5	Business Development	2.04	2.04	100%
6	Sports and Media	1.78	1.78	100%
7	Environment and Forest Conservation	1.46	1.46	100%
8	Administration	1.70	1.65	97%
9	Transport	1.00	1.04	104%
10	Agriculture (Institutional Capital)	0.50	0.56	112%
11	Livestock (Institutional Capital)	0.67	0.62	92%
	<b>Total (Institutional Capital)</b>	<b>47.34</b>	<b>47.35</b>	<b>100%</b>
1	Agriculture (Projects)	1.90	0.95	50%
2	Livestock (Projects)	1.40	0.46	33%
	<b>Total (Projects)</b>	<b>3.30</b>	<b>1.41</b>	<b>43%</b>
	<b>Grand Total</b>	<b>50.64</b>	<b>48.76</b>	<b>96%</b>

## System G



### Introduction about the System

System G is fed by the Elahara Yodha Ela (Giant Canal) and emboldened by the heritage of an ancient Irrigation civilization

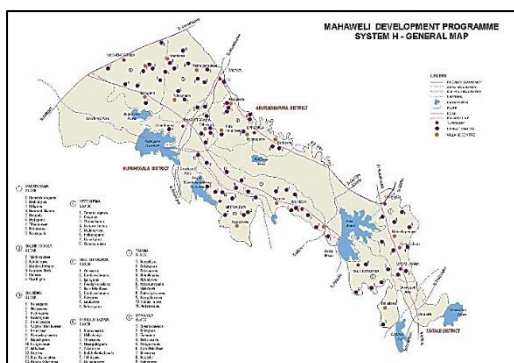
As the area around Elahara Giant Canal became decrepit due to depopulation, in 1947 Prime Minister D.S. Senanayake resettled land recipients. New settlements appeared from that point onwards. By the year 2001 this area was administered as a Block Management Area under Mahaweli System B. Later in the year 2004 the administrative activities were resumed as the Mahaweli System G. With the commencement of the construction of the Moragahakanda Kalu Ganga Reservoir in the early part of 2012, two Block Management Offices were

established at Guruwela and Wellewela to commence the resettlement of families living in the lands affected by

these reservoirs. 2013, administration will be carried out in four blocks namely Bakamuna, Attanakadawala, Guruwela and Wellewela under 4 Block Managers.

Serial No.	Division	Allocation for Year 2020	Progress as at 31st Dec 2020	Progress as at 31st Dec 2020 as a percentage (%)
		(Rs. Million)	(Rs. Million)	
1	Technical Services	20.76	18.35	88%
2	Lands	0.72	0.72	100%
3	Land Use Planning	1.60	0.58	36%
4	Institutional Development	4.80	4.80	100%
5	Business Development	3.30	3.30	100%
6	Sports and Media	0.85	0.65	76%
7	Environment and Forest Conservation	3.80	3.07	81%
8	Administration	9.46	9.38	99%
9	Transport	4.16	4.16	100%
10	Agriculture (Institutional Capital)	2.00	0.30	15%
11	Livestock (Institutional Capital)	2.25	0.20	9%
	<b>Total (Institutional Capital)</b>	<b>53.70</b>	<b>45.50</b>	<b>85%</b>
1	Agriculture (Projects)	14.76	14.76	100%
2	Livestock (Projects)	2.90	2.90	100%
3	RMMIS	6.00	5.50	92%
	<b>Total (Projects)</b>	<b>23.66</b>	<b>23.16</b>	<b>98%</b>
	<b>Grand Total</b>	<b>77.36</b>	<b>68.66</b>	<b>89%</b>

## System H

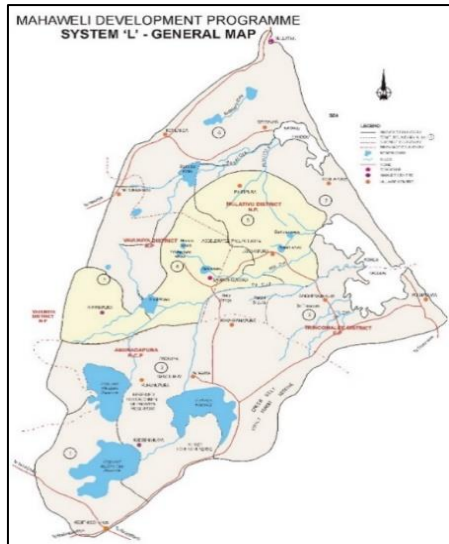


### Introduction about the System

The Mahaweli System “H” is the special zone of the Mahaweli Scheme in which 2 1/2 acres (01 ha) of Wet cultivation land and 1/2 acres of dry cultivation lands were distributed to 31500 families from 1977-1978 from Kalawewa area. There are about 100,000 acres of agricultural land (irrigated and fallow). It is bounded on the west by the Anuradhapura-Puttalam

Highway, on the north by the Right Bank Canal, on the south by Rajangana Bank Canal through the Balaluwewa Bank and Usgala Siyambalangamuwa and consist of the old colonies of Kagama Katiyawa and Usgala Siyambalangamuwa.

Serial No.	Division	Allocation for Year 2020	Progress as at 31st Dec 2020	Progress as at 31st Dec 2020 as a percentage (%)
		(Rs. Million)	(Rs. Million)	
1	Technical Services	75.51	75.51	100%
1	Lands	11.27	11.26	100%
3	Land Use Planning	0.90	0.90	100%
4	Institutional Development	11.56	11.56	100%
5	Business Development	0.95	0.95	100%
6	Sports and Media	4.47	3.52	79%
7	Environment and Forest Conservation	7.83	7.83	100%
8	Administration	11.37	11.37	100%
9	Transport	7.00	7.00	100%
10	Agriculture (Institutional Capital)	5.00	3.17	63%
11	Livestock (Institutional Capital)	3.17	4.13	130%
	<b>Total (Institutional Capital)</b>	<b>139.03</b>	<b>137.18</b>	<b>99%</b>
1	Agriculture (Projects)	18.89	18.89	100%
2	Livestock (Projects)	9.23	9.23	100%
3	RMMIS	8.50	11.00	129%
	<b>Total (Projects)</b>	<b>36.62</b>	<b>39.12</b>	<b>107%</b>
	<b>Grand Total</b>	<b>175.65</b>	<b>176.30</b>	<b>100%</b>



## System L

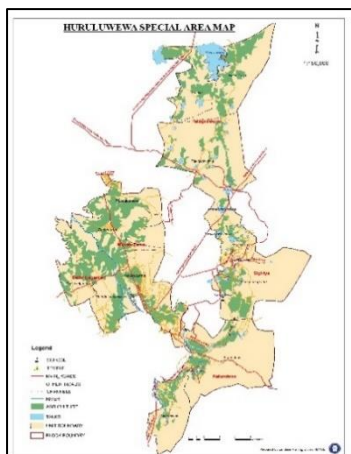
### Introduction to the System

This area where the colonization was initiated by the Land Commissioner General's Department in 1984 was declared as a Mahaweli System by the Gazette Notification No. 562 in 1988. The area of 163,000 hectares is bounded on the north by the Mullaitivu Vavuniya main road, on the east by the Mullaitivu coastline, on the south by the Pulmudai Kebithigollewa main road and on the west by the line that runs to Puliyankulama Vavuniya Road through Sinhaya Ulpatahinna triangular point and Mahahettiyawahinna mountain range

Serial No.	Division	Allocation for Year 2020	Progress as at 31st Dec 2020	Progress as at 31st Dec 2020 as a percentage (%)
		(Rs. Million)	(Rs. Million)	
1	Technical Services	11.50	10.34	90%
2	Lands	1.20	1.00	83%
3	Administration	1.00	0.56	56%
4	Transport	3.00	2.90	97%
5	Agriculture (Institutional Capital)	3.30	3.20	97%
6	Livestock (Institutional Capital)	0.50	0.50	100%
	<b>Total (Institutional Capital)</b>	<b>20.50</b>	<b>18.50</b>	<b>90%</b>
1	Agriculture (Projects)	1.00	0.28	28%
	<b>Total (Projects)</b>	<b>1.00</b>	<b>0.28</b>	<b>28%</b>
	<b>Grand Total</b>	<b>21.50</b>	<b>18.78</b>	<b>87%</b>

## Huruluwewa Special Area

### Introduction



The water management of the Huruluwewa Feeder Canal was transferred to the Mahaweli Authority of Sri Lanka by the Gazette Notification No. 984/5 dated 16-07-1997 of the Democratic Socialist Republic of Sri Lanka and the Huruluwewa Resident Project Management Office was established at Dambulla Pelwehera on 09-05-1998.

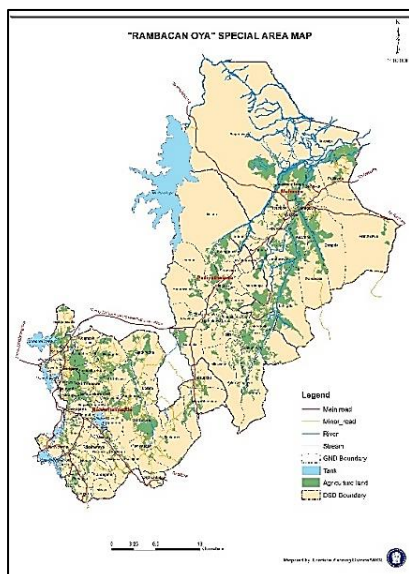
Accordingly, there are 49 Grama Niladhari Divisions in the Kekirawa, Palagala and Galenbindunuwewa Divisional Secretary's Divisions in the Anuradhapura District and 32 Grama Niladhari Divisions in the Dambulla and Naula Divisional Secretary's Divisions in the Matale District that belongs to Galkiriyagama, Madatugama, Palugaswewa, Kalundewa and Sigiriya Blocks.

### Main Objectives of the Project

- Making the Mahaweli water diverted from Polgolla to Bowatenna to flow to Huruluwewa without any hindrance through 33 km long Huruluwewa feeder canal and Yan Oya from the Lenadora tunnel outlet
- Carrying out agricultural and community development activities in such a manner that the systemic cultivations carried out in the banks of Huruluwewa feeder canal area may get maximum productivity
- Contribute to irrigation, land, agriculture, and community development as well as environmental activities and persuading farmers to maximize productivity from the water supplied to Madatugama and Galkiriyagama blocks from Kandalama reservoir and Dambuluoya reservoir to enhance their economy.

Serial No.	Division	Allocation for Year 2020	Progress as at 31st Dec 2020	Progress as at 31st Dec 2020 as a percentage
		(Rs. Million)	(Rs. Million)	(%)
1	Technical Services	64.57	64.06	99%
2	Lands	13.10	12.45	95%
3	Land Use Planning	1.99	0.83	42%
4	Institutional Development	11.56	8.35	72%
5	Business Development	4.43	4.40	99%
6	Sports and Media	3.10	0.34	11%
7	Environment and Forest Conservation	6.19	5.92	96%
8	Administration	4.30	1.43	33%
9	Transport	10.91	10.41	95%
10	Agriculture (Institutional Capital)	17.00	16.50	97%
11	Livestock (Institutional Capital)	2.11	0.88	42%
	<b>Total (Institutional Capital)</b>	<b>139.26</b>	<b>125.56</b>	<b>90%</b>
1	Agriculture (Projects)	16.09	24.33	151%
2	Livestock (Projects)	8.62	2.58	30%
3	RMMIS	5.00	2.50	50%
	<b>Total (Projects)</b>	<b>29.71</b>	<b>29.41</b>	<b>99%</b>
	<b>Grand Total</b>	<b>168.97</b>	<b>154.96</b>	<b>92%</b>

## Rambakan Oya Special Area

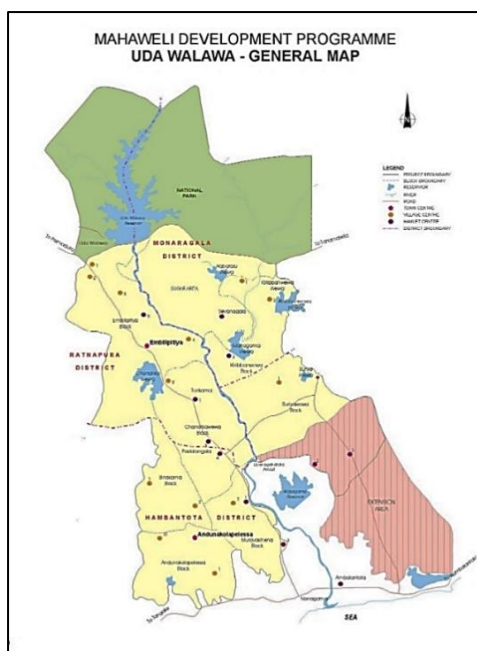


### Introduction to the System

This area has been declared as a Special Project Area under Section 3/1 of the Mahaweli Authority Act No. 23 of 1979 by the Extraordinary Gazette Notification of the Democratic Socialist People's Government of Sri Lanka No. 1130 (13) dated 07-05-2000. Accordingly, it was declared that the Mahaweli Authority of Sri Lanka would carry out sustainable development in the area using water and other natural resources available in the Maha Oya and Padiyathalawa Divisional Secretary's Divisions from 01.09.2010. This development program is designed to eradicate poverty in the area and increase its contribution to the GDP and is being implemented as a joint development plan with the Department of Irrigation and line agencies. Accordingly, the

irrigated land development and administration activities of the Rambaken Oya Reservoir Project will be carried out by the Mahaweli Authority of Sri Lanka.

Serial No.	Division	Allocation for Year 2020	Progress as at 31st Dec 2020	Progress as at 31st Dec 2020 as a percentage (%)
		(Rs. Million)	(Rs. Million)	
1	Technical Services	3.75	3.59	96%
2	Lands	0.45	0.43	96%
3	Land Use Planning	0.25	0.05	21%
4	Institutional Development	0.20	0.20	99%
5	Business Development	0.05	0.05	98%
6	Sports and Media	0.05	0.01	14%
7	Environment and Forest Conservation	0.35	0.34	97%
8	Administration	-	-	-
9	Transport	0.85	0.84	99%
10	Agriculture (Institutional Capital)	3.05	3.05	100%
	<b>Total (Institutional Capital)</b>	<b>9.00</b>	<b>8.56</b>	<b>95%</b>
1	Agriculture (Projects)	1.00	-	-
	<b>Total (Projects)</b>	<b>1.00</b>	<b>-</b>	<b>-</b>
	<b>Grand Total</b>	<b>10.00</b>	<b>8.56</b>	<b>86%</b>



## Walawa System

### Introduction

The Uda Walawa Multipurpose Project Scheme was launched by the River Valley Development Board on July 12, 1963. The construction of the Uda Walawa Reservoir and its subsequent settlement and farmland development were implemented by the River Valley Development Board until 1981.

Gamini Dissanayake, Hon. Minister of Land Development and Mahaweli Development declared Walawa Special Area by Gazette Notification No. 137 dated 16/04/1981 in terms of the powers vested in him under Section 3 (1) of the Mahaweli Authority Act, Sri Lanka No. 23 of 1979 Accordingly, the administration of the Walawa Zone has come under the Mahaweli

Authority of Sri Lanka from 01.01.1982.

It has been 34 years since the administration of the Walawa Area came under the control of the Mahaweli Authority of Sri Lanka and during this period the region has undergone rapid development. It consists of 06 Blocks namely Angunakolapelessa, Murawasihena, Sooriyawewa, Mayurapura, Chandrika Wewa and Kiriibbanwewa and is divided into 39 units.

Serial No.	Division	Allocation for Year 2020	Progress as at 31st Dec 2020	Progress as at 31st Dec 2020 as a percentage (%)
		(Rs. Million)	(Rs. Million)	
1	Technical Services	20.24	20.53	101%
2	Lands	4.80	0.46	10%
3	Land Use Planning	1.03	1.02	99%
4	Institutional Development	6.38	5.94	93%
5	Business Development	2.27	1.92	84%
6	Sports and Media	0.82	0.80	97%
7	Environment and Forest Conservation	6.86	5.69	83%
8	Administration	2.37	2.55	108%
9	Transport	3.05	2.58	84%
10	Agriculture (Institutional Capital)	2.50	0.66	26%
11	Livestock (Institutional Capital)	0.83	0.92	112%
	<b>Total (Institutional Capital)</b>	<b>51.14</b>	<b>43.07</b>	<b>84%</b>
1	Agriculture (Projects)	3.86	2.16	56%
2	Livestock (Projects)	1.48	0.90	61%
3	RMMIS	5.80	5.80	100%
	<b>Total (Projects)</b>	<b>11.14</b>	<b>8.86</b>	<b>80%</b>
	<b>Grand Total</b>	<b>62.27</b>	<b>51.93</b>	<b>83%</b>

**Financial progress of the systems on 31-12-2020.**

S/S	System	Allocation for the Year 2020 (Rs. Mn.)	Amount spent as at 31-12-2020 (Rs. Mn)	Financial Progress %
1	B	156.11	133.92	86%
2	C	149.83	122.97	82%
3	D	50.76	37.01	73%
4	E	50.64	48.76	96%
5	G	77.36	68.66	89%
6	H	175.65	176.30	100%
7	Huruluwewa	62.27	51.93	83%
8	Udawalawa	168.97	154.96	92%
9	Rambakan Oya	10.00	8.56	86%
10	L	21.50	18.78	87%
	<b>Total</b>	<b>923.09</b>	<b>821.85</b>	<b>89%</b>

## **Divisions directly controlled by the Director General**

1. Planning & Monitoring Division
2. Internal Audit Division
3. Water management secretariat
4. Procurement Division

### **01. Planning and Monitoring Division**

#### **Activities.**

- Preparation of a Corporate Action Plan according to the Vision & Mission of the organization and act according to the Annual Plan.
- Preparation of Special Project Reports, conducting Economic and Social Surveys and carrying out analysis.
- Review the progress of projects on monthly, quarterly and annual basis, coordination of project evaluation functions and ensuring the Operation Evaluation System.
- Preserving the Technical Reports, Feasibility Reports and Evaluation Reports and providing them for use.
- Operation and maintenance of the Mahaweli Computer Network. Establishment and updating of Official Website, providing IT support System.
- Coordination of Studies with regard to the impact areas.

### **02. Internal Audit Division**

The Internal Audit Division of the Mahaweli Authority of Sri Lanka is implementing the internal audit plan through inspection and observations to achieve the objectives of the Mahaweli Authority of Sri Lanka in accordance with the Financial Regulations, Administration Regulations issued by the Republic of Sri Lanka, circulars issued from time to time, policy decisions and statutory requirements, providing support to management.

In order to achieve the objectives of the MASL in accordance with the Financial Regulations, Administration Regulations issued by the Republic of Sri Lanka, circulars issued from time to time, policy decisions and statutory requirements, the Internal Audit Division of the MASL assists management in implementing the internal audit plan through inspection and observations.

## Activities

In the implementation of the annual action plan, ensuring that it is carried out in accordance with the existing internal control methods and good governance policies and that economic benefits (Value for Money) are obtained from the transactions carried out and performing the audit with audit tests, observations, reconciliations, physical inspections, and in accordance with the standards issued by the Institute of Chartered Accountants of Sri Lanka (ICA) and International Accounting Standards (IAS) and report to the management.

In spite of the epidemic situation in the country in the year 2020, the following tasks have been completed.

1. The number of audit reports prepared as per internal audit plan are 10.
2. The number of investigation reports issued are 08.
3. Number of audit and management meetings held
  - Audit Management Committee Meetings at Ministry Level 03
  - 03 Audit Management Meetings at Authority Level
4. Follow up on responses to internal audit queries and implementation of recommendations made by queries.
5. To implement the guidelines and recommendations provided by the Audit and Management Committees, by providing advice through obtaining progress reports.

### **03. Water Management Secretariat**

The Water Management Secretariat recommends operating policies for the annual Yala and Maha seasons and prepares operational plans for the Mahaweli system, which is a national program that contributes extensively to the production of paddy and intercropping of crops primarily on the basis of irrigation and energy requirements.

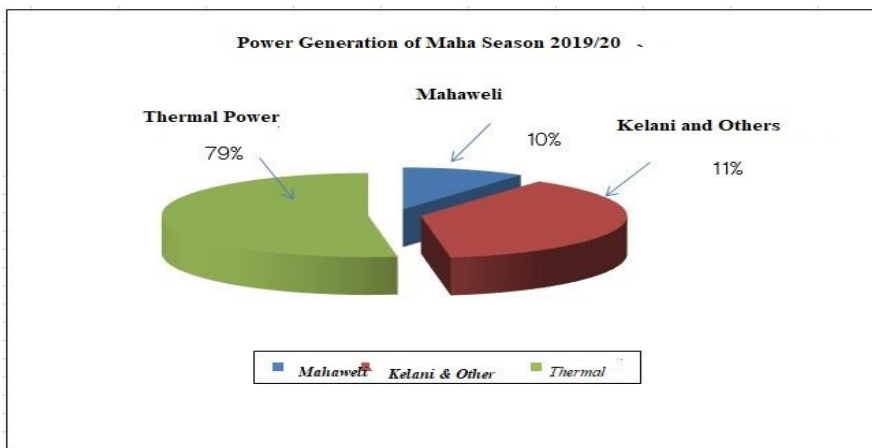
As a Technical Expert Advisory Unit for this purpose, the Water Management Secretariat, in coordination with the member agencies of the Water Management Committee, monitors all operational plans on a weekly basis, reviews its progress and advises on the implementation of future water operational plans. These measures are taken to meet the recommended water requirements of the entire system, including agricultural, electrical, and drinking water requirements.

## Maha Season 2019/20 (Oct 1 2019 - March 31 2020 )

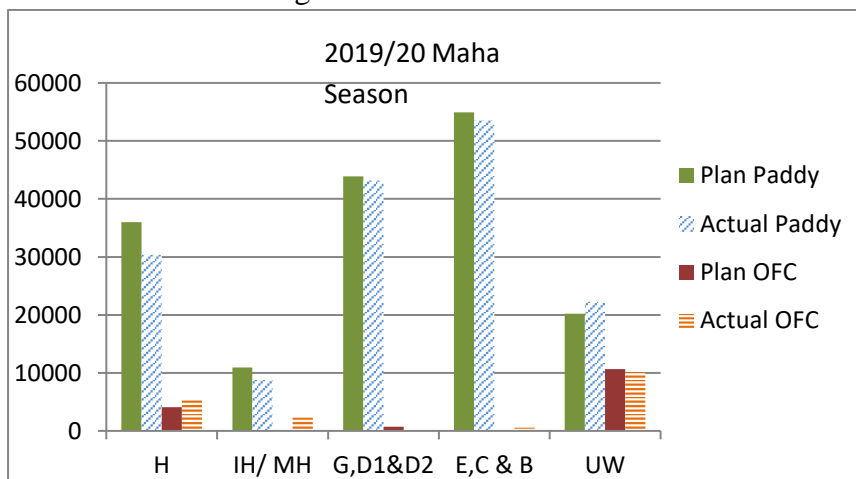
Mahaweli Water Management Committee Meeting for the 2019/2020 Maha Season was held on 17th October at the Plant Genetic Resources Centre, Gannoruwa, Peradeniya

The 2019/2020 Maha season is expected to be a normal season with monsoon rains and by January 01, 2020, the active water capacity of the reservoirs were 83.7%, Victoria 89.7%, Moragahakanda 99.7%, Huruluwewa 97.8%, Kalawewa 94.3%, Maduruoya 100%. And Udawalawa was 96.5%. Mahaweli C and B Systems were able to protect the crops during the intermittent rains. Overall, the season of 2019/20 was a season in which water was received satisfactorily and it was a season that contributed to the production of hydropower in the country.

uring this season, 366.6 gigawatt hours from the Mahaweli system and 420.2 gigawatt hours from the Kelani system were added to the national grid during the 2019/20 season. The diagram below shows how electricity generation was during the 2019/20 Maha season from January to March.



The diagram below shows the 2019/20 high season planting plan and its progress in the zones under the Water Management Committee.

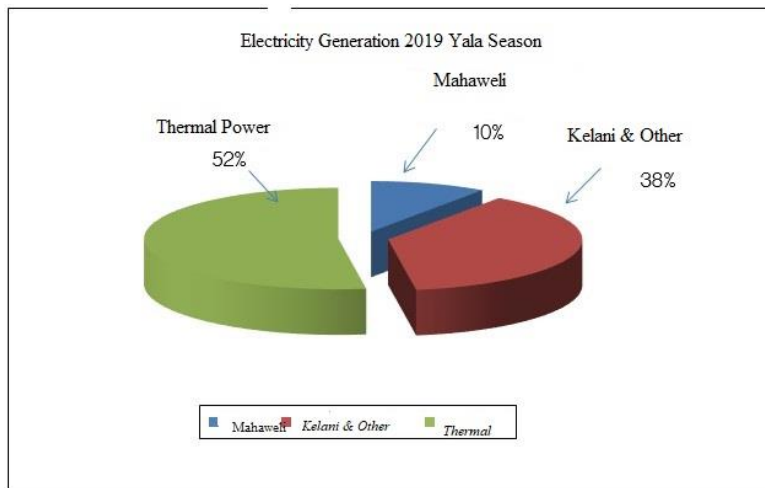


## Yala Season 2020 - (01 April 2020 - 30 Sep 2020)

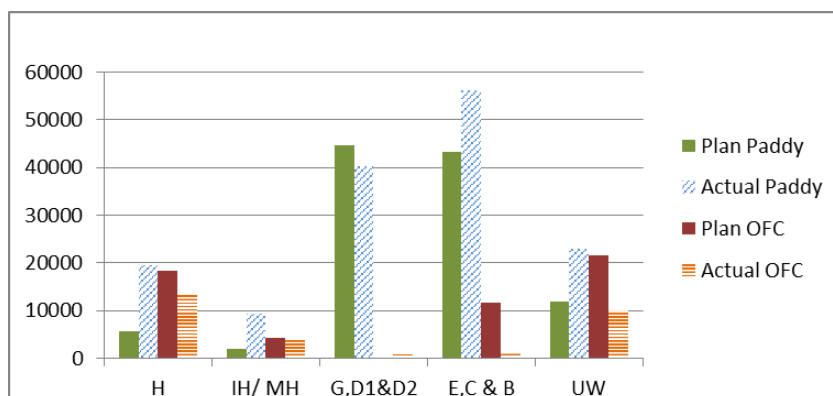
The Mahaweli Water Management Committee meeting for the 2020 Yala season was held on April 01, 2020 at the Head Office Sri Lanka Mahaweli Authority. Due to the current covid-19 epidemic situation, it had to be held like this, and at that time, the active water level of Kotmale reservoir was 42.1%, Victoria 67.9%, Moragahakanda 73.2%, Maduruoya 83.3%, Kalawewa 48.6%, and Huruluwewa 58.7%. Meanwhile, the water level of the Parakrama Samudra was close to the maximum water level.

Therefore, as a whole, about 50% of maximum cultivation was expected for IH and MH zones while 100% was suggested for other zones. Accordingly, the total cultivated area in the 2020 yala season is 145,173 hectares which was approximately 76% of the total cultivated area.

During this Yala season, 888 gigawatt hours were generated from the Mahaweli system and 3479 gigawatt hours from the Kelani system. The graph below shows how the electricity generation was planned and maintained during the 2020 season.



The diagram below shows the planning and progress achieved for the 2020 yala season in the regions under the Water Management Committee.

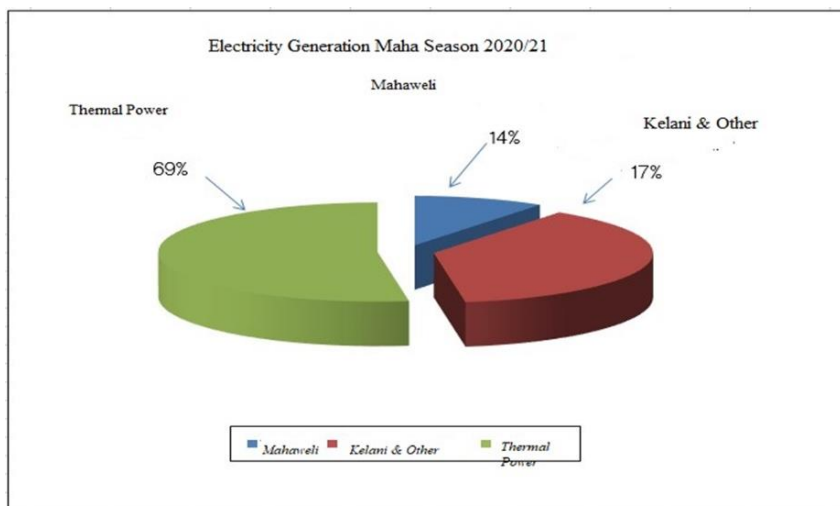


## 2020/2021 Maha Season (October 01, 2020 - December 31, 2020)

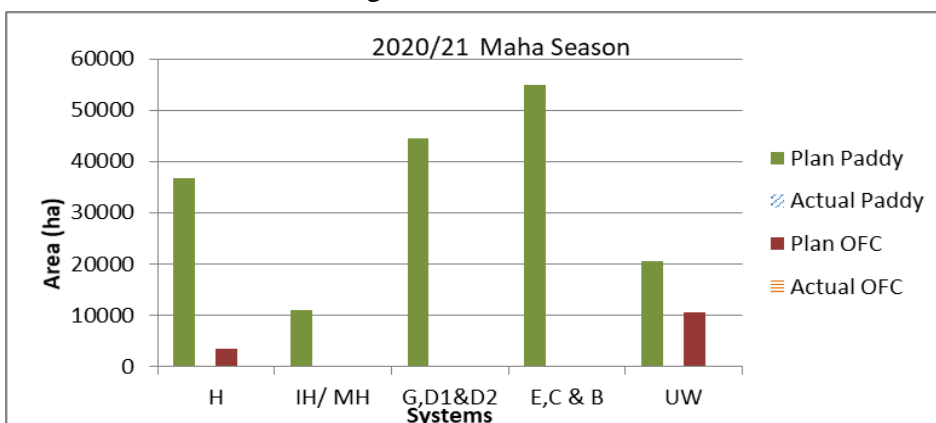
The Mahaweli Water Management Committee for the 2020/21 season was held on October 05, 2020 at the Plant Genetic Resources Centre, Gannoruwa, Peradeniya and at that time, the active water levels of all the reservoirs expected in the system were 74.4% for Kothmale, 72.5% for Victoria, 50.2% in Moragahakanda, and 28.9% for Huruluwewa belonging to the MH System. %, Maduru Oya belonging to System B was 34.0%, and Walava region was at a low level of 35.99%.

Accordingly, the total cultivated area in the 2020/21 season is 191,561 ha. which was about 98% of the total. Due to the fact that the second inter-monsoon and north-east monsoon rains had not arrived in the expected areas, it was informed to delay the release of water and accordingly the release of water had to be delayed until the middle of November in Mahaweli Systems B, C and Walawa. .

During this season, 476.7 gigawatt hours were generated from the Mahaweli system and 567.5 gigawatt hours from the Kelani system. The graph below shows how the power generation was planned and maintained during the 2020/21 Maha season.



The diagram below shows the 2020/21 Maha season cultivation plan and its progress in the zones under the Water Management Committee.



## **04. Procurement Division**

### **Activities.**

1. Coordination of all the activities related to the holding of Board of Directors meetings of the Mahaweli Authority of Sri Lanka.
2. Conducting departmental procurement committee meetings and performing all related tasks.
3. Preparation of combined procurement plans of the authority and obtaining necessary approvals.
4. Appointment and follow-up of Regional Procurement Committees, Project Procurement Committees and all Technology Appraisal Committees.
5. Informing and advising the organization about government guidelines, circulars, procedures and methods related to procurement activities.
6. To maintain the organization's procurement functions more efficiently and transparently by decentralizing internal circulars and financial powers.
7. Managing the procurements required for the Mahaweli Authority of Sri Lanka and regional offices.
8. Conducting and managing public price/bid openings for price/bid invitations conducted by the departments of Sri Lanka Mahaweli Authority.
9. Carrying out special/emergency procurement and other duties assigned by the Director General.
10. Checking, correcting and giving recommendations to the documents, files and technical evaluation committee reports submitted for the approval of the Director General.
11. Coordination of Preparing annual reports of the Authority for submission to the Parliament of Sri Lanka and managing all related tasks.

