



# ANNUAL REPORT 2021



**GEOLOGICAL SURVEY & MINES BUREAU**

# *ANNUAL REPORT*

# *2021*



*Ministry of Environment*

***GEOLOGICAL SURVEY AND MINES BUREAU***

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“Contribute towards the socio economic development of sri lanka by understanding and managing earth and its dynamism to uplift people’s living standards and livelihoods while upholding social, cultural and environmental values”.

## VISION



To promote the conservation and management of the mineral resources of Sri Lanka and to ensure that the mineral potential is realized for the benefit of the country and the minerals are extracted in an efficient, safe and environmentally sound way.

## MISSION





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## Chairman's Review

First and foremost, I would like to mention that It's a great honour to share my message for the Annual Report of 2021, and I take this opportunity to express my sincere gratitude for all the members of the Geological Survey & Mines Bureau (GSMB) who worked with commitment and dedication to execute targets, projects and all the other works that was carried out in 2021.

In connection with the "Vistas of Prosperity" initiated by His Excellency Gotabaya Rajapaksa, the President of the Democratic Socialist Republic of Sri Lanka, we, GSMB contributed our best to build a sustainable socio - economic system while prioritizing environmental ethics and conventions, in collaboration with the Ministry of Environment.

Considering to the previous years, GSMB have shown a growth of 44% by earning a revenue of LKR 3,230 million. Out of the said earnings, LKR 2,000 million has been contributed to the General Treasury.

Hence, our fundamental goal is to show an impressive growth than in 2021 this year by working forward to advance our Organization as a productive Government Institution with an effective and innovative perspective from which we expect to contribute a notable percentage to the Country's economic Development and to improve the Gross Domestic Product (GDP).

Accordingly, we are expecting to contribute a notable percentage to the country's economic Development and to lead the improvement of Gross Domestic Product (GDP).

Respectively, it's planned to identify all the available mineral resources in Sri Lanka and thereafter, make a concise report of its benefits with available locations and the relevant quantities which could enable us to finally explore the current and future demands of the listed minerals in locally and internationally. As a result, it will enable us to attract the attention of the local and international community for the development of future projects and to create more opportunities in the mineral industry.

In particular, we are more focused in creating a systematic online solution to have an efficient operational process that will encourage providing an excellent service to the public without a hassel and become an efficient Government Institution which will strengthen the economic stability of Sri Lanka.

Since the public awareness is considerably less concerning our Organization which is considered as a responsible Government Institution of the majority of the country's precious mineral resources, which will develop exclusive promotional programs to build a positive and intense restructuring of our organization.

Finally, I am very confident that all of our members would extend their utmost support to achieve our future aspirations successfully, as done up until now.

**Dr. Senarath Hewage**  
**Chairman**





# Director General's Review

2021 was, in many ways, an extraordinary year; for our Bureau as well as for the World as a whole, where the best of Geological Survey and Mines Bureau were seen and the areas in which we required improvement.

We have taken additional measures to develop and strengthen our domestic customers as well as international customers, including a commitment to modernize and improve agreements in Geological Survey and Mines Bureau; home to our mining resources business.

We are also developing additional measures to strengthen our domestic customers as well as international customers, including a commitment to modernize and improve agreements in Geological Survey and Mines Bureau, home to our mining resources business.

More broadly, we are determined to improve our approach to communities and stakeholders globally, by embedding a more inclusive approach that strengthens our overall thinking, decision making, and performance. I am glad to say that this Bureau has the talent and commitment of all our employees and the quality of our assets and the contribution we make towards the society stimulate me to be optimistic about the future.

We have the strength and capabilities which has been built over our 119 long years of history of GSMB to restore our leadership in cultural heritage and communities and social performance. Furthermore, we will emerge as a better Government Institution in the future taking into account the lessons we have learnt in 2021 and I believe a Company's culture is the foundation from which its performance is built;

GSMB expects to publish our strong safety policies in the near future. This is an important milestone which was never achieved up until 2020. I would like to personally thank the many hundreds of employees and partners whose unstinted dedication and commitment made

it possible. Nevertheless there is more to do, while we are the main Government agency which is considered as one of the leading Industries in Sri Lanka. Our focus in the year 2022 will therefore, be on further maturing our safety systems which will lead to overall improvements in our safety performance and at the same time, improve our operations as well.

I am exceptionally proud in which we responded as one family in facing the global COVID-19 pandemic where our goal was to keep our employees and the communities safe and healthy while keeping our operations running and continuing to deliver a better service to our customers. For an example, in a matter of days, we redesigned rosters and changed our working schedules for hundreds of employees. We ensured that all fell in line with additional health practices by complying with the health guidelines issued by the Ministry of Health including social distancing, wearing face masks, washing hands etc. as well as following Ayurvedic guidelines.

We were one of the first domestic institutions to sustain employees for large scale rapid screening and vaccinations. Many of our employees made significant sacrifices this year often being away from families and their loved ones for extended periods of time. I take this opportunity to thank the Government of Sri Lanka who actively assisted us and permitted our operations to run smoothly and in doing so, I hope that we were able to extend a huge monetary benefit to the Government as a whole.

This year, we are setting a new scope to increase revenue by engaging globally and focusing mostly on our polished mine resources to the development of the industry as well as new goals and targets related to resources: we will work with customers towards achieving at least a 30% reduction in paper utilization from 2025 by using modern technologies.

I would also like to sincerely thank the Hon.

Minister Mr. Mahinda Amaraweera and the Board of Directors for their significant involvement to the development of the Bureau. Furthermore, I would like to thank all Officers and employees for their worthy contributions made towards our bureau over many years. As we look forward to the coming months and years ahead I look forward to all our team mates to work hard towards achieving our targets which I believe all of you are capable of and could succeed amidst all the difficult conditions we were faced with.

As Director General of the Geological Survey and Mines Bureau, I assure you that our operations are secured, efficient, and will be modernized in 2022 and beyond the years to come in the future as well by providing a high- quality reliable service to our customers. We expect to invest in sustainable innovations and grow our businesses whilst continuing to pay taxes and other dues to the Government, while creating job opportunities and partnering with other local businesses. However, But none of this will be possible without the dedication and hard work of our many hundreds of employees and customers whom we depend a lot.

Finally, I would like to pay my sincere gratitude to the Government of Sri Lanka, our loyal customers, partners and the loyal staff members who have tirelessly contributed towards achieving our objective a reality.

Wishing you good luck. !

**Eng.Sajjana D.Silva**  
**Director General**





## At a glance of GSMB

The main objective of this statutory body was to regulate the exploration for minerals, mining, transportation, processing, trading in and export of mineral products. The Geological Survey and Mines Bureau was established under the Mines and Minerals Act, No 33 of 1992. A section of this Act provides the transferring of functions of the Bureau of the Geological Survey Department which was one of the oldest government establishments set up in the year 1903.

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

Further, the speciality of this Bureau is to promote the conservation and management of the mineral resources of the country. Its main initiative is to ensure that the mineral potential is realized for the benefit of the country and the minerals are extracted in an efficient, safe and environmentally sound way. The major responsibilities of the Bureau are undertaking the systematic geological mapping and assessing the mineral resources of the country.

This Bureau has already achieved its targets from the facts discussed in previous Sections. Hence based at several Meetings, as suggested by the Chairman, it is proposed to present the projected plan for the upcoming year under the headings of Structural alterations and Procedural alterations respectively.

Under the Structural Alterations, the following topics are to be addressed.

- Amendment of GSMB Governing Act and Regulations
- Mineral Transportation using the Railway
- Value Additions – Processing of Minerals
- Increasing the Royalty of Limestone
- ERP System (Enterprise Resource Planning)
- Implementation of the decisions of PTF
- Exploration license
- Matters arising out of Contract Basis Employees
- Promoting industrial Minerals

The GSMB is expecting to significantly increase the contribution to the Gross Domestic Product (GDP) from 0.1% to 4% of the country.



This analysis is intended to assess the Bureau's current status enabling to make necessary structural adjustments towards the enhancement of its functions by strengthening the same. In a standard SWOT analysis the Strengths and Weaknesses are considered to be internal factors whereas the Opportunities and Threats are external.

### **Soundness of GSMB**

The main strength of the Bureau is its regulatory authority, which is empowered by the Mines and Mineral Act of 1992. Managing minerals and fulfilling the regulatory obligations of the mineral industry, the Bureau has strengthened its capacity along with required expertise with excellent standards. Experienced core-group of Professionals, facilitated by the supporting staff, including laboratory assistance along with the state-of-art equipment are the strengths of the Bureau which is considered to be unique. For more than hundred-year-long reputation of the Bureau, one of the main strengths have been the edge in competing as a service provider. Accumulated knowledge on minerals, long-developed strategies, norms in mineral exploration and related disciplines make the Bureau the pioneer entity in the sector.