## Chapter Two

### 2.1 Technical Services Division

#### Functions :

1. Formulation of a Strategic Plan with the objective of achieving targets set out in the Corporate Plan / Annual Plan.
2. Providing guidance and direction for the preparation of Technical Plans and Estimates.
3. Formulation of an appropriate process to ensure the proper maintenance and protection of the physical assets including major dams, diversion tunnels and downstream irrigation structures areas
4. Formulation of proper plans to supply required water on time for agricultural activities and other requirements through the reservoirs and irrigation systems.
5. Planning of Projects, Feasibility Studies, operation, and progress review.

The Technical Division of the MASL carries out its activities mainly focusing on the above functions. Accordingly, the following activities were implemented by this Division in 2020.

#### Projects

- Integrated Watershed and Water Resources Management Project (IWWRM).
  - Mahakambiliyawa Wewa and Welioya Irrigation Tank Development Project (System L).
  - Kivul Oya Reservoir Project ( System L ).
  - Maduru Oya Right Bank Development Project (RB) (System B)
  - Rideemaliyadda Development Project
  - Rambakanoya Development Project
  - Welioya Development Project
  - Integrarated Development Project ( System B)
  - Small and Medium Scale Irrigation System Rehabilitation Project
  - Establishing solar power plant projects on vacant lands and Tabks
- ❖ Improving the Revenue Streams
- Charging for commercial supplies
  - Charging for silt / sand in reservoirs and tanks

For the year 2020, the budget allocated by the Treasury for each System is as follows

1. Annual Expenditure Report (Progress)

1. Under Projects

S.S.	Project	Allocation to T.S. Division for the Year 2020 ( Rs. Mn ) .	Financial Progres for the year 2020 Rs. Mn	Financial Progres %
1	Rideemaliyadda Development Project	21.56	16.21	75
2	Rambakanoya Development Project	29.25	20.44	70
3	Welioya Development Project	50.86	46.32	91
4	Integrarated Development Project ( System B)	122.50	85.41	70
5	Maduru Oya Right Bank Development Project (System B)	10.72	8.45	79
6	Small and Medium Scale Irrigation System Rehabilitation Project	64	43.24	68
	<b>Subtotal 1</b>	<b>298.89</b>	<b>220.06</b>	<b>74</b>

2. Under Institutional Capital

S.S.	Project	Allocation to T.S. Division for the Year 2020 ( Rs. Mn ) .	Financial Progres for the year 2020 Rs. Mn	Financial Progres %
1	System B	84.46	72.06	85
2	System C	78.05	68.09	87
3	System D	10.21	10.18	100
4	System G	20.76	18.35	88
5	System H	75.51	75.5	100
6	System L	11.50	10.34	90
7	Walawe System	64.57	64.06	99
8	Huruluwewa System	20.24	20.53	101
9	RambakenOya System	3.75	3.59	96
10	Victoria System	21.17	21.17	100
11	Head Office ( Technical Servinces )	28	15.29	55
12	Mechanical Workshop - Thambuththegama	2.45	2.36	96
13	River Basin Management Division	2.7	2.58	96
14	Major Dams and Reservoir Operations Division	267.63	261.92	98
15	Kivul Oya	5.2	3.96	76
16	Maduru Oya	23.95	21.72	93
	<b>Subtotal 2</b>	<b>720.15</b>	<b>671.7</b>	<b>93.27</b>
	<b>Total (Subtotal 1 + 2)</b>	<b>1019.04</b>	<b>891.76</b>	<b>87.5</b>

## 2.2 Downstream Development Division

### Introduction

Operation and maintenance of irrigation systems in Mahaweli areas, maintenance and management of building premises, road system repairs and related constructions, estimation, construction quality control and progress review are the main functions of this division.

### Functions

Execution of procurement activities related to works and services including special projects in all regions.

Facilitate contract administration in project implementation.

Reviewing the annual budget, physical and financial progress of the programs related to construction, maintenance and rehabilitation under the annual allocation.

Coordinating operations and maintenance related to the tanks and canal system in Mahaweli regions.

Ensuring availability of water requirements for cultivation in Mahaweli area in coordination with Water Management Office.

Coordinating with other agencies on technical matters.

### Financial Progress

For the year 2020, the budget allocated by the Treasury for each System is as follows

#### 1. Under Projects

S.S	Project	Allocation to T.S. Division for the Year 2020 ( Rs. Mn) .	Financial Progres for the year 2020 Rs. Mn	Financial Progres %
	Projects	288.17	211.62	73.44

#### 2. Under Institutional Capital

	Systems	425.87	385.48	90.52
	Systems and Projects	714.04	597.10	83.62

### **Special functions and contribution to the national economy**

Under the 2020 Vaari Saubhagya (Prosperity through Irrigation ) Project, complete rehabilitation of 20 tanks in B, E, H, Rambakan Oya systems with a financial allocation of 37.18 million rupees.

Operation and maintenance related to tanks and canal system in Mahaweli regions.

Maintenance of irrigation system in order to obtain water needed to grow agricultural products, mainly crops such as paddy

Providing facilities for the people to get nutritious food at affordable prices by building canteens like Hela Bojunhals.

Facilitating education by providing school buildings etc.

To provide better infrastructure by upgrading roads.

### **2.3 Engineering Design and Planning Division**

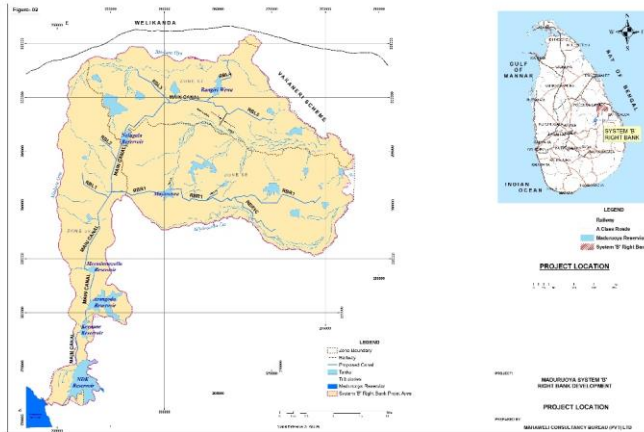
The Engineering Design and Planning Division prepares engineering designs and Plans for developed, operational and proposed projects belonging to the Mahaweli Authority of Sri Lanka.

The following functions are performed by this division.

- Updating the Mahaweli Water Resources Plan
- Analysis of small scale water supply project proposals and plans submitted by public and private entrepreneurs
- Preparation and analysis of designs and plans for currently operational water resources and other infrastructure development projects.
- Preparation of engineering estimates and Bills of Quantity related to design and layout for the procurement process.
- Training of novice engineers in engineering design and planning as per the accepted standards of the Institution of Engineers of Sri Lanka.

## The tasks carried out by the Engineering Design and Planning Division in 2020

### 1.0 Plans of Maduru Oya Right Bank Development Project



#### Maduru Oya Right Bank Development Area

Under the Ma-Dura Oya Right Bank Development Project, plans and designs were prepared for the development of 10,000 hectares of agricultural land belonging to the districts of Ampara and Batticaloa in the Eastern Province, which will benefit about 20,000 families.

#### 1.1 Concrete lining of Ma-Dura Oya Right Bank canal system

Plans and designs were prepared for the 16 km long concrete paved canal to carry water from the Ma-Dura Oya Reservoir along the main canal system.

The main canal system was designed to accommodate future needs with a focus on a bathing area and structures for wildlife corridors .

#### 1.2 Level Crossing planning and design

The plans and designs of the structures with the following 03 Level Crossings were prepared this year. They are

##### 1.For Kinani Level Crossing

- I. Embankment
- II. Outerspill
- III. Inner Mouth
- IV. Outer Mouth

##### 2..For Arangoda Level Crossing

- I. Embankment
- II. Outerspill
- III. Inner Mouth
- IV. Outer Mouth

##### 3.For Meeminigolla Level Crossing

- I. Embankment
- II. Outerspill
- III. Inner Mouth
- IV. Outer Mouth

The Plans and Designs of above structures are given

#### 1.3 Structures for catchment

Plans and designs were given for 09 structures used to divert water from the main canals.

## Field Inspection at Arangoda Level Crossing



Field inspections were carried out in Keenani, Meeminigolla and Arangoda Level Crossings and further arrangements were made.



### 2.1 In the Walawe System Angunakolapalassa Bus Stand

Regarding the Agunakolapalassa bus stand , the planning work was completed and the construction work is to be initiated .

## 2.2 Public Market

Plans and designs related to the public market were also prepared and used for related further actions



### 3.0 System L – Welioya

Studies and data collection related to the Kivul Oya project was completed.

#### 3.1 Construction of Bogaswewa Bridge

In relation to the Lebogaswewa bridge in the System L The plans and designs submitted by the G.N construction company was reviewed.

#### 4.0 Regarding the Moragahakanda Kalu Ganga Development Project

- A structure for draining water for outerspill for 04 level crossings
- Ambana Water Scheme
- The preparation of plans for the crossing in relation to the main canal of the right bank of Kaluganga was also completed.

#### 5.0 Mahaweli Water Conservation Investment Scheme

The plans and designs submitted in relation to the Mahaweli Water Conservation Investment Scheme proposal were re-examined.

#### 6.0 Training of amateur engineers

The training of 05 new engineers in engineering design and planning according to the accepted conditions of the Sri Lanka Institute of Engineering was successfully completed simultaneously during this year.

## 2.4 River Basin Management Office

### Introduction

The River Basin Management Office is located in the Madatugama Mahaweli Premises and functions under the Director (Watershed Management). The primary responsibility of this office is to carry out activities related to environmental and natural resource management in accordance with the river basin management concept and to inspect the quality of construction and maintenance work carried out under the Mahaweli Authority of Sri Lanka.

Accordingly, the Water Quality Laboratory that functions under this office tests the water quality of the water sources in the watersheds associated with Mahaweli River and the Mahaweli system and uses the data to study the changes in water quality locally and seasonally. Under that,

1. Monthly Testing of Water Quality of Mahaweli Reservoirs at Kalawewa, Kandalama, Dambulla Oya, Bowatenna, Udawalawe and Chandrika Wewa.
2. Monthly inspection of water quality of selected small tanks in Mahaweli zones.
3. Carrying out water quality testing of selected streams associated with the Mahaweli River and the Mahaweli system



- It also tests water samples of drinking water sources used in the Mahaweli region and beyond and conducts community awareness programs on the quality of drinking water.
- In addition, practical awareness programs for school children on measuring water quality and related standards are carried out.

- Given the Water Quality Laboratory belonging to our division is accredited by the Central Environmental Authority, when the environmental protection licenses for industries are renewed, the quality of the effluent released into the environment by those organizations is also checked and recommendations are given. Reports on the composition of the waste water is given as per the request of owners of these establishments and fees are charged for the same.
- In addition, water samples are tested at the request of external agencies. Especially at the request of the Upper Elahera Canal Project, water quality of selected water sources in the area coming under the project was tested.
- Accordingly an amount of Rs. 948,805.00 was earned through tests carried out in the year 2020 and the value of tests conducted on samples relating to MASL was Rs 2,157,933.00
- The Quality Control Laboratory will take the necessary steps to ensure the high standard of constructions carried out by the Mahaweli Authority. At the request of the System Offices, laboratory tests are carried out to check the suitability of the construction materials used for the constructions carried out in the Mahaweli Systems and field tests are conducted to check the quality of the said structures. If the constructions are done by the contractors, a fee is charged for the inspections and tests . Accordingly an amount of Rs. 341,335.00 was earned through tests carried out in the year 2020
- Also inspection of quality of the constructions done by the Mahaweli System Offices is also carried out in such instances where Deputy Director General (Technical Services) specifically instructs Accordingly, the value of quality inspections carried out for gratis is Rs. 77,910.00.



- Using the herbal garden established and maintained by the office and with the participation of Ayurvedic doctors, programs are conducted to educate school children about herbs and their use. The implementation of those programs had to be done during the Corona epidemic situation.

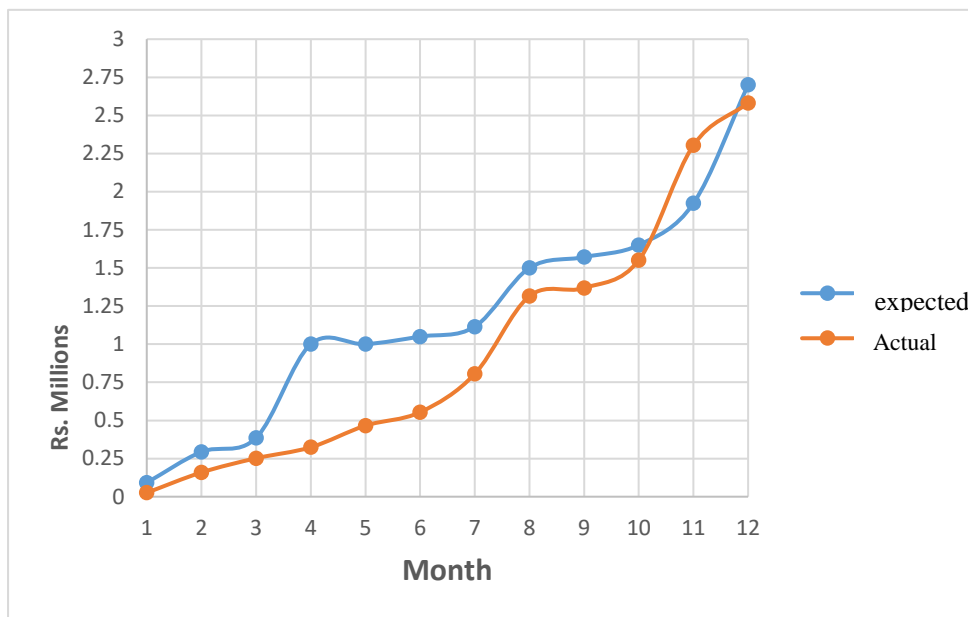


2.2.1 The progress in the year 2020 regarding above duties is as follows.

**Financial Progress**

S/S	Description	Allocation (Rs. Mn.)	Progresss (Rs. Mn.)
1	Capital Expenditure	2.700	2.582
2	Recurrent Expenditure	28.648	20.245

## Goals set in 2020 and progress achieved



### **2.2.2 Contribution to the national economy and society**

- The River Basin Management Office does not make significant financial gains directly but indirectly contributes to the national economy and social progress.
- The operation of the Water Quality Laboratory, made it possible to identify the variables that affect the quality of water, and the study of long terms behavior of these variables helps to identify the pollutants that are basically added to the environment Identifying it more accurately will enable it to take appropriate action and be an environmental investment for future generations.
- The awareness of the community and especially school children about the need to maintain the quality of water for a healthy society, the paramount importance of preventing water pollution, and measures that can be taken in this regard, would contribute to securing the cleanliness of water sources through attitudinal change. By launching these awareness programs in rural areas where kidney disease is wide spread, it would give a strong boost to uplifting health conditions of the people in these areas.
- Quality control tests can identify structures that are not up to standard and that would pave the way for immediate remedial action. This allows for the lifespan of the structures to be maintained as planned and minimizes the need for periodic repairs. Therefore, their benefits can be continuously passed on to the community and the cost

of renovations could be minimized. It has a positive impact on the manufacturing economy of the country.

- By planting bamboo saplings to protect the banks, the flow of water streams can be regulated and the erosion of adjoining lands including cultivated lands can be minimized. It would also reduce the need for building of structures for conservation of banks and thereby saving the allocations in this regard. Through the participation of the community, school children and civil society organizations, it is possible to instill in them a positive sense of responsibility to protect the environment.

## 2.5 Electrical and Mechanical Section

In 2002, the Mahaweli Authority of Sri Lanka identified potential locations for small-scale hydropower projects. Suitable investors were selected for this purpose by inviting competitive bids as per the tender procedure. The main selection procedure was the royalty paid as a percentage of the sale of electricity for the land and water used.

Accordingly, 10 small-scale projects suitable for implementation were identified at the beginning based on the royalty and letters of intent were issued for those projects. Depending on the nature of the project site, this percentage ranged from 3.42% to 34.2%. After that, the Mahaweli Authority of Sri Lanka submitted letters of intent to 10 more investors who submitted projects in suitable areas near major rivers and channelized waterways. The Board of Directors of the Mahaweli Authority of Sri Lanka decided to collect the royalty of 10% from the projects located on channelized waterways and 6% from the projects located near the main rivers. So far, 12 small-scale hydropower projects have been completed, from which a capacity of 39.85 M.W. has been added

In addition, Mahaweli Authority of Sri Lanka has also identified suitable locations for the construction of on-site and floating solar power plants. The primary objective of these projects is to popularize clean green solar power breaking away from conventional energy sources such as coal, oil and gas.

### 1. Small Scale Hydropower Projects in operation:

Serial No.	Project	Project Investor	Date of Commencement of Power Generation	Royalty / %	Channelized / Natural	Capacity / MW	Income for the year 2020 / Rs.
1	Lenadora	Kent Hydro (Pvt.) Company, No. D/1, Guildford Crescent, Colombo 07.	May 2013	13.0	Channelized	1.40	11,056,887.13
2	Palapatwala (Lenadora)	Energy Generators (Pvt.) Company, No. 69, President Mawatha, Colombo 01.	May 2013	6.0	Channelized	6.00	33,055,217.85

3	Maduru Oya Left Bank Sluice (Maduru Oya I)	Eagle Power (Pvt.) Company, No. 09, Modara Lake Industrial Area, Panadura.	June 2011	34.2	Channelized	5.00	68,015,066.98
4	Maduru Oya left bank 24+140 km Drainage structure	Eagle Power (Pvt.) Company, No. 09, Modara Lake Industrial Area, Panadura.	November 2013	27.0	Channelized	2.00	31,309,813.75
5	Branford	Branford Hydropower (Pvt.) Company, No. 315, Vauxhall Street, Colombo 02.	April 2013	13.1	Channelized	2.50	10,808,318.77
6	Ross Estate	Ross Hydro Power (Pvt.) Company, No. 11, Joseph Street, Colombo 04.	September 2014	10.0	Channelized	3.80	34,737,877.46
7	Koladeniya	Koladenia Hydropower (Pvt.) Company, No. 344, Sirimangalawatta, Mampe, Piliyandala.	April 2012	6.0	Natural	1.20	2,393,301.95
8	Owala	Escas (Owala) Power (Pvt.) Company, No. 276, Mabima, Heiantuduwa	April 2015	10.0	Channelized	2.80	23,267,107.11
9	Lower Kothmale	Lower Kothmale Oya Hydropower (Pvt.) Company, No. 9/1-5, Royal Mawatha, Colombo 07	June 2014	6.0	Natural	4.80	8,320,417.47
10	Left bank of Maduru Oya 28+450 km drainage structure	Eagle Power (Pvt.) Company, No. 09, Modara Lake Industrial Area, Panadura.	August 2015	3.4	Channelized	0.60	1,521,094.72
11	(Maduru Oya III)	HPD Power (Ed.) Co., No. 334, T.B. Jaya Mawatha, Colombo 10.	August 2016	10.0	Channelized	3.25	19,804,090.32
12	Dambulu Oya	Escas (Ankanda) Power (Pvt.) Company, No. 276, Mabima, Heiantuduwa	September 2018	10.0	Channelized	6.50	52,462,737.08
<b>Total</b>						<b>39.85</b>	<b>296,751,930.59</b>

## 2. Small scale hydropower projects to be implemented:

Serial No.	Project	Project Investor	Capacity / MW	Channelized / Natural	Progress
1	Ukuwela	Onyx Hydro Power Company (Pvt.) Co	2.2	Channelized	Generation license should be obtained. The Ceylon Electricity Board has temporarily suspended entering into a Power Purchasing Agreement.
2	Diggala	Escas Diggala Power (Pvt.) Co	4.4	Channelized	Construction work is in progress.
3	Kiwula	Escas Kiwula Power (Pvt.) Co	2.8	Channelized	A new environmental impact assessment report (EIA) must be provided because of the change in design.
4	Nayakkumbura	Ralick Hydro Power Generation (Pvt.) Co	0.5	Channelized	The Environmental Impact Assessment Report has been completed. The Provisional Approval from the Sri Lanka Solar Energy Authority should be extended.
5	Chandrika Lake	Mahaweli Consulting Bureau (Ed.) Co	0.63	Channelized	The Environmental Impact Assessment Report has been completed. The approval of Mahaweli Authority and Sri Lanka has been requested for further activities.
6	Kumbaloluva I	Norwood Hydropower (Pvt.) Co	2.4	Natural	A land survey is planned to resolve the conflict between the two investors.
7	Kumbaloluva II	Kumbal Oluva Hydropower (Pvt.) Co	1	Natural	
8	Maduru Oya LBL3	Nippon Knit (Pvt.) Co	0.15	Channelized	Environmental impact assessment report is in progress. Awaiting letter of intent from Ceylon Electricity Board. The issuance of this letter has been temporarily suspended by the Ceylon Electricity Board.
9	Moragolla Small Scale Hydropower Project	Xijian yung Energy Company (Pvt.) Co	2.1	Channelized	Environmental impact assessment report is in progress. Awaiting letter of intent from Ceylon Electricity Board. The issuance of this letter has been temporarily suspended by the Ceylon Electricity Board.
10	Gatambe	Asian Hydropower Generation (Pvt.) Co	10	Natural	temporarily suspended
<b>Total</b>			<b>26.18</b>		

## Progress of Solar Power Plants

### 3. Ongoing Solar Power Projects :

Serial No.	Investor	Location	Capacity / MW	Area / hectares	Annual Lease Amt / Rs.
1	Saga Solar Power	Walawa / Mayurapura Block	10	18.2109	2,880,000.00
2	Iris Eco Power (Pvt.) Ltd.	Walawa / Mayurapura Block	10	18.5	3,240,000.00
3	Anarchy Lanka	Walawa / Mayurapura Block	10	18.5	3,240,000.00
4	Solar (Pvt.) Ltd.	System "B", Senapura Block	10	19.5	297,600.00

### 4. Current status of other solar power projects:

The Mahaweli Authority of Sri Lanka has decided to cancel the license/permission given for the project if the investors fail to submit the Letter of Intent (LOI) signed with the Ceylon Electricity Board. Corresponding letters have been sent to the investors.

Serial No.	Investor	Location	Capacity / MW	Area / hectares	Annual Lease Amt / Rs.	Description	Current Status
1	Sol Navitas (Pvt.) Ltd.	Walawa / Mayurapura Block	18.2109	10	3,600,000.00	The land was handed over. Board approval was given in 2015. Lease had been paid. Not yet operational.	The relevant letter has been sent.
2	EleXsys Power (Pvt.) Ltd.	Walawa / Mayurapura Block	12.14	10	3,874,000.00	The land was handed over. Board approval was given in 2015. Lease is being paid. Not yet operational.	The relevant letter has been sent.
3	Xijiang Yang (Pvt.) Ltd.	Walawa / Mayurapura Block	20.2343	10		It has been submitted for the Minister's approval. The letter of transfer of tenure is addressed to the relevant System	The relevant letter has not been sent as the address is not available.
4	Sri Lanka Sustainable Energy Authority	Walawa / Mayurapura Block	19.6	10		Land will be handed over after payment of lease. Board of Directors approval has been given in the year 2017.	The relevant letter has been sent.
5	Sri Lanka Sustainable Energy	Walawa / Mayurapura Block	20.21	10		Land handed over.	The relevant letter has been sent.

Serial No.	Investor	Location	Capacity / MW	Area / hectares	Annual Lease Amt / Rs.	Description	Current Status
	Authority						
6	Synergy Consolidator	Walawa / Mayurapura Block	9.0639			It has been referred to the Land Division. Not submitted for approval. The documents are not prepared properly.	The letter was returned due to incorrect address.
7	Asian Sun Edition, Asian Sun Power, Asian Active Solar	Walawa / Mayurapura Block	24.281			It has been handed over to the Land Division.	The relevant letter has been sent.
8	McEnergy (Pvt.) Ltd.	Walawa / Mayurapura Block	10.1	5		It has been handed over to the Land Use Planning Division.	The relevant letter has not been sent as the address is not available.
9	Power Consult	Walawa / Mayurapura Block	8.0	5		It has been handed over to the Land Use Planning Division.	The relevant letter has not been sent as the address is not available.
10	Asian Wind Power (Pvt.) Ltd.	Walawa / Mayurapura Block	10	5		It has been handed over to the Land Use Planning Division.	The relevant letter has been sent.
11	Lake Leisure Holdings (Pvt.) Ltd.	Walawa / Mayurapura Block	10	5		It has been handed over to the Land Use Planning Division.	The relevant letter has been sent.
12	Rank Holdings (Pvt.) Ltd.	Walawa / Mayurapura Block	10	5		It has been handed over to the Land Use Planning Division.	The relevant letter has been sent.
13	Green Resource Management (Pvt.) Ltd.	Walawa / Mayurapura Block	10	5		It has been handed over to the Land Use Planning Division.	The relevant letter has been sent.
14	Colombo Logistics	Walawa / Mayurapura Block	20.23	10		Board approval has been received recently.	The relevant

Serial No.	Investor	Location	Capacity / MW	Area / hectares	Annual Lease Amt / Rs.	Description	Current Status
	(Pvt.) Ltd.						letter has been sent.
15	Dudu International (Pvt.) Ltd.	Walawa / Mayurapura Block	10.72	4.9		Board approval has been received recently.	The relevant letter has been sent.
16	Orion Solar (Pvt.) Ltd.	Walawa / Mayurapura Block	10.72	4.9		Board approval has been received recently.	The relevant letter has been sent.
17	Tanish International (Pvt.) Ltd.	Walawa / Mayurapura Block	10.72	4.9		Board approval has been received recently.	The relevant letter has been sent.
18	Tanoo International (Pvt.) Ltd.	Walawa / Mayurapura Block	10.72	4.9		Board approval has been received recently.	The relevant letter has been sent.
19	Nidhanya International (Pvt.) Ltd.	Walawa / Mayurapura Block	10.72	4.9		Board approval has been received recently.	The relevant letter has been sent.
20	Lakmini Gems	Walawa / Mayurapura Block	8.09371	5		Board approval has been received recently.	The relevant letter has been sent.
21	TransGlobe Consolidated (Pvt.) Ltd.	System "B", Aselapura Block	19.8296	9.8		It has been submitted for the Minister's approval. The land has not been handed over.	The relevant letter has been sent.
22	Polonnaruwa Solar (Pvt.) Ltd.	System "B", Aselapura Block	12	5		The process of handing over the land is underway. Instructions had been received to hand over after environmental clearance. Board of Directors approval had been received in 2017.	The relevant letter has been sent.
23	Midland Nature (Pvt.) Ltd.	System "B", Sevanapitiya Block	141.7	100		It has been referred to the Director General to hand over the land. Board of Directors approval had been received in 2017.	The relevant letter has been sent.
24	Awami Solar	System "B",	10.12	5		Approval for lease has been obtained.	The relevant

Serial No.	Investor	Location	Capacity / MW	Area / hectares	Annual Lease Amt / Rs.	Description	Current Status
	(Pvt.) Ltd.	Sevanapitiya Block				Fieldwork has not commenced. Board of Directors approval had been received in 2017. The approval of the Minister had been received. Development work has not commenced. The land was handed back. The land is to be handed over after the payment of lease.	letter has been sent.
25	Castle A Solar (Pvt.) Ltd.	System "B", Aselapura Block	12	5		The process of handing over the land is underway. Instructions have been received to hand over after environmental clearance. Board of Directors approval had been received in 2017. The approval of the Minister had been received. Development activities have not commenced yet.	The relevant letter has been sent.
26	Fine Energy Solar (Pvt.) Ltd.	System "B", Aselapura Block	10.1171	5		It has been referred to the Director General to hand over the land. Board of Directors approval had been received in 2018. It had been submitted for the Minister's approval. The land has not been handed over.	The letter was returned due to incorrect address.
27	Sun Rise Energy Solar (Pvt.) Ltd.	System "B", Aselapura Block	10.1171	5		It has been referred to the Director General to hand over the land. Board of Directors approval had been received in 2018. It had been submitted for the Minister's approval. The land	The relevant letter has not been sent as the address is not available.

Serial No.	Investor	Location	Capacity / MW	Area / hectares	Annual Lease Amt / Rs.	Description	Current Status
						has not been handed over.	
28	Wesix International	Ransarathanna	70.8			This land is cultivable and hence cannot be recommended. This land is set aside as an agricultural land. If the Deputy Resident Project Manager (T/S) recommends that water is not available for agricultural purposes, the recommendation for this project may be considered.	The relevant letter has not been sent as the address is not available.
29	Neoma Solar (Pvt.) Ltd.	System B	20.2	10		should be referred to the Land Use Planning Division. Approval not received.	The relevant letter has not been sent as the address is not available.
30	Panswick (Pvt.) Ltd.	System B	18.2	10		Board approval had recently been received.	The relevant letter has been sent.
31	Dalton Street Power (Pvt.) Ltd.	System B	20	10		should be referred to the Land Use Planning Division. Approval not received.	The relevant letter has not been sent as the address is not available.
32	Valican Solar	System B, Sinhapura	18.2			Approval not received.	The relevant letter has been sent.
33	Bio Conservation Centre	System B	A distance of 10 km on the ZE canal	4.9		Board approval has been received recently.	The relevant letter has not been sent as the address is not available.
34	J. S. Team (Pvt.) Ltd.	System B	10.72	5		Board approval has been received recently.	The relevant letter has been sent.

Serial No.	Investor	Location	Capacity / MW	Area / hectares	Annual Lease Amt / Rs.	Description	Current Status
35	Ranseth (Pvt.) Ltd.	System B	10.72	5		Board approval has been received recently.	The relevant letter has not been sent as the address is not available.
36	J. M. T. B. Jayasingha	System B	The relevant letter has been sent.	The relevant letter has been sent.	The relevant letter has been sent.	The relevant letter has been sent.	The relevant letter has been sent.
37	Eco Solar One (Pvt.) Ltd.	Need to check if this company belongs to Wesix International.					The relevant letter has been sent.
38	Binthanna Solar (Pvt.) Ltd.	System "C", Girandurukotte Block	2.6305	1	1,200,000.00	The valuation has been Department. The lease amount will be notified after the assessment would be received. The approval of the Minister had been received. Long term lease has been issued. After receiving the plan, the land will be handed over.	The relevant letter has been sent.
39	Mapakada Solar (Pvt.) Ltd.	System "C", Girandurukotte Block	2.6305	1	128,000.00	The valuation has been Department. The lease amount will be notified after the assessment would be received. The approval of the Minister had been received. Long term lease has been issued. After receiving the plan, the land will be handed over.	The relevant letter has been sent.
40	Uva Solar (Pvt.) Ltd.	System "C", Girandurukotte Block	2.8328	1	148,000.00	The valuation has been Department. The lease amount will be notified after the assessment would be received. The approval of the Minister had been	The relevant letter has been sent.

Serial No.	Investor	Location	Capacity / MW	Area / hectares	Annual Lease Amt / Rs.	Description	Current Status
						received. Long term lease has been issued. After receiving the plan, the land will be handed over.	
41	Solis Energy (Pvt.) Ltd.		6.0	1		After receiving the plan, the land will be handed over.	The relevant letter has not been sent as the address is not available.

## **2.6 Major Dams & Reservoir Operation (MD&RO of MASL)**

According to the Mahaweli Authority of Sri Lanka Act No. 23 of 1979, published in the Gazette of the Democratic Socialist Republic of Sri Lanka, the then Mahaweli Development Board was transformed into a semi-government institution with special powers called the Mahaweli Authority of Sri Lanka

Headwork's Administration, Operation and Maintenance Division (HAO&M) was established in 1985 for the purpose of improving, operating and maintaining the major reservoirs, trans-basin canals, canal networks and dam related structures constructed under the accelerated Mahaweli Program and Mahaweli Development Scheme.

For the convenience of the public, this division has been renamed as "Major Dams and Reservoir Operations Division" since 2019.

The main dam and reservoir system constructed so far is entrusted on behalf of the government as an asset owned by the MASL and the said assets are controlled by the Mahaweli Authority of Sri Lanka. The total current value of the construction cost of this major dam and reservoir system is about 420 billion rupees.

This division carries out all the operations of the main reservoirs in such a way as to ensure the safety of the public. For this purpose, maximum water needs are provided to water users by using modern technology strategies of international reservoir and dam operations. In addition to this, reservoir control gates are being operated to control the flood to reduce the flood damage in the lower valleys.

Furthermore, water management operations at the level of reservoirs and inter-valley canals, maintenance of reservoirs and related structures, plans and implementations for improvements for the long-term existence of reservoirs and rehabilitation projects related to reservoir systems are also carried out.

## Main Functions of this Division

- Administration** - Administration of areas belonging to reservoirs and reserves by enforcing regulations meant for the protections of the body of water of Dams and Reservoirs, the 100m Buffer Zone and associated forest reserves.
- Operation** - Operating of sluice gates at the reservoirs and trans basin canal level and operating of gates for flood control to minimize flooding at upstream and downstream of reservoirs as per regular decisions taken at the Water Management Secretariat.
- Maintenance** - Maintenance and improvement of reservoirs and dams, gates, reservoir terminal areas and all structures connected to the reservoirs in accordance with international standards (ICOLD).

## Reservoirs managed by the Major Dams and Reservoir Operations Division

Reservoirs	Component being Maintained
Kotmale	Dam, spill gates, all sluice gates and reservoir terminal areas
Polgolla Diversion	Dam, spill gates, all sluice gates and tunnels
Bowatanna	Dam, spill gates, all sluice gates and reservoir terminal areas
Dambulu Oya	Dam, spill gates, all sluice gates and reservoir terminal areas
Kandalama	Dam, spill gates, all sluice gates and reservoir terminal areas
Kala Wewa	Dam, spill gates, all sluice gates and reservoir terminal areas
Victoria	Dam, spill gates, all sluice gates and reservoir terminal areas
Randenigala	Dam, spill gates, all sluice gates and reservoir terminal areas
Rantambe	Dam, spill gates, all sluice gates and reservoir terminal areas
Minipe Anicut	Sluice gates, Spill Gates, trans basin canal, Badulu Oya aqueduct, Tunnel, and structures of aqueducts.
Loggal Oya ,Hapola Oya and Dihabana Oya aqueduct level	Dam, spill gates, all sluice gates and reservoir terminal areas
Ulhitiya Rathkinda	Dam, spill gates, all sluice gates and reservoir terminal areas
Maduru Oya	Dam, spill gates, all sluice gates and reservoir terminal areas
Uda Walwe	Dam, spill gates, all sluice gates and reservoir terminal areas
Chandrika Wewa	Dam, spill gates, all sluice gates and reservoir terminal areas
Moragahakanda	Dam, spill gates, all sluice gates and reservoir terminal areas
Puhulpola	.As the project is not yet completed, maintenance work not undertaken. We have stationed a few of our staff there
Dayaraba	

## Reservoir related environmental conservation activities

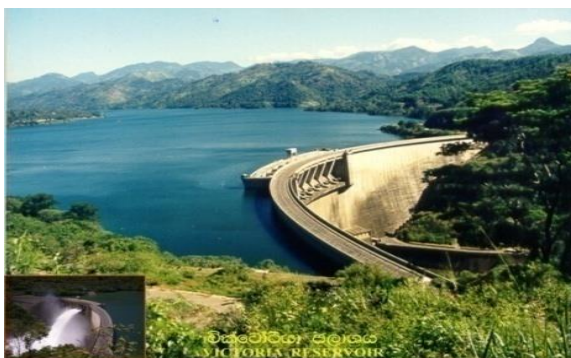
S.No	Description	Physical Progress (%)	Financial Progress Rs.
01	Dengue Control Shramadana Programs Digana, Nilagama and Office Premises	06	33,697.00
02	Plastic and Polythene Removal Shramadana Programs in reservations of Victoria and Polgolla Reservoir	02	10348.00
03	Monthly plastic and polythene removal programs in Victoria reservoir reservation.	12	180,000.00
04	planting of bamboo saplings the reservation of the reservoir	1,500	50,000.00
05	Planting of afforestation in the reservation of reservoir	4645	389,350.00
06	Home gardening in office premises	1000	206,050
07	Field inspections of establishments and sites belonging to industrial and environmental polluters	100	69,745.00
08	Programs that actively contributed to Dengue Committees, Environment Committees and Coordinating Committees	50	35,000.00
09	Wastewater analysis reports and environmental license fees		23,075.00
<b>Total</b>			<b>997,265.00</b>



Kothmale Reservoir  
Capacity: 173 million cubic meters



Polgolla Reservoir  
Capacity: 4.1 million cubic meters



Victoria Reservoir  
Capacity: 721 million cubic meters



Randenigala Reservoir  
Capacity: 801 million cubic meters



Rantambe Reservoir  
Capacity: 1.15 million cubic meters



Bowathenna Reservoir  
Capacity: 56 million cubic meters



Kala wewa Reservoir  
Capacity: 123 million cubic meters



Chandrika Wewa  
Capacity: 27.7 million cubic meters



Maduru Oya Reservoir



Dambulu Oya Reservoir  
Capacity: 117 million cubic meters



Ulhitiya Rathkinda Reservoir  
Capacity: 145 million cubic meters



Minipe Reservoir  
Capacity: 0.12 million cubic meters



Udawalawa Reservoir  
Capacity: 268.65 million cubic meters



Moragahakanda Reservoir  
Capacity: 558 million cubic meters



Kandalama Reservoir  
Capacity: 33 million cubic meters



Puhulpola Reservoir  
Capacity: 0.634 million cubic meters

### Legal actions taken to protect reservations of reservoirs

s/s	Description	Progress
01	Unauthorized removal of 100/60 m in reservation Magistrate Court cases	
	Magistrate Court Cases	29
	Appellate Cases	3
	District Court Cases	2
	Reactivating executions that did not result in expulsions	30

02	Sending dismissal notices for litigation	58
03	Initiating the first step in sending dismissal notice for litigation (L-5)	55
04	Filing of cases at Nilagama premises ( to take back encroached premises)	0
05	Complaints against squatters	66
06	Preventing erection of unauthorized structures at the outset	81
07	Raise awareness of societies, companies and places of worship to prevent the disposal of waste and encroachment	7
08	Prohibition of unauthorized sand mining	6
09	prevention of haphazard constructions	25
10	prevention of illegal logging	8
11	Giving recommendations to local authorities for formal constructions	9
12	Recommending for felling trees that are hazardous	14

### Special progress made in the year 2020 and its contribution to the national economy

S/S	Reservoir	Water supplied for power generation (MCM)	Power generation capacity (KWH)	National Income (Rs. Mn)
01	Victoria Rs. 18.50 per kwh	1,259.9	505.136 X 10 <sup>6</sup>	8,400.000
02	Randenigala Rs. 18.50 per kwh	1,345.4	266.440 X 10 <sup>6</sup>	4,566.760
03	Rantambe Rs. 18.50 per kwh	781.5	128.408 X 10 <sup>6</sup>	2200.910
04	Kothmale Rs. 18.50 per kwh	752.1	401.987 X 10 <sup>6</sup>	7,436.760
05	Bowathanna Rs. 18.50 per kwh	418.0	55.331 X 10 <sup>6</sup>	1,023.620
06	Maduru Oya Rs. 18.50 per kwh	531.7	17.440 X 10 <sup>6</sup>	205.269
07	Polgolla Rs. 18.50 per kwh	1002.1	180.258 X 10 <sup>6</sup>	3,244.640
08	Moragahakanda Rs. 18.50 per kwh	914.7	70.360 X 10 <sup>6</sup>	1,235.620
09	Udawalawa kwh Rs.18.50 per kwh	761.4	8.534 X 10 <sup>6</sup>	145.083
<b>Total</b>		<b>7,766.8</b>	<b>9860.359X 10<sup>6</sup></b>	<b>28,458.66</b>

## Release of water for agricultural purposes

s/s	Reservoir	The capacity of the water supplied in cubic meters millions(MCM	
01	Polgolla Diversion (To Bowathanna Reservoir )	933.2	
02	Minipe Canal	Left Bank	324.8
		Right Bank	959.1
03	Morghakanda Reservoir	917.1	
04	UdaWalawe	Left Bank	391.0
		Right Bank	369.2
	<b>Total</b>	<b>3,894.4</b>	

### **Goals set for the year 2020 and progress achieved (financial and physical) Construction and Technology Division**

s/s	Description	Physical		Financial Rs. Mn.	
		Target	Progress	Target	Progress
01	Construction and improvement of office and residential buildings	No. of Buildings 2	No. of Buildings 2	3.22	2.8
02	Conducting maintenance of water supply schemes (Kotmale, Bowatenna, Maduruoya, Randenigala, Udawala)	Schemes 10	schemes 10	11.4	11.4
03	Maintenance of official quarters, camps and minor repairs (including camps belonging to Engineer in Charge offices)	Tasks 228	Tasks 228	59.1	59.1
04	Reservoir and Dam Maintenance (of Dam Site) Clearing of secondary growth of	Hectares 400	Hectares 400	68.6	68.6
05	activities aimed at dam protection Gate repair work	Gates 48	Gates 48	21.5	20.0
06	Repair of infrastructure of major reservoirs	Tasks 179	Tasks 176	82.1	82.0
07	Factory Machinery and Machines	Machines 61	Machines 59	6.3	5.4
08	Vehicle Repair Work	Vehicles 92	Vehicles 90	18.2	18.0
09	Procurement of Office Equipment and Factory Equipment	Equipment 83	Equipment 83	11.2	8.7
<b>Total</b>				<b>281.6</b>	<b>276.0</b>

## 2.7 Land Use Planning Division

The role of the Land Use Planning Division is to integrate planning into physical, economic, social development and environmental management goals aimed at sustainable development in the Mahaweli areas. According to the Mahaweli Master Plan, the nature of development areas is studied and forecasts for future development goals are made to formulate structural plans, regional plans, resettlement plans, urban and rural center plans.

### Vision of the Division

“A Perfect Lifestyle Through Sustainable Land Use”

### Main Activities

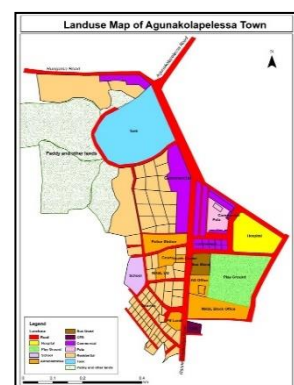
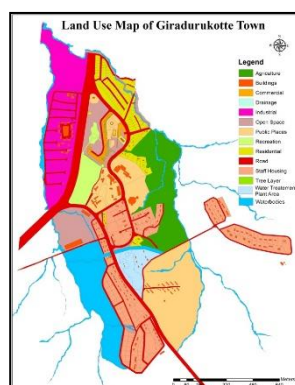
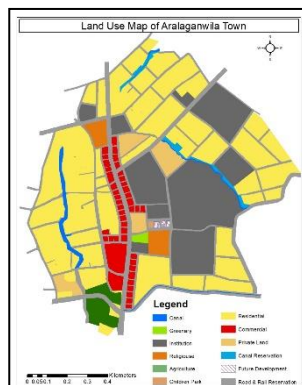
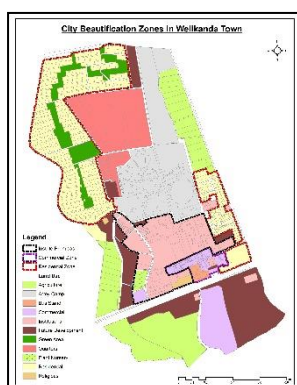
1. Identification of lands for development projects
2. Development of relevant plans in project areas and establishing infrastructure in Mahaweli cities
3. Carrying out resettlement in new project areas
4. Updating plans of Mahaweli areas
5. Preparation of annual work plans and estimates
6. Providing necessary recommendations for alienation of land
7. Mapping of information related to Mahaweli area development
8. Providing recommendations related to the extraction of mineral resources

The following are the special tasks undertaken by the Land Use Division in the year 2020 in order to achieve those objectives.

In order to provide guidance for optimal land use in the cities and to regulate informal land use, physical planning recommendations have been given for 581 locations in the year 2020 to formally prepare plans and to legalize the agricultural lands and residential lands needed for the settlers residing in Mahaweli zones according to land plans.

394 mineral extraction projects have been approved for the purpose of raising the economic and social levels of the settlers by streamlining the use of land for the sustainable extraction of mineral resources in the Mahaweli areas and in the year 2020, about 157,795,354.36 rupees in land usage fees was collected.

1. With the aim of providing quality service by regularizing land use in the Mahaweli areas preparing strategic plans by adapting the national physical planning principles to the needs of urban development along with the current and future development trends.(Welikanda, Aralaganwila, Girandurukotte, Damminna, Agunakolapalassa, Sampath Nuwara )

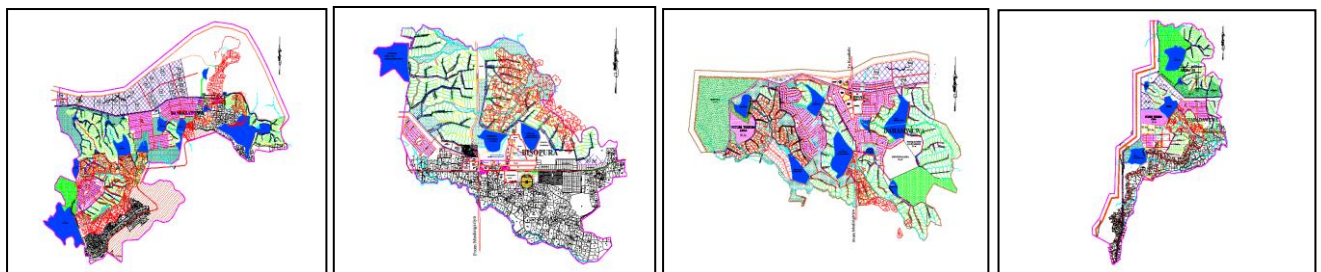
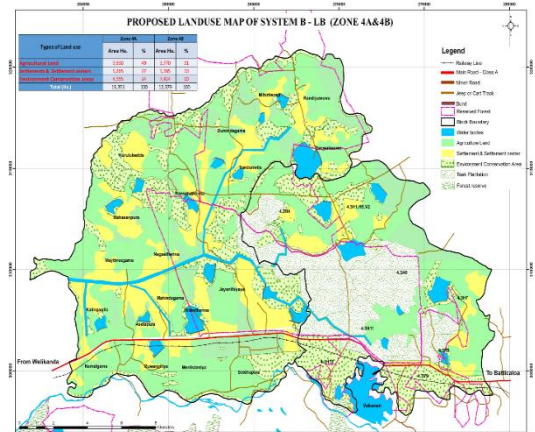


2. Preparation of short-term landscape plans for city beautification in Welikanda, Agunakolapalassa, Sampath Nuwara .

4. Preparation of preliminary plans for the resumption of development work in Zones 4A and 4B under the Left Bank Canal in Mahaweli System "B" of Polonnaruwa District, which had been halted

4. Conducting a special workshop in Rambakan Oya region to educate the holders of mineral mining licenses with the aim of contributing to the establishment of a more effective economic pattern in the area by maintaining the sand ferry in in such manner to protect the river bank using scientific methods.

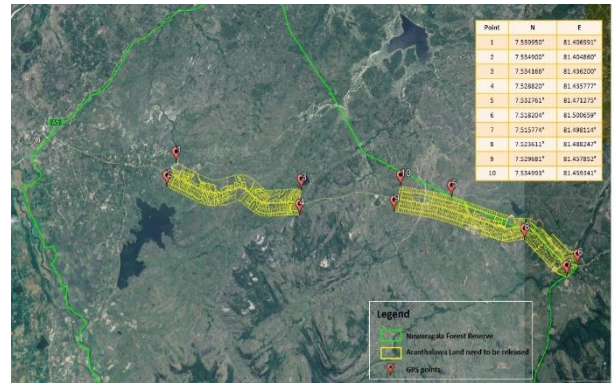
5. Preparation of the status report on the land to be cultivated under existing tanks in Madirigiriya New Development Zone. (Bandara Wewa Unit, Bisopura Unit, Dhamma Wewa Unit, Nabada Tank )



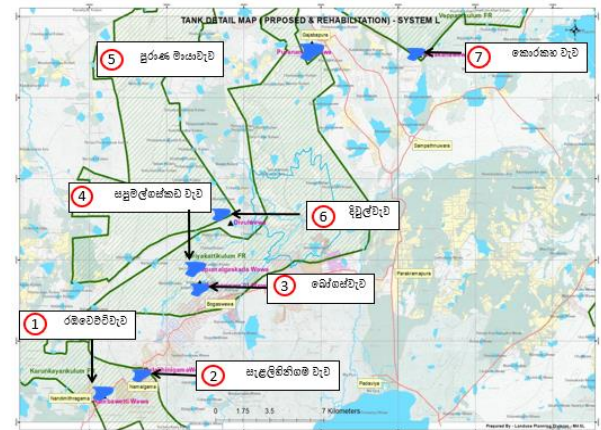
6. Gathering of necessary information and Preparation of maps to invite interest in investment project lands identified in Kandakaduwa, Muthuwella.

7. Identifying and discussing issues to be resolved by the Department of Forest Conservation in relation to land owned by the Mahaweli Authority of Sri Lanka.

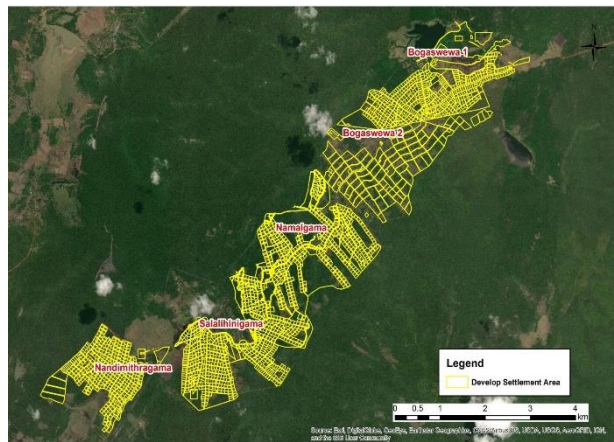
- ts to obtain the agreement of the Department of Forest Conservation for the development of the Arantalawa Regional Center and in connection with the forest conservation boundaries in the areas occupied by the settlers outside of forest conservation reserved areas in the Rambakan Oya Kolamantalawa, Galodaya and Padiyathalawa units.



- Conducting preliminary negotiations for the release of the area including 7 tanks and the asweddumized areas from the Department of Forest Conservation for the development of the rural tank system in the System L
- Taking necessary actions to remove the lands used by settlers of Mahaweli System L



8. Providing such informations as number of existing trees and other information in each project area for the initial environmental assessment reports from the Central Environment Authority for the development of Pansalkanda and Halembawewa areas reserved for investment projects in the Mahaweli System "L".





## **2.8 Environment and Forest Conservation Division**

### **Introduction.**

The Mahaweli Master Plan, which was implemented bringing several socio-economic benefits to Sri Lanka, was primarily designed to proceed under a sustainable environmental conservation program with the objective of minimizing the environmental impact and change that could occur at every step of the proposed development process.

Accordingly, the Environment and Forest Conservation Division was entrusted with the primary role of planning, managing and maintaining the natural resources for the conservation and enhancement of the Lower Mahaweli Basin areas as well as the Upper Catchment area.

### **Vision**

Healthy Mahaweli River Basin for Sustainable Development

### **Mission :**

- Directing the development activities to conduct the entire Mahaweli development activities in a manner that preserves the environment.
- Conservation of the upper Mahaweli catchment area to maintain a continuous flow of water in quantity and quality throughout the year.
- Working to protect the natural ecosystem in Mahaweli water bodies and lower Mahaweli areas.
- Conservation of forest resources to protect endemic flora and fauna species and bio-ecosystem in Mahaweli areas.
- Carrying out afforestation in order restore the forest areas cleared due to Mahaweli development activities

### **Main Functions :**

1. Activities for the conservation and management of the Upper Mahaweli catchment area
2. Monitoring and implementation of environmental conservation and management programs and joint projects in Mahaweli lower basin and other Mahaweli regions.
3. Activities and follow-up related to the effectuation of conditions for environmental approval in large-scale projects implemented by the Mahaweli Authority and representing the technical committees, operational committees and follow-up committees of the projects proposed to be implemented by the Ministry and the Mahaweli Authority.

4. Carrying out the administration and follow up of the Environmental Impact Assessment process as a project approval body under the National Environmental Act.
5. Representation in technical committees for development projects implemented by line government agencies, representation of the Authority for meetings and workshops related to environmental activities proposed to be implemented at the national level and representation in internal committees.

### Total Financial Allocations for 2020 and the Progress

No	Divison/ Area	Financial Allocation (Rs. Mn)	Financial Progress	No.	Divison/ Area	Financial Allocation (Rs. Mn)
01	Environment and Forest Conservation Division-Kotmale	23.10	21.38	0	21.38	92.6
02	B,C,D,G,H,Walawe , Huruluwewa,Victoria, Rambakan Oya (Mahaweli Systems )	46.38	34.47	1.74	36.53	79
03	Integrated Development Projects (Rambaken Oya ,Rideemaliyadda , L )	3.41	3.34	0	3.34	98.10
	Total	72.89	55.17	1.74	61.26	84

### Total Physical Progress :

#### Physical Progress 2020:

S/ S	Program	Target	Progress
01	Increase forest cover by 30%	Producing Plants - 16,000,000	Plant horticulture - 963,547
	Producing Plants (Through Mahaweli plant nurseries, Thuru Ithurum Program and farmers)	Planting -1,000,000	Planting in the site-557,661
02	Soil Conservation Program	16100 m	17, 991 m (83 sites amounting to 83 acres belonging to 13 Divisional Secretariat

			Divisions in Upper Mahaweli Catchment Area).
03	Pristine Mahaweli Program		
3.1	Water quality measurement program	19 sites	Water quality measurements were made once a month at 19 sites in the upper Catchment area .
S/ S	Program	Target	Progress
3.2	Hydrological Studies	07 Sites	Daily hydrological measurements had been taken of the Mahaweli River and 07 Mahaweli tributaries
04	Management of human elephant conflict		
4.1	Maintenance of electric fences	Open	265 km (B, L, Rambakanoya, H Systems )
	Construction of electric fences	1 km	1 km (System B)
4.2	Construction / maintenance of bio-fences	4 km ( System E) C 0.5	4.5 km ( System E)
		4km ( Walawa Area )	4km ( Walawa Area )
5	Environmental education, training and promotion	68 programs	68 Programs (conducting programs for Biodiversity Day - May 22nd, World Environment Day and National Environment Week programs, Training of officers and exhibition to mark 50 years for Mahaweli Authority )
5.1	Mahaweli “ Thuru Ithurum” Program	10 Major Programs (9Zones,Environmental Division)	Programs 5 (Environment Division, D, G, H, E Zones) Production of saplings -36,173
6	Establishing Green Gardens in Mahaweli systems	17 Gardens	ලක් 10 (බී-1,සී - Gardens 10 (B-1, C-2, D-1, Huruluveva-2, L-2, G-1, Walawa
7	Aisle Forest Cultivation Program	33 km .	17.25 km (C-2, D-3, E-4, H-1.25, Hurulu Veva-3, Walava-3, Rambakanoya-1)
08	Removal of invasive aquatic plants from tanks and compost production	25 tanks 25 units of compost	13 tanks (B-1, C-1, D-2, E-1, H-4, Hurulu-03, Ramba-1)

## **Activities for the conservation of the Upper Mahaweli Catchment Area Environment and Forest Conservation Division - Kothmale.**

The upper Mahaweli catchment area, which is about 3118 square km and belongs to the central wet zone of Sri Lanka, is the main water supply route for the irrigation and hydroelectric power generation projects carried out under the Mahaweli Development Movement. In addition to the primary objective of the Mahaweli development scheme, it also contributes to the production of hydropower to meet the country's power needs. This hydropower production capacity was close to 50% at the beginning of the Mahaweli project, but due to the increase of country's electricity requirement and climate change and the use of the collected water for other national needs, the amount contributing to hydropower production has reduced, the amount of hydroelectricity produced by the Mahaweli reservoirs still contributes greatly to the national energy requirement. Apart from this, the contribution to fulfill drinking water and water for agricultural requirement must be noted. In particular, Sri Lanka will be able to get the long-term results of the Mahaweli programme.

The improvement of the living conditions of the families currently residing in the lower basin will be determined by the water supply capacity of the upper Mahaweli main reservoirs. Therefore, the upper Mahaweli catchment area of the Mahaweli River is the heartland of the Mahaweli programme. Through the management of the upper Mahaweli catchment, the conservation activities of this heartland are carried out. The conservation of the upper Mahaweli catchment areas as well as the environmental conservation programs of the Mahaweli regions will contribute to the preservation of biodiversity and the balance of its ecosystems. Activities are being carried out for the management of natural resources in those areas.

## Upper Catchment Area Conservation Activities

- Ensuring the sustainability of irrigation and hydropower generation by conserving the upper catchment area and reducing soil erosion through sustainable environmental practices. Biological and mechanical soil conservation and watershed conservation especially in agricultural lands.
- Implementation of various afforestation programs.
- Farmer training programs.
- Establishment of herb gardens, popularization of forestry.
- Biodiversity conservation programmes.
- Production of saplings using plant nurseries and provision of saplings as per the local requirement
- Implementation of programs such as *Mahaweli Thuru Ithurum* in order to involve school children in the production of saplings, and production of saplings by involving farmers (creating green jobs)
- To provide for the production and planting of bamboo seedlings for the protection of forest reserves by the tanks, through tissue culture technology.
- Conducting environmental promotion programs for training and awareness on environmental conservation activities.
- Under Pristine Mahaweli River Program ,
  - a) Acquisition of hydrological data and appropriate utilization of such data for development work.
  - b) Implementation of Water Quality Studies Program in the catchment area
  - c) Coordinating public and private institutions in the upper Mahaweli Catchment Areas and in the Mahaweli regions and involving such institutions in the Catchment Area conservation process and implementing public awareness programs
  - d) Mapping other relevant information including land use pattern of the Catchment Area through geographic information system technology and maintaining environmental data systems for future planning.
  - e) Implementation of river bank conservation programs
  - f) Actions to control the spread of invasive species of animals and insects in reservoirs and catchment areas.
  - g) Work is being done to reduce the dumping of solid waste materials and waste water to the Mahaweli River.

## Financial progress for major activities of 2020 (Environment Division - Kothmale).

- The progress of annual capital and recurrent expenditure for this division in 2020 is summarized below.

### Capital Expenditure

Accounting Code	S.N	Division/ Program	Estimated Amt(Rs. Mn)	Expenditure (Rs. Mn)	Percentage
2965	1	Natural Resources Conservation Division	4.425	4.372	98.8
2965	2	Pristine Rivers Program and Hydrology Studies Division	2.406	1.142	47.5
2965	3	Nursery Management-Navadevita Plant Nursery	3.734	3.540	94.8
2965	4	Environmental Promotion Center and Model Organic Farm-Doragala	3.964	3.961	99.9
2965	5	Environmental Promotion Center and Plant Nursery-Pallekale	3.544	3.460	97.6
2965	6	Environmental Education and Training Division	0.576	0.531	92.1
2966	7	Tissue culture division	3.219	3.164	98.3
2965	8	Mahaweli Zone coordination activities, environmental complaints and follow-up activities	0.145	0.134	92.2
2385	09	Building Maintenance Division	0.462	0.460	99.6
2385	10	Office landscaping	0.055	0.054	99.8
2383	11	Vehicle maintenance and repair	0.465	0.464	99.9
2113	12	Fixed asset acquisitions	0.060	0.060	100
2386	13	Repair of office equipment	0.045	0.037	81.7
<b>Total</b>			<b>23.100</b>	<b>21.380</b>	<b>92.6</b>

## Physical Progress :

S.N	Activity	Unit	Physical Target	Physical Progress
1.	Soil Conservation	meter	16100	17789
2	Planting saplings for watershed conservation	saplings	100000	102,715
3	Encouraging farmers to conserve water catchment			
	1 Production and purchase of compost	kg	15000	15443
	2. Sapling production by farmers to promote green jobs	saplings	12000	10271
4	Mahaweli Pristine River Program			
	1. Automatically obtaining water levels for hydrological studies	Sites	07	07
	2. Water Quality Measurement Program	Sites	22	22
5	Sapling Production/ Navadevita Nursery	Saplings	231,000	66,909
6	Sapling production/pallekele nurseries	Saplings	300,000	185,374
7	Environmental Education and Training/ Thuru Ithurum Program to Engendering Child Green Entrepreneurs	Saplings	5000	3695
8	Environmental Promotion Centre-Doragala	Maintenance units	64	64
9	Tissue culture lab	Saplings	400,000	128,741
10	Environment Education and Promotion Division	Programs	9	8

## Environment and Forest Conservation Program implemented in Mahaweli Zones

Conservation of natural ecosystems affected by the Accelerated Mahaweli Scheme , especially due to the increasing population growth in those areas, is being carried out under the guidance of the Environment Division by implementing environmental and social impact mitigation programs. Under this, the following environmental action programs were implemented.

- I. Establishment and maintenance of nurseries required to increase forest cov.
- II. Implementation of tree planting programs for protection and enhancement of micro catchment areas, reservoir reservations and afforestation
- III. Implementing environmental education and training programs for the entire community including Mahaweli settlers and school children
- IV. Water quality testing to protect the quality of water, to maintain a basic database and to educate people.

- V. Providing field tests and recommendations to ensure conservation and sustainable development of natural resources in the lower river basin area.
- VI. Production of wild plants, fruit plants and medicinal plants and working to increase the forest cover in the country.
- VII. Controlling the spread of invasive species that undermine biodiversity conservation and bio-production in Mahaweli areas
- VIII. Conservation process of Mahaweli other river banks
- IX. Construction of electric and bio fences and maintenance in order to mitigate human elephant conflict.
- X. Promotion of environment friendly means and promotion of green jobs
- XI. Acquaint the people with an environment-friendly lifestyle and promote green cities and green villages in Mahaweli areas .

### **2020 Allocation and Financial Progress (Institutional Capital Budget)**

Allocation and Progress – up to 31st December 2020 (Systems).

S.N	System	Allocation (Rs. Mn)	Progress (Rs. Mn)	Percentage (%)
1	B	7.65	6.48	85
2	C	4.25	3.28	77
3	D	2.61	1.56	60
4	E	1.46	1.47	101
5	G	3.80	3.07	81
6	H	7.83	7.83	100
7	Hurulu wewa	6.86	5.68	83
8	Walawe	6.19	5.92	96
9	Rambaken Oya	0.35	0.34	97
	<b>Total</b>	41.00	35.63	87

### **2020 allocation and financial progress (projects).**

	Integrated Development Project	Annual Allocation (Rs. Mn )	Progress (Rs. Mn )	Percentage (%)
1	Rambaken Oya	1.72	1.705	99
2	Rideemaliyadda	0.30	0.025	8
3	L	2.39	0.660	28
	Total	4.41	2.390	54

### **Comments and suggestions**

Due to the worldwide spread of Covid 19 epidemic situation, some activities of the planned program could not be carried out or could not be completed, so the expected physical goals could not be reached. The lack of qualified environmental officers in many Mahaweli regions and the environment sector caused practical problems in achieving the desired goals.

But environmental education and awareness programs and trainings were conducted through the online system to achieve this progress.

## Chapter Three

### 3.1 Land Division

#### Introduction :-

Contributing to the improvement of the economic and social status of the beneficiary people residing in the Mahaweli areas by ensuring that ownership of their land, which is a limited resource, through good land management methods.

#### Functions of Land Division :-

##### 01. Allocation of lands to persons under the Land Development Ordinance and subsequent activities

The main function of the land department is to administer and manage the government lands located in the Mahaweli Special Areas . Under the Land Development Ordinance, land is distributed to landless people for residential purposes as well as for agricultural purposes, and related follow-up activities are carried out.

##### 02. Allocation of lands to persons and institutions under the Government Land Ordinance and subsequent activities

This land division also alienates land on long-term lease basis for commercial investment projects, houses, government institutions and religious places, and also collects tax revenue and related follow-up activities based on the provisions of the State Land Ordinance.