### **Required Improvements**

The imbalance between the core-Professionals and the supporting staff is considered as the main hindrance in addition to the existing structural weaknesses. The dwindling Professionals to non-Professional ratio makes the Bureau an institute which shoulders unbearable overheads. Despite the core-groups and core-functions, such as the mineral exploration and issuance of licenses, remain constant for over decades, despite the supporting staff being accumulated. The ad-hoc decentralization of the issuance of licenses via regional set-up is another weakness of the Bureau, which

has been added drastically to the overheads. Absence of Standard Operational Procedures (SOP) in almost all sectors of the Bureau is a great weakness that allows personalizing decisions on its functions. The Bureau has heavily invested its man-power and resources in the construction of raw materials, particularly on sand, without carrying out a proper analysis which has neglected the opportunities which would have been a major contributory factor in making industrial minerals. The failure/shotcoming in the implementation of a secure mechanism for the acquisition of royalty is a lapse which eroded the financial strength of the Bureau.



### **Untapped Potentials**

The survival of State Regulatory Institutions in the open and liberalized economic environment depends on its appropriated transformation. The Bureau presently has an opportunity to transform /evolve into a cordial facilitator from stringent regulator, whilst providing an equal ground for all players in the sector keeping in tact the regulatory norms.

The Bureau has further overlooked for decades the fact of facilitating the mineral investments sector assuring raw material security in order to attract investments.

### **Possibility Threats**

The immediate, short-term, threat to the Bureau is its unprecedented overheads that have been further worsened due to the partial collapse of the construction industry. The mid-term threats are devolving of GSMB functions to external authorities involving committees and other entities. Professional staff leaving the Bureau seeking greener pastures abroad is a long standing threat to the Bureau which could have a great impact on the industry as a whole.

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## Board o



**Dr. Senarath Hewage**  
Chairman to the Board



**Mr. A.R. Wickramarathna**  
Board Member

**Mr. W.D.S.C. Weliwatta**  
Board Member



**Mr. I.C. Pathiraja**  
Board Member



**Mr. T.H.M.P. Sagara**  
Board Member

**Mr. Eng. Sajjana De Silva**  
Board Member





**Mr .T.H.Eknathgedara**  
**Board Member**



**Ms.S.N.B.Thaldena**  
**Board Secretary**

**Mr.K.V Jagath Keerthi**  
**Kumara Board Secretary**  
**(Oct 2020 – Oct 2021)**



## Senior Management



**Dr.W.I.S Fernando**  
Senior Director (Geology) Acting



**Mr.M.M.J.P Ajith Prema**  
Director (Mapping & Geo Information)



**Mrs.K.A.P.H Liyanarachchi**  
Director (Mineral Titling)



**Mrs.Y.P.S Siriwardhana**  
Director (Lab & Mineral Testing)



**Mr.L.A Fernando**  
Director (Environment Impact Assesment & Regions)



**Mr.K.V Jagath Keerthi Kumara**  
Director (Mines Safety)



**Mr.U.J.P Senarathna**  
Director (Human Resources)



**Mrs. Sumedha Rahubaddhe**  
Director (Finance)



**Mrs.M.S.K Fernando**  
Director (Legal) Attn.to duty

## Upcoming Strategies of the GSMB

Under the Procedural Alterations, the following topics are to be addressed.

01

Amendments to be done for the governing Act of GSMB - This will ease the operational/functional difficulties and to update aligned with modern day market requirements. To achieve this task, it has been decided to finalize the identified amendments by obtaining Expertise guidance/assistance.

02

Adoption of a Procedural Manual for the smooth functioning of the Bureau. This task was decided to be assigned to an outside Human Resources Consultant.

03

Scheme of Recruitment (SOR) Change to minimize the issues of the workers which task will be handed over to the Human Resources Division.

04

To raise awareness on the kinds of minerals in Sri Lanka, it is proposed to prepare the Geology Map, Mineral and Quaternary Map of Sri Lanka. This task will also cover the compilation and printing of the Southern Province Mineral Map, Field and Lab work of Kathiraveli- Kalkudah-Vakaneri.

05

ERP System (Enterprise Resource Planning) – This task will be done in line with the Government Procurement procedure which will assist the streamlining of the operational functions and optimize its Organizational productivity.

06

In order to uplift the standards of GSMB, it was decided to apply for the implementation of the Quality Management System ISO 9000/2015.

07

It was decided to implement the “One stop shop’ concept specially to procure Industrial Minerals under one Roof. This will ease the burden of preparation of documentation involving Government Institutions.

08

To make the public aware of accurate information, it was decided to publish such information in the printed media.

09

It was also decided to finalize the Action Plan for 2023, Corporate Plan and the Annual Report of the Mining Division along with the following activities.

(i) Issuing of two Mining Licenses for Off –Shore Sand dredging for Port Development Project.

(ii) To smoothen the process for exporting One Hundred Cubic Metres of Sea Sand to the Maldivian Islands.

(iii) Implementation of large scale rehabilitation projects

(iv) To continue with the Safety Awareness programmes for remaining Regions

It has been suggested to extend the scope of the regional activities and uplifting of the Regional Offices by establishing a Regional Office in the Puttalam District

10

11

Based on the Off Shore Mining License, it has been suggested to generate income from the Mining Division.

Suggested to implement a rehabilitation programme by the Mining Safety Division for one of the Regions to restore the impact made in the environment.

12

In addition to the above, the Geological Survey and Mines Bureau is pleased to announce that it has contributed Rs.2 billion to the Consolidated Fund in 2021 whilst paying an Income Tax of 15% for the total income earned by the Bureau.

# Strategic Objectives



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# About the Bureau

## We lead the Mineral Industries in Sri Lanka

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

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

Sri Lanka being a small country, its sub surface mineral wealth is also equally small. Therefore, the organization, whilst encouraging the establishment of mineral based industries, emphasizes frugal use

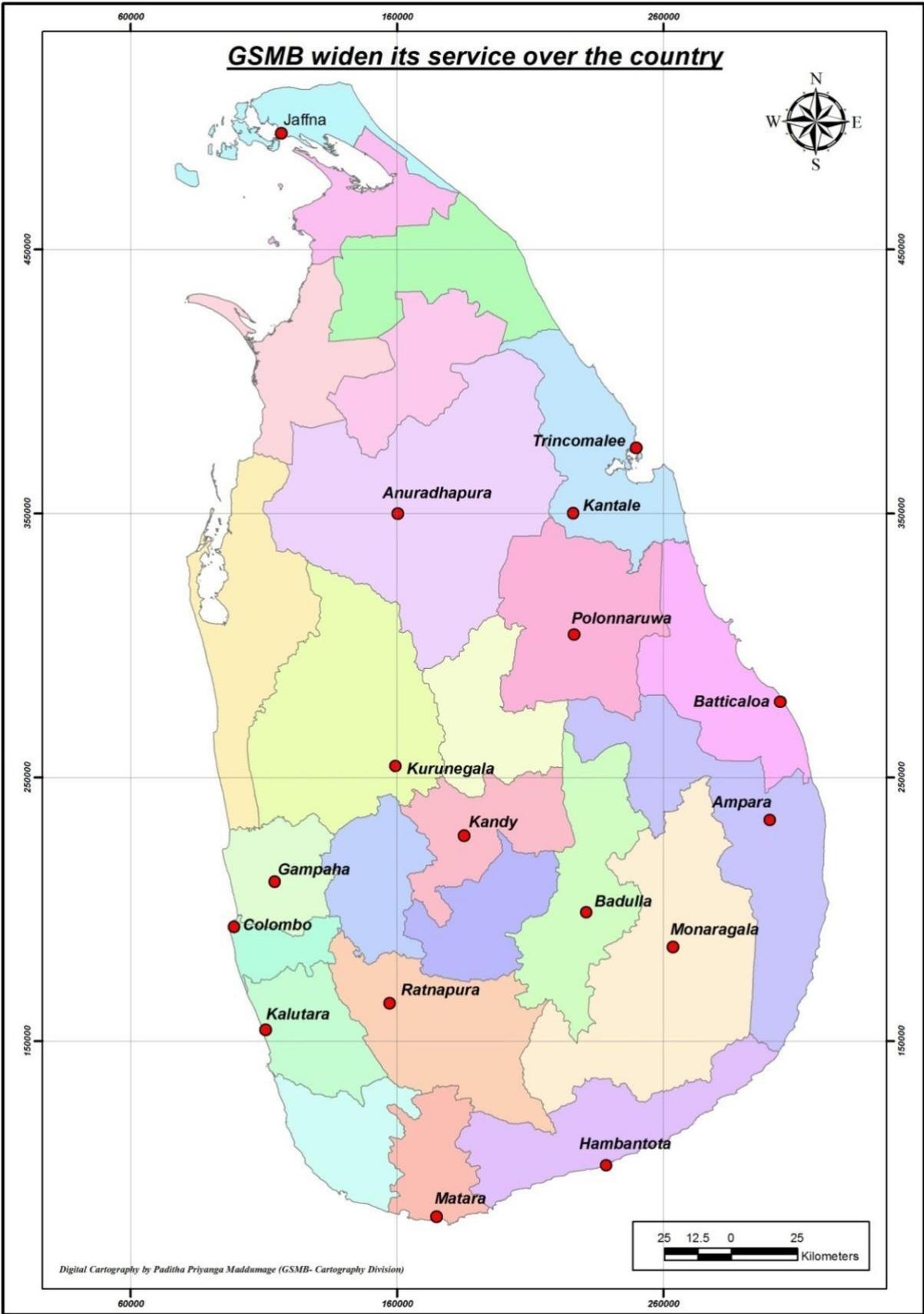
of minerals and warns against waste, as minerals are non-renewable commodities.

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

The Bureau has four primary operations: geological mapping and mineral exploration,

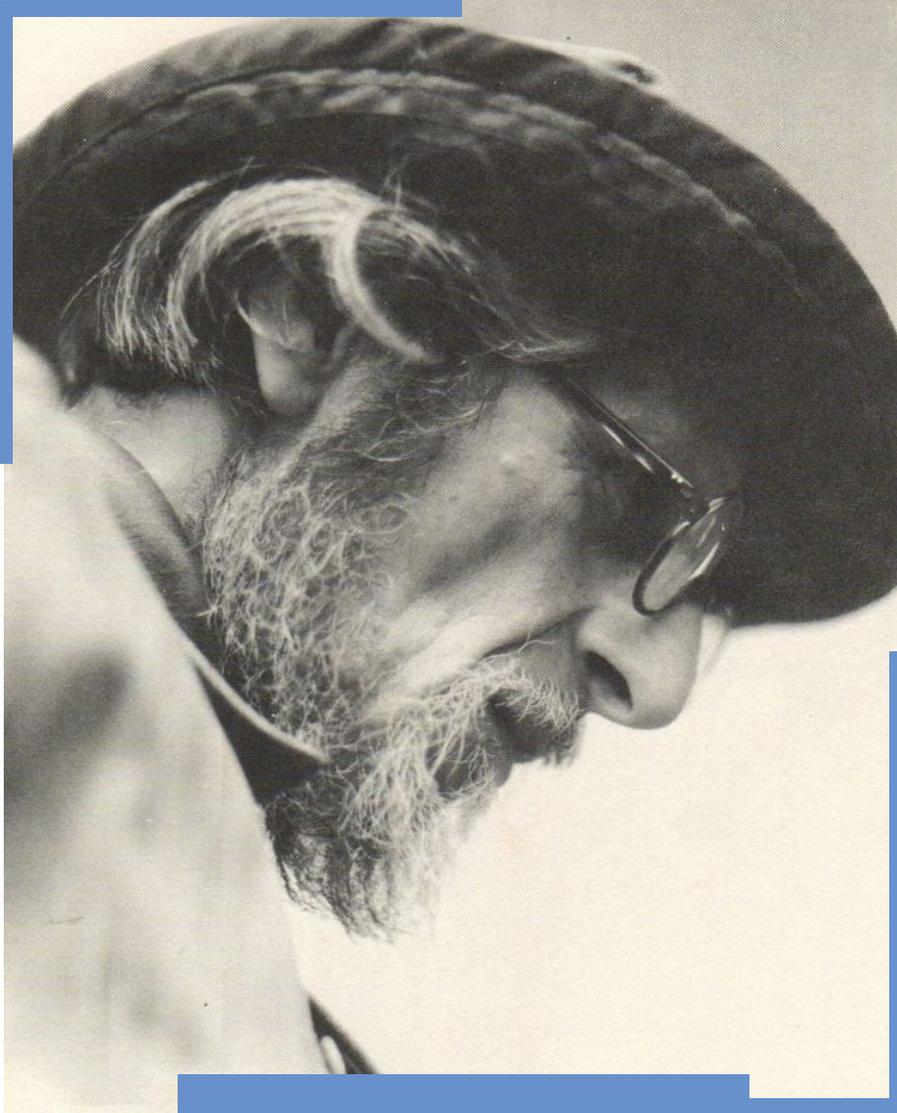
mining titles and mining regulation (core activity); client responsive activities (mineral resource surveys, laboratory services, geophysical and drilling contracts) and geo-science information (access to published and unpublished reports, maps and other archives in its Library).

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





# Historical Background



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

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

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

# Our Response to COVID – 19

1. GSMB has issued a few circulars to implement continuous services to the public as Policy measures during the first half of 2021. We also provided transport facilities for our employees who needed same in order to report for work.



*Wash Hand*

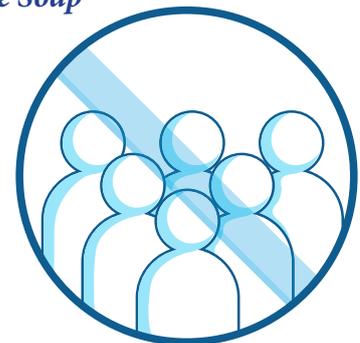
2. To mitigate the impact of the COVID-19 pandemic, the GSMB outlined different measures to open regional offices to operate at a certain capacity.



*Use Soap*

3. Further, guidelines were issued for pregnant employees and feeding mothers to work from their residences without exposing themselves to the outside environment.

4. Financial assistance were provided for employees who were tested positive for the Covid 19 considering their services rendered to the Organization.



*Avoid Crody*

5. Coordinated with the Public Health Inspectors in the area to get the staff vaccinated.

6. Introduced adequate facilities and equipment to adhere to the health guidelines issued by the Ministry of Health and conducted a few awareness programmes to employees on preventive measures and good health practices etc.



*Use Masker*

7. Staff were given the opportunity to report to their closest Office.



*Use Distinction*

8. Implemented a Roster system to facilitate staff to report for work.



*Avoid Shakehand*



# GEOLOGY DIVISION

The progress of the Geology Division is described under three categories (1) action plan

activities which are mainly funded by GSMB funds (2) client responsive projects which are carried out on requests of

clients and (3) other activities including short field visits, meetings, trainings and publications etc.

### 1.1. Action Plan Activities (GSMB Funds)

The action plan activities of the Geology Division for year 2021 were carried out under 04 major performance areas (MPA).

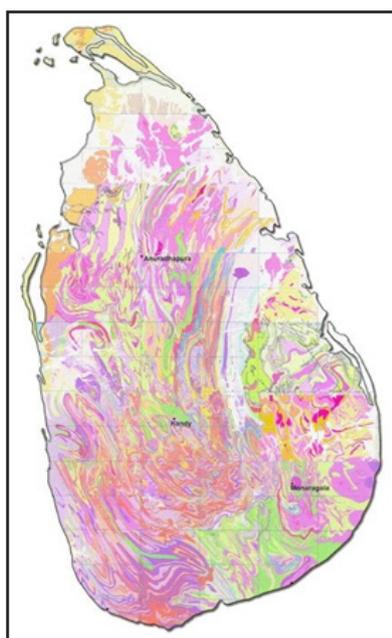
MPA-1	Mapping, Generation of Geo-scientific Information (Geo-data) and Data Dissemination
MPA-2	Mineral Surveys, Geophysical Surveys and Resource Assessment
MPA-3	Research & Development, Earth properties and Seismic Activity Monitoring
MPA-4	Development of Infrastructure, Laboratory Facilities and Drilling Capacity

#### MPA - 1 Mapping, Generation of Geo-scientific Information (Geo-data) and Data Dissemination

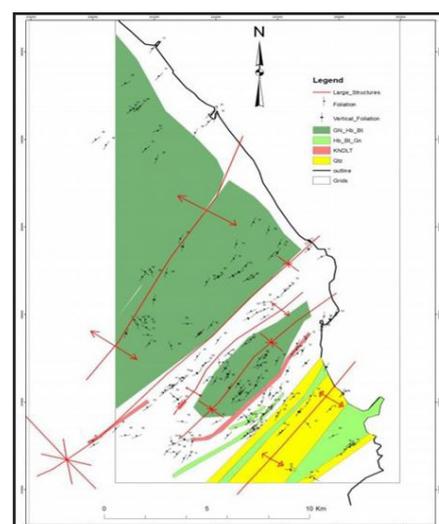
##### (a) Printing of Geological Maps:

Publishing of the geological maps covering entire Sri Lanka is one of the major functions of the Bureau. The geological maps which contain the geo-information of the terrain are used in a wide range of activities including mineral and ground water exploration, major construction and civil engineering works and preparation of landslide hazard maps etc.

The GSMB completed the printing of all 21 geological maps (1: 100,000 scale) covering the entire country in year 2014. Four geological maps with 1:250,000 scale, covering the entire country were published in year 2016 and then geological



mapping at 1:25,000 scale was commenced in 2019. This is carried out based on 1:50,000 scale ABMP map published by the survey Department. Under this programme, Nilaweli Sheet (No 23) was selected as the first map. Field work (mapping) and laboratory analysis are completed and



map compilation is being carried out. A geological map with 1:500,000 covering entire country is under compilation and will be available for printing at the end of March 2022.

*Fig.1: Geology map of Nilaweli 1:25,000 (under compilation) in Right and 1:500,000 scale island wide Geology map (under compilation) in left.*

**(b) Quaternary Mapping (Coastal Zone) Program**

The “Quaternary” period of the geological time scale span from about 2.58 million years ago to the present. The quaternary formations of Sri Lanka are mainly restricted to coastal sediments, alluvial sediments in the flood plains and include soil formations. Yet, these formations are highly significant as they include economically important clay and sand deposits, coral

deposits, the fertile soil cover and ground water bodies, The Geological Survey & Mines Bureau launched a project entitled “Quaternary Geological Mapping” in 2008.