#### Issuing of Land grants

#### Land Development Ordinance 2020

Zone	Target	Progress
B	3,447	3,501
C	5,966	2,447
D	445	688
H	6,000	1,706
L	3,000	2,308
Victoria	150	72
Hurulu Wewa	1,300	180
Moragahakanda	2,500	1,029
Walawe	3,000	3,280
Rambakan Oya	550	380
<b>Total</b>	<b>26,358</b>	<b>15,591</b>

**Issuing Land Grants and long term leases  
State Land Ordinance - 2020**

<b>System</b>	<b>Target</b>	<b>Grants/ Leases Progress</b>
B	217	21
C	227	6
D	1	-
H	1,050	-
L	540	-
Victoria	350	-
Huruluwewa	80	-
Moragahakanda	80	18
Walawa	160	81
Rambakenoya	10	-
<b>B</b>	<b>2,715</b>	<b>126</b>

**Land Grants to Temples under State Lands Ordinance - 2020**

<b>Zone</b>	<b>Target</b>	<b>Progress</b>
B	45	7
C	29	1
D	4	-
H	10	-
L	5	-
Victoria	5	-
Hurulu Wewa	5	-
Moragahakanda	10	2
Walawe	4	2
Rambakan Oya	5	-
<b>Total</b>	<b>127</b>	<b>12</b>

**Lands to government agencies - 2020**

<b>Zone</b>	<b>Transfer Orders</b>		<b>Transfer of lands</b>	
	<b>Progress</b>	<b>Target</b>	<b>Progress</b>	<b>Target</b>
B	48	12	129	-
C	53	50	31	1
D	1	-	10	-
H	40	-	-	-
L	5	-	-	-
Victoria	50	-	-	-
Hurulu Wewa	5	-	-	-
Moragahakanda	10	1	-	-
Walawe	5	4	-	3
Rambakan Oya	5	-	1	2
<b>Total</b>	<b>222</b>	<b>67</b>	<b>171</b>	<b>6</b>

### 3.2 Agriculture Development Division

#### Functions :

- Introducing environmentally friendly agricultural techniques and training farmers to acquaint them in order to effectively improve the economy of the farmers residing in the Mahaweli Zones belonging to the Mahaweli Authority of Sri Lanka.
- Setting of Annual Targets for Crop Cultivation, Animal husbandry and Agribusiness in Mahaweli Irrigated and non-Irrigated Lands as per National Food Production Targets.
- Developing comprehensive targets and strategic plans in line with the annual allocations made to achieve the annual crop production targets, organizing , implementing, following up, monitoring and reporting on them at the zonal level.
- Coordinating the Ministry of Mahaweli Development and Environment, Ministry of Agriculture, Rural Affairs, Livestock, Fisheries and Aquatic Resources, Department of Agriculture and other Government and Private Institutions and all external agencies when undertaking agricultural development activities.

Staff	1 Director (Agriculture) – Monitoring and supervision of agricultural development activities at all levels	01
	2 Assistant Director - Seeds and Planting Materials/ Agricultural Expansion/ Farms	03
	3 Agronomist - Crop Progress Reports / Financial Progress Reports / Other Work	03
	4 Development Assistant	01
	5 Management Assistant	03
	6 Driver	01
	7 Office Assistant	01

Providing financial allocation to the agricultural productivity program through the budget 2020

For the year 2020, the MASL has approved Rs 95.6 million and was allocated to Mahaweli zones as shown below.

<b>System</b>	<b>Approved Funds Rs. Mn</b>
B	13.36
C	9.45
D	4.02
G	14.76
H	18.89
Huruluwewa	3.86
Walawe	16.09
E	1.90
Head Office	12.77
<b>Total</b>	<b>95.6</b>

### **Providing financial allocations for the agricultural productivity program through the budget for the year 2020**

As mentioned above, the allocations made for the region in the agricultural productivity program were planned to be spent in accordance with the preliminary plans of the program.

<b>Activity</b>	<b>Allocation Rs. Mn</b>
1 Seed production of other field crops	5.1
2 Demosntrations for Crop diversification	9.0
3 Programs for Adaptation to Climate Change	7.1
4 Promotion of productivity of paddy cultivation	2.2
5 Fruit crop development	1.1
6 Home Economic Development	6.1
7 Food value chains and marketing promotion programmes	0.5
8 Agricultural Research and Development Programmes	1.0
9 Farm development	56.0
10 Agricultural expansion & training activities	5.1
11 Management expenditure	2.4
<b>Total</b>	<b>95.6</b>

Full progress has been achieved as per the approved action plans under the Agricultural Productivity Program 2020.

## Physical progress of the Agricultural Productivity Program in 2020

Activity	Unit	Target	Progress
<b>Promotion of paddy cultivation</b>			
Field Programs	Quantity	10	14
Field Schools	Quantity	60	78
Harvest surveys	Surveys	100	90
Expansion of paddy cultivation by parachute method	Hectares	40,000	30,000
Self Seed Paddy Production	Hectares	100	100
<b>Other Field Crops</b>			
Crop Demonstrations (Maize, Soybeans, Onions, Chilies, Green gram, Peanuts, black gram, Cowpea, Finger millet)	Quantity	100	103
Distribution of seeds on concessionary basis (maize, soya, onion, chilli, green gram, peanuts, black gram, cowpea, finger millet)	kg	31,496	46,382
Provision of green house/ rain shelters	Quantity	20	20
Providing agricultural wells	Quantity	13	13
Repairing Agri Wells	Quantity	125	125
Providing micro water supply systems	Quantity	70	59
<b>Fruit Crop Development</b>			
Mango Tree Rehabilitation Programs	Quantity	15	20
Fruit fly control programs	Quantity	20	16
<b>Home Garden Development Program</b>			
Distribution of vegetable plants	Home Gardens	110,500	99,100
Distribution of vegetable plants	Home Gardens	90,400	61,309
Providing bee hives under the Honey Production Promotion Program	Beehive boxes	200	170
Mushroom production programs	Quantity	15	14
<b>Agricultural expansion programs</b>			
Farmer training	Quantity	500	430
officer training			
Agricultural Research and Expansion Dialogues			
Crop clinics			

The staff has worked diligently to achieve this physical progress in order to successfully carry out the physical activities according to the allocations provided in the year 2020 in all regions. (Attachment 1 for photos).

**Progress and Contribution of Crop Production - 2019/20 Maha and 2020 Yala  
Season**

Crop	2019/20 Maha		2020 Yala		2020 Total	
	Area (Hec)	Output (M.T)	Area (Hec)	Output (M.T)	Area (Hec)	Output (M.T)
Rice	94,778	549,712	74,363	431,303	169,141	981,015
Maize	1,487	8,920.74	1,344	8,065.20	2,831	16,986
Chillie	283	2,099	548	4,384	831	6,483
Soya	65	149	3,163	7,274	3,228	7,423
Big onions	2	34	1,174	23,485	1,177	23,519
Green Grams	90	124	1,162	2,092	1,252	2,216
Cowpea	189	206	723	939	911	1,146
Peanuts	327	596	834	1,668	1,161	2,264
Black grams	29	30	1,349	2,023	1,378	2,053
Finger millet	177	236	183	438	360	674
Sesame	58	41	196	166	254	207
Tubers	777	11,530	1,051	15,771	1,828	27,301
Vegetables	3,161	40,239	5,114	66,481	8,275	106,720
Fruits			13,298	199,465	13,298	199,465

The Mahaweli Authority of Sri Lanka has been very successful in contributing to the national food production and enriching the economy and increasing productivity within the agricultural development program implemented to promote national food security.

## Model Paddy Field Program



Use of planting machinery



Sowing using parachute method



Training programs to reduce urea fertilizer usage utilizing leaf color indicators



Integrated Pest Control Training Program Programme to Introduce Farm Mechanization



Pest control workshops for paddy cultivation



Seed paddy production program



Finger Millet Seed Production Program

Onion seed production programs



Onion Seed Production Programs

Production of hybrid chilli seeds



Pre contract workshops for soya bean cultivation



Production National Program



Organic Zone Development Programme



Maize cultivation promotion programs



Cultivation in green houses



Use of New technology for vegetable cultivation



Training programs on identification and control of diseases and pests affecting crops



Mango tree pruning programs



## Training programs on fruit cultivation



## Training programs on the production and use of organic fertilizers



## Home Garden Development Programs



Training Programs on Beekeeping in home gardens



Training programs on Mushroom Cultivation  
in Home Gardens /Training programs on ornamental floriculture in Home Gardens



Distribution of water pumps under 50% contribution scheme



Construction of agro wells to expand vegetable cultivation throughout the year



Providing sprinkler irrigation systems and drip irrigation systems as a solution to water crisis



Mahaweli Technical Working Committee Meeting



Field Days





Special Agriculture Promotion Week Programme



Residential training workshops for novice field assistants

### **3.3 Fisheries and Livestock Development Division**

#### **Introduction**

In addition to agriculture, fisheries and livestock sectors have been identified as an alternative way of raising the income of the Mahaweli settlers . Also, since diary farming plays a major role in the household economy, it has more priority in the livestock sector. In addition, when we evaluate the nutritional importance, milk and by-products play an important role in fulfillment of nutritional needs of the rural people and when considering the food security. Also, considering the risks of crop cultivation under adverse weather conditions and relatively high production costs, fresh water fisheries and dairy sectors can be considered as the most suitable alternative sources of income to boost the rural economy, and currently among Mahaweli farmers these fields are widely espoused.

Considering the potential and suitability for livestock and fisheries in the Mahaweli areas , there is a large animal population including cattle, sheep, goats and poultry, there are sufficient inland reservoirs suitable for fresh water fishing, and a large group of farmers engaged in the field. Presence and technical assistance provided jointly by Mahaweli and other line agencies can be taken to account as well

In view of this situation, the Fisheries and Livestock Development Division is facilitating the development of livestock and freshwater fisheries in the Mahaweli region, coordinating the relevant stakeholders, providing the necessary technical leadership and management support.

#### **Vision :-**

Improving the income level and living standards of the Mahaweli families through animal products and improving the nutrition of the community.

#### **Mission :-**

Coordinating and facilitating sustainable production activity to ensure food security and contribute to the country's GDP by enhancing the productivity and profitability of animal products.

## Objectives for 2020

- Increasing the annual dairy production to 27 million liters and increasing the contribution to meet the national dairy requirement (National contribution 6%).
  - Increasing the annual freshwater fish output to 10,000 mt
  - Increasing annual egg production to 36 million eggs.
  - Increasing the annual ornamental fish production to 30 million pairs
  - Ensuring the nutrition of the settlers, farmers through animal products and ensuring the food security of the farming community.
  - Introduction and expansion of efficient and effective technologies
  - Ensuring the safety of animal health through the provision of proper veterinary services
  - Promoting value added dairy products and strengthening the marketing network
  - Empowering small-scale entrepreneurs and increasing the income of settler farmers.

The project methodology of the Fisheries and Livestock Management consist of four major fields.

- Dairy Cattle Development Program
- Poultry farming Program
- Freshwater fish farming
- Ornamental fish farming

### 1. Dairy Farming Development Program

The active dairy farms in the Mahaweli areas are mainly small scale units with 2 to 5 animals. According to census and statistical data, the largest cattle and buffalo population in the country is recorded from the dry zone and the intermediate zone. Therefore, the Mahaweli region has great potential for the development of the dairy industry. Depending on the availability of resources, farmers adopt intensive , semi-intensive and loose cattle management methods. Cattle populations consist of Jersey and Jersey-Sahiwal crossbreeds as well as indigenous breeds , with a large percentage being native and Sahiwal breeds

In addition, the major buffalo breeds in the area are the Mura, Niliravi and their crossbreeds. The average daily milk production of crossbred cows, excluding native breeds, varies from 3 to 7 liters. The maximum production capacity of buffaloes is 4 to 5 liters of milk per day. Animal nutrition is a very important factor in getting a proper harvest of dairy production. Thus, farmers use both grass and concentrates to meet the animal's food needs. Cultivated grass varieties include CO3, guinea and brachiaria. Other food preservation methods used for the dry season when green grass is limited, are the production of dry grass and silage. Companies such

as Milco, Nestle, Kotmale and Pelawatta are the major contributors to milk collection in the Mahaweli region. Other groups, such as Dairy Collectors' Cooperatives, Rich Life, Kaduwela, CIC, CELO and Mahaweli Farms and Private Collectors, are also involved in strengthening the milk collection network.

2020 liquid milk production is 27.6 million liters. It produces about 75,000 liters of liquid milk daily and the main objective is to sell to the above companies. In addition, a small amount of liquid milk is used for consumption. The average price of a liter of milk is Rs. 70 and the income earned by Mahaweli farmers from milk production in 2020 is Rs. 1929.20 million.

From the end of 2019, Mahaweli Authority of Sri Lanka and DAPH (Department of Animal Production and Health) jointly implemented the Sri Lanka Dairy Excellence Training Initiative Project (SLDETIP) which provided necessary technical knowledge to dairy farmers. Accordingly, based on the concept of "integrated farm development", farmers were trained for a more profitable and sustainable farm development, focusing on all the technical, environmental and economic aspects of the entire dairy farm.

❖ **Strategies to improve dairy production**

1. Promotion of semi-intensive and intensive cattle rearing practice through sustainable utilization of resources and Infrastructure development,
2. Improving the genetic potential of cattle / buffaloes by introducing improved animals and improving animal breeding
3. Improving animal nutrition and managing livestock through coordination of proper nutrition plans, food conservation methods, establishment of pastures and efficient veterinary services.
4. Strengthening the Dairy Societies and Marketing Network by empowering Dairy Societies and Small Entrepreneurs.



Conducting training sessions for the development of dairy cows



Implementing nutrition programs for calves and increasing animal nutrition



Providing mobile milking machines

## 2. Promoting Poultry Farming

Poultry farming is mainly for the production of eggs and meat and for the nutritional needs of the families of the Mahaweli settlers. The industry is also a source of income for the development of the rural economy. Poultry farming in the Mahaweli region is divided into two main parts, commercial and domestic. Of these , domestic poultry farming mainly helps in reducing malnutrition, strengthening the rural economy and providing self employment opportunities especially to housewives. Domestic poultry farming is one solution to reduce the malnutrition rate in the country by 35% while meeting the protein needs of the rural community.

Poultry farmers are primarily engaged in domestic and commercial egg and broiler production. In 2020, egg production was 38.38 million eggs and meat production was 10,094 metric tons. The average price of a village egg is Rs.18.00. In 2020, the total amount obtained from egg production was Rs. 690.84 million. The average price of a kilogram of chicken is Rs. 310.00 and Rs. 3129 million was circulated among the poultry farmers in the Mahaweli Zone for the year 2020.

❖ **Strategies for improving poultry farming**

1. Promoting the existing poultry industry for meat and eggs by constructing poultry housing.
2. Distribution of one month and one day old chicks for promotion of domestic poultry farming .
- 3 Maintaining parental generation to ensure the supply of high quality chicks
4. To make the production efficient and productive by meeting the nutritional requirement of the poultry
- 5.Ensuring poultry health through vaccination and proper sanitation program.



Distributing village chicks on 50% contribution basis



Distribution of chicks for commercial poultry farming



Provision of poultry houses under subsidy scheme Mahaweli farm



Breeder management of chicks in



Promotion of backyard poultry farming /Promotion of commercial poultry farming

### 3. Enhancement of freshwater fish production

591 medium and small scale reservoirs including 10 major reservoirs in the Mahaweli region are used for the inland fisheries industry. Through this, the fishing industry helps to meet the nutritional needs of farming families and the food security of the country. Tilapia, catla and mrigal are the leading freshwater fish species, contributing 90 percent to the total production. In addition, freshwater prawn farming is carried out targeting the export market. Continuous placement of fish fingerlings in reservoirs contributes greatly to the increase in fish production in the fishing industry. In addition, fish fry farmed in nets in a large number of lakes. This is expected to reduce production costs and increase profits in the sector.

Freshwater fish farming community numbers 5275. In the year 2020 the fresh water fish production was 5511.77 metric tons and its value was Rs. 1653.53 million.

#### **Strategies to increase freshwater fish production**

1. Placing fingerlings in reservoirs and increasing production capacity
2. Maintaining 11 fish breeding centers to ensure the supply for fish fingerlings in the area.
3. Empowerment of Fisheries Societies by providing fishing equipment such as fishing gear, nets and boats.
4. Production of value-added products and strengthening of fish production marketing network
5. Conducting capacity building programs to impart technical knowledge to fishing community

A special project was started in December 2019 to increase freshwater fish production in the Mahaweli region. This was successfully carried out until the middle of 2020 and 2.53 million fish fingerlings were released to the 24 selected reservoirs. Aquaculture in floating net cages used limited resources in a short period of time, allowing farmers to earn more income. As of December 31, 2020, it has been possible to grow 4.1 million fish fingerlings in 38 net cages located in 15 selected reservoirs in Mahaweli B, C and Udawalawa zones.



Placing fingerlings in reservoirs and increasing output from reservoirs  
Obtaining of Freshwater Fish Yield



#### **4. Promotion of ornamental fish farming**

Ornamental fish farming is prevalent in the Mahaweli B, C,D,H and Udawalawe Systems and at present there are about 964 farmers engaged in this industry. Ornamental fish farming has become popular as a lucrative industry on a small plot of land due to limited land available for cultivation among the second and third generation children of the land-owning settler community. In this sector a production process can be seen where a large number of ornamental fish farmers, breeders engaged in production of fry, those engaged in collecting fish products for markets and wholesalers and retailers have joined together as a network. It can be also be considered as a manufacturing sector on which more than 900 families depend for their livelihood. At the local level, buyers are turning to quality products overseas, with more and more products now being marketed locally. The product is exported primarily to the United States, China, Japan and European countries. In addition, the brooders which are in high demand in foreign markets are imported from Thailand, Singapore and Malaysia and supplied to the farmers who are organized on a contract basis for the production work. The Goldfish variety is in high demand in the local market while the Guppy, Swordtail, Platy and Molly varieties are in high demand in overseas markets. By the year 2020, 27.04 million pairs of ornamental fish have been supplied to the local and foreign markets, valued at Rs. 676 million.

##### **❖ Strategies to promote ornamental fish farming**

1. Construction of mud ponds for ornamental fish farming
2. Installation of quarantine tanks to ensure color development and quality of fish species.
- 3.. Maintenance of breeding centers to supply fingerlings to farmers.
4. Strengthening Farmers' Associations by providing technical assistance.
5. Strengthening and promoting the activities of small scale entrepreneurs.

6. Improving the marketing network and maintaining product quality with a focus on the export market



building of quarantine tanks



Preparing mud ponds



Harvesting ornamental fish yield



### **5. Mahaweli Farm Development Program**

Farm development activities are being carried out under the management of the Mahaweli Authority of Sri Lanka and at present there are 13 farms spread over the Mahaweli Zones. Although there are primarily agro-production units, steps have been taken to develop them as integrated farms that include livestock and fisheries in addition to agro-crops as a solution to the risk of crop failure under adverse and unpredictable weather conditions.

**The main objectives of the farm development Program are ,**

- Maintaining of farms as training and demonstration units imparting technical knowledge on agriculture and livestock to farmers in the area.
- Being units in which various research is carried out to increase productivity in the field of agriculture and livestock.
- Providing high quality high bred dairy calves required by the region as a cattle breeding center; providing chickens to farmers using hatching machines and making dairy and by-products and being a marketing unit

Thus, the Mahaweli Farm Development Program provides a comprehensive service to local farmers.

## **6. Capacity Development Programme**

Capacity development programs are implemented with the aim of providing technical and practical knowledge in the field of fisheries and livestock resources and creating attitude development for the use of modern applications . This can improve the quality of fisheries and livestock products, and by increasing the performance, it would lead to a more efficient and profitable business for the output.

Primary objectives of the programme

- Providing new technical knowledge, introducing methods and developing attitudes.
- Improving practical knowledge and skills.
- Providing the necessary knowledge for the sustainable use of existing resources.
- Increasing productivity and efficiency.

## **7. Comments**

1. During the pandemic, the data collection process was not updated regularly which may have been the reason for the low value especially of fish production compared to the previous year.
2. Due to the non-functioning of some milk collection centers during the movement restrictions under the Covid epidemic conditions, farmers did not get an adequate price for milk. Especially, not being able to get cartons for skimmed milk in Walawa region, where more buffalo milk is produced. Therefore, dairy farmers sold directly to liquid milk collectors and made less profit.
3. System B informed that there was sufficient production in ornamental fish farming. However, farmers faced difficulties in finding markets during the epidemic situation in the country. Farmers informed that favorable characteristics of fish such as shape and color have decreased due to difficulty in supplying fish feed especially in Systems D and B. Hence, not getting high income due to low price of ornamental fish.
4. Poultry farmers could not find the market, so the price of eggs dropped drastically, so the farmers could not get adequate income.
5. Even during the period of movement restrictions, freshwater fish farming continued normally and continuous production was achieved.

## **8. Financial Progress 2020**

Accordingly, the financial progress of the Fisheries and Livestock Development Division for the year 2020 and the allocations for zones and projects are given in the table 1.1 below.

## 1.1

S.S	System	Allocations for 2020	Revised allocations for 2020	Total Expenditure on 31.12.2020
1	System B	3.80	6.74	7.54
2	System C	3.30	6.58	4.59
3	System D	4.40	4.84	4.84
4	System G	6.00	2.06	2.06
5	System H	7.60	10.50	10.5
6	Huruluwewa Area	1.00	2.13	1.42
7	Walawe System	4.10	7.35	7.35
8	Minipe System	4.00	0.86	0.96
9	System L			1.58
10	RambakenOya Area			1.48
<b>Total</b>		<b>34.20</b>	<b>41.06</b>	<b>42.32</b>

## 9. Physical Progress - 2020

The table 1.2 summarizes the progress of the physical activities carried out at the zonal level as model units of the project program designed to achieve the production targets in the fisheries and livestock sectors.

### 1.2

s.s	Activity	Unit	Target	Progress
01	Building of cattle sheds	Quantity	25	17
02	Providing mobile milking machines	Quantity	50	48
03	Establishment of biogas production units	Quantity	04	04
04	Establishing grass cultivation units	No. of Units	20	15
05	Providing grass shredding machines	Quantity	25	24
06	providing grass mowers	Quantity	10	20
07	Conducting veterinary clinics	Quantity	25	24
08	Animal insurance programs	Quantity	10	08
09	Providing one day old chicks	Quantity	22,000	22,248
10	Placement of fish fingerlings in reservoirs	Quantity (millions)	2.50	2.53
11	Fish collection centers for sale	Quantity	1	1
12	Freshwater prawn farming	Quantity	440,000	440,000
13	Providing high bred dairy cows	Quantity	21	22
14	Artificial insemination programs	Quantity	216	274
15	Providing fishing equipment (nets)	Quantity	40	38
16	Establishment of Cattle Breeding Centers	Quantity	1	1
17	Conducting " Kiri Sathiya" programs	Quantity	10	8
18	Establishment of Fish Breeding Centers	Quantity	3	2
19	Construction of mud ponds	Quantity	8	8
20	Building of quarantine tanks	Quantity	10	7
21	Officer / Farmer Training	Quantity	90	87

## **3.4 Institutional Development Division**

### **Introduction**

#### **Vision of the Institutional Development Division**

Optimum management of human resources in Mahaweli regions for the sustainable development of Sri Lanka.

#### **Mission of the Institutional Development Division**

Improving the standard of living of the settlers in the Mahaweli regions for the sustainable development of Sri Lanka

### **Functions of Institutional Development Division**

#### **Community Development**

The main objective of the Community Development Program is to provide guidance to create a morally developed, healthy community free from alcohol, violence and abuses, within the Mahaweli Systems.

- Training of village level volunteer leadership to Prevent Drug Abuse and Educating School Children and the Community
- Raising awareness on child abuse, violence against women, domestic violence, prevention of underage marriages and pregnancies.
- Conducting awareness programs on non-communicable diseases and conducting health clinics (especially raising awareness on protection against rapidly spreading kidney disease and referring identified patients for treatment)
- Conducting Educational Seminars (For Grade 5 Scholarship Examination, GCE Ordinary Level Examination and GCE Advanced Level Examination)
- Granting Mahaweli Foundation Scholarships (for the children who have passed the GCE Ordinary Level and whose parents are very poor, disabled or deceased,) were carried out under this mandate

253 Community Development programs had achieved progress and the financial progress is 20.4 million rupees.

Under this, the Mahaweli Drug Prevention Task Force was established with 600 rural volunteer leaders who were given basic training . Below are some photos from the event.



### Improving Skills of Settlers and Vocational Training

- Main objective is to provide vocational training to low income Mahaweli settlers using resources of recognized institutions and award them with recognized certificate in order to provide them with employment raise and to their income level above Rs. 30,000
- In the year 2020, 80 programs were carried out under this scheme at a cost of 18.51 million rupees. Under this, 1371 members of low-income families were granted employment in 2020.

Program	Number employed through the program in 2020
Mobile phone repair training program	119
Masonry Training Program	60
Computer and Electrical Training Program	52
LED bulbs and CCTV camera training program	25
Rural Small Industries Establishment Programme	25
Three wheel/truck/hybrid repair training	306
Heavy vehicles training program	50
Tawashibrush training program	20
Sewing training program and batik training	204

Air conditioning training program	45
Paper quilling practice	25
Pre-school teacher training	15
Beauty training	115
Food Technology Training	235
Bag and footwear manufacturing training program	75
Total	<b>1371</b>

### **Women's Development**

- The main purpose of this is to promote savings and provide guidance on home finance management.
- Various programs are implemented under this scheme to empower women in the Mahaweli region
- She is provided with self-employment and various vocational training to enable her to generate income from the safety of her own home and also provided the necessary equipment.

The target for 2020 is 42 programs and the progress is made in 36 . The financial expenditure is 2.52 million rupees.

### **Promoting Farmers' Organizations**

The farmers' organizations that form one of the main organizational structures of the Mahaweli Authority, are guided to increase the production capacity of the country by bringing them up to an optimal level. Conducting elections for farmers 'organizations and conducting awareness programs for farmers on rules, regulations, legislation, water management etc. as applicable to the farmers' organizations. It also conducts various training programs for the development of attitudes and capacity building of farmers and provides solutions to problems of farmer under the management committees. 1748 programs have been conducted under this.

### **Community Participative Irrigation Management**

- Community Participatory Management Program aims to streamline the maintenance and operation of canal systems by revamping the field canals.

- Where the field canals are in state of disrepair, they would be repaired with the participation and labour contribution of the community, bearing only the cost of raw materials needed.

(It practically changes the attitudes of farmers towards efficient water usage and water management, and enables them to carry out a costly task more effectively with the labor of the community itself. This also has a significant impact on increasing the agricultural production capacity)

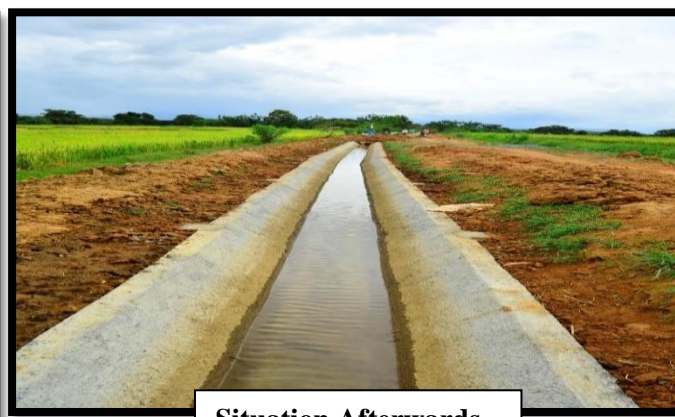
System	Number of field canals reconstructed	Length of canals reconstructed (meters)	Estimated Amount (Rs. Millions)	Labor Value(Rs. Millions)	Total Output Value (Rs. Millions)
B	10	1118	4.865	0.73	5.6
C	23	8187	9.85	3.25	13.1
H	9	820	4.97	1.37	6.34
L	1	200	0.49	0.19	0.68
Walawe	19	2038	7.02	1.26	8.28
Huruluwewa	1	5406	0.49	0.35	0.84
Moragahakanda	4	1153	1.99	1.32	3.31
<b>Total</b>	<b>67</b>	<b>18,922</b>	<b>29.675</b>	<b>8.47</b>	<b>38.15</b>

In the year 2020, this program was implemented in Mahaweli B, C, H, Moragahakanda, L, Walawa and Huruluwewa regions. Funds are given for canal reconstruction subject to a maximum of five hundred thousand rupees and an irrigation system with a length of about 18922 meters has been completed with a saving of 8.47 million rupees.

Some of its photos are shown below.



**Prior Situation**



**Situation Afterwards**

### **3.5. Business Development Division**

The Business Development Division is one of the leading sectors that has a major role in the Mahaweli Authority of Sri Lanka. It is entrusted with entrepreneurship promotion and economic development by making maximum use of the limited resources unique to each System in the Mahaweli region.

Accordingly, project planning, developing strategies for project implementation and evaluation for engendering of small, medium and large scale entrepreneurs in various fields such as agriculture, animal husbandry, tourism in the Mahaweli regions, garnering inputs from private sector for business development, establishing links with markets for promotional purposes, launching loan schemes for business promotion to meet the capital needs of entrepreneurs and providing them with guidance are some of the functions of this division.

#### **Objectives of the Business Development Division:-**

01. Contributing to the small-scale manufacturing sector through self employment training.
02. Engendering small and medium scale enterprises.
03. Being an intermediary needed to meet capital requirements.
04. Provide entrepreneurial skills development and technology skills
05. Provision of high values to products in Mahaweli areas through market coordination
06. Generating job opportunities for the youth in the Mahaweli areas.
07. Regional development through investment.
08. Contributing to National Production and Export Promotion.
09. Assist in business consulting / business planning and evaluating.
10. Increasing the annual income level of the Authority.

#### **Functions of the Business Development Division:-**

- Preparation of business plans under rural identified resource expansion nature
- Preparation of plans for the development of identified self-employment sectors
- MASL providing 50% financial contribution for equipment and tools to small scale entrepreneurs for capital requirements.
- Encouraging small and medium scale entrepreneurs to earn foreign exchange through agricultural and animal husbandry projects.
- Obtaining lease income on lands allocated for Investment Projects such as Animal Husbandry, Ornamental Fish farming, Coconut Cultivation, Other Crops and Fruit Cultivation
- Gaining profits from lease income from lands let to power generation projects such as solar energy, biomass power, hydropower etc. and by starting joint ventures with the Mahaweli Authority. Providing investment opportunities on the surface of Mahaweli reservoirs for floating solar power projects on reservoirs.
- Strengthening the economy at the local level by maintaining industrial parks.

- Renovating circuit bungalows located at most captivating sites in the Mahaweli areas and generating revenue by opening them up to local and foreign tourists.
- Establishment of Mahaweli Hela Bojun hal to promote traditional local food and promote entrepreneurship among women.
- Granting permission for boat services for tourists in reservoirs to broaden eco-friendly tourism opportunities and obtaining an annual lease.

### **Programs implemented by the Business Development Division in the year 2020**

- Contributing to Upliftment of small and medium scale entrepreneurs and provide technical knowledge required for Self-employment training
- Implementing entrepreneurship development programs for identifying and training new entrepreneurs.
- Distributing machinery and equipments under 50% contribution
- “Moragahakanda Athwela” loan program and “Mahaweli Saviya” loan scheme
- Implementing investment promotion and market promotion programs.
- Coordinating external investors to make new investments
- Project to renovate all circuit bungalows belonging to MASL
- Mahaweli Hela Bojun hal Project and commencement of eco-friendly boat as well as floatplane services in Mahaweli reservoirs / lakes

- **Small and Medium Scale Entrepreneurship Promotion Programme**

Getting the settlers of Mahaweli regions involved in the entrepreneurship process to create household economic units and transform them into participants in the national economy. Accordingly, the development of knowledge, skills and attitudes for the amateurs in the field of entrepreneurship is carried out, and entrepreneurship training workshops are organized to pave the way for the creation of new enterprises, as well as providing loan facilities at subsidized interest rates for existing enterprises in collaboration with state banks, and further provision of technical machinery necessary to carry out business on a financial contribution of 50% are some of the activities under this scheme. Efforts are also being made to encourage local industries and to get the young labor needed to introduce new products to the market to contribute to the economic process and thereby reducing unemployment and eliminating poverty.

Under the small and medium scale loan program, a loan program has been implemented in collaboration with the Regional Development Bank under a subsidized interest rate system targeting entrepreneurs in the newly developed Moragahakanda region called "Moragahkanda Atwela" and further "Mahaweli Saviya" loan scheme covering the entire region has also been implemented for this year. Accordingly, awareness programs, entrepreneurship training, market introduction programs, entrepreneurship experience exchange programs and field study workshops have been implemented covering all regions. However, due to the situation of covid

epidemic in the country and restrictions on the movement, assembly of people and group programs were adversely affected. But the overall progress of programs of this division can be summarized as follows.



- **Promotion of investment**

. Applications were invited for investment lands in Kandakadu and Muthuwella area of Mahaweli System B for agricultural and animal husbandry projects aimed at export and selection of suitable investors was carried out

Details of new investment projects to be commenced

S.S	System/ Area	Extent of land proposed to be provided (Hectares)
1	System B / Kandakadu/Mutuwella/Welikanda	3062
2	System C	50
3	System D	171
4	Walawe Area	58

Accordingly, 4138 applications were received in response to the published newspaper advertisement for the selection of suitable investors and the project reports were evaluated and the most suitable projects were selected.. By following a more precise and unbiased evaluation method, evaluation work has been carried out by a committee consisting of experts in each subject representing the Department of Agriculture, the Export Development Board and the Board of Investment. Accordingly, opportunity is to be given for selected investors in the year 2021, for investment in Mahaweli regions paying special attention to import restricted crops based on national interest. This is expected to contribute 3000-5000 million rupees to the national income and generate 3000 job opportunities.



### **Circuit Bungalow Promotion Program**

Circuit Bungalow Promotion Program was implemented covering all Mahaweli zones to generate income by providing attractive accommodation facilities with more reliable and secure parking facilities for target groups in the local and foreign tourism industry.

Due to the travel restrictions that arose due to the outbreak of the covid epidemic in the country, the online system of reservation of circuit bungalows, which was implemented in the year 2020, was temporarily suspended and the management of circuit bungalows was transferred to the management of the respective region to be used only for essential duties. Accordingly, despite the situation of the Covid epidemic, in order to continue the services provided to the community by Mahaweli Authority of Sri Lanka, the circuit bungalows were made available to duty needs of the officials promptly. Also, the Ruhunuketha circuit bungalow belonging to Mahaweli System B was arranged to be provided for the use of the doctors of the Kandakadu quarantine center as a timely service on the basis of the national emergency.

As a whole, while it has failed to achieve the targeted revenue generation objectives for the year 2020, nationally invaluable service was provided by this division and essential maintenance and maintenance has been done during the year under review .



### **Mahaweli Hela Bojunhala Project**

The Mahaweli Hela Hal has been launched in the Mahaweli Zone as a new project based on the primary objectives of promoting traditional local food and boosting the household economy through the growth of women entrepreneurship, providing local food to consumers at affordable prices and generating direct and indirect employment in the region.

By the establishment of these Hela Bojun outlets it is expected to provide local food without toxins to the general public. These Hela Bojun outlets have also generated many direct and indirect employment opportunities in the Mahaweli region.

Serial no.	System	Name of the circuit bungalow		Number of circuit bungalows	Nearest City	Number of rooms
1	B	Ruhunuketha		1	Welikanda	10
		Pimburuththewa		2	Aralaganwila	4
2	C	Dehiattakandiya i		3	Dehiattakandiya	10
		Dehiattakandiya ii		4	Dehiattakandiya	5
		Dehiattakandiya iii		5	Dehiattakandiya	3
		Girandurukotte Training Center	VIP	6	Girandurukotte	1
			General		Girandurukotte	3
			Grade A		Girandurukotte	20
		Grade B	7	Girandurukotte	8	
Ulhitiya/Rathkinda	I		Medagama	2		
	II	Medagama	3			
3	D	Suriyapura		8	Kanthale	6
		Bisopura (New)		9	Madirigiriya	6
4	G	Moragahakanda Special Project		10	Moragahakanda	4
		Bakamuna		11	Bakamuna	6
5	H	Kalawewa	VIP	12	Kalawewa	2
			General		Kalawewa	3
		Thambuththegama		13	Thambuththegama	4
		Nochchiyagama		14	Nochchiyagama	6
		Niraviya		15	Thambuththegama	4
6	L	Welioya		16	Sampathnuwara	4
7	Victoria	222 Resident Project Office Circuit Bungalow		17	Digana	4
		Nuwaraeliya		18	Nuwaraeliya	6
		Kothmale 119	2	19	Kothmale	3
		Buwelikada		20	Kandy	3
8	Walawe	Udawalawe		21	Embilipitiya	4

		Embilipitiya	22	Embilipitiya	8
		Mayura pura	23	Suriyawewa	5
9	Rambakan	Mahaoya	24	Mahaoya	4
	Oya	Badulla	25	Badulla	6
10	Head	Pologolla	26	Kandy	4
	Works	Kothmale 119	1	Kothmale	4
		Randenigala	VIP 1	Mahiyanganaya	3
		Bowathanna	29	Naula	3
		Maduru Oya	30	Araganwila	4
11	Rathmalana	Rathmalana	31	Rathmalana	8

But this year due to the situation of covid outbreak in the country, this Hela Bojunhala had to be closed on several occasions, so it was not possible to reach the desired goals. Accordingly, due to the long period of closure, primarily only essential maintenance and cleaning activities have been carried out.



### **Implementation of eco-friendly cruise boat services.**

#### 01. Eco-friendly boat service

Eco-friendly boat services are a revenue generating project carried out by the Business Development Division. This eco-friendly project is based in Victoria, Polgolla, Dambulla Oya and Loggal Oya.



## 02. Floatplane service

Arrangements were made to levy charges under a new agreement on the landing of floating aircraft near Victoria Reservoir. Accordingly, the agreement was updated again in the year 2020 and this project was also disrupted due to the ongoing Covid epidemic.

### **Summary of Progress for the Year under review**

Activities	Quantity
Intruding in entrepreneurs to new investment projects related to Kandakadu, Muthuwella and Walawa	The number of applications is 4197. Evaluation has started
Investment promotion programs (Evaluation of investment projects related to Mahaweli B, C, and Walawa regions, awareness programs conducted to cover all regions for field studies, etc.)	36 Programs
Mahaweli Hela Bojun Promotion Program (Field studies, construction and maintenance and awareness programs etc. conducted to cover all regions)	Programs 12
Circuit Bungalow Development and Monitoring Program (Construction and Maintenance and Awareness Programs etc.)	10 programs
Provision of goods and equipment under 50% financial contribution	187 entrepreneurs
Providing financial assistance to small and medium enterprises in Mahaweli regions in association with the Regional Development Bank (field monitoring and awareness programs etc.)	10 programs
Programs to improve the knowledge, skills and attitudes of small and medium entrepreneurs	15 programs
Market promotion and coordination programs	Programs 6

## **3.6 Research, Development and Special Projects Division**

### **Vision**

Achieving multi sectoral development in the Mahaweli Systems through modern technology and strategic methods.

### **Objective**

Implementation of local and foreign special projects in accordance with the Mahaweli Master Plan to uplift the livelihood of the Mahaweli Settlers.

### **Functions of the Division**

- In order to promote multi-sectoral development activities to uplift the living conditions of Mahaweli settlers , prepare special projects implemented under local and foreign financial allocations for the Mahaweli Authority divisions in accordance with government policies, corporate policies and the Mahaweli Master Plan, prepare strategies for enforcement, Implementation, direction, supervision, coordination and progress review across relevant departments and Implementation of development projects by preparing strategic plans for popularizing and promoting tourism in Mahaweli areas.
- Implementation of projects related to increasing product quality by introducing new technology methods for agricultural and other products of Mahaweli settlers targeted at the market and coordinating research activities with local/foreign research institutes/universities/higher education institutes etc. on the nature of resources, economic variables and existing potentials etc., increasing the income generation of settlers by conducting model research activities in the field and adapting the research results to Mahaweli regions.

### **Programs proposed to be carried out during the year as per Action Plan 2020**

- 07 million in financial allocation.
- Establishing pilot hi-tech model greenhouses for high-value crops in to mitigate climate impacts.
- Information and Communication Village Project established in Giradurukotte Development Center in Mahaweli System C.
- Preparation of training modules and training programs.
- Moragahakanda Eco Tourism Project.
- Establishing a Smart Agricultural Technology Park in New Medagama Farm in Mahaweli C Region as a remedy for climate change and the project to build agricultural infrastructure in Sri Lanka

## **Progress in implementation and achieving targets by the division during the year 2020**

### **Pilot High-Tech Greenhouse Project to Mitigate Climate Impacts (SMART Green House Project)**

High -tech greenhouse is to be established with the support of the Department of Agriculture of South Korea as a public-private partnership in the premises of the Block Management of Kothmale to promote the cultivation of high-quality and high-value crops (tomato and bell pepper) . It is hoped that subsequently steps would be taken to introduce a subsidized loan scheme for farmers in order to expand greenhouses to farmlands through this project

The project cost is US\$ 427,200(Rs. 76.9 Million) and it is borne by the private sector

The relevant private sector party has finished importing the greenhouse system from the Korean state to Sri Lanka, and due to the Covid-19 epidemic situation that has affected the world, the Korean technical team could not come for the construction work and they have planned to come in the first week of April 2021.



### **Information Village Center Project established in Giradurukotte Development Center of Mahaweli C Region.**

Initiation of further training programs at the Information Communication Center established at Girandurukotte Development Center in Mahaweli C Region with the assistance of Korea International Cooperation Agency (KOICA) for agriculture and employment generation through the use of information communication technology for Mahaweli second and third generation youth and farmers.

Training farmers and youth for modern agricultural knowledge, information communication and internet market.

It is established with a US\$ 78000 grant from KOICA.

At present, a complete computer unit has been established with the help of the relevant international organization and preparation of training modules have been completed and training courses for farmers are to be commenced

This training is planned to be commenced in other Mahaweli regions to guide the farmers to solve the their market problems.



### **Establishing a Smart Agro-Technical Park in New Medagama Farm in Mahaweli C Region in Response to Climate Change and Agricultural Infrastructure Building Project in Sri Lanka**

- Increasing food security and income levels of farmers by growing crops in greenhouses using sustainable technologies to cope with climate change.
- Doubling the income level of farmers participating in this project.
- Introduction of at least 03 types of food crops that would help to get maximum profit by cultivation in high-tech greenhouses and can be targeted for export.
- Capacity building of farmers through training programmes.
- Introduction of low-cost hi-tech greenhouses for dissemination to farmers.
- To be used for training programs (starting 15 hi-tech greenhouses for farmers and second generation farmer children on crop cultivation.)
- Generating 350 KWh of electricity using solar power
- Introducing use of renewable energy to the farmers .
- Setting up a processing center for processing agro products.
- Obtaining a cold room and refrigerated truck for transporting and storing frozen food items.
- It is to be initiated on a US\$ 5 million grant from Korea International Cooperation Agency (KOICA)
- Currently, the Korea International Cooperation Agency (KOICA) has conducted the relevant feasibility study for the project and approved the project.



## **Moragahakanda Eco Tourism Industry Project**

- Tourism Promotion/ Employment Generation/ Foreign Exchange Earning/ Raising Mahaweli Income/ Environmental Conservation
- Currently reserved 400 hectares are to be formally leased to investors on long-term lease basis.
- Infrastructure Development - (Basic Facilities)
- . The project plan is being prepared with the Ministry of Tourism.

Currently, the Sri Lanka Mahaweli Authority and the Sri Lanka Tourism Development Authority have jointly demarcated sub-zones and were provided a map comprising of sub-zones of the proposed tourism zone by the Land Use Planning Division. Part of the set of conditions for that sub-zone is currently provided by the Sri Lanka Tourism Development Authority. another portion remains to be provided .



## **The pilot project to construct electric fences in Mahaweli B and Moragahakanda Zones in collaboration with the Inventors Commission of Sri Lanka**

Currently this is implemented as a joint program with the Department of Wildlife and areas that should be given priority and elephant corridors have been identified

The length of elephant fence related to 13 villages that need to be repaired has been identified as a pilot research project and implemented as a joint program. (This will benefit 32500 families in System B, the new development zone including Aralagangwila Seed Farm and Kalugaga Tourism Zone.)



As the initial project, out of the total distance of 254 km in Mahaweli System B, the ground has been prepared and the maintenance program had commenced for 42 Km (Singhapura) 9 Km (Aralagangwila Seed Farm) 28.5 Km Moragahakanda's elephant fence areas.

## Chapter Four

### 4.1 Personnel and Administration Division.

#### **Functions entrusted to the Personnel and Administration Division**

##### **1. Identifying vacancies and planning and attracting employees**

- Calling applications for vacancies
- conducting examinations/ interviews
- selection of suitable candidates
- Revising the number of employees (subject to the approval of Department of Management Services)

##### **2. Training and Development of Personnel**

- Training programs to institutionalize new recruits
- Referring for short term and long-term training programs.
- Providing local and foreign scholarships

##### **3. Matters relating to Compensation and benefits**

- Providing promotions and salary increments
- Revision of salaries (as per the approval of the National Salaries and Cadre Commission)
- Release of Gratuity Benefits
- Activities related to EPF / ETF

##### **4. Management of Performance of Personnel**

- Maintaining of Personal Files
- Performance evaluation
- Supervising and monitoring the staff
- Retirement
- Termination of Service
- Transfers
- Disciplinary action (As per Establishment Code and Disciplinary Procedure)

##### **5. Management Relations and Labor Relations**

- .Registering Members for EPF / ETF
- representing MASL on legal issues.
- Coordination (Among various divisions, blocks and with outside parties)
- Public Relations
- .Public Relations
- Work related to Ministerial Consultative Committees of Parliament
- Activities relating to Committee on Public Petitions<sup>o</sup>

- Participate in answering parliamentary oral questions and coordinate with other sections

**The progress Personnel and Administration Section in achieving the objectives of 2020**

- Identifying vacancies in all sectors and calling for applications for vacancies
- Implementation of Annual Transfer Policy in all sectors of MASL
- Identifying the training needs of all sectors and organizing the relevant training program.

**Information on Employee Numbers as on 31.12.2020**

Employee Type	Approved number of employees	Number of permanent employees available	Secondary / Contract / Untrained	Total number of employees
Senior Level (HM 2-3, HM 1-3, HM 1-1)	34	16	3	19
Tertiary Level (MM 1-1)	441	344	2	346
Tertiary Level (JM 1-1)	367	293	2	295
Secondary Level (MA 3, MA 2-2, MA 1-2)	1873	1604	-	1604
Primary Level (PL 3, PL 2, PL 1)	2144	2013	3	2016
<b>Total</b>	<b>4859</b>	<b>4270</b>	<b>10</b>	<b>4280</b>

**Recruitments made in 2020**

**Internal Promotions**

Serial No.	Designation	Number
01	Director (Mahaweli Centre) Contract	01
02	Assistant Director (Agriculture)	03
03	Assistant Director (Fisheries and Livestock)	02
04	Deputy Resident Project Manager (Agriculture)	02
05	Land Officer	06
<b>Total</b>		<b>14</b>

**Training Programs in the Year 2020**

Serial No.	Name of the Program	Number participated	Expenditure (Rs.)
01	Training Program on Salary Conversion	02	17,000.00
02	Seminar on Concrete Reinforcement in Constriction	14	56,000.00
03	Training program related to procedure for damage, loss, misplacement and accident related to public property	12	72,000.00
	<b>Total</b>	<b>28</b>	<b>145,000.00</b>

## **4.2 Legal Division**

The Legal Department of the Sri Lanka Mahaweli Authority is located in the 8th floor of the Head Office and is headed by the Deputy Director (Legal).

### **Vision**

To improve the lives of the Mahaweli settlers and to make the maximum contribution to solve the legal problems arising in the entire Mahaweli Authority and to mitigate issues.

### **Objectives**

Minimize legal issues and contribute to revenue generation of the Authority with maximum efficiency at a minimum cost.

### **Duties of Legal Department and Subject Areas of Advice**

- ❖ Carrying out legal work from the Labor Department, Industrial Court, Labor Tribunal to the Supreme Court regarding the legal issues pertaining to the employees.
- ❖ Seeking advice from the Attorney General's Department in all legal matters related to the institution and conducting related legal proceedings.
- ❖ Prepare contracts and memorandums of understanding and other agreements signed on behalf of the Mahaweli Authority of Sri Lanka to comply with legal requirements, obtain signatures and carrying out further judicial proceedings.
- ❖ In the cases of disputes related to agreements, transactions between the Mahaweli Authority of Sri Lanka and the stakeholders, conducting related arbitrations and / or litigations.
- ❖ Acting and following up on legal issues related to land and property of Mahaweli Authority of Sri Lanka.
- ❖ Conduct legal proceedings related to industrial disputes, arbitrations, labor tribunals and other judicial functions.
- ❖ Advising and performing legal work on land issues such as evasion of lease payments, eviction of unlawful occupation etc.
- ❖ Preparing reports related to the division
- ❖ Advising on legal issues arising from all divisions related to Mahaweli Authority of Sri Lanka.
- ❖ Cases of Vehicle Accidents

- ❖ giving advice with regards to small scale electricity generation projects.
- ❖ Acting for and advising on companies belonging to the Mahaweli Authority
- ❖ Preparation of board papers and cabinet papers related to legal issues.

### **Targets set in the year 2020 and Progress Achieved**

#### **Progress pertaining to recovery of arrears of leases**

- ❖ Serving Legal Notices
- ❖ Serving summons
- ❖ Serving Writ of Ejectments under the State Lands (Recovery of Possession) Act
- ❖ If the value is less than Rs.500,000/- to refer the issues to the Conciliation Board.
- ❖ Filing of cases
- ❖ Work is already underway for the coming years.

#### **Special functions carried out in the year 2020 and their contribution to the national economy**

- ❖ Helping to Collect lease arrears and other amounts due to the Mahaweli Authority of Sri Lanka.
- ❖ Conciliation of certain employee issues, land issues and other disputes prior to initiation of judicial proceedings.
- ❖ To provide necessary assistance in getting the justice done in cases filed against the government by various parties, and to provide necessary assistance to preserve the reputation of the government.
- ❖ Contribute to providing effective and efficient service by helping to engender honest Mahaweli officers through legal actions against malpractices of errant Mahaweli officers. By enabling reduction of the expenses incurred by the government and being able to provide the opportunity to effectively use the time and effort of that government officials spend on it.
- ❖ Contributing to sustainable Mahaweli future activities by providing legal guidance to the MASL through the professional advice of the Attorney General's Department in legal issues.

### 4.3 Finance Division.

The main functions attributed to the Finance Division are preparing estimates according to the Corporate Plan and Annual Plan of the institution, preparation of budget proposals to obtain allocations for the Mahaweli Authority under the National Budget, forecasting the monthly imprest amounts and obtaining funds from the treasury, preparing annual estimates of local and foreign projects, payments of staff salaries and other payments, physical resource management, audit inquiries and , furnishing information to the Audit Queries, and queries sent by the Parliamentary Committee on Public Enterprises (COPE).

#### Details regarding Financial Allocations and Expenditure.

	Capital Source	Allocations (Rs.'000)	Expenditure (Rs.'000)
Recurring expenditure		1,810,000	1,810,000
Capital expenditure		720,000	720,000
Mahaweli Projects			
Mahaweli Integrated Development Project 'B'	Domestic	91,000	91,000
Maduru Oya Right Bank	Domestic	8,448	8,448
Rideemaliyadda Development Project	Domestic	25,710	25,710
Rambaken Oya Project	Domestic	38,714	38,714
Welioya Integrated Project	Domestic	85,161	85,161
Major and Central Irrigation System Rehabilitation Project	Domestic	112,977	112,977
Agriculture and Livestock Development Project	Domestic	<u>43,243</u>	<u>43,243</u>
Total		1,125,253	1,125,253

## Property Plant and Equipment

Description	Cost as at 01.01.2020	Purchases	Sales, Disposals, Transfers	Cost as at 31.12.2020	Depreciation	Rs. '000 After Deduction of Depreciation 31.12.2020
Lands	296,000	-	-	296,000	-	296,000
Buildings and Offices	2,212,295	624,982	4,063	2,833,214	600,586	2,232,628
Building – Others	2,913,241	268,453	7,675	3,174,019	1,707,695	1,466,324
Main Canal	17,941,130	-	-	17,941,130	-	17,941,130
Branch Canal	8,823,180	-	-	8,823,180	-	8,823,180
Distributive canal	19,219,000	-	-	19,219,000	-	19,219,000
Field Canal	29,005,830	-	-	29,005,830	-	29,005,830
Vehicles	1,148,361	564,524	287,405	1,425,479	454,677	970,802
Office Equipment and Welfare Items	159,059	11,630	2,453	168,235	96,036	72,200
Generators	33,143	6,535,703	-	6,568,847	20,169	6,548,677
Machinery and Equipment - Workshop Services	20,139	1,333	252	21,220	12,112	9,108
Machinery and Equipment – Construction	489,968	4,844	372	494,440	323,573	170,867
Machinery and Equipment – General	179,967	45,723	1,137	224,553	91,026	133,527
Furniture and Fittings	297,038	24,584	4,502	317,120	62,671	254,449
Computers and Accessories	204,939	145,434	199,884	150,490	29,776	120,714
Books and Manuals	5,201	105	-	5,306	94	5,212
Dams	-	31,764,287	-	31,764,287	-	31,764,287
<b>Total</b>	<b>82,948,491</b>	<b>39,991,602</b>	<b>507,743</b>	<b>122,432,350</b>	<b>3,398,415</b>	<b>119,033,935</b>

## 4.4 Mahaweli Security Corps

### Introduction:

The Mahaweli Security Organization consisting of nearly ten defense ranks was established under the Mahaweli Authority Act No. 23 of 1979 on June 15, 1985 to protect the main constructions, other building complexes and properties of the Mahaweli Authority of Sri Lanka and the protection of Mahaweli officials and staff / settlers etc.

During this period, the security of the Mahaweli Economic Agency and the Mahaweli Engineering and Design Agency was carried out by a small number of security personnel. In order to decentralize the security activities of the Mahaweli Authority of Sri Lanka and to carry out systematic control and operational activities, the security personnel served in the Mahaweli Economic Agency and the Mahaweli Engineering and Design Agency were absorbed into the Mahaweli Security Corps in 1989.

When this Corps was established on June 15, 1985, there was no director position as the head of the organization and hence a commissioned officer of the Sri Lanka Army leads this security organization as a security coordinator on a secondary basis. Accordingly, as the first security coordinator, Lt. Col. N.P. Fernando has led the Corps from June 15, 1985 to 1988.

Afterwards Colonel B. Mahipala acted as the security coordinator from 1988 to mid-1989 and after 1989, due to the expansion of the scope of this organization and considering weapons used by this organization, as well as direct responsibility and accountability related to the provision of security to a number of limited yet extremely economically sensitive locations such as Maduru Oya, Kothmale, Polgolla, Bovatthanna Victoria, Randenigala, the post of Director (Security) was established in the year 1990.

Accordingly, Major Tilak Ratnasekara has fulfilled his duties as the first director (security) of the Mahaweli Security Organization,

As the security needs of the MASL became more extensive than its initial stage by the late 1990s, the existing Mahaweli Security Organization was amended with a new brand name as Mahaweli Security Corps

However, in the year 2011, when the recruitment procedure was amended, the post of Director (Security) was abolished it was replaced by the post of Assistant Director (Security) was replaced by the Director (Security). However, the person who was performing the duties of the Director (Security) at the time could continue to do so until end of his tenure. Accordingly, the Mahaweli Security Corps is currently led by the Assistant Director (Security).

Also, not only the security responsibilities of the newly built mega reservoirs like Moragahakanda, Kalu Ganga, under the Mahaweli Authority of Sri Lanka, but also of Rambaken Oya, System E, Maduru Oya Right Bank, Mayurapura Elephant Management Reserve etc. are entrusted to this Corps. Given the current situation of the country and expansion of scope of protection, the responsibility regarding sites especially important for defense purposes are currently entrusted to them. Accordingly the Corps in currently assigned responsibilities of protecting buildings, properties, irrigation systems and the main reservoirs belonging to Mahaweli Authority including Victoria, Kothmale, Randenigala, Polgolla, Rantambe, Maduru Oya, Moragahakanda, Kalu Ganga, Bowathenna, Udwalawe etc. land and forest conservation activities, protection of offices, work sites, farms and business places, prevention of unauthorized activities, mitigation of illegal activities such as bribery, organization of security activities, intelligence gathering, planning of special security operations, providing security to Mahaweli Authority officials, providing security support for the general requirements of the Mahaweli Authority, providing VIP protection and support for national security.

## **Main Objectives**

- Providing protection to immovable and movable properties, projects handed over by contractors and properties, staff in accordance with Act No. 23 of 1979, including major reservoirs, canals and buildings constructed under Mahaweli development.
- Protection of office complexes and equipment belonging to the Mahaweli Authority.
- Providing required security to the staff and settlers of the Mahaweli Authority.

### **Other Duties and Functions:**

- The VIP award and VIP security duties regarding the Hon. Minister of Mahaweli Development and Deputy Ministers of Mahaweli Development, MASL and performance of award and security duties of Mahaweli Games and other special functions.
- Coordinating with the Army and the Police regarding the security of property belonging to the Mahaweli Authority of Sri Lanka
- Providing security for the transportation of cash and valuable property owned by the Mahaweli Authority of Sri Lanka.
- Providing intelligence to the Mahaweli Security Corps and other agencies.
- Assisting the Chief Officers and Project Officers of the Mahaweli Institutions by supervising the duties of the security officers of those Institutions.
- Taking action to prevent thefts, misappropriation and fraud at the Mahaweli Authority and its affiliates and to take steps against such offenders.
- Prevention of encroachment of land, unauthorized constructions, and unauthorized activities in the Mahaweli areas under the Mahaweli Authority Act.
- Possession, protection, distribution and accounting of explosives, weapons and ammunition belonging to the Mahaweli Authority.
- Providing security consultancy services to the Mahaweli Authority and its affiliates
- Conducting defense training as required by the Mahaweli Authority to the staff and settlers.

The main functions of the Mahaweli Security Corps are as given above and it is a framework for the protection of property and individuals in the implementation of the General Policy of the Mahaweli Authority of Sri Lanka in the canals and dams and settlements in the Mahaweli region under the Ministry of Irrigation and State Ministry of Public Infrastructure Development. An Assistant Director to issue directives and advice to the Mahaweli Security Corps, an Operations division under him, 10 Brigade area offices to implement directives and advice in the field, 42 large, medium, and small units consisting of security officers and security guards have been established as required in implementing these functions. Also, a Civilian Staff of 50 personnel has been established to take care of the administration and payroll of all

ranks, which is carried out by the Brigade Headquarters at Digana. Accordingly, by November 2021, our Corps has a total security staff of 620.

The security officers and security guards performing those security duties have been issued the necessary standing orders and instructions to carry out their duties with restraint.

The Mahaweli Security Corps is more skilled and well-armed than other government civil defense agencies.

### **Goals achieved and special events in the year 2020**

Further in an atmosphere in which the civilian staff of the MASL did not report to work regularly due to the spread of the deadly Covi 19 epidemic since March 18, 2020, let us remember with pride that despite the risk to their lives and in some cases, using their personal means of transportation, many security officers reported to duty and made great efforts with the aim of fulfilling security duties continuously and regularly, and made sacrifices to protect all immovable and movable properties of the Mahaweli Authority of Sri Lanka.

Out of the 50 7.62mm T 56 Mark II firearms provided by the Sri Lanka Army for the duties of the Corps, 05 7.62mm T 56 Mark II firearms which were disabled during use were rightly returned to the 111 Force Headquarters, Gampola on June 02, 2020.

Also, according to the instructions of the Ministry of Defense, 15 semi- automatic weapons and 2000 9mm live bullets used for the duties of this Corps were correctly handed over to the Central Armory of the Police Field Force Headquarters on September 03, 2020.

Also, all the automatic firearms in the possession of the Mahaweli Security Corps comprising of 44 7.62mm T 56 Mark II firearms and 50 T 81 firearms were delivered to Central Armory, Panagoda on 06 October 2020 in accordance with letter dated 11 September 2020 bearing ක්‍රියා/ආම/සම/ප්‍ර/අවි/351/59(01) addressed to the Director General (Sri Lanka Mahaweli Authority) by the Chief of Staff 1 (Coordination) under the heading "Temporary handover of weapons issued to the Sri Lanka Mahaweli Authority" to the Army.

Further arrangements were also made to purchase 150 ESCORT AIMGUARD type repeater firearms for the security activities of the Mahaweli Security Corps in order to carry out security activities in a regular and continuous manner.

## 4.5 Mahaweli Center

### **Introduction**

The Mahaweli Center is a division established under the Mahaweli Authority of Sri Lanka Act No. 23 of 1979.

This section was built with British funds and opened on April 13, 1985 by the then British Prime Minister Mrs. Margaret Thatcher under the patronage of the then Minister of Lands and Mahaweli Development, Hon. Gamini Dissanayake

From its inception, the Mahaweli Center has played a huge role in fostering the spiritual, cultural, moral and educational aspects of the Mahaweli colonists by implementing various programs.

This sector was initially a cultural center where many artists worked.

According to the annual work plan, the role of the Mahaweli center is performed through 07 main sections. Through the cultural sector, the aesthetic and cultural skills of Mahaweli children are improved and taken to the national and international level.

### **Sections established in the Mahaweli Center**

1. Administration section
2. Accounts Section
3. Cultural section
4. Sports Division
5. Technical Section
6. Publication Division
7. Audio Visual Section
8. Irrigation Museum

Amount approved for Mahaweli Center for the year 2020 is 9,430,000 million rupees

### **Administration Section**

- This section implements all administrative activities and office procedures assigned by the director of the office.
- The Administrative Officer acts as the supervising officer of this section.
- In 2020, there were 27 personnel attached to Mahaweli Centre.
- The number of transfers to the head office in 2020 is 06.
- Number Retired in 2020 - 01

### Details of Number of Employees

Serial No.	Employee Category	Category	Extant Number
01	HM 1-1	Director Mahaweli Centre	01
02	MM I-I	Deputy Director (Sports)	01
03	MM I-I	Assistant Director (Mahaweli Centre) (Duties covered by Sports Officer)	<b>Vacant</b>
04	JM 1-1	Administrative Officer	01
05	JM 1-1	Accounts Officer	01
06	JM 1-1	Public Relations Officer	01
07	JM 1-1	Senior Audio-Visual Officer	01
08	JM 1-1	Technical Officer	01
09	JM 1-1	Sports Officer	01
10	JM 1-1	Institutional Development Officer	01
11	JM 1-1	Publicity Officer	01
12	MA 3	Development Asst	02
13	MA-2-2	Accounts Assistant	02
14	MA-2-2	Technical Asst	01
15	MA-1-2	Management Assistant	05
16	MA-1-2	Field Asst	01
17	PL-1	Assistant Audio-Visual Technician	01
18	PL-1	electrician	<b>Vacant</b>
19	PL-1	Driver	01
20	PL-1	Office Assistant	03
21	PL-1	Irrigation worker	01

## **Accounts Section**

This division handles all financial management, supply, and warehouse management and accounting of the Mahaweli center. Mahaweli Authority of Sri Lanka is generating a lot of income by renting out the Gamini Disanayaka Auditorium at the Mahaweli center to external parties and through the sale of Mahaweli publications.

### **Income Generation of the Year 2020**

Income from renting out the Gamini Disanayaka Auditorium to External Parties = Rs. 819,950.00

Income from sale of publications	=	Rs. 65,900.00
		-----
Total Income		Rs.885,850.00
		=====

## **Cultural Section**

Proposed Program Plan for the year 2020 - Cultural Sector - Rs. 6,620,000

- 1 Presenting the “Rejuvenated Mahaweli” program and its cultural items
- 2 “Half a Century of Mahaweli Legend” art competition held together with “Rejuvenated Mahaweli” program
- 3 Announcer Training Program - 2020
- 4 Mahaweli Gee Taruva Program - Training Program

To create a sustainable Mahaweli generation that will shoulder the development work of the country by nurturing the Sri Lankan art by cultural innovation through the innovations of design, turning the talented Mahaweli youth generation into a skilled and spiritually enriched artistic group is the primary objective of the Cultural section of the Mahaweli Center which serves as the home for aesthete at the Mahaweli Authority With these objectives in mind, the Cultural Section of Mahaweli is to carry out cultural activities of Mahaweli regions in a strong, sustainable and innovative manner.

As the first step in this process,

- To achieve the aims and objectives of the cultural section in a practical, successful and more effective manner,
- Launching programs targeting not only Mahaweli children, youth community, officials, teachers but also all the people and groups living in Mahaweli regions.
- Getting focus and participation for programs from ground level
- To identify the existing domestic aesthetic arts as well as the disappearing indigenous arts, customs and traditions and secure those arts through the Mahaweli community and pass them on to future generations.

- Contributing directly or indirectly to the development work of the country and providing sustainability to the target group through all operational programs.