***Printing of Quaternary Mapping Programme***

Matara, Ambalangoda-Balapitiya and Kalutara quaternary maps were published previously by the Geological Survey and Mines Bureau while Hambantota-Tangalle and

Puttalam maps were printed in 2021. In addition to that, compilation of Silavatturai and Tissamaharama maps are completed and they have been submitted to editorial board.

***Compilation of Quaternary Mapping***

Kalpitiya, Yale, Galle and Wilpattu sheets are under compilation and field works have been completed within Chilaw and Battulu-uya 1:50,000 map areas.

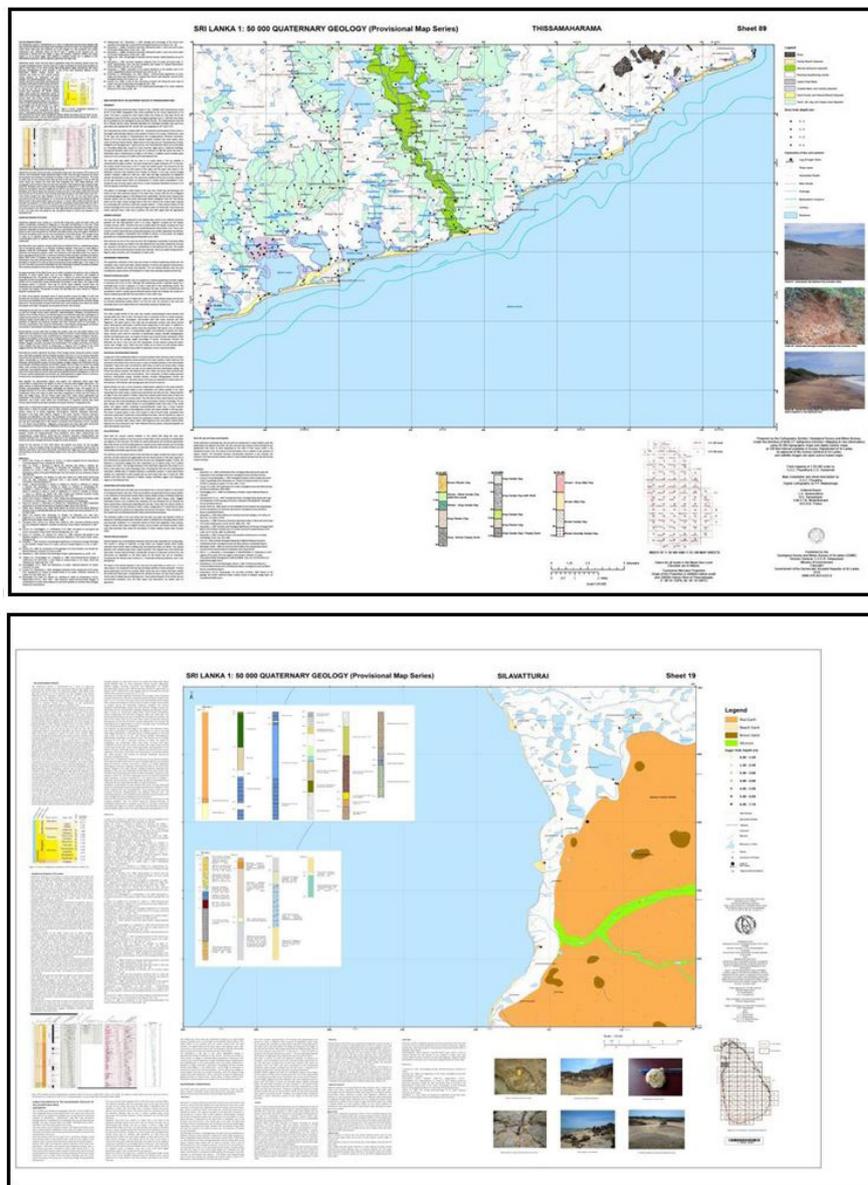


Fig 2: Thissamaharama map (top) and Silavatturai map (bottom) which have been submitted to editorial board

**(c) Soil Geochemical Mapping Programme**

The soil geochemical mapping programme was initiated in year the 2008 to study the geochemical characteristics of soil. These maps are useful in mineral exploration, environmental monitoring, and agricultural research and in geo-health hazard studies. Geochemical mapping field work is being carried out on 1:50,000 scale base maps and being published at 1:100,000 scale. The first set of geochemical maps were completed for Rakwana – Tangalla sheet no. 20 and was published as a Geochemical Atlas in 2016

and then from 0.3 - 2m depth, initially for each 1 km<sup>2</sup> grid area and later adopted to each 4km<sup>2</sup>. The chemical properties

ter (AAS) and the Inductively Coupled Plasma Optical Emission Spectrometer (ICP-OES).



Two soil samples are collected from the surface soil (0 – 0.3m)

are analyzed using the Atomic Absorption Spectrophotometer

Fig 3: Soil sampling by auguring method

**Laboratory work of Soil Geochemical Mapping Programme**

Analytical work of Sheet No. 19 (Aluthgama – Galle) is in

progress. **Compilation and Printing of Soil Geochemical Mapping Programme**

Compilation of sheet No 06

(Vavunia – Trincomalee) and sheet no. 08 (Anuradhapura – Polonnaruwa) Geochemical Atlas are being carried out and will be available for editorial board soon.

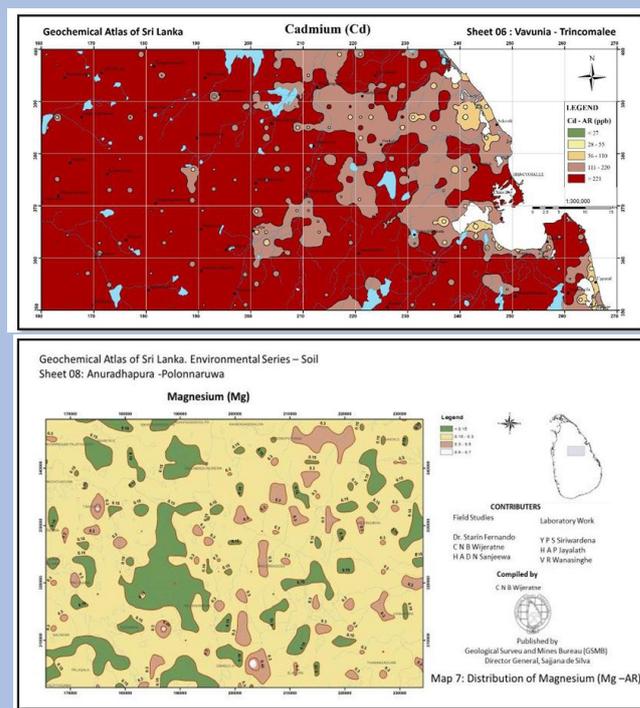


Fig 4: Distribution of Cadmium within Vavunia – Trincomalee sheet (top) and the distribution of Magnesium within Anuradhapura – Polonnaruwa sheet (bottom)

## Detailed Geochemical Mapping Programme

Detailed geochemical mapping was introduced to specific areas in the published maps. Under this programme, field works have been completed for Hambantota Industrial zone and chemical analysis are in progress.

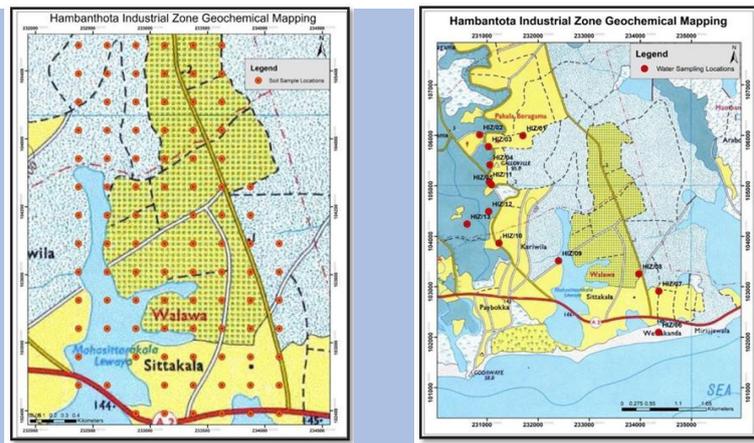


Fig 5. Maps showing the locations of soil sampling (left) and water sampling (right) within and vicinity of Hambantota industrial zone.

### (d) The “Minerals Year Books – 2019 and 2020”

The print ready versions of Mineral Year Books of Year 2019 and 2020 have been submitted to the Printing Corporation for print.

### (e) Provincial Mineral Surveys and Provincial Mineral Maps

The printing of Provincial Mineral Maps of North Central Province and Sabaragamuwa Province were completed and print ready versions were submitted for printing at the end of year 2019. Print ready version of Uva Province also was submitted in 1st quarter of 2020. However, the printed maps are yet to be received

from printers as these are printed in China, hence the process was delayed due to prevailing Covid 19 situation.

Southern provincial mineral map has compiled completely and has been submitted to editorial board for review.