Initiating programs expected to be implemented in the coming period based on above. Accordingly, by implementing these cultural programs to cover all the Mahaweli regions, the Mahaweli Center, the home of aesthetics of the Sri Lanka Mahaweli Authority, is working towards the mission of building a strong and sustainable Mahaweli cultural section and engendering the cultural Mahaweli man.

#### Programs implemented by the Cultural Section in 2020

S. S	Program	Purpose and intentions	Programming methodology	Venue	Participation
01	Creation and presentation of Rejuvenated Mahaweli program and cultural items of that program	For the inaugural program organized on the occasion of the 50 <sup>th</sup> anniversary of the Mahaweli Authority of Sri Lanka, the children of Mahaweli took to the stage at the national level.  Elucidating the Mahaweli identity by showing appropriate performance.	In the Mahaweli talent competition, children representing all the Mahaweli regions were gathered together and with the participation of veterans in the field of dance and music, and through pre-event training sessions, 5 cultural items were created and presented to spread the identity of the cultural section in the Mahaweli heritage of Mahaweli Authority of Sri Lanka for fifty years.	Colombo  Mahaweli Center Outdoor Precinct  Training programs, Mahaweli System C  Giradurukotte Development Centre  Dehiattakan diya Shalika Hall	100 children from Mahaweli B, C, H, D, L, G, Huruluwewa, Victoria, Walawa, Rambakan Oya regions.
02	Art exhibition held in conjunction with Half Century of Mahaweli	Art exhibition held in conjunction with the main program, organized on the occasion of the 50 <sup>th</sup> anniversary of Mahaweli Authority of Sri Lanka, with the	All Mahaweli regions were presented with a theme and criteria relevant to that theme related to artwork .200	Colombo  Mahaweli Center Outdoor Precinct	200 children from Mahaweli B, C, H, D, L, G, Huruluwewa, Victoria, Walawa,

	Legend Rejuvenated Mahaweli program	participation of children of Mahaweli regions	artworks were displayed, with 20 artworks from each region.		Rambakanoya regions.
<b>03</b>	Mahaweli Announcer Training Program - 2020	Guiding the Mahaweli children living in the Mahaweli regions to the fields of broadcasting media, and announcing and identifying talented children in such fields and providing them with knowledge and correct guidance in the relevant subject area as well as introducing a group of Mahaweli announcers for Mahaweli programs.	The said program is conducted as a residential program by conducting theoretical and practical training sessions on all aspects of broadcasting media, program production and announcing and this program is conducted under 2 phases with the participation of qualified applicants covering all regions.	Mahaweli System C Giradurukotey Development Centre	First program Children of Mahaweli Systems B, C, H, D, Rambakenoya region – 35, senior journalist Mr. Seelarathne Senarath led by experts in the media industry, veteran artists and officials of the Sri Lanka Broadcasting Corporation.
<b>04</b>	<b>Creating a song with the winners of the Mahaweli Pratibha singing competition</b>	Identifying the artistic skills of the children of farming families in the Mahaweli regions and creating opportunities to introduce those Mahaweli children to the national art scene.	It was conducted with winners of solo singing event of 2017 and 2019 Mahaweli Pratibha Cultural Competition 77	Mahaweli System H	Winners of Mahaweli C, H, L zones Mahaweli officials
<b>05</b>	<b>Mahaweli Gee Tharuwa (Singing</b>	Various programs are conducted with the aim of developing exalted taste and artistic	Applications were invited from the employees with singing skills in the head office of	Mahaweli Center	Mahaweli Head Office Mahaweli B, C, H, D, L,

	<p><b>Star) program</b></p> <p><b>Training program</b></p>	<p>skills of not only the children Mahaweli farming families but also in Mahaweli staff</p>	<p>MASL and all Mahaweli regional offices.</p>		<p>Walava, Hurulu Veva, Moragahakanda, Victoria, Rambakanoya Zones</p>
--	--	---	--	--	--

*The talents of the Mahaweli children brightened up the ceremony held to mark the 50th anniversary of the Mahaweli Development Project.*



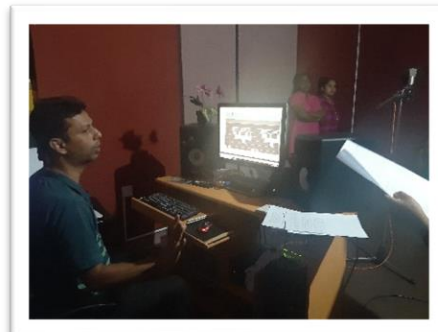
*"Fifty years of Mahaweli pride" paintings by children of Mahaweli region organized in conjunction with the event held to celebrate 50 years of Mahaweli development project in 2020*



Announcer Training Workshop - 2020



***A song recording by the winners of the Mahaweli Pratibha singing competition***



**Other programs implemented under the 2816 Expenditure head**



- Establishment of Environment Corps.
- Environment Corps Tree Planting Programme.
- Organizing activities to start a Hela Bojun shop in Mahaweli center campus.
- Implementation of a tree planting program in the Mahaweli center and providing about 2000 plants to the employees of government and non-government institutions located nearby.

**Sports Division**

Amount spent for the year 2020 = Rs.345,761.00

2020 Mahaweli Games was not held due to Covid-19 pandemic

The role of the sports division is to hone the skills of sportsmen and sportswomen in Mahaweli settlements and propel them to national and international levels. Its functions are as follows

- Identifying young men and women talented in sports in the Mahaweli areas and making long term and short-term plans based on the details of the athletes currently involved in sports.
- Creating an Athlete Training Pool and thereby coaching players

- Selection and directing of sportsmen and sportswomen for various competitions as per the criteria of the Ministry of Sports and the Provincial Ministry of Sports
- Organizing team sports events and athletic events of the Mahaweli Sports Festival and all related activities
- Carrying out necessary activities for the welfare of the players
- Taking necessary action to improve sports equipment and stadiums
- Maintaining a good relationship between sports related governmental and non-governmental organizations, and sections of the Mahaweli Authority
- Providing progress reports on sportsmen and women
- Establishment of a program to identify sportsmen and sportswomen at unit levels (in all regions)

After August 2020 Sports Division has been established at Head Office.

### **Maintenance Division**

Amount allocated for Year 2020      Rs.785,000

### **Goals for 2020 and financial and physical progress**

- Carrying out all the technical construction work and maintenance work done in the Mahaweli center premises.
- Carpeting for main auditorium stage and part of ground floor lobby. Rs 132.93 + VAT - 100%
- Setting up of museum handrails using stainless steel.  
Rs.46,800.93 + VAT - 100%
- Replacement of light bulbs in the Irrigation Museum.  
Rs.99,360.00 + VAT - 100%
- Estimating and making payments for setting up stalls for Mahaweli Authority's 50th anniversary stage.  
Rs.494,999.00 + VAT - 100%
- New installation of rain gutters and downspouts in Mahaweli center premises  
Rs.395,000.00 + VAT  
(Couldn't carry it out due to the lockdown of the country due to the ongoing Covid 19 epidemic.)
- Setting up a sidewalk for disabled people  
Rs.100,000.00 + VAT

(Couldn't carry it out due to the lockdown of the country due to the ongoing Covid 19 epidemic.)

### **Publishing Division**

- 50th Anniversary of Mahaweli Development Project - Printing Special Supplement with Dinamina Newspaper for Rs.388,800.00
- All design work including the design of the official 50th anniversary logo  
Special first day cover design

Issuing Diyavara magazine (6000 copies)  
The amount spent for Diyawara magazine - Rs.166,536.00

### **Audio Visual Unit**

All audio-visual recordings of the Mahaweli Center are carried out at the Gamini Dissanayake Auditorium at the Mahaweli Center. This auditorium is provided on rent basis to government and external institutions. This section works under the supervision of the Senior Audio-Visual Officer.

### **Irrigation Museum**

The National Irrigation Museum has been established at the Mahaweli Center as an educational center to conduct studies and research where the booths are designed to inspire visitors to learn about the history and technology of Sri Lanka's ancient irrigation network, as well as the socioeconomic and cultural conditions associated with the progress of the Mahaweli Development Project, and to conserve related artifacts, exhibits and da

An Institutional Development Officer has been deployed to carry out the work carried out in this department.

Printing of 5000 brochures for the Irrigation Museum in January on the occasion of the 50th Mahaweli anniversary

About 750 people visited the Irrigation Museum in 2020.

## 4.6 Transport Division

Among the services required to achieve the objectives of the Mahaweli Authority of Sri Lanka, a primary role is assigned to the Transport Division. To this end, the primary function of the transport sector is to maintain the transport service of the Authority in a systematic manner by making maximum use of the physical and manpower resources available within the organization in an expeditious and efficient manner while minimizing the economic, social and environmental impact.

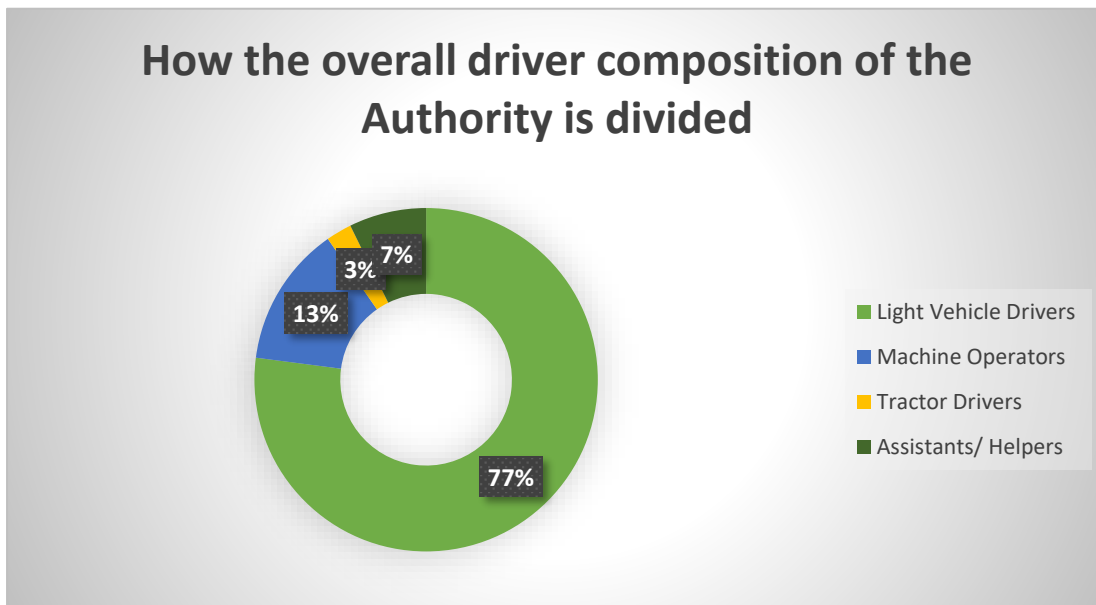
It is the need of the hour to maintain eco-friendly services by adapting to new concepts and innovative technologies. Our objective is to provide the most effective, environmentally friendly, and efficient services by providing the correct guidance, advice and management of the vehicles owned by the Mahaweli Authority of Sri Lanka in the right direction. The Treasury (Ministry of Finance) has advised that the Mahaweli Authority of Sri Lanka, which operates as a quasi-government institution, should not be a burden to the Government but should proceed as a revenue generating or profit-making institution.

Accordingly, special attention should be paid to transport management in planning future activities. 7% of the total budget allocation will be spent on this. Fuel, driver pay, overtime, subsistence, repairs and maintenance and operations take up a lot of expenditure and it is an urgent need to control them properly.

The Mahaweli Authority of Sri Lanka has a pool of 892 vehicles. It consists of 557 motor vehicles (cars, jeeps, dual purpose), 213 heavy vehicles (lorries, buses) and 122 machineries (loader, JCB, etc.). (A summary of motor vehicles is shown in the table below)

Type of Vehicles	Number of Vehicles					Total
	0 – 5 years	5 – 10 Years	10 -15 Years	15 – 20 Years	Years <20	
	(2021-2015)	(2014-2010)	(2009-2005)	(2004-2000)	(1999 <)	
Motorcycles		5	13	5	8	31
Three wheelers			1		2	3
motor car			1		9	10
Jeep	1	3	2	13	197	216
Double cab	38	33	32	79	86	268
Bus/Van	3	3	5	4	14	29
Total	42	44	53	101	317	557

413 drivers, 71 machine operators, 13 tractor drivers and 39 assistants/helpers are employed to drive and operate the above motor vehicles, machines and tractors respectively.



The total expenditure on transport management at the Head Office in 2020 is Rs. 23,652,083.01

Annual Recurrent Expenditure	
Expenditure for fuel	Rs. 8,497,669.00
Expenditure on vehicle repairs and maintenance	Rs. 10,105,237.07
Expenditure on payment of insurance and revenue license fees	Rs. 2,303,322.12
Total of Recurrent Expenditure	Rs. 20,906,228.19
Annual Capital Expenditure	
Expenditure for improving vehicles	Rs. 2,745,854.82
Total Expenditure	Rs. 23,652,083.01

The transport division contributed immensely to continue the duties assigned to the Sri Lanka Mahaweli Authority under the Covid-19 epidemic situation in 2020. The staff of the transport division as well as the drivers (at the head office and zonal offices) gave their unstinted support to successfully perform those services. We can happily state that the support provided had helped the Authority to reach its annual targets.

The above-mentioned motor vehicles and operators are assigned to Head Office and 10 zonal offices based on service requirement. A Transport Division has been established in each Zonal Office and its operations and maintenance are carried out under a Transport Officer.

The Thambuththegama Mechanical Workshop in the System H, has set up a Mechanical Workshops in each Zonal Office, which carries out vehicle maintenance and repairs. Compared to last year, this year the Mechanical Workshops in the zonal offices operated actively and efforts were made to meet the required human resources as much as possible.

No new vehicles were purchased during the past year as per government policies and guidelines. Therefore, measures have been taken to maintain the existing fleet of vehicles and put them into operation. Therefore, more than 60% of the vehicles in the Authority are over 15 years old and the Authority had to bear the high expenditure of maintaining them.

Further steps were taken last year to transfer back to the Authority the vehicles registered under Director General, MASL and released to the use of other institutes and departments. Also, steps were taken either to release those vehicles used by the Authority but are registered under other institutions or departments back to the relevant institutions or to formally transfer the vehicles to the Authority.

According to the instructions given by the Ministry of Finance, 376 items of vehicles and machinery proposed for scrapping and scrap materials were identified in Mahaweli Authority of Sri Lanka, of which 244 belonged to the category of vehicles and machinery. The disposal committee designated 49 vehicles as motor vehicles and 68 vehicles for disposal as scrap metal after canceling the registration. Another 15 vehicles were removed for repairs. It is planned to complete the further work of the disposal by tendering in April 2022.

The Mahaweli Authority of Sri Lanka has taken a step in the right direction in managing the fleet of vehicles under the advice and guidance given by the top management of the Authority in accordance with the circulars issued regarding the provision of transport facilities to public officers, public corporations, statutory boards, and government owned companies. This process is implemented in the head office and the implementation of those policies at the zonal office level contributes to an effective service.

All vehicles at the head office except for the vehicles reserved for the use of management (for those entitled for official vehicles) are managed within the motor pool. There are about 150 - 175 daily vehicle requests per month to cover day to day duties and about 70 field trips per

month. The Transport Division had been able to fulfil all these requests by utilizing the limited pool of drivers (18 drivers)

Thus, managing vehicles within one pool enables proper transport management, while gaining the ability to control the fuel and other costs incurred by the Authority for transport facilities. In addition, it has the potential to prevent vehicle misuse and to save limited labor and time, as well as to reap economic benefits. By giving equal opportunities to all the drivers working in the pool, it was possible to obtain a higher level of service and to enhance their enthusiasm for performing their duties. Dedication to duty and due diligence could be observed. However, during this period, the employees had to face the situations where team spirit and employee motivation fluctuated .

I appreciate all the employees attached to the transport division who carried on working during this period to fulfill transport management operations, regardless of the risk posed by the Covid-19 epidemic, for their hard work day and night. In order to streamline the management of transport affairs in the regional offices, arrangements were made to appoint a suitable officer to fulfill the duties of the vacant position of Transport Officer. Thus, the necessary preliminary work was carried out to streamline the transport management activities in the regional offices. The management of these activities is supervised by the main office.

The Transport Management Operations is carried out by a limited staff of two Technical Engineers (Mechanical), Engineering Assistants (Mechanical), Management Assistants, and a foreman headed by Deputy Director (Transport) of the Transport Division. Vacancies in the division, primarily for the posts of Transport Officer and Administrative Assistant, have existed for some time.

The above functions were implemented in the division with the aim of managing effective and efficient transport pools under the theme of Efficient Administration bereft of Corruption in line with Government Policies (Vistas of Prosperity), for which special attention is paid to the adoption of modern / timely Communication Technology (ICT), Global Positioning System (GPS) and Fleet Management Software (FMS) and plans are afoot to focus on the planning for the implementation of these technologies in the near future.

In the current year, all the vehicles except for those reserved (for the officers entitled for official vehicles) are managed through a single motor pool and allocation of vehicles and drivers for the official needs of the Authority was done only through the Transport Division. As a result, the vehicle misuse, fuel consumption compared to previous years had been minimized, and

maximum use has been made of existing pool and the opportunity arose to move towards proper management of transport service as per the government guidelines.

### Financial and physical progress achieved in 2020

<u>Code</u>		Rupees Millions
2003	Loan Interest Income	1.09
2005	Penalty Interest Income	0.00
2008	Nonrefundable Tender Deposits	-
2010	Sundry Income	—-
<b>Total</b>		<u><b>1.09</b></u>

	Rs. Millions
Allocation for 2020	8.20
2005 Target for the year	8.20
2008 Imprest from Head Office for the year 2020	8.20
2010 Expenditure for 2020	<u>8.00</u>
Hence financial progress	<u>97.50%</u>

### Financial Progress

<u>Code</u>	Allocation (Millions)	Expenditure (Millions)
2385 Buildings	5.2	5.18
2383 Vehicle Maintain.	1.5	1.42
2386 Office Equip.	0.2	0.20
2112 Security Equip.	1.0	1.00
2706 Furniture and accessories	<u>0.3</u>	<u>0.20</u>
	<u>8.2</u>	<u>8.00</u>

## Chapter Five

### Part 1

#### Companies Established under The Mahaweli Authority of Sri Lanka.

Part of the business activities carried out by the Mahaweli Authority of Sri Lanka under the Companies Act have been transferred to the following private companies for management.

- Mahaweli Livestock & Agro Enterprises (Pvt) Ltd
- Mahaweli Consultancy Bureau (Pvt) Ltd
- Natural Resources Management Services (Pvt) Ltd

#### **Performance of Companies in the Year 2020**

s.s	Company	Work performed during the year / Status
01	Mahaweli Livestock & Agro Enterprises (Pvt) Ltd	<ul style="list-style-type: none"><li>❖ Collection of milk from dairy farmers in the region and thereby providing services to them</li><li>❖ Carrying out dairy related activities and marketing of those products in the Mahaweli region and surrounding areas.</li><li>❖ Providing chicks to farmers through a village poultry project.</li><li>❖ Providing buffaloes to the Department of Animal Production and Health for use as bulls.</li><li>❖ Producing and selling high quality meat from broilers.</li></ul>
02	Mahaweli Consultancy Bureau (Pvt) Ltd	Operational revenue for 2018 was generated from feasibility studies and contract work.
03	Natural Resources Management Services (Pvt) Ltd	Operating income for the year 2014 was generated from the following activities. <ul style="list-style-type: none"><li>• Land Survey and preparation of plans in Victoria and Kotmale Region - Rs.213,800.00</li><li>• Soil Research Project - Rs. 1,018,479.01</li><li>• H-Q measurement of Nanuoya &amp; Coledoniya gauging station -Rs.437,472.00</li><li>• Puwakpitiya and Ilukkumbura Organic Farms Project in Matale District - Rs.200,000.00</li><li>• Haputale Plantation Project -.160,000.00</li><li>• Preparation of Initial Environmental Assessment Report for Amara Leisure Hotel. - Rs.300,000.00</li></ul>



# **Annual Accounts**

## **Part - 11**

## STATEMENT OF FINANCIAL POSITION AS AT 31.12.2020

	<u>Note</u>	<u>GROUP</u>		<u>AUTHORITY</u>	
		Rs'000 2020	Rs'000 2019	Rs'000 2020	Rs'000 2019
<b><u>ASSETS</u></b>					
<b><u>Non Current Assets</u></b>					
Property Plant and Equipment	(1)	119,033,935	79,974,383	118,975,474	79,911,773
Investments (LT)	(2)	164,555	166,299	530,787	527,118
Intangible Assets		785	-	785	-
Capital Working Progress -		57,166	61,327	57,166	61,327
<b>Total Non Current Assets</b>		<b>119,256,441</b>	<b>80,202,009</b>	<b>119,564,212</b>	<b>80,500,218</b>
Biological Assets - Capital	(3)	259,342	219,777	250,156	210,567
<b><u>Current Assets</u></b>					
Inventories / Stocks	(4)	166,810	170,166	162,800	166,147
Biological Assets - Trading	(3)	42,721	47,178	42,363	47,004
Trade and Other Receivables	(5)	2,594,637	3,010,410	2,544,653	2,953,966
Bank Guarantees		377	374	-	-
Cash and Cash Equivalents	(6)	667,498	260,557	662,746	251,079
<b>Total Current Assets</b>		<b>3,472,043</b>	<b>3,488,685</b>	<b>3,412,562</b>	<b>3,418,196</b>
<b>Total Assets</b>		<b>122,987,826</b>	<b>83,910,471</b>	<b>123,226,930</b>	<b>84,128,980</b>
<b><u>LIABILITIES</u></b>					
<b><u>Current Liabilities</u></b>					
Payables	(7)	39,970,622	966,518	39,956,544	940,803
Accrued Expenses	(8)	94,434	205,011	54,675	180,613
<b>Total Current Liabilities</b>		<b>40,065,057</b>	<b>1,171,529</b>	<b>40,011,220</b>	<b>1,121,416</b>
<b><u>Non Current Liabilities</u></b>					
Provision for Gratuity	(9)	1,500,519	1,371,814	1,486,519	1,359,652
Deferred Tax		612	612	-	-

<b>Total Non Current Liabilities</b>		1,501,131	1,372,426	1,486,519	1,359,652
<b>Total Liabilities</b>		41,566,188	2,543,955	41,497,738	2,481,068
<b>Total Net Assets</b>		81,421,638	81,366,516	81,729,191	81,647,912
<b><u>NET ASSETS / EQUITY</u></b>					
Accumulated Fund Reserves - B/F Balance of Income and Expenditure A/C	(10)	76,926,922	76,826,891	76,926,922	76,823,887
		(1,178,028)	(585,814)	(814,764)	(245,703)
Revenue Reserve - Companies		48,288	48,288	-	-
Revaluation Reserves		5,624,456	5,077,151	5,617,033	5,069,728
<b>Total Net Assets / Equity</b>		81,421,638	81,366,516	81,729,191	81,647,912

**STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED**  
**31.12.2020**

<b>GROUP</b> <b>Rs'000</b> <b>2019</b>	<b>AUTHORITY</b> <b>Rs'000</b> <b>2019</b>		<b>GROUP</b> <b>Rs'000</b> <b>2020</b>	<b>AUTHORITY</b> <b>Rs'000</b> <b>2020</b>
		<b><u>Income</u></b>		
			<b><u>SCHED</u></b>	
			<b>(01)</b>	
370,610	370,610	Rent	296,298	296,298
1,399,617	1,399,617	Royalty	452,903	452,903
17,275	-	Construction Service	-	-
5,282	-	Farm Produce Sale	4,911	-
9,588	2,935	Investment Income (Companies)	10,403	6,319
119,240	119,162	Other Income	192,489	192,489
1,921,613	1,892,324	<b>Generated Income</b>	957,005	948,010
		Treasury Grant - Recurrent		
2,100,000	2,100,000		<b>(02)</b>	1,810,000
1,159,436	1,159,436	Capital	823,258	823,258
159,500	159,500	- Agri	112,977	112,977
73,500	73,500	Flood	43,243	43,243
5,414,049	5,384,760		3,746,483	3,737,489
		<b><u>Less : Expenses</u></b>		
			<b>(03)</b>	
2,822,035	2,803,412	Personal Emoluments	3,118,130	3,103,674
106,633	106,529	Travelling & Subsistence Supplies /	80,705	80,250
137,686	136,598	Transportation	132,591	132,326
43,659	43,597	Maintenance Expenditure	68,195	68,149
129,211	127,659	Contractual Services	111,575	110,486
237	237	Insurance	1,815	1,815
90,301	81,326	Other Expenses	92,125	83,795
547,475	544,714	Depreciation Rehabilitation, Improvement, Other	657,078	653,007
1,831,043	1,831,043	Maintenance, Community Development & Settler Service	<b>(04)</b>	1,231,123

14,085	14,085	Loss on Circuit Bungalow	(05)	16,295	16,295
(976)	(976)	Profit on Development center		1,471	1,471
3,739	3,739	loss on Water Project Management		4,008	4,008
(10,474)	(10,474)	loss /profit on work shop		(1,183)	(1,183)
19,313	19,313	loss on Nursery	(06)	24,423	24,423
(52,049)	(52,049)	Farm Loss/profit	(07)	(18,389)	(18,389)
(82)	(82)	loss/profit on Hela Bojunhala		877	877
		loss/profit on Power Station Moragahakanda		(1,185,952)	(1,185,952)
5,681,837	5,648,669	<b>Total Operating Expenses</b>		4,334,886	4,306,175
(267,788)	(263,909)	<b>Surplus/(Deficit) from Operating Activities</b>		(588,403)	(568,686)
(25,960)	(25,960)	Add. Profit/Loss on Disposal of Fixed Assets	(08)	(375)	(375)
573	573	Dividend		-	-
(293,175)	(289,295)	<b>Profit After Tax</b>		(588,778)	(569,061)
	-				-
(364,354)	(32,290)	Balance B/F as at 01.01.2020		(589,250)	(245,703)
(657,528)	(321,585)	<b>Net Surplus (Deficit) Brought Forward</b>		(1,178,028)	(814,764)

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2020**

	<b><u>GROUP</u></b>	<b><u>AUTHORITY</u></b>
	<b><u>(Rs'000)</u></b>	<b><u>(Rs'000)</u></b>
<b>Cash Flows From Operating Activities</b>	(588,778)	(569,061)
<b>Non - Cash Movements</b>		
Depreciation	663,923	659,852
Provision for Gratuity	128,705	126,867
Increase in Biological Assets Gain	(39,565)	(39,589)
Assets Transfers	(39,031,763)	(39,031,763)
Assets sales	438	438
NRMS PL and WDV	(3,358)	-
<b>Operating Activities</b>		
Increase/Decrease in Stocks	3,356	3,347
Increase/Decrease in Biological Assets - Trading	4,457	4,641
Increase /Decrease in other Receivables	415,773	409,313
Increase /Decrease in Bank Guarantee	(3)	-
Increase/Decrease in Payables	39,004,104	39,015,741
Increase / Decrease in Accrued Expenses	(110,577)	(125,938)
<b>Net Cash Flows From Operating Activities</b>	<b>446,713</b>	<b>453,848</b>
<b>Investing Activities</b>		
Purchase of property plant and Equipment	(145,775)	(145,775)
Increase Intangible Assets	(785)	(785)
Proceed from Sale of Assets	852	852
Increase/Decrease in Investment	1,744	(3,670)
Increase/Decrease in working Progress	4,161	4,161

<b>Net Cash Flows from Investing Activities</b>	<b>(139,803)</b>	<b>(145,217)</b>
<b>Financing Activities</b>		
Increase/Decrease in Accumulated Fund and Reserve	100,031	103,035
<b>Net Cash Flows from Financing Activities</b>	<b>100,031</b>	<b>103,035</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>406,941</b>	<b>411,667</b>
Cash and Cash Equivalents as at 01.01.2020	260,557	251,079
<b>Cash and Cash Equivalents as at 31.12.2020</b>	<b>667,498</b>	<b>662,746</b>

**STATEMENT OF CHANGES IN EQUITY – GROUP**

	Rs.'000	Rs.'000	Rs.'000	Rs.'000
DESCRIPTION	<b>CONSOLIDATED FUND</b>	<b>RESERVES</b>	<b>INCOME &amp;EXPENDITURE</b>	<b>TOTAL</b>
Balance as at 01.01.2019	1,606,957	4,401,212	(293,175)	5,714,994
During the year	253,563	698,857	(364,354)	588,066
Differed Income	(22,769)			(22,769)
<b>Balance as at 31.12.2019</b>	<b>1,837,751</b>	<b>5,100,069</b>	<b>(657,528)</b>	<b>6,280,292</b>
Balance as at 01.01.2020	<b>76,826,891</b>	<b>5,077,151</b>	<b>(585,814)</b>	<b>81,318,228</b>
During the year	145,774	547,305	(588,778)	<b>104,301</b>
Differed Income	(42,740)	-	-	<b>(42,740)</b>
NRMS	(3,003)	-	(3,436)	<b>(6,439)</b>
<b>Balance as at 31.12.2020</b>	<b>76,926,922</b>	<b>5,624,456</b>	<b>(1,178,028)</b>	<b>81,373,350</b>

**STATEMENT OF CHANGES IN EQUITY - MAHAWELI AUTHORITY**

	Rs.'000	Rs.'000	Rs.'000	Rs.'000
DESCRIPTION	<b>CONSOLIDATED FUND</b>	<b>RESERVES</b>	<b>INCOME &amp; EXPENDITURE</b>	<b>TOTAL</b>
Balance as at 01.01.2019	1,603,953	4,401,212	(289,295)	5,715,870
During the year	253,563	691,434	(32,290)	912,707
Differed Income	(22,769)	-	-	(22,769)
<b>Balance as at 31.12.2019</b>	<b>1,834,747</b>	<b>5,092,646</b>	<b>(321,585)</b>	<b>6,605,808</b>
Balance as at 01.01.2020	76,823,887	5,069,728	(245,703)	81,647,912
During the year	145,774	547,305	(569,061)	124,018
Differed Income	(42,740)	-	-	(42,740)
<b>Balance as at 31.12.2020</b>	<b>76,926,921</b>	<b>5,617,033</b>	<b>(814,764)</b>	<b>81,729,190</b>

## **NOTES TO THE FINANCIAL STATEMENTS**

### **1.) Reporting Entity**

The Mahaweli Authority of Sri Lanka (MASL) was established under the Act No. 23 of 1979. The functions of the Mahaweli Authority of Sri Lanka are set out in sections 12 and are entrusted with the task of implementing the Mahaweli Development Programmed. (MDP.)

According to the Mahaweli Act, the functions of the Authority in, or in relation to, any Special Area shall be.

- a) To plan and implement the Mahaweli Ganga Development Scheme including the construction and operation of reservoirs, irrigation distribution system and installations for the generation and supply of electrical energy.
- b) Provided however, that the function relating to the distribution of electrical energy may be discharged by any authority competent to do so under any other written law.
- c) To foster and secure the full and integrated development of any special area;
- d) To optimize agricultural productivity and employment potential and to generate and secure economic and Agricultural Development within any special area;
- e) To conserve and maintain the physical environment within any special area;
- f) To further the general welfare and cultural progress of the community within any special area and to administer the affairs of such area;
- g) To promote and secure the participation of private capital, both internal and external in the economic and agricultural development of any special area; and
- h) To promote and secure the co-operation of Government Departments, state institutions, local authorities, public Corporations and other persons, whether private or public, in the planning and implementation of Mahaweli Ganga Development Scheme and in the Development of any special area.

The powers vested with the authority in order to carry out the functions referred above are set out in section 12 of the same Act.

The Mahaweli Authority of Sri Lanka comprises four subsidiary companies and one associate company viz. Mahaweli Venture Capital company (Pvt) Ltd, Natural Resources Management Services (Pvt) Ltd, Mahaweli Livestock and Agro Enterprises (Pvt) Ltd, Mahaweli Consultancy Bureau (Pvt) Ltd and Mahaweli Livestock Enterprises Ltd.

All Subsidiary companies and the associate company have been incorporated under companies Act No. 7 of 2007, and carry out the following principal activities.