### (f) Preparation of Mineral Specific Maps/ Reports

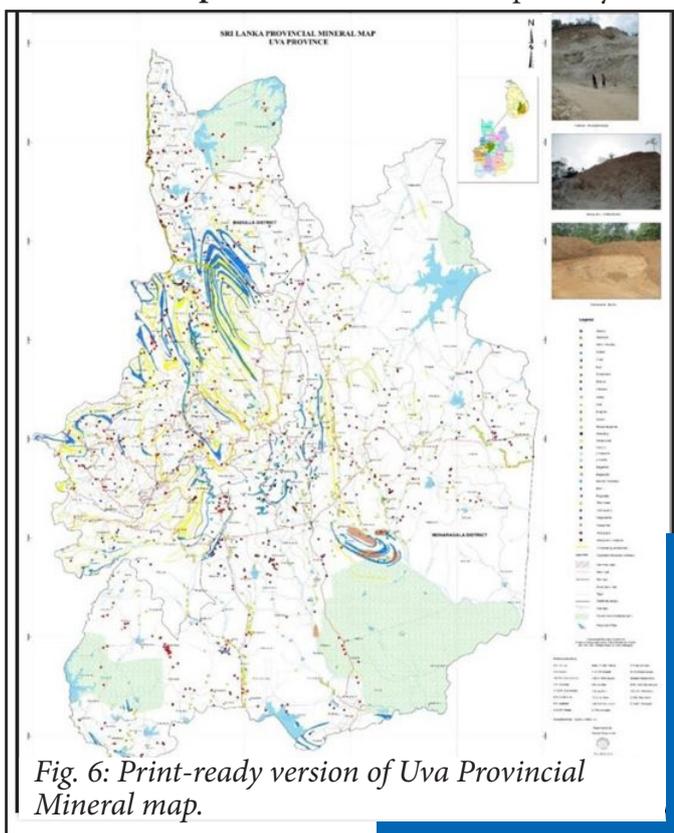


Fig. 6: Print-ready version of Uva Provincial Mineral map.

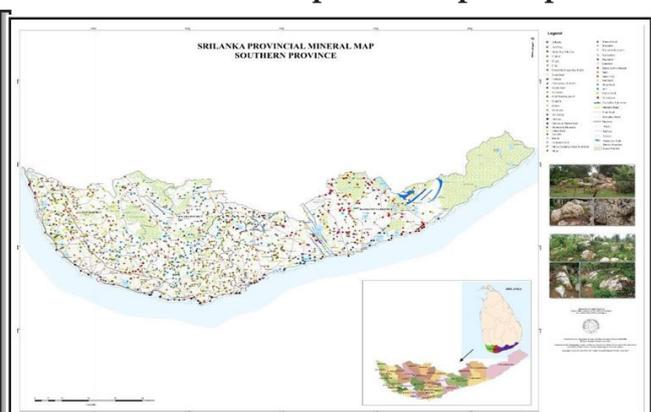


Fig. 7: Southern provincial mineral map which has been submitted to editorial board.

Final reports of Mineral Specific Reports on “Vein Quartz” and “Mineral Sand” are being prepared.

## MPA-3 : Research & Development Earth properties and Seismic Activity Monitoring

### (a) Enhancement of passive Seismic Monitoring Capacity

#### *Installation of Seismic Station in Eastern Side of Sri Lanka (continuation from 2019)*

The construction work and installation of sensors were completed in early March and the BULK seismic station started data acquisition on 04th of March 2020.

#### *Installation of Seismic station at Western Side of Sri Lanka: Initial Work*

Installation of Seismic station at western side of Sri Lanka was initiated under the Cooperation between Chinese Earthquake Administration (CEA), China and GSMB. Board paper was submitted to the BOM and approval was granted. The initial discussions between technical staffs on both sides were carried out and the MOU was drafted. Few suitable sites for proposed locations in western, south east and southwest have been identified based on geographical distribution, regional geology, availability of rock outcrop and accessibility. Further field investigations will be carried out once the administrative work has been completed.

#### *Maintenance of 04 Seismic Stations and Seismic Monitoring Centre*

The data availability of the

four seismic stations was within the satisfactory level in 2021 and the Data Center has successfully responded to public complaints on earth tremors, earth vibrations of local events and Indian Ocean earthquake events.

#### *Preparation of Seismic Zonation Map*

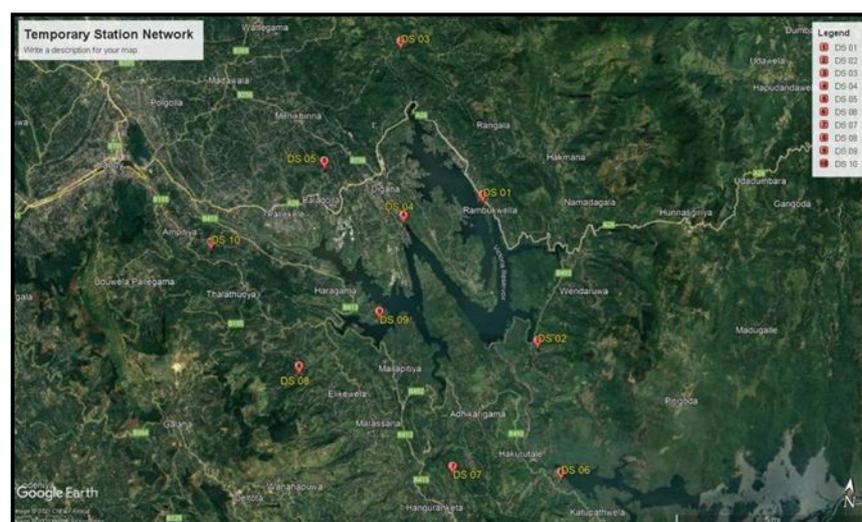
Seismic hazard is the hazard associated with potential earthquakes in a particular area, and a seismic hazard map shows the relative hazards in different areas. It provides important information to understand the risks of seismic hazards and to help mitigate disasters and it can be used for land-use planning, mitigation, and emergency response.

The earthquake catalogue has been prepared with available

and research papers. It covers the past seismic events within a 500km radius from central Sri Lanka. The data of geological structures in and around the Sri Lanka is being reassessed based on literature reviews.

#### *Development of Temporary Seismic Monitoring Network in Central Sri Lanka*

Deploying a dense short period seismic network to monitor natural and anthropogenic micro seismic activities in the dam sites is the main purpose of this project. This was initiated under the Cooperation between GFZ, Germany and GSMB. 10 no. of sensors provided by GFZ were installed around Digana area. The data is being gathered for 6 months period from June to December 2021.



data from GSMB, USGS, ISC databases, historical records

Fig 01: Location Map of the Temporary Seismic Station Network



## Awareness Programs

### 1. Awareness Program At digana Area

This program was initiated with Disaster management Centre. The program was held on 8th March to 10th March 2021. Targeted DS divisions for these programs were Kundasale and Pathahewaheta. 06 no of programs were done during these three days. The program was mainly focused on the recent earthquakes occurred at Digana area on 2020.

#### (b) Upgrading the GSMB-Library

##### 1. KOHA Software for Library data management continuation

### 2. Awareness Program for media officers

The program was organized

Data entry for Unpublished Technical reports was completed. Data entry for Journal Articles began to be and this will be

under supervision of Ministry of Environment on 23rd of September 2021. This program was mainly focused on the general introduction on earthquakes and recent earthquakes occurred in Sri Lanka. Participants of this program were media officers in Colombo district.

operational over the next few years.

### 2. Conservation and Preservation of library documents – 80%

Selected the relevant library material for preservation and handed over to the J.R. Jayawardena Centre to complete this task.

### 3. Journal Binding – 80%

The scientific journals were selected for binding and procurement process is completed.

### (c) Upgrading the Museum

The program was postponed until the completion of the new laboratory building, since the museum is due to be located on completion

## MPA-4: Development of Infrastructure, Laboratory Facilities and Drilling Capacity

### (a) Petrology Laboratory Income Generated by Petrology Laboratory

	Description	Income/Value (Rs.)
1	Analysis carried out for the outside clients (365 samples) <i>Mineralogical Analysis of sand samples -17 samples</i> <i>Thin section preparation &amp; Petrographic analysis-21 samples</i> <i>Other (Mineral Identification, Particle size analyzer) -279 samples</i>	1,453,890.00
2	Other analysis done for projects and field works on requests of the officers of GSMB (247 samples)	1,115,500.00
3	Other analysis done for regulatory work (73 samples)	341,500.00

Work done in related to Action Plan Activities

Project Name	Analysis requested by	Type of Analysis	Sample nature	# Samples	Value of the analysis / Rs.
Stream Sediment surveys	Mr. Jayakody, Senior Geologist	Full Mineralogical Analysis	Sand	24	120,000.00
DNRMS/RT/2020	Mr.K.A.G. Sameera, Geologist	Full Mineralogical Analysis	Sand/Rock	46	292,000.00
Geological Mapping	Mr.H.S.Lasantha, Geologist	Thin Section Preparation	Rock	27	162,000.00
<b>Total</b>				<b>97</b>	<b>574,000.00</b>





(b) **Analytical Laboratory**  
**Income Generated by Analytical Laboratory**

	<b>Description</b>	<b>Income/ Value (Rs.)</b>
1	Outside clients -290 samples Analysis of 290 samples consisting of limestone, quartz, dolomite, graphite, feldspar, soil, sand, cement, mica, mineral sand, clay, water, digested rocks, and other metal alloys and body mixtures of tiles and ceramic etc, on the requests made by various institutions and individuals.	2,527,355.00
2	<i>Projects undertaken by geology division</i> Chemical Analysis of Eppawela drill core samples -178 samples	2,670,000.00
3	On the request of GSMB officers for their projects/research-101 samples	558,500.00
4	Analysis Done for regulatory work and on special requests – 13 samples	77,000.00

**Geochemical Map Preparation**

(ii) **Sheet No 19- Aluthgama-Galle:** Completed the initial sample preparation and digestion of 1050 soil samples collected from Matugama, Ambalangoda, Balapitiya, Aluthgama and Galle 1:50,000 sheets. The analysis will be started as the installation of newly purchased ICP-OES

is completed in the new laboratory building.