Descriptions of the company share capital are as follows

Company	Value Per Share	Issued & Fully Paid Share Capital No of Shares	No of Shares Issued to the Mahaweli Authority
1) M.C.B (Pvt) Ltd	Rs 10.00	6385	6384
2) N.R.M.S (Pvt) Ltd	Rs 10.00	1502	1500
3) Venture Capital (Pvt) Ltd	Rs 10.00	1,039,803	1,039,800
4) M.L.A.E	Rs 10.00	3	-

## **Principle Activities of Mahaweli Companies**

### **Subsidiary**

#### **A) Mahaweli Venture Capital (Pvt) Ltd.**

- a) Provision of credit facilities for Mahaweli Entrepreneurs
- b) Undertaking of commercial venture to generate funds for the company.

#### **B) Natural Resources Management Services (Pvt) Ltd.**

a) Provision of professional advice and services in the field of Natural Resources Management designing and conducting training, hydrological monitoring, land use mapping, catchments conservation, and forestry etc.

b) Provision of information and data and prepare feasibility studies, Environmental Impact Assessment Studies (EIA), Initial Environmental Evaluation Reports (IEER) etc.

#### **C) Mahaweli Livestock and Agro Enterprises (Pvt) Ltd.**

- a) To make available high-quality animals to Mahaweli farmers.
- b) Production and marketing of dairy and meat products.

#### **D) Mahaweli Consultancy Bureau (Pvt.) Ltd.**

- a) Provision of consultancy services in the fields of construction of buildings, irrigation and land drainage and roads.
- b) Undertake of construction contracts in the fields of construction of buildings, irrigation and land drainage and roads.

### **Associate**

#### **A) Mahaweli Livestock Enterprises (Ltd.)**

- a) Broiler production and marketing.
- b) Broiler buys back arrangement with Mahaweli farmers.

However, the Board of Directors of the Mahaweli Authority decided to dissolve the Mahaweli Venture Capital (PVT) ltd. in 2012. So that this company accounts not included in the consolidated accounts. Then Assets and Liabilities Disclose as Note.

## **2) Basis of Preparation**

### **2.1 Statement of Compliance**

The Financial Statements comprise the statement of Financial Position, Statement of Financial performance, Statement of Changes in Equity, Cash Flow Statement and Notes to the Financial Statements. These statements have been prepared in accordance with the Sri Lanka Public Sector Accounting standard (SLPSAS) issued by the Institute of Chartered Accountants of Sri Lanka. The Accounting Policies adopted are consistent with those used in the previous financial year.

### **2.2 Basis of Measurement**

The Financial Statements have been prepared on the historical cost basis. No Adjustments have been made for inflationary factors affecting the financial statements.

### **2.3 Functional and Presentation Currency**

The Financial Statements are presented in Sri Lankan Rupees. All Financial Information presented in Rupees has been rounded to the nearest thousand.

### **2.4 Use of Estimates and Judgments**

The preparation of Financial Statements in conformity with Sri Lanka Public Sector Accounting Standard (SLPSAS) requires management to make Judgments, estimates and assumption that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Judgments and estimates are based on historical experience and other factors including expectations that are believed to be reasonable under the circumstances. Hence actual experience and result may differ from these judgments and estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to Accounting Estimates is recognized in the period in which the estimates are revised if the revision affects only that period and any future periods affected.

### **2.5 Changes in Accounting Policies**

The Accounting Policies adopted are consistent with those of the previous financial year except following.

**2.5.1** Individual Farm, Plant Nursery and Circuit bungalows are accounted separate Income & Expenditure account under the particular Mahaweli systems.

**2.5.2** Biological assets are valued at a fair value. Gain or loss are identified from farm account.

**2.5.3** The revaluation surplus has been increased by Rs.547, 347 million due to revaluation of Computer and Accessories during the current financial year.

### 3) Significant Accounting Policies

The Accounting Policies set out below have been apply consistently to all period presented in those Financial Statement.

#### 3.1 Basis of Consolidation

**3.1.1** The Consolidated financial statements are prepared by consistent application of consolidated procedures, which include amalgamation of the financial statements of the parent and subsidiaries the basis of reported result and of the equity method. Thus, the consolidated financial statements present financial information about the M.A.S.L. as a single economic entity.

#### 3.2 Property, Plant and Equipment

**3.2.1** The cost of the asset comprises its Revaluation price, purchase price or cost of construction and any directly attributable cost of bringing the asset to working condition for its intended use. All Computer and Accessories are revalued and taken in to the account with effect from 01.01.2020.

**3.2.2** The provision of depreciation is calculated on the cost or revaluation of all property, plant and equipment on a straight-line basis such that the cost of the asset is amortized over the period appropriate to the estimated life of the type of asset. Depreciation is charged when an asset is available for use and ceases at the earlier of the date that the asset is clarified as held for sale. In case of Motor Vehicles 10% scrap value is allowed before applying the Depreciation rates given below.

1)	Buildings – Office	2 ½ %	per annum
	- Others	5%	per annum
2)	Motor Vehicles	20%	per annum
3)	Plant Machinery and Equipment		
	Office Equipment and Welfare Items	15%	per annum
4)	Plant Machinery and Equipment		
	- Generators	15%	per annum
5)	Plant Machinery and Equipment		
	- Construction	15%	per annum
6)	Plant Machinery and Equipment -		
	- General	15%	per annum
7)	Furniture and Fittings	10%	per annum
8)	Computer and Accessories	20%	per annum

### **3.3 Investments**

#### **3.3.1 Investment in associates.**

Investment in the associate company is accounted for at cost and is classified as a long-term investment in the balance sheet. The Authority has no significant influence in the financial and operating policy decisions of the investing company and hence the adoption of the equity method is inappropriate.

#### **3.3.2 Other Investments**

Other investments are treated as long term investment in balance sheet and stated at cost.

### **3.4 Inventories**

Inventories are valued at the lower of cost and net realizable value. Provision has been made where necessary for slow moving, defective and obsolete stocks.

### **3.5 Trade and Other Receivables**

Trade and other receivables are stated at the values estimated to be realized.

### **3.6 Cash and Cash Equivalent**

Cash and cash equivalent comprise cash balances and bank overdrafts that are repayable on demand and form an integral part of the MASL cash management are included as a component of cash for the purpose of the statement of cash Flows.

### **3.7 Foreign Aid**

The utilization of foreign aid reported in the cumulative payments made by Donor Agencies up to 31st December 2012. Expenditure in foreign currencies was converted to Rupees on the exchange rates prevailing on the dates of payments.

### **3.8 Liabilities and Provisions**

Liabilities classified as current liabilities on the balance sheet are those obligation payable on demand or within one year from the Balance Sheet date. Items classified as noncurrent Liabilities are those obligations which expire beyond a period of one year from the Balance Sheet date.

All known liabilities have been accounted for in preparing the financial statements.

### **3.10 Retiring Benefit Plan**

Provision has been made for retiring gratuities for all employees. The computation of the provision is based on half month's qualifying Salary at the end of the financial year, for each year of service commencing from the first year of service.

### **3.11 Income Statement**

- 3.11.1 M.A.S.L revenue represent recurrent and capital grant received from General Treasury and lease rental Income from state land under administration of

M.A.S.L., rent from quarters and royalties and income from investment and interest.

3.11.2 Revenue is recognized to the extent that it is probable those economic benefits will flow to MASL and that it can be reliably measured.

Other rents, royalties, interest income is recognized on an accrual basis.

3.11.3 Government Grants are recognized as ‘Capital Grant and Recurrent Grant.’

Recurrent Grant is recognized in profit or loss on systematic basic over the periods in which the MASL recognize as expenses the related cost for which the grants are intend to compensate.

Capital Grants related to assets presented in statement of Financial Position either by sitting up the grants as differed income. That is recognized in Financial Performance on systematic basic over the useful life of the Assets.

### **3.12 Expenditure**

All expenses incurred in day-to-day operations of the organization and maintaining the property plant and equipment in a state of efficiency has been charged to the Income Statement in arriving at the profit / loss for the year, provision has also been made for bad and doubtful debts, all known liabilities and depreciation on property plant and equipment.

### **3.13 Post Balance Sheet Events**

All material events occurring after the date of Balance Sheet were adjusted where necessary.

### **3.14 Contingencies**

A contingent liability as at 31.12.2020 on various litigations filed against Mahaweli Authority of Sri Lanka was Rs.50, 858 (M).

### **3.15. Winding –up**

Natural Resources Management Services (Pvt) Ltd is under Creditors voluntary winding -up

MAHAWELI VENTURE CAPITAL (PVT) LIMITED  
 ASSETS AND LIABILITES AS AT 31.12.2020  
 (Under Creditors voluntary Winding – Up)

Note		2020 Rs.	2019 Rs.
<b><u>ASSETS</u></b>			
<b><u>NON-CURRENT ASSETS</u></b>			
	Property, Plant & Equipment	02	3
	Investment	03	<u>2,794,671</u>
			<u>2,794,671</u>
<b><u>CURRENT ASSETS</u></b>			
	Singer Machine Stock		29,480
	Interest Receivable	04	380,726
	Explosive Control Account		28,336
	Income Tax Refund	09	62,008
	Other Receivable	05	25,000
	Treasury Bills		9,455,896
	Cash at Bank	06	4,068,828
	Cash in Hand		<u>2,521</u>
			<u>14,052,795</u>
	<b>Total Assets</b>		<u>16,847,469</u>
<b><u>EQUITY AND LIABILITIES</u></b>			
<b><u>EQUITY AND RESERVES</u></b>			
	Stated Capital	07	10,398,000
	Fund Received	08	10,150,325
	Contribution from MASL		432,000
	Retained Profits/ (Losses)		<u>(4,594,021)</u>
	<b>Total Equity</b>		<u>16,386,304</u>
<b><u>CURRENT LIABILITIES</u></b>			
	Accrued Expenses	10	381,208
	Early Received Interest on T/B		<u>79,957</u>
	<b>Total Liabilities</b>		<u>461,165</u>
	<b>Total Equity and Liabilities</b>		<u>16,847,469</u>

**3.15 Assets of Dams, reservoirs, canals, roads, Tanks and other structures  
 And Land.**

The summary of **Assets of Dams, reservoirs, canals, roads, Tanks and other  
 Structures and land of Mahaweli Authority of Sri Lanka** as at 31.12.2019  
 Given below

### 3.15.1 No of Tank

SYSTEM	NO OF TANK	TANK CAPACITY (AC,FT)	HIGHT OF BUND (M)	LENTH OF BUND (M)	TANK AREA (HA)
System B	76	10,204	-	-	18,214
System C	52	20,461	132	-	399
System D	52	28,110	-	-	-
System G	17	708	277	6,567	-
System H	127	23,031	253	11,682	2,888
System L	31	30,426	-	-	-
Walawa	22	54,948	-	-	-
Rambakanoya	73	48,270	-	-	-
Huruluwewa	13	6,511	31	-	1,090
<b>Total</b>	<b>463</b>	<b>222,669</b>	<b>693</b>	<b>18,249</b>	<b>22,591</b>

### 3.15.2 No of Canals

SYSTEM	DISTRIBUTARY CANAL (KM)	FIELD CANAL (KM)	MAIN CANAL (KM)	BRANCH CANAL (KM)
System B	480	1,265	53	66
System C	560	1,326	29	125
System H	363	1,212	103	80
System L	50	100	610 (Drainage canal)	
Walawa	416	1,324	90	106
Huruluwewa	100	212	34	4
<b>Total</b>	<b>1,969</b>	<b>5,439</b>	<b>919</b>	<b>381</b>

### 3.15.3 Roads

<b>Roads</b>	<b>SYSTEM L (KM)</b>	<b>WALAWA (KM)</b>	<b>SYSTEM B (KM)</b>
Main Roads	100.0	51.0	549.0
Hamlet Roads	250.0	-	-
Market Roads	12.5	-	-
Agri Roads	25.0	-	-
Bridges	5.0	-	-
Culverts	125.0	-	-
Causeway	10.0	-	-
<b>Total</b>	<b>527.5</b>	<b>51.0</b>	<b>549.0</b>

### 3.15.4 Water Supply and Wells

<b>WELLS</b>	<b>SYSTEM L (NOS)</b>	<b>HURULUWEWA (NOS)</b>
Drinking Wells	350.0	-
Agriculture wells	150.0	297.0
Bore Holes	100.0	-
Overhead Tanks	100.0	-
Aro Plant	-	1.0
Tube Wells	-	48.0
<b>Total</b>	<b>700.00</b>	<b>346.0</b>

### 3.15.5 No of Dams

<b>DAMS</b>	<b>(COST RS. BILLION)</b>
Kotmale	13.0
Victoria	9.8
Randenigala	5.8

Rantambe	3.2
Polgolla	0.09
Bowathenna	0.05
Minipe	0.65
Rathkinda	1.9
Maduruoya	2.6
Udawalawa	0.14
Chandrika Wewa	0.08
Moragahakanda	45.3
<b>Total</b>	<b>82.61</b>

### 3.15.6 Land of MASL

<b>SYSTEM</b>	<b>TOTAL LAND (HA)</b>	<b>DISPOSED LAND (HA)</b>	<b>REMAINING LAND (HA)</b>
System B	95,687.0	28,448.0	67,239.0
System C	52,564.0	41,024.0	11,540.0
System D	16,396.0	1,597.0	14,799.0
System H	80,803.0	33,191.0	47,612.0
System G	11,940.0	9,560.0	2,350.0
System L	37,338.0	4,762.0	32,576.0
Victoria	311,118.0	3,384.0	307,734.0
Walawa	57,775.0	34,506.0	23,269.0
Huruluwewa	9,704.0	6,904.0	2,800.0
Rambakanoya	134,002.0	6,111.0	127,891.0
<b>Total</b>	<b>807,327.0</b>	<b>169,517.0</b>	<b>637,810.00</b>

**Report of the Auditor**  
**General**  
**Part 111**



ජාතික විගණන කාර්යාලය  
தேசிய கணக்காய்வு அலுவலகம்  
NATIONAL AUDIT OFFICE



මගේ අංකය  
எனது இல. }  
My No. }

IEN/B/MASL/01/20/12

ඔබේ අංකය  
உமது இல. }  
Your No. }

දිනය  
திகதி }  
Date }

2021 ජූලි 16 දින

**Report of the Auditor General on the Financial Statements of the Mahaweli Authority of Sri Lanka and other legal and regulatory requirements for the year ended 31 December 2020 in terms of Section 12 of the National Audit Act No. 19 of 2018**

**1. Financial Statements**

**1.1 Qualified Opinion**

The audit of the financial statements of Mahaweli Authority of Sri Lanka for the year ended 31 December 2020 comprising the statement of financial position and the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, was carried out under my direction in pursuance of provisions in Article 154(1) of the Constitution of the Democratic Socialist Republic of Sri Lanka read in conjunction with provisions of the 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 Authority as at 31 December 2020, and of its financial performance and its cash flows for the year then ended in accordance with Sri Lanka Public Sector Accounting Standards.

**1.2 Basis for Qualified Opinion**

(a) Mahaweli Livestock Enterprises Ltd and Mahaweli Consultancy Bureau (Pvt) Ltd. had not submitted financial statements for the year under review even by July 1st 2021. Therefore, when consolidating the Authority's financial statements with the financial statements of these companies, consolidated financial statements were prepared on the basis of unaudited financial statements.

(b) Although Authority has included 8, 708 kilometers of canals stated at Rs. 74,989,140,000 as fixed assets in the financial statements for the first time, the manner in which the canals were assessed and the relevant accounting policy was not disclosed in the financial statements in

accordance with Sri Lanka Public Sector Accounting Standards No. 01 and further the said canals were not included in the Fixed Asset Register.

(c) According to Sri Lanka Public Sector Accounting Standard No. 07, public sector infrastructure development assets should be identified and accounted for, but 12 main dams and 463 tanks maintained by the Mahaweli Authority were not assessed and included in the financial statements.

(d) During the period of 2015 - 2018, thirty water treatment plants were built in Welikanda and Welioya areas at a cost of Rs. 80,000,000 but were not accounted for in the financial statements as fixed assets and instead written off as expenditure. Hence the deficit for the year is overstated by that amount in the financial statements. And also, their administration was handed over to farmers' organizations without entering into an agreement

(e) The portion of fixed assets costing Rs. 671,503,748 transferred to the Authority from the Dam Safety and Water Resources Planning Project was revalued at Rs. 537,950,118 and accounted for but the remaining portion of assets of Rs. 13,355,630 were not revalued and accounted for. These assets and assets belonging to the Moragahakanda hydropower plant that were transferred from Moragahakanda project worth Rs.31,764,287,274 were not accounted as a grant but were accounted as creditors. Due to this, the Authority's current liabilities and net assets were overstated and understated in the financial statements respectively by Rs.32,302,237,392.

(f) Stock certificates relating to investments of Rs. 20,477,000 and balance confirmations and certificates of deposit for savings and fixed deposits of Rs. 3,360,389 were not submitted for audit.

(g) In accordance with paragraph 47 of Public Sector Accounting Standards of Sri Lanka No. 07 assets that experience significant and volatile changes in fair value shall be revalued and accounted for at fair value. But such accounting treatment was not adopted for two plots of land purchased by the Authority during the period of 1984-1989 costing Rs. 64,320,853 and even their cost had not been accounted for. Also, the Authority had not identified and accounted for the lands where its Block Offices, divisions, quarters and circuit bungalows are located.

(h) An appropriate accounting policy was not followed to identify and account for assets of capital nature arising from rehabilitation and improvement expenses and in the Dams and Reservoir Operations Division a revenue expenditure of Rs. 15,023,938 had been accounted for as rehabilitation and improvement expenditure. Due to this, the deficit of the year was overstated in the financial statements by that amount.

(i) Under the credit programs implemented by the Mahaweli Authority to provide loans to the settlers recommended by the Authority, Rs. 150,703,811 of loans were issued but the respective debtor balances and time analysis were not disclosed in the notes to 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 Other information included in the Authority's 2020 Annual Report**

Other information means the information included in the Authority's 2020 annual report and expected to be provided to me after the date of this audit report but not included in the financial statements and my audit report thereon. Management is responsible for this other information.

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

In connection with my audit of the financial statements, my responsibility is to read the other information identified above when available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or with my knowledge obtained during the audit or by other means.

On reading the 2020 Annual Report of the Authority, if I conclude that there are any material misstatements, the same should be communicated to the governing parties for correction. Any further uncorrected misrepresentations will be included in the report which I will table in Parliament in due course in terms of Article 154(6) of the Constitution.

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

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

In preparing the financial statements, Management is responsible for assessing the Authority'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 intend to liquidate the Authority or to cease operations, or has no realistic alternative but to do so.

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

As per sub-Section 16(1) of the National Audit Act No. 19 of 2018, the Authority 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.

### **1.5 Auditor's Responsibility in Auditing 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 skepticism 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 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 Authority'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 to cease to continue as a going concern.

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

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

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

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

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

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

2.1.3 The financial statements presented includes all the recommendations made by me in the previous year except for audit observations in paragraphs 1.2.1 (a), (c) (d), (g) (h) and (i) as per the requirement of section 6 (1) (d) (iv) of the National Audit Act, No. 19 of 2018.

2.2 Procedures were followed and evidence obtained on limitations being made to quantitative matters, nothing was drawn to my attention to be able to express an opinion on the followings;

2.2.1 That a member of the Board of Control of the Authority has a direct or indirect connection deviating usual business status with regard to agreements entered into by the Authority in terms of requirements in section 12(c) of the National Audit Act No. 19 of 2018.

2.2.2 That has acted against any written law or general or special directives issued by the Board of Control of the Authority except for following observations, as per the requirements mentioned in section 12(f) of the National Audit Act No. 19 of 2018.

<b>Reference to the laws, rules and regulations, or orders</b>	<b>Description</b>
(a) Section 10 (b) of the Value Added Tax (Amendment) Act No. 14 of 2002.	If the total value of goods and services exceeds Rs. 12 million within a period of 12 months, it is required to register for VAT under the Act, but the Authority has collected Rs. 1,920 million from the relevant revenue sources in the previous year and Rs. 755 million in the year under review yet no action had been taken to register for VAT.
(b) Section 3.8.2 of the Establishment Code of the Democratic Socialist Republic of Sri Lanka	Although the maximum period to be served in a station of work for each category should be set, in the transfer procedure prepared by the Mahaweli Authority Sri Lanka 's Transfer Board, no such maximum period has been set, as of February 2, 2021, which was the audit date. And of civil employees in the Mahaweli Security Corps. 11 employees have been working for more than 05 years, 13 employees have been working for more than 10 years, and 06 employees have been working for more than 20 years.
(c) Section 6.5.1 of the Public Enterprises Circular No. PED 12 dated 02 June 2003	The Financial Statements accompanying with the Draft Annual Reports should be submitted to the audit within 60 days of the end of the financial year. The Draft Annual Report was not submitted along with Financial Statements for the year under review
(d) (i) Paragraph 2.1 of the Non-Financial Asset Valuation Guideline issued by the Comptroller General's Office on 31 December 2018	Assessment of all state-owned lands is essential and although priority should be given to the assessment of state lands where government offices, holiday resorts, workplaces etc. are located, action had not been taken to assess the lands where the offices, holiday resorts and workplaces of the

	Mahaweli Authority of Sri Lanka are located.
(ii) Paragraph 2.1	Apart from the buildings identified as ancient heritage, all the other buildings should be assessed and the information about the buildings should be submitted to the Comptroller General, but as of December 31, 2020, the information had not been submitted.
(e) Section 3.1 of Mahaweli Authority's Internal Circular No. 2009/12/04/ Admin dated 24 December 2009	12.5 percent of the monthly salary should be charged as monthly rent from the government employees of other institutions, but on the contrary, as of February 8, 2021, which was the audit date, various monthly rents were charged for 39 quarters owned by Major Dams and Reservoir Operations Division Digana.
(f) Internal Circular of the Mahaweli Authority No. DJ / 05/2017 dated 09 May 2017  (i) Section A1 -1	The Housing Committee of the System /Division should identify the housing needs of the officials and provide quarters to external government officials only with the prior approval of the Director General, but on the contrary, the Major Dams and Reservoir Operations Division had given 5 quarters to external parties without prior approval.
(i)A 1-1 7	Although the quarters should have been given to external government officials only subject to a formal written handover document and an agreement clause, 24 quarters belonging to the Major Dams and Reservoir Operations Division, Digana were given to the employees of the Ceylon Electricity Board without entering into an agreement. These quarters were given in the years 1985/1986 and the necessary legal measures were not taken to identify their current occupants and sign contracts with them if they were employees entitled to quarters or to remove the illegal occupation if they were unauthorized occupants.

(i) Sections A- 3 and C-	Although the Authority's houses and buildings should be grouped and separate asset registers maintained, the Major Dams and Reservoir operations division had not grouped the official houses and buildings or maintained fixed asset registers. Also, the houses or buildings whose maintenance is not economical should be properly identified and suggestions for the measures to be taken in that regard should be submitted to the Director General, but this has not been done. There were 3 decrepit official quarters abandoned due to lack of proper maintenance.
(g) Mahaweli Authority Circular No. DG/04/2017 dated 8 March 2017	When awarding a contract to a farmer organization, the Unit Manager, Institutional Development Officer, Assistant Engineer, Block Manager, Deputy Resident Project Manager (Development), Deputy Resident Project Manager (Technical Services) should submit their recommendations in writing to the Resident Project Manager/Project Director for awarding the contract. Contract should be awarded only after submission. However, in order to obtain laborers for the maintenance of the Kandalama tank embankment, in awarding a direct contract, the Bovatthanna Engineer in Charge Office had awarded the contract only on the recommendation of the Block Manager, without the recommendations of the above officials, as per the above circular, to the Kandalama Left Canal Mahaweli Farmers' Organization for an amount of Rs.1,430,000.

2.2.3 That it had not performed in compliance with the powers, functions and duties of the Authority as required by the section 12 (g) of the National Audit Act No. 19 of 2018

2.2.4 In accordance with the requirement of Section 12 (d) of the National Audit Act No. 19 of 2018, except for the following observations, resources of the Authority had procured and utilized economically, efficiently and effectively within the time frames and in compliance with the applicable laws

(a) Although the contract for repairs of Engineer in Charge Office, Rantambe for Rs 3,386,358 was entered into by the Authority, the work was not completed within the contract period despite given 8 contract extensions and, the contract was suspended due to non-completion within contract period. However, the performance bond worth Rs.169,318 and the advance bond worth Rs.1,015,907 were not recovered in relation to the contract. Due to this, legal action had to be initiated to recover the payment of Rs. 949,015 that was made over and above the actual work done. This office building remains unusable due to the failure to take appropriate action to estimate the remaining amount of work and award to a new contractor.

(b) Acceptance letters were sent to the contractor selected for the contract value of Rs. 2,376,972 for the repair of Mahaweli Security Corps quarters on January 30, 2020, but the work was not started within 14 days from that date. Later, after more than a year, the authority had canceled the contract award on February 17, 2021. Due to maintenance work being not done, these quarters were further dilapidated and are becoming unusable.

### **2.3 Other Observations**

(a) A vehicle received by the Authority from the Dam Protection and Water Resource Planning Project and attached to the Dehiattakandiya Residential Project Management Office was given to a driver in Madirigiriya region for the work of the advisor to the State Minister of Mahaweli Development and on December 22, 2012, the vehicle was involved in an accident. According to Financial Regulations 104(4), a full report regarding the damages should be submitted within 03 months from the date of the loss, but even though more than 11 months have elapsed since the incident, a full report regarding the accident was not submitted. The loss due to the damage to vehicle of Rs. 6,915,484 was not recovered from the relevant responsible officials.

(b) 25 officers belonging to the Mahaweli Security Corps assigned to other external institutions were paid 6,187,072 rupees. But action was not taken to get that amount reimbursed from those institutions.

(c) As on 31 December 2020, there is a surplus of 15 officers in 4 ranks of the Mahaweli Security Corps and 77 vacancies in 7 ranks.

Also, 11 security guards belonging to the Mahaweli Security Corps are not attached to detachments and instead of security duties, they are engaged in the duties of Mahaweli Security Corps Head Office, Digana.

(d) Although the Polgolla Reservoir Control Center building consisting of 02 floors, which was constructed at a cost of Rs.339,584,727 by the Dam Protection and Water Resources Planning Project and handed over to the Authority in 2019, the building remained underutilized as there was not enough staff assigned to it.

(e) Although 43 warehouses belonging to the Authority had been used by the Paddy Marketing Board since 2009, no rent had been charged for those warehouses as at 31 December 2020. The Chairman of the Paddy Marketing Board had requested the Director General of the Mahaweli Authority to transfer the ownership of the warehouses to the Paddy Marketing Board as there was a need for standard repairs to be done to the warehouses in order to store paddy. However, the Authority had not been able to transfer the land or to collect the rent even by December 31, 2020.

(f) As of December 31, 2020, during the audit on the leasing out lands of the Authority for investment projects on long terms basis, information was requested from 10 Systems, but only

5 Systems had submitted information in the prescribed format. Consequently, audit on the overall development of the lands disposed for investment projects by the Authority could not be carried out. The extent of land provided for investment projects in 5 systems was 5,755 acres, of which 2,121 acres of land was undeveloped, 496 acres of land was under development and 3,138 acres remained as fully developed land. Accordingly, 37 percent of the total land provided had not been developed.

(g) In the 7 Systems that provided information to the audit, 123 investors who were provided land had lease rent outstanding of Rs. 68,598,808 as of December 31, 2020

(h) According to paragraph 199(3) of the State Lands Ordinance Act No. 08 of 1947, prior written approval of the Minister must be obtained under regulation 21(1) enacted under the State Land Ordinance Act for every selective lease of government lands. However, tenure of 3,750 acres of land had been approved by the Board of Directors to be handed over to six investors without prior written approval. Also, no environmental impact assessment was done before handing over the tenure of these lands. Furthermore, applications for these lands were not called from investors in a competitive and transparent manner and instead it was referred to the Task Force on National Food Production. Unless otherwise ordered by the Minister in terms of paragraph 199(4) of the State Lands Ordinance No. 08 of 1947, whenever a selective grant or lease is intended to be issued, a notice thereof shall be published in the Gazette under State Lands Regulation No. 21(2) But this was not done. It was also not possible to implement investment projects due to legal actions taken by external parties against disposition of land.



**W.W P. C. Wickramaratne**  
**Auditor General**

# **Comments of the Director General on the Report of the Auditor General**

## **Part IV**



## ශ්‍රී ලංකා මහවැලි අධිකාරිය

අංක: 500, ටී. ඩී. ජයා මාවත, කොළඹ 10.

இலங்கை மகாவலி அதிகாரசபை

இல.: 500, டி.பி. ஜயா மாவத்தை, கொழும்பு 10.

## Mahaweli Authority of Sri Lanka

No.: 500, T.B. Jayah Mawatha, Colombo 10, Sri Lanka.

දුරකථනය  
தொலைபேசி } 011-2687491-5  
Telephone

ෆැක්ස් අංකය  
பெக்ஸ் இல. } 011-2687391  
Fax No. } 011-2687240

විද්‍යුත් තැපෑල  
மின்னஞ்சல் } dgmasl@sltnet.lk  
E-mail } dg@mahaweli.gov.lk

වෙබ් අඩවිය  
இணையத்தளம் } www.mahaweli.gov.lk  
Website

මගේ අංකය - IEN/B/MASL/01/20/12  
2021.08.17

### **Report of the Auditor General on the Financial Statements of the Mahaweli Authority of Sri Lanka and other legal and regulatory requirements of for the year ended 31 December 2020 in terms of Section 12 of the National Audit Act No. 19 of 2018**

My responses with regard to the Report of the Auditor General referred to me under IEN/B/MASL/01/20/12 and dated 16 .07.2021 in terms of Section 12 of the National Audit Act No. 19 of 2018 are as follows.

#### 1.2

(a)The Mahaweli Authority of Sri Lanka has used unaudited accounts when consolidating financial statements of its subsidiaries in the consolidated financial statements every year. Further subsidiaries also submit their financial statements for the audit by 28<sup>th</sup> February each year.

However, if the financial statements of the subsidiaries are to be audited and consolidated financial statements are to be prepared based on the audited financial statements, the consolidated financial statements cannot be prepared and submitted to the audit before February 28 of each year as per the statutory requirement.

Mahaweli Livestock & Agro Enterprises (Pvt) Ltd had submitted financial statements on 24.02.2021 with the approval of the Board of Directors of that company and Mahaweli Consultancy Bureau (Private) Limited had submitted financial statements after solving some legal issues of the company with the approval of its Board of Directors.

(b) The revalued value of Canals is included in the financial statements under “Property, Plant and Equipment” and relevant accounting policy is given by Note No. 3.2

As the useful life of the asset is required to depreciate the canals, I will conduct a technical study on the same and submit it with the financial statements of the year 2021.

(c) The ownership regarding the 12 main dams and 463 tanks maintained by the Sri Lanka Mahaweli Authority will be thoroughly studied to see if they are shown as fixed assets in the final accounts on the basis of any ownership of other departments, corporations and statutory bodies and will be accounted for.

(d) Using the allocations of the Sri Lanka Mahaweli Authority, together with the Department of National Community Water Supply, 30 water treatment plants in Mahaweli Systems B and L were installed at a cost of Rs. 80 million and the machines were formally handed over (disposed) to the community-based organizations. Its maintenance and administrative work are carried out by the community-based organizations under the supervision of the Mahaweli Authority. Accordingly, this cost has been included in the final accounts on 31.12.2020 as an expense under budget code 2815.

(e). Of the value of fixed assets not yet accounted for, Rs. 12,561,000.00 worth of fixed assets (03 tipper trucks bearing registration numbers WPLL-5253, WPLI-5254 and WPLI5249 worth Rs. 4,187,000.00 each) had been handed over to the Moragahakanda project and those fixed assets are included in the fixed assets register of that project.

Furthermore, due to the fact that no formal procedure had been adopted in the delivery of these assets by the project, there are problems related to the accounting of the remaining assets. I will resolve those issues and take action to account for the total value as a "grant" in the year 2021.

The Moragahakanda project is an active project. When this project had handed over the "Moragahakanda Hydro-electricity Plant" worth Rs 31,764,284,274 to the Mahaweli Authority of Sri Lanka, the fixed assets in the accounts of the Moragahakanda project were removed from Fixed Assets account and shown as "debtors" and since the project is active, the Mahaweli Authority of Sri Lanka had concurrently stated it under "creditors". Please note that if any write offs are to be made against the income/funds in the accounts of the project on the date of completion of the project, then it may be shown as a "grant" in the financial statements of Mahaweli Authority of Sri Lanka.