**Laboratory Accreditation -ISO 17025**

The analytical laboratory has been awarded ISO/IEC 17025:2017 accreditation from Sri Lanka Accreditation Board for chemical analysis of quartz, dolomite and water in 2021

January.

**Construction of new Laboratory Building**

Construction of 6 story laboratory building was commenced on year 2019 and it was expected to complete by the end of year 2020. However due to pandemic, it was continued in to 2022.

## Special Projects handling by the Geology Division in 2021

Geological Division has conducted few special projects for realizing land stability, soil excavation in several areas in the country during the year 2021. Some of them are

- ❖ Field Inspection about Collapsed well incident at Orrshill-Trincomalee
- ❖ Inspection on present rehabilitation conditions of inland sand mined site at Pattiyakanda, Amunugoda in Elpitiya (Galle)
- ❖ Geophysical investigation at Aruwakkaru-Eluwankulama, Eppawala drilling project
- ❖ River Sand Survey of Maduru Oya at Welikanda, Boatta, Aralaganwila and Nidanwala
- ❖ Geological investigation of landslide in Homagama, Batawala
- ❖ Geological investigation of Gravel mining in Galapitamada, Alpitiya
- ❖ Volume estimation in Waduwawa Land, Polgahawela
- ❖ Silica Sand Mapping Project in Madampe, Mahawewa and Nattandiya
- ❖ River sand survey for 6 special applicants in Pareipannan of Mahaweli river at Trincomalee
- ❖ Geological investigation at Siyambalagoda in Meerigama DSD for gravel excavation project.
- ❖ Reserve estimation of Waduwawala state – Joined the initial planning of the survey
- ❖ Estimating of mineable sand quantity of the inundating reservoir area
- ❖ Proposed Arangoda Tank – Maduruoya Right bank Development Project
- ❖ Weapon Dump investigation in Echalumpatthu in Seruwila
- ❖ Preliminary Investigation for river sand reserves in Mollimadu of Ralkuli in Mahaweli river at Trincomalee
- ❖ Inspection on Land Stability at Millewapitiya
- ❖ Inspection on Soil Excavation in Amithirigala
- ❖ Inspection on Soil Excavation in Mallawapitiya
- ❖ Land inspection in Kalthota-Ilukpalassa area (Feldspar)



Special teams launched inspection on temporary Seismic Network and complete the Geological Mapping around Digana area.

- ❖ Short field to collect beach sand/rock samples from Chilaw to Dickwella to evaluate the impact caused by the
- ❖ Restoration of Muntankumaraveli Anicut for irrigation purposes Estimating of accumulated sand quantities
- ❖ Drone survey to investigate the sand mining activities around suriyapura, kanthale area
- ❖ Geophysical Investigation and Geological Mapping - Nawalapitiya
- ❖ Field Inspection for Proposed Gravel excavation site in Kuliypitiya Region
- ❖ Inspection on Rock quarry site in Kalutara District
- ❖ Sand and Clay survey in Yan oya reservoir
- ❖ River Sand Survey In Maduru Oya (Polonnaruwa)
- ❖ River Sand Survey in Mundeni Aru (Batticaloa)
- ❖ River Sand Survey in Kahabiliya Oya (Lankapura)
- ❖ River Sand survey in Maa Oya (Kochchikade to Pannala)
- ❖ River Sand survey in Maa Oya (Pannala to Nalla)

<b>Annual Report 2021</b>				
S.B. ankahawa	Restoration of Muntankumaraveli Anicut for irrigation purposes			
	❖ Estimating of accumulated sand quantities ❖ River sand survey in Lanani Aru, Magalavatavana (Ampara)	17.07.2021	19.07.2021	Special
S.B. ankahawa	❖ Special field investigation in Koswatiya, Palledbedda ❖ Locating suitable reserves for extract rock aggregates, sand, gravel & soil for Central	16.02.2021	17.02.2021	Special
W.P.S.A. Vitharana	Expressway Project Geophysical Investigation and Geological Mapping - Nawalapitiya	2021.03.31	2021.04.27	Special
K.M.N. daragama	Field Inspection for Proposed Gravel excavation site in Kuliyaapitiya Region ❖ Special Field Investigation to Evaluate Rock Exposures Classified into PI - A Category within Anuradhapura, Polonnaruwa, Ampara and Batticaloa Districts	2021.03.18		Special
	Respond for based sand deposit Case study ❖ Joint visitation to Investigate to Current Status of the Senakudirippuwa Village			Action plan
K.M.N. daragama	Inspection on Rock Quarry in Puttalam District ❖ Collecting Samples for Analyze Ion Concentration of Leaking water (Senakudirippuwa Village)	2021.03.18		Special
	❖ Sand and Clay survey in Proposed Malwathu oya Project ❖ Geophysical Survey / Sand and Clay Survey in lower Malwathu oya project, Oyamadawa, Tantirimale	03.03.2021	06.10.2021	Action plan
	❖ River Sand Survey, Maa oya, Pannala			
	❖ Sand Geophysical Survey in Sand and Clay Survey in Yaan oya, Ruwanpura, Padaliya			
	❖ Field Inspection about Collapsed well incident at Orrshill- Trincomalee			
A.C.M. yasuriya	❖ Inspection on present rehabilitation conditions of inland sand mined site at Pattiyakanda, Amunugoda in Elpitiya (Galle)			
	River Sand Survey In Maduru Oya (Polonnaruwa) ❖ Geophysical investigation at Aruwakkara-Eruwankulama	03-Mar	Mar-14	Special
	❖ Eppawala drilling project			
	❖ Geological investigation of landslide in Homagama, Batawala			
	River Sand Survey in Mundeni Aru (Batticaloa) ❖ Geological investigation of Gravel mining in Galapitamada, Alpitiya	Mar-19	Mar-28	Special
	River Sand Survey in Kahaboliya Oya (Lankapura) ❖ Volume estimation in Waduwwala Land, Polgahawela	May-17	May-21	Special
	❖ Silica Sand Mapping Project in Madampe, Mahawewa and Nattandiya			
	❖ River sand survey for 6 special applicants in Pareipannan of Mahaweli river at Trincomalee ❖ River Sand survey in Maa Oya (Kochchikadee Pannala)	Jun-30	Jul-14	Special
	❖ Geological investigation at Siyambalagoda in Meerigama DSD for gravel excavation project. ❖ Reserve estimation of Waduwwala state - Joined the initial planning of the survey	Oct-18	Oct-21	Special
A.C.M. yasuriya	River sand survey in Lanani Aru, Magalavatavana Aru and Navakiri Aru (Batticaloa and Ampara)	Nov-25	12-Nov	Special

- ❖ Estimating of mineable sand quantity of the inundating reservoir area
- ❖ Proposed Arangoda Tank – Maduruoya Right bank Development Project
- ❖ Weapon Dump investigation in Echalumpatthu in Seruwila
- ❖ Preliminary Investigation for river sand reserves in Mollimadu of Ralkuli in Mahaweli river at Trincomalee

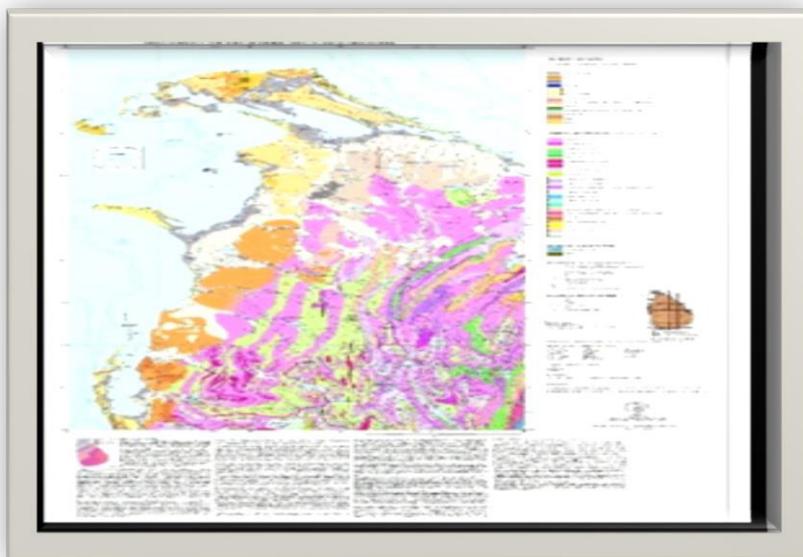
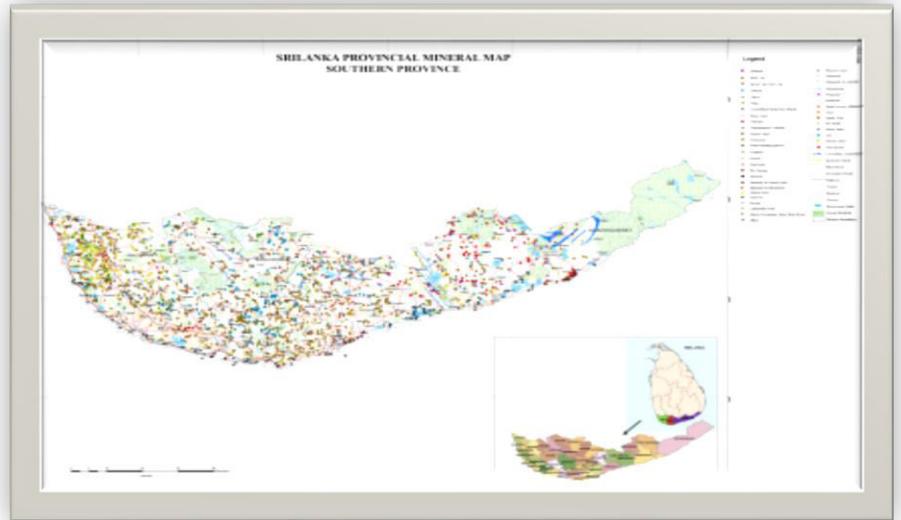