(f). This will be looked into and will be submitted.

(g) It has been referred to the Department of Valuation to get the valuation reports related to the 02 plots of land. Due to the fact that the Mahaweli Authority of Sri Lanka could not submit the letters of confirmation (deeds) about the ownership of the said land for the said valuation, it has not been possible to obtain the relevant valuation reports so far. Therefore, I would like to inform you that copies of the relevant deeds will be obtained and it will be taken into account in the year 2021.

These lands are state lands and have been turned over to the Mahaweli Authority for management and administration only. Accordingly, while Mahaweli Authority has the right to use the land for maintaining the office premises of Mahaweli Authority, construction of buildings required to provide services and development activities of the community in the lands of the area declared by the Gazette, it does not have the absolute right to those lands.

Further Lands used for development activities are disposed to Mahaweli settlers and entrepreneurs. Dry cultivation lands, Irrigated, Agriculture and Rainfed lands are provided free of charge to the farming community under the Land Development Ordinance, while entrepreneurs and persons belonging high income group are given commercial and investment Lands under the State Land Ordinance subject to lease rent based on government valuation and also homestead lands are alienated after recovering the Government valuation.

It has taken a long time to assess a single plot of land after submitting the request to the Valuation Department for valuation of the lands to be alienated on leasehold basis.

(h). Accepted. Action was taken to correct it via a journal entry.

(i). With the financial statement of the year 2021, I will take action to disclose each of the debtor's balances and time analysis.

**Reference to the laws, rules and regulations, or orders**

(a). The main sources of income of the Mahaweli Authority of Sri Lanka are land taxes from lands and royalty from use of lands for natural resources such as sand, soil, water. All these are mere incomes from natural resources that are used without any modification (i.e., without adding value by using in manufacturing) for the provision of services, and therefore I inform you that this income is not subject to value added tax.

But when water, which is a natural resource, is sold to another entity or an individual, some value is added to that natural resource. While the royalty income earned on the leasing (sale) of water is subject to value added tax, the annual royalty income of Mahaweli Authority of Sri Lanka does not exceed 300 million rupees and therefore as per the gazette notification issued by the government on 06.01.2020 I inform it is not subject to Value Added Tax.

(b) According to the transfer procedure, the annual transfers could not be carried out in the years 2020 and 2021 due to the covid pandemic situation, but now the Security Corps have been appropriately stationed under internal program. I will also arrange for the civilian staff to be posted accordingly.

(c). Accepted. I noted down to submit with financial statements of the year 2021.

(d) (i) These lands are state lands and have been turned over to the Mahaweli Authority for management and administration only. Accordingly, while Mahaweli Authority has the right to use the land for maintaining the office premises of Mahaweli Authority, construction of buildings required to provide services and development activities of the community in the lands of the area declared by the Gazette, it does not have the absolute right to those lands.

Further Lands used for development activities are disposed to Mahaweli settlers and entrepreneurs. Dry cultivation lands, Irrigated, Agriculture and Rainfed lands are provided free of charge to the farming community under the Land Development Ordinance, while entrepreneurs and persons belonging high income group are given commercial and investment Lands under the State Land Ordinance subject to lease rent based on government valuation and also homestead lands are alienated after recovering the Government valuation.

It has taken a long time to assess a single plot of land after submitting the request to the Valuation Department for valuation of the lands to be alienated on leasehold basis.

(ii) The relevant information has been updated for the year ending 31.12.2019 and submitted to the Comptroller General by now.

(e) As per the circular, action has been taken to charge an amount of 12 ½ % of the monthly salary as house rent for the quarters provided to the government employees. Legal steps have been taken in 2018 to take back the possession from the officers who had not done so. As a result, CECB entered into an annual contract with us, subject to formal approval, for 14 quarters where CECB staff resided without paying rent and without informing about the residents and paid monthly rent from the year 2018.

Instead of paying 12 ½% as per the circular for 24 quarters for the officials of Ceylon Electricity Board, the "rent amount" determined by a committee in the year 2002 has been paid to the Mahaweli Authority (Ceylon Electricity Board employees were also informed to pay 12 ½%

as rent as per circular and legal action is being taken against them for failing to adhere to a proper procedure for housing).

06 quarters were allotted to the Institute of Fundamental Studies from the outset. Their rent was not updated and a fixed monthly rent decided at the outset was collected from the residents and our Authority continues to receive it till now. But that institute has failed till now, to make payment of rent up to 12 ½% of the salary

Since these buildings are in a very dilapidated state and our organization does not do all the maintenance work, it was informed to us that it is unfair to ask for a monthly house rent of 12 ½% from each employee.

Furthermore, they have also asked to transfer these 06 houses to their organization so they can use their organizational allocations to carry out the necessary repairs in the quarters.

Accordingly, the assessment of the monthly rent of the houses was referred to the Department of Valuation with the agreement of both parties and recently the Department of Valuation conducted a field inspection of the buildings. We have not received the report related to that survey up to now. After receiving the said report with the rent amounts fixed by the Department of Valuation, we have decided to proceed accordingly.

02 Quarters which have not been used for a long time (not applied for by the employees of our institution) have been contractually provided by following formal procedure to minor staff of two government institutions, namely the Rehabilitation Hospital and the Regional Secretariat, by charging an amount approximate to the government valuation. These two quarters are bachelor pads with single rooms and are two small houses built around 40 years ago by the project for minor employees. These two bachelor quarters were rented out on the basis of monthly rent for this type of (JSQ) houses of Rs. 400.00 - Rs. 500.00 that the Department of Valuation has fixed in the last report given by the Department.

(f) (i) After providing residential facilities to the employees of the Mahaweli Authority in the official housing camp, Digana, it has been arranged according to the provisions of internal circular No. A 1-2 section to provide temporary accommodation for the officers of external government agencies according to the demand. These quarters, which are more than 40 years old, are lying unused and are facing threat of deterioration. Therefore, by formally and contractually providing temporary accommodation according to the demand, on rent basis, the government not only receives income but it also helps to secure the asset.

From the beginning until now, decisions have been made through the housing committee in providing housing to external institutions. But, according to the circular, these houses are provided on a temporary basis and formally as per the recommendation of the heads of the respective government agencies according to the annual contracts. However, in the future, i.e., from the year 2021, I will take action to implement the policies according to the section A1-1 of the internal circular.

(ii) Since 1985, 24 houses belonging to Mahaweli Authority of Sri Lanka have been provided in Nilagama Housing Camp, Digana, for the residence of the employees of Ceylon Electricity Board. A specific amount of rent has been collected from the residents for this and sent to Mahaweli Authority of Sri Lanka till now. According to the internal circular No. DG/05/2002 of the Mahaweli Authority of Sri Lanka, the residents of the houses had been identified and they were notified several times in writing to enter into contracts with our institution, but so far, no response has been forthcoming regarding those instructions. But a specific amount of house rent determined by the residents of these houses around the year 2002 have been charged

from them monthly and proceeds have been sent to Mahaweli Authority of Sri Lanka. The Director, Major Dams and Reservoir Operations sent several letters regarding the failure to enter into contracts by the employees of Ceylon Electricity Board, but due to failure to respond, I have also notified in writing the Chairman of Ceylon Electricity Board. Up to now, no satisfactory response had been received for those correspondences and the Regional Manager, Central Province of the Ceylon Electricity Board had informed that the employees had entered into an internal agreement with the Electricity Board. Furthermore, it has been informed to us that these quarters were taken over by the Electricity Board and they will carry out the maintenance work and there is no need for them to enter into a contract with us. However, the Secretary, Ministry of Power was informed in writing for further action.

(iii) The administration of Digana Housing Camp implemented through three divisions of the Mahaweli Authority. Namely as Resident Project Manager (System E), Mahaweli Security Corps and Major Dams and Reservoir Operations Division. The number of houses administered and maintained in this manner by the Major Dams and Reservoir Operations Division, Digana is 85. I would like to inform you that in the future, necessary measures will be taken to properly maintain these houses and buildings within the existing allocation limits.

The relevant officials were advised to act according to the instructions of the internal circular, and accordingly the fixed asset register is updated from the year 2021.

(g). Contracts are awarded to Samurdhi associations, Agrarian Service Organizations, Farmers Organizations registered under the Mahaweli Authority and other registered organizations via Engineer in Charge's Office. When awarding contracts to Mahaweli farmers' organizations, the relevant documents are referred to the Block manager in the Mahaweli System to which the relevant farmer's organization belongs, where the block manager inspects and makes recommendations according to the relevant circulars.

Accordingly, this contract was awarded in accordance with the recommendations of the relevant officials as per the circular.

#### 2.2.4

(a). In order to recover the performance bond amount of Rs 169,317.90 related to the contract, the manager, People's Bank was informed in writing and action was taken to collect it.

Similarly, Manager, People's Bank has been informed in writing in order to recover the advance guarantee related to this contract of Rs. 1,015,907.00.

Legal action has also been initiated to recover money from the contractor. Further, action has been taken to terminate this contract and suspend payments for the "work done" portion of the contract

After recovering the relevant amount from the contractor, it is planned to complete the remaining work in 2021 through another contract.

(b). The relevant contract award has been canceled by my letter No. DDG/CON/MSO/DIG/B3 dated 17.02.2021. The relevant bid security fee of Rs. 35,000 was recovered from the final payment to S.S.P. Engineers Limited for the contract No. DDG/CON/MSO/DIG/B/04. Repairs are planned for the next year according to the proposed allocation.

### 2.3 Other Observations

(a) An investigation had been conducted by the Internal Audit Division regarding this accident. Also, after this accident, an internal committee appointed by myself had inspected the vehicle and submitted a comprehensive report.

(b). After considering the requests made by the Ministry of Agriculture and the Ministry of Irrigation, Security Corps have been assigned to other ministries and offices. Steps have been taken to pay the salaries of those officers through Mahaweli Authority of Sri Lanka and to get the amounts reimbursed.

(c). Although there is an approved cadre for the Mahaweli Security Corps, due to the security roles especially in the newly developed areas of Moragahakanda and Madirigiriya, which are being developed through the development project such as Moragahakanda Kaluganga, a requirement for an additional number of security personnel above the approved cadre has arisen. Therefore, I kindly inform you that we are currently discussing with all the divisions of the Mahaweli Authority of Sri Lanka and making revisions to the approved cadre and studying about the staff to be allocated for each division.

Although the post of Engineering Assistant has not been approved for the Mahaweli Security Corps, an "Engineering Assistant" has been assigned so as not to interfere with other workstations, as the need for an Engineering Assistant has arisen due to the maintenance work of the Detachment and Area offices and quarters and buildings of the Corps. Also, although the two Regional Manager positions are not included in the cadre of the Mahaweli Authority of Sri Lanka approved on 22.08.2011, the two Regional Managers who were working at that time will be kept in that position until they retire or promoted and it would be personal to them. Also, although the position of "Cook" is not included in the security corps cadre, the food preparation for the troops providing security services under the Major Dams and Reservoir Operations Division (especially in relation to the major dams and reservoirs) has been done by these employees.

Also, although 77 posts are vacant, I would like to inform you that interviews were conducted and suitable officers were recruited for the posts of Assistant Director, Accountant, Security Officer and Bookkeeper. A request has been made from the Department of Management Services to revise the qualifications mentioned in the recruitment procedure approved on 12.06.2013 for the Security Supervisor posts. (The security personnel recruited under the old recruitment procedure were from those who completed eighth grade, so they should be given this as a promotion, but the approved recruitment is to be from those who passed GCE (O/L).)

As both the posts of drivers and security guards are under the PL service category, the Department of Management Services has advised not to make those recruitments at this time.

I kindly inform you that they are being recruited by the Department of Multipurpose Development Task Force under the program of providing 100,000 jobs according to the "Vistas of Prosperity" policy statement which is currently being implemented by the government.

I kindly inform you that it needs to be done due to the following reasons.

- As the security network operating in all Mahaweli areas is implemented through the headquarters, an operational officer and an assistant (02 Nos) are employed at the headquarters office.
- As the post of Technical Officer is not approved for this Division, a Security Supervisor (Nos 01) is attached to the Headquarters Office for the maintenance of camps including staff quarters, circuit bungalows, offices and store complexes.

- Since the post of Supply Officer is not an approved post for this division and as there is no Supply Officer, the role has been assigned to an Assistant Security Superintendent (Nos 01) posted at Headquarters.
- A security guard was trained and posted at the Headquarters office as the custodian of the archives that includes 35 years of information regarding issue of arms/ammunition , security communication equipment information, administrative finance and accounting information, employee provident fund related information of this division (Nos 01)
- A security guard has been assigned to the warehouse officer in the headquarters warehouse complex as there are no laborers for assistant duties. (Nos 01)
- A Security Guard (Nos 01) is attached to the Headquarters Staff is assigned to the Kaluganga Detachment.
- As indicated by No. 2 above, since there is not enough number of Management Assistants, arrangements have been made to get the services of a female security officer and male security officer for the Administration Section and the Transport Section. (Nos. 02) Two Security officers have been assigned to the headquarters for the support duties of the Assistant Security Office. (Number 02)

(d). This center has been administrated by an electrical engineer under the supervision of Polgolla Engineer-in-Charge since June 2018, and is currently used for the following activities.

- a. Providing necessary coordination for operations with all reservoir systems to control flood situations arising especially during the latter half of every year, i.e., November and December, due to heavy rainfall caused by unpredictable changes of weather.
- b. When staff attendance was limited in order to control of the spread of the Covid-19 epidemic, maintaining necessary coordination for carrying out the safety and operational procedures of all dams and reservoirs without hindrance, from the beginning of the year 2020
- c. Engaging engineers to participate in international conferences held by the International Commission on Large Dams (ICOLD) using Zoom technology, (CFRD Webinar conference and Hydro 2020 conference held on 26, 27, 28.10.2020)
- d. Conducting meetings attended by Hon'ble Ministers, Secretaries of Ministry, officials of Mahaweli Authority of Sri Lanka and Engineer in Charge meetings.
- e. Conducting Engineer in Charge meeting with real time weather data, data on water levels and capacity of reservoirs, equipment installed for dam protection, etc.

However, despite notifying the Central Environmental Authority several times to release the adjacent building in order to assign the staff to this building, due to the failure to vacate that building, it has not been possible to assign the staff of the Digana office for this purpose.

In this regard, I have informed the Central Environmental Authority on several occasions, but till now the relevant building has not been released by the Central Environmental Authority.

(e) In order to carry out these transfers, relevant information has been forwarded to the Department of Valuation in order to obtain the valuation reports of the warehouse buildings belonging to the Mahaweli Authority of Sri Lanka and requested by the Paddy Marketing Board. I inform that further action will be taken after receiving the valuation reports.

(f). About 60 plots of land have been alienated for investment projects in Mahaweli L, Rambakanoya, Moragahakanda and its area is about 2600 acres. In Rambakanoya region, about 1250 acres have been given to 4 investors for cultivation and the development activities were hampered due to the public protests arisen against it when they were preparing the land for

cultivation. Accordingly, approval of the Cabinet was sought to dispose relevant 1250 acres of land to the 4 investors and it was informed to dispose of the project land based on the environmental recommendation and performance. Apart from that, of the investors to whom the land was disposed in Rambakenoya region, letters of demand were sent to those investors who defaulted on their lease rent and accordingly, legal proceedings are being initiated to recover the said lease rent. The Resident Project Manager, Rambakenoya, has submitted a program with a time frame to terminate lease rights of the 06 investors who defaulted on their lease rent, by the second week of September due to difficulties in sending out notices and calling the people for investigations arisen from the travel restrictions imposed pertaining to the prevalent covid 19 epidemics. Accordingly, actions will be taken to terminate the leases to all investment project lands from which lease payments could not be recovered, by September.

System L had leased 1035 acres to 29 investors from Pansal Kanda area and to 09 investors from Halambawewa area and it had not been possible to develop these lands due to the failure to obtain approval from the Central Environmental Authority, Department of Archeology and Department of Wildlife. This was discussed with the relevant line agencies and it is necessary to get the approval of the Department of Wildlife to get environmental approval. It has been informed that the lands of 05 investors who had land disposed from the Pansal Kanda area, are required to be transferred back to the government to be maintained as a corridor for movement of wild animals and once this is done approval of the department can be obtained. Accordingly, discussions are ongoing regarding the provision of alternative lands in place of 05 plots of land that will be taken over. Accordingly, after the approval of the relevant line agencies, it will be possible to develop the respective plots of land.

About 80 acres have been disposed for 08 investors in Moragahakanda region and business activities are being carried out on 04 plots of land. 03 plots of land have been disposed for tourism projects and the projects have not been initiated as the infrastructure for developing those projects are yet to be completed. Accordingly, the Authority is currently working for the development of infrastructure. One of the projects is a filling station and its long-term deed of lease has been referred to His Excellency the President for counterpart signature. Deed of lease is required for setting up filling stations. Once the deed of lease is obtained, the developer agrees to start the filling station and pay the lease rent.

Further, Information about investment projects in Systems B, C, E, H, Walawa, Huruluwewa is also prepared to be submitted to the audit as per the relevant requests.

(g). An amount of Rs 4,551,474.00 out of the amount of Rs 68,598,808.00 has been recovered so far as mentioned below.

➤ System C	-	<b>Rs 459,729.00</b>
➤ System H	-	<b>Rs 208,017.00</b>
➤ Victoria	-	<b>Rs 562,951.00</b>
➤ Kothmale	-	<b>Rs 1,286,199.00</b>
➤ Moragahakanda	-	<b>Rs 1,288,478.00</b>
➤ Rambakenoya	-	<b>Rs. 472,500.00</b>
➤ Walawe	-	<b>Rs. 273,600.00</b>
		<b>Rs 4,551,474.00</b>

#### Note

Although land has been disposed for investment projects in the System L until the year 2020, the projects cannot be continued without proper approval from the relevant line agencies, so the memorandum to get the Board of Directors' approval to cancel them and to write off the

outstanding lease rent amount of Rs. 10,027,663.00 for those projects has been submitted to the Board of Directors.

(h). About 1250 acres in the Rambakenoya area has temporarily been leased by the Director General for a single season to four investors on the approval of the Task Force on National Food Production and the Board of Directors to meet the import food crop production targets according to the government policies. Due to the public protests after the lease, the development of the respective plots of land was hindered. Therefore, a memorandum was submitted to the Cabinet to obtain approval for the lease of these plots of land and instructions were given to submit a detailed report regarding the results obtained by the implementation of the initial cultivation program, including an environmental assessment through the minister to the Cabinet before leasing out these lands to the investors. Accordingly, no lands have been provided to these 7 investors from Rambakenoya region under long term lease basis.

Streamlining the system of provision of land.

Action had been taken to inform all Resident Project Managers and departments dealing with disposal of land regarding the streamlining of the process to be followed in disposal of state lands by the Circular No. 1/2021 of the Secretary to the Ministry of Irrigation on disposal of lands in the special areas owned by the Mahaweli Authority Accordingly, the Mahaweli Authority has carried out the procedure regarding provision of lands, under the State Land Ordinance and Land Development Ordinance, in a transparent and formal manner.



Keerthi B. Kotagama

Director General

Mahaweli Authority of Sri Lanka

Copy - Secretary, Ministry of Irrigation - F.Y.I.N.A

**Performance Report of the  
Mahaweli Authority of  
Sri Lanka**

**2020**

**Part V**

## **1. Mahaweli Consolidation Project**

- **Objectives:** Increasing income levels of rural communities settled in the Maduru Oya Left Bank area assuring irrigation water supply for their agriculture
- **Project Period:** 2007-2021
- **Benefitted districts and no. of families:** 20,000 families in Polonnaruwa and Batticaloa Districts
- **Total Estimated Investment:** Rs 4,910 Mn
- **Cumulative expenditure (December 2020):** Rs 4,555.55 Mn
- **Financial Progress as at 31 December 2020**

<b>Allocation (Rs.Mn)</b>	<b>Imprest Received (Rs.Mn)</b>	<b>Expenditure (Rs.Mn)</b>
129.00	91.00	91.00

- **Physical Progress as at 31.12.2020**

<b>Description of completed works</b>	<b>Physical Progresses</b>
Construction/ Rehabilitation of Distribution Canal	3.1Km
Construction/ Rehabilitation of Field Canal	31.2Km
Maintenance of common Buildings	01
Participatory Field Canal Rehabilitation	1.25Km



## **2. System B Maduruoya Right Bank Development project (Malwenna and Mahawelithanne)**

- **Objectives:** Enhance the socio-economic condition of 859 resettling families in Malwenna and mahawelithenna unit through Irrigated Agriculture Development.
- **Project Period** : 2014-2022
- **Benefitted districts and No. of families:** 847 families in Pollonnaruwa& Batticaloa (Koralepaththu North, Welikanda) Districts
- **Total Estimated Investment** : Rs 935.5 Mn
- **Cumulative expenditure** : Rs 707.92 Mn
- **Financial Progress as at 31.12.2020**

Allocation (Rs.Mn)	Fund receipt (Rs.Mn)	Expenditure (Rs.Mn)
13.50	8.45	8.45

- **Physical progress in 2020**

Description	Physical Progresses as at 30.12.2020
Construction of Field Canal	2.9 Km
Construction of Distribution Canal	1.5 Km
Construction of box culvert	1



### **3. Redeemaliyadda Integrated Development Project**

- **Objectives:** Developing infrastructure facilities and to open up agriculture-based production and sustainable income avenues for the families in the areas under Mahaweli zones
- **Project Period:** 2012-2022
- **Benefitted districts and No. of families:** 14,782 families in Rideemaliyadda in Badulla District
- **Total Estimated Investment:** Rs 1,100 Mn
- **Cumulative expenditure:** Rs 699.13 Mn
- **Financial Progress as at 31 December 2020**

<b>Allocation (Rs.Mn)</b>	<b>Imprest Received (Rs.Mn)</b>	<b>Expenditure (Rs.Mn)</b>
35.00	25.71	25.71

- **Physical progress as at 31.12.2020:**

<b>Description of completed works</b>	<b>Physical Progresses</b>
Rehabilitation of Irrigation canal system	3.74 km of irrigation canal and 3 Anicuts Completed
Rehabilitation of Roads	250m completed and 03 Culverts completed
Construction & Maintenance of common Buildings	02 Building construction completed; 03 building maintenance completed
Institution Development Programmes	29 Programs
Agriculture and Livestock Development	Extension services for 2500 families



#### **4. Rambakenoya Integrated Development Project**

• **Objectives:** Completing the balance downstream development of the Rambaken Oya reservoir project through the development of land, agriculture and settlement activities

• **Project Period:** 2012-2023

• **Benefitted districts and No. of families:** 3,550 families in Mahaoya and Padiyathalawa in Ampara Districts

• **Total Estimated Investment** : Rs 1,086 Mn

• **Cumulative expenditure (December 2020):** Rs 487.38 Mn

• **Financial Progress as at 31 December 2020**

<b>Allocation (Rs.Mn)</b>	<b>Imprest Received (Rs.Mn)</b>	<b>Expenditure (Rs.Mn)</b>
53.60	38.714	38.714

• **Physical Progress as at 31.12.2020**

<b>Description of completed works</b>	<b>Physical Progresses</b>
Rehabilitation of Roads	5 Road Rehabilitation
Construction of building	10 buildings
Land and land Development (compensation)	<ul style="list-style-type: none"> <li>• 540No of Lots Completed</li> <li>• 22 Lots of Rough leveling</li> </ul>
Agriculture and Livestock Development	Extension services for 3550families
Institutional Development Programmes	42 Programme
Business Development Programme	01Programme
Environment	Maintenance of Electric fence and Live fence – 10km Replanting - 9550 Plants



## 5. Welioya Integrated Development Project -System L

- **Objectives:** Providing homestead, irrigated lands and necessary physical, socio-economic infrastructure for displaced families
- **Project Period:** 2012-2023
- **Benefitted districts and No. of families:** 6,788 families in Anuradhapura, Vavuniya, Mullative Districts
- **Total Estimated Investment:** Rs 3,957.10 Mn
- **Cumulative expenditure (December 2020):** Rs 2,288.75 Mn
- **Financial Progress as at 31 December 2020**

Allocation (Rs.Mn)	Imprest Received (Rs.Mn)	Expenditure (Rs.Mn)
106.50	85.161	85.161

- **Physical Progress as at 31.12.2020**

Description of completed works	Physical Progresses
Land marking and survey	1200 lots, Deeds 2637
Rehabilitation of irrigation canal	46 Structured & 13 Culverts Completed
Construction of buildings	14 building
Agriculture and Livestock Development	Extension services for 4,800 families



**6. Rehabilitation of major and medium irrigation schemes including emergency infrastructure rehabilitation works**

- **Objectives:** Repair and maintenance of major head works and reservoirs, rehabilitation of irrigation infrastructure and construction and rehabilitation of roads along the irrigation distribution channels in Mahaweli Systems
- **Project Period** : 2020 (Annual based project)
- **Benefitted districts and No. of families:** Families in all Mahaweli systems
- **Total Estimated Investment** : Rs 825 Mn
- **Cumulative expenditure** : Rs 704.39 Mn
- **Financial Progress as at 31.12.2020**

Allocation (Rs.Mn)	Fund receipt (Rs.Mn)	Expenditure (Rs.Mn)
64.00	43.24	43.24

- **Physical Progress in 2020**

Description	Physical Progresses as at 31.12.2020
Rehabilitation works of major reservoirs related infrastructure works	98 % of 8 major reservoirs

**7. Agriculture & Livestock development Project**

- **Objectives:** Enhancement of local food crop cultivation and livestock production to reduce agricultural imports to the country and to enhance the local food security
- **Project Period:** January to December 2020 (Request to NPD run as an annual base project)
- **Benefitted districts and No. of families:** All farmer families in Mahaweli systems
- **Total Estimated Investment** : Rs 138.10 Mn
- **Cumulative expenditure (December 2020):** Rs 112.98 Mn
- **Financial Progress as at 31 December 2020**

Allocation (Rs.Mn)	Imprest Received (Rs.Mn)	Expenditure (Rs.Mn)
138.10	116.18	112.98

### Agricultural Crop Cultivation

- Extent of paddy cultivation in Mahaweli areas recorded 94,778 ha with production of 551,956 mt of paddy production were recorded in 2019/2020 Maha season. The extent of paddy cultivation in 2020 Yala season were 74,363 ha with the production of paddy were recorded as 418,235 Mt. The total paddy production for 2019/2020 Maha and 2020 Yala were 970,191 Metric Tons. The average yield in terms of paddy was 5.7 mt/ha in Mahaweli areas.
- The extent of Other Crop Cultivation (Other Field Crops, Fruits, Vegetables and Perennial crops) were approximately 42,827 ha consist 23,711 ha of Other Field Crops, 13,298 ha of Fruits and further of 5,818 ha Perennial Crops were also cultivated.
- According to the Department of Agriculture data, MASL plays an active role in local agriculture production and development of the country while it accounts to 19% of Paddy, 74% of Soya bean, 4% of Groundnut production and 9% of Chilies during this period (According to Crop forecast 2019/20 Maha & 2020 Yala).



## **Progress of Activities carried out by each sector**

### **▪ Progress of Agriculture Sector**

The State Ministry of Canals and Common Infrastructure Development in Settlement in Mahaweli Zones commenced a special programme to increase the food production in Mahaweli zones in parallel to “Saubhagya” National Food Production Programme and it is being implemented through Mahaweli Authority of Sri Lanka with the aim of achieving the self-sufficiency in locally produced food products for minimizing foreign exchange outflow for importing foods, and increasing the availability of quality food through environment friendly agricultural techniques. The aforementioned programme aims to achieve following objectives.

- Enhancing the productivity of paddy cultivation in Mahaweli zones, while increasing or at least maintaining the contribution of Mahaweli zone to the National Paddy Production at the same level (20% to 22%)
- Based on the National Requirement, diversifying a part of the Mahaweli irrigated lands for Other Field Crops, Fruits and Vegetable production
- Increasing the development of home gardens for ensuring the food security
- Extension of good agricultural practices to ensure quality food production, which are free from hazardous substances
- Using organic fertilizer to increase the efficiency in use of chemical fertilizer and further expansion of organic agricultural zone
- Developing Mahaweli Farms as quick integration of new research and modern agricultural techniques
- Production of seed paddy and other planting materials within the Mahaweli zone

### **Progress of activities carried out in 2020**

- Providing planting material and seeds for cultivation of additional crops for farmers by Mahaweli Authority of Sri Lanka at a concessionary price.
- Providing seeds and planting material under “Subhagya Homegarden Development Programme”
  - Providing 99,100 packets of seeds including 5 types of seeds in each pack (Amaranth, Radish, Spinach, Okra, Kakiri, Winged bean)

-Providing 61,309 sets of potted plants including 4 types of plants (Brinjal, Chillie, Tomato, Capsicum)

- Improving agriculture infrastructure and providing agriculture equipment (Construction of new agro-wells (20), rehabilitation of agro-wells (300), establishment of micro irrigation systems (110), Construction of Greenhouse / Shade house (20), Construction of rain covers (20), Construction of Mushroom Production House (20), Bee Box (300), Parachute Plate (40,000) etc.)
- Conducting extension and training programmes for farmers and field officers
- Establishing 14 model tracks for introducing advanced agriculture technologies (soil testing and fertilizer recommendation, large plot for easy mechanization, deep ploughing, integrated pest management)

### **Food production in Mahaweli Zone**

#### **Production of major agriculture products in Mahaweli zones (Including 2019/20 - Maha and 2020-Yala seasons)**

<b>Crop</b>	<b>Area (Ha)</b>	<b>Production (Mt)</b>
Paddy	169,141	970,191
Maize	2,831	7,434
Green Chilly	831	6,273
Soya	3,228	7,419
Big Onion	1160.3	22,162
Green Gram (Mung)	1,252	1,917
Cowpea	911	1,072
Groundnut	1,161	2,202
Black Gram	1,378	2,026
Finger Millet (Kurakkan)	360	614
Gingelly (Thala)	254	173
Yams	1,828	28,266
Vegetables	8,358.6	113,812
Fruits	13,298	169,355

### Aquaculture and livestock production in Mahaweli zones.

Production	Achievement 2020	Value (Rs.Mn)
Fresh Milk	26.4 (Litter Million)	1,925
Chicken	10,094 (Mt)	3,499
Inland fisheries	5,275 (Mt.)	1,515
Ornamental Fish	27 (Couples Mn.)	682

### Business Development

Project output	Targets for 2020	Progress in 2020 (As at 31.12.2020)
	No. of Units	No. of Units Completed
Investment Promotions	556	420
"Mahaweli Hela Bojunhala" Development Program	53	40
Circuit Bungalow Development & Monitoring Program	20	10
Providing financial support to SMEs	50	65
Eco tourism promotion programs	15	8
Entrepreneur enhancement programs	15	15
Development of human capital to start new Businesses	70	30
Market Promotion & coordination programs	10	6

### Distribution of Lands

Project output		Targets for 2020	Progress in 2020 (As at 31.12.2020)
		No. of Units	No. of Units Completed
Land Development Ordinance	Permits	11,500	11,416
	Grants	35,300	15,591

Crown Land Ordinance	Tax	2,270	90
	Grants	2,660	105
	Offerings	68	6
	Government Institutions	202	8

#### 2.2.4. Environment Conservation

Project output	Targets for 2020	Progress in 2020 (As at 31.12.2020)
	No. of Units	No. of Units Completed
<b>INCREASE NATIONAL FOREST COVER UP TO 30%</b>		
Plant Production	1,600,000(Plant)	851,602 Plants
Tree Planting	10,00,000(Plant)	557,661 Plants
Plant Production (Tissu culture)	300000(Plant)	120,000 Plants
<b>MANAGEMENT OF HUMAN ELEPHANT CONFLICT</b>		
Maintenance of Electric Fence	10(km)	10 Km
Construction of live fence	4(km)System E 25 Km (System B )	4(km) E
Maintenance of live Fence	4(km)	4(km)
<b>BIODIVERSITY CONSERVATION AND CATCHMENT QUALITY IMPROVEMENTS</b>		
Soil Conservation in Upper Catchment	20000(m)	17,991 m
Water Quality Monitoring in Upper Catchment(monthly)	25 (Location)	25 (Location)
IAS Control and management in Tanks and production of compost	25(tanks)	13 Tanks
<b>ENVIRONMENT EDUCATION AND PROMOTION</b>		
Environment Education and awareness	120(prog)	38 Prog
Mahaweli ThuruIthurum Program	10(prog)	9 Prog