### **Activities carried out during the year**

As per the Action Plan 2021, the Geology Division has completed several activities. These activities provided mineral resource information located in the country.

- ❖ Demarcation boundary of the Wannan-Miocene complexes-Mahawilachchiya

- ❖ Correlation data between drilling and geophysical on project of Gin-Nilwala Diversion Project-Matara
- ❖ Sand Survey in Kelani river 2021
- ❖ Sand Survey in Kelani river 2021
- ❖ River sand survey of Mahaweli river at Trincomalee District, Kanthale
- ❖ Setting up bank heights of Mahaweli River with respect to MSL at Trincomalee,
- ❖ Research work of saline water intrusion around Mahaweli river at Trincomalee.
- ❖ Field Work - Hambantota Industrial Zone - (Water Samples)
- ❖ Eppawala Drilling Project- Eppawa
- ❖ Survey of Collection of Data Related to
- ❖ Islandwide Clay Occurrence & Identification of
- ❖ Reserves- Ma Oya
- ❖ Kaolin survey in Galle district with special referances to area around Meetiyagoda.
- ❖ Respond for based sand deposit Case study in Malwathu oya
- ❖ Sand and Clay survey in Proposed Malwathu oya Project
- ❖ Mineral Exploration in Southern Province- Paraduwa, Akuressa
- ❖ Strategic Framework Three: Formulation Of A National R&D Strategy : Nuclear Raw Material Survey
- ❖ Kahatagaha Graphite Mine underground vein mapping Survey.
- ❖ Geophysical Survey along Mahaweli river bank Kanthale,Trincomalee





# MINING DIVISION



The mining industry provides raw materials, minerals and metals critical to our economy, which are of utmost importance since it provides the foundations for modern living, innovation and engineering achievements. The mining activities should be properly regulated, as extracting minerals can mainly cause environmental and social issues. With the provision of Act No.33 of 1992 Mines and Minerals amended by Act No. 66 of 2009, Mines Division involves the regulating and monitoring of mining activities in the country. Mines Division currently provides the services with the Head Office and twenty Regional Offices located around the country for the convenience of customers.

### MAJOR ACTIVITIES OF MINES DIVISION

1. Regulate Mining Activities in Sri Lanka.
  - a. Site Inspection
  - b. Conducting Test Blasts
  - c. Evaluating Technical reports
  - d. Issuing Licenses for exploration, mining, storing, transporting & exporting
  - e. Acquiring royalty charges
  - f. Monitoring Mine Safety of the sites
  - g. Monitoring Rehabilitation activities of the sites
2. Development of expert engineering service center.

3. Improvement/Development of regional infrastructure.
4. Staff training/skill development & performance monitoring.
5. Addressing license related issues.
  - a. Handling Public Complaints
  - b. Participating at Court cases
  - c. Addressing safety issues at sites
6. Conducting Awareness programs, Workshop, etc.
7. Advise the minister on measures to be adopted for the promotion of the extraction and production of minerals on a commercial basis

### SERVICES AVAILABLE

- Mine site inspection (mobile service – issuing licenses, technical advices)
- Expert services ( blasting techniques, license upgrading, safety methods, test blasts, crack surveys)
- Awareness Programs (Awareness Programs for public officers & license holders, Workshops for people engaged in mining activities, Exhibitions)
- Rehabilitation Programs (motivating mines to safeguard the environment and supervising the environment protection and rehabilitation activities carried out by mines).

### INCOME GENERATED THROUGH ISSUING LICENSES

Under the of Act No.33 of 1992 Mines and Minerals amended by Act No. 66 of 2009, Geological Survey and Mines Bureau (GSMB) issues following types of licenses.

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

Details of these licenses are as follows:

#### ◀ Exploration Licenses (EL)

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

#### ◀ Mining Licenses (ML)

##### 1) Artisanal Mining Licenses (AML)

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

#### **1. Category A - which shall include one or more of the under-mentioned criteria**

- The depth of bore hole to be less than 1.5 meters
- The production volume to be not less than 100 m<sup>3</sup> and not more than 600 m<sup>3</sup> per month
- No machinery to be used

**2. Category B - which shall include any one or more of the under mentioned criteria**

- The depth of the borehole to be less than 1.5 meters
- Production volume to be not exceeding 100 m<sup>3</sup> per month
- No machinery to be used

**2) Industrial Mining Licenses (IML)**

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

**1. Category A (include one or more of following criteria)**

- The blasting method shall be multi-bore holes using high explosives and more than five (5) electric detonators and five (5) bore holes at a time;
- The depth of a bore hole shall be more than three (3) meters;
- The production volume shall be more than two thousand (2,000) cubes per month;
- The machinery permitted to be used by the Bureau shall be dredgers, Track- drills, jack hammers, compressors, rock breakers, front-end loaders, excavators and backhoe loaders;
- Any other machinery to be used as permitted by the Bureau;
- The mining area shall be more than ten (10) hectares;

- The depth of mine shall be more than twenty five (25) meters;
- The diameter of a bore hole shall be more than forty two (42) mm.

**2. Category B (include one or more of the following criteria)**

- The blasting method shall be multi-bore holes using high explosives and shall not exceed five (5) electric detonators and five (5) bore holes;
- The blasting method shall be multi-bore holes using detonating code, or expansion by non-explosives;
- The depth of a bore hole shall not exceed three (3) meters;
- The machinery permitted to be used by the Bureau shall be dredgers, jack hammers, compressors, rock breakers, front-end loaders, excavators and backhoe loaders;
- Any other machinery to be used as permitted by the Bureau;
- The production volume shall not exceed two thousand (2000) cubes per month;
- The depth of the mine shall not exceed twenty five (25) meters;
- The mining area shall not exceed ten (10) hectares;
- The diameter of the bore hole shall not exceed forty two (42) mm.

**3. Category C (include one or more of the following criteria)**

- The blasting method shall be single shot hole;

- The depth of a bore hole shall not exceed three (3) meters;
- The production volume shall not exceed thousand (1000) cubes per month;
- Machinery permitted to be used by the Bureau shall be jack hammers, compressors, rock breakers, front-end loaders, excavators and backhoe loaders;
- The mining area shall not exceed two (2) hectares and the depth of the mine shall not exceed twenty five (25) meters.

**4. Category D (include one or more of the following Criteria)**

- The blasting method shall be single shot hole;
- The depth of a bore hole shall not exceed One Decimal Five (1.5) meters;
- The production volume shall not exceed five hundred (500) cubes per month;
- Machinery permitted to be used by the Bureau shall be jack hammers with compressors, front-end loaders and excavators;
- The mining area shall not exceed two (2) hectares and the depth of the mine shall not exceed twenty five (25) meters.

◀ Reserved Minerals (RML)

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

◀ Trading Licenses (TDL)

A trading license shall grant the non-exclusive right to purchase,



store, process, trade in and, with the special authorization of the Director, to export minerals in respect of which the license is issued.

- Category A - to trade in minerals for export
- Category B - to trade in minerals locally
- Category C - to trade in bricks and lime produced manually.

◀ Transport Licenses  
License to transport min-

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

◀ Export of Minerals

All exploration, mining and trading licensees shall obtain the special authorization of the Director of the GSMB to export

minerals in respect of which the license is issued.

Royalty (Income)

The ownership of minerals is vested to the Republic according to the clause 26 in the act No. 33 of 1992. Therefore minerals should be extracted with the approval of GSMB and royalty should be paid for the quantity of minerals extracted.

Following chart shows the royalty income collected by the GSMB.

### Royalty Income

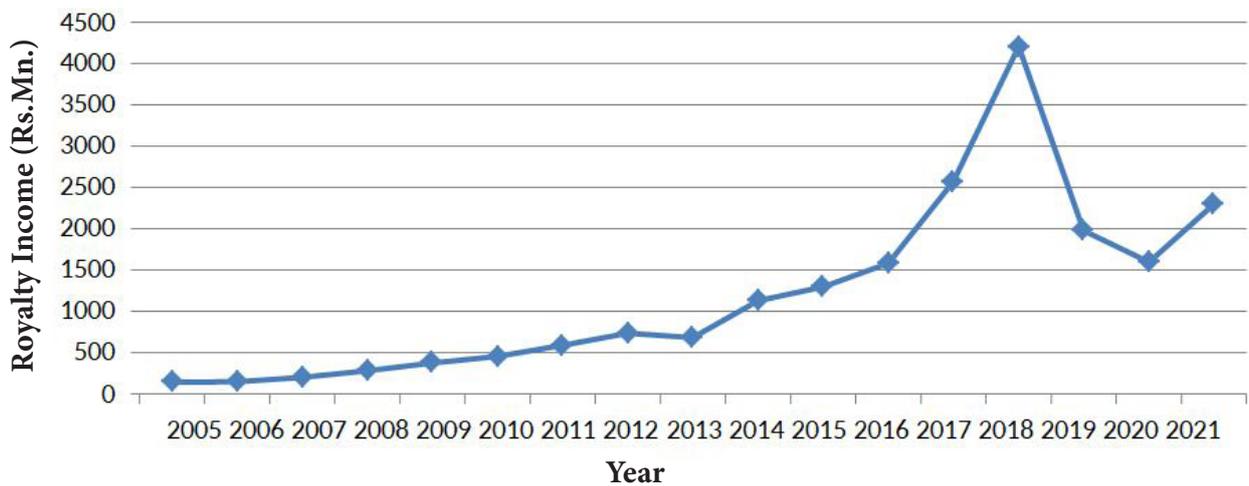


Fig. 1: Income generated by royalty during the period of 2005 to 2021

Year	Royalty Income (Rs Mn.)	Year	Royalty Income (Rs Mn.)
2005	143.06	2014	1,128.46
2006	150.26	2015	1,293.43
2007	199.66	2016	1,578.58
2008	284.05	2017	2,569.32
2009	378.29	2018	4202.44
2010	453.85	2019	1,977.61
2011	586.89	2020	1,594.37
2012	732.71	2021	2,295.53
2013	681.27		

### Income generated by Mine Inspections

The principal purpose of a mine inspection is to verify compliance with Regulatory

Requirements and, where necessary, take appropriate compliance action. For a site visit, the Bureau charges a relevant fee based on the license category.

Rapid increases of Income generated by Mine inspections shown in the following graph enlightens the rapid development of the Mineral Industry of the country.

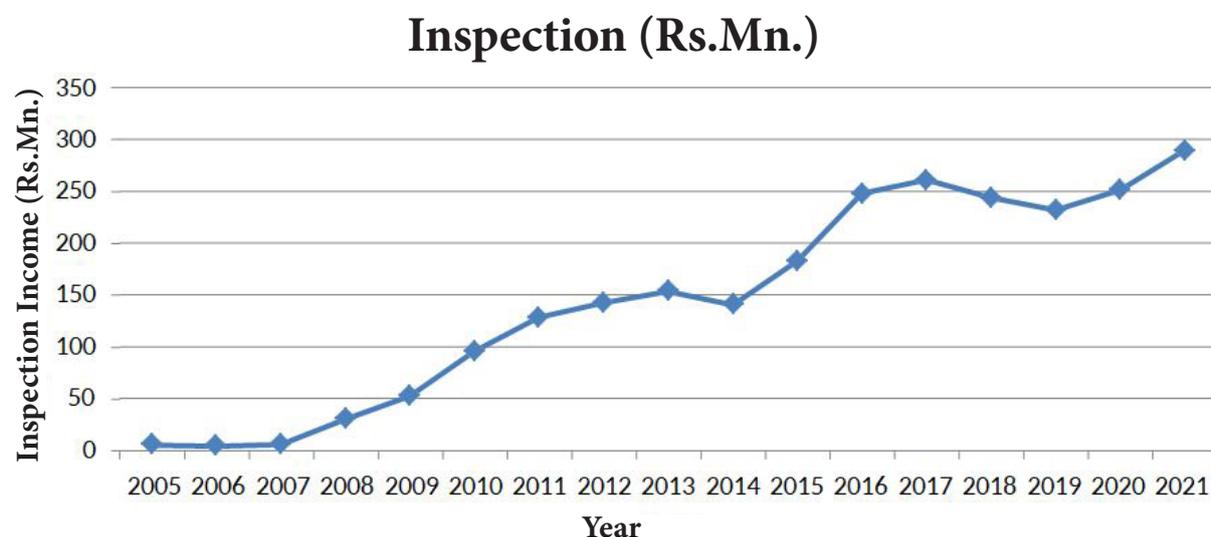


Fig. 2: Income generated by mines inspection during the period of 2005 to 2021

Year	Inspection Fees (Rs.Mn)	Year	Inspection Fees (Rs.Mn)
2005	5.25	2014	140.15
2006	4.43	2015	182.94
2007	5.61	2016	247.95
2008	30.07	2017	260.66
2009	52.76	2018	243.54
2010	95.45	2019	231.81
2011	128.42	2020	250.83
2012	142.52	2021	289.31
2013	153.23		



## Income generated by issuing Licenses

Income generated through no. of Licenses which were issued by the Bureau for various mineral categories, is as follows,

License category	No. of Licenses issued	Total Charge
Exploration License	42	8,154,250.00
Industrial Mining License A	117	20,128,250.00
Industrial Mining License B	178	5,778,000.00
Industrial Mining License C	2432	26,393,800.00
Industrial Mining License D	599	3,141,230.57
Artisanal Mining License A	1615	7,839,040.76
Artisanal Mining License B	2105	4,202,223.66
Trading License A	18	135,000.00
Trading License B	4229	21,146,800.00
Trading License C	-	-
Transport License	1432626	128,936,340.00
Export License	666	3,286,470.00
<b>Total</b>		<b>229,141,404.99</b>

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

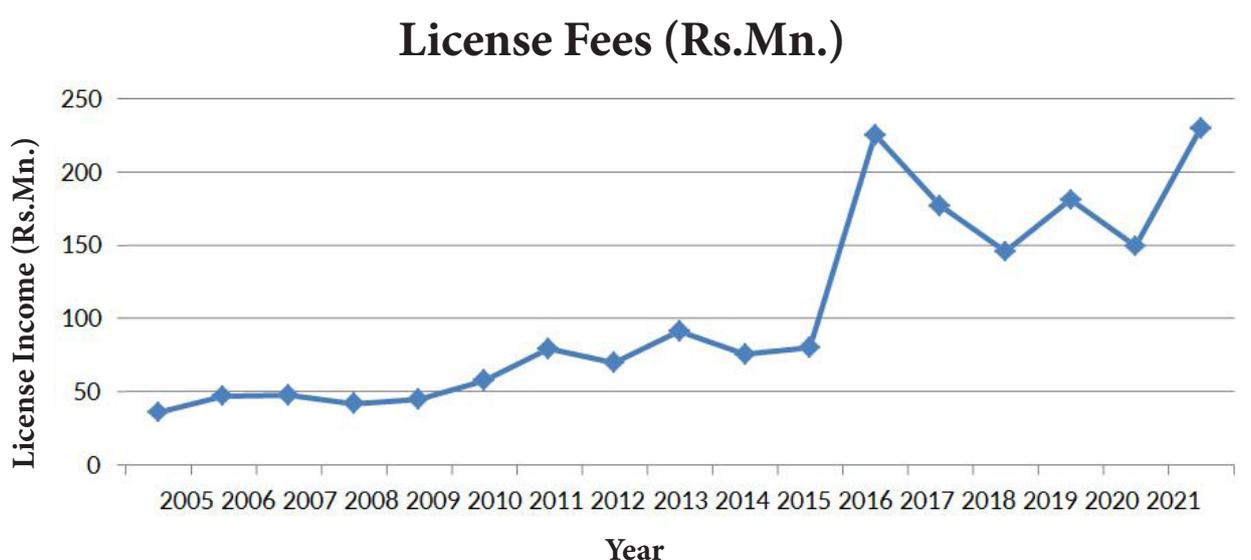


Fig. 3: Income generated by issuing license during the period of 2005 to 2021

Year	License Fees (Rs. Mn.)		License Fees (Rs. Mn.)
2005	36.05	2014	75.6
2006	47.04	2015	80.0
2007	48.04	2016	224.8
2008	41.9	2017	176.4
2009	45.07	2018	145.47
2010	57.64	2019	180.81
2011	79.46	2020	149.22
2012	69.82	2021	229.14
2013	91.15		

## Geological Survey & Mines Bureau - Mines Division Summary Performance (Financial and Physical) - Year 2021

### Regulating Mining Activities in Sri Lanka

	Annual Target & Allocation		Physical and Financial achieved		Progress (%)	
	Physical target	Financial target (Rs. Mn)	Physical target achieved	Financial target achieved (Rs. Mn)	Physical	Financial
<b>License Issuing</b>						
Exploration License	35	8.00	42	8.15	120.00	101.90
Industrial Mining License A	150	22.50	117	20.13	78.00	89.50
Industrial Mining License B	400	12.00	178	5.78	44.50	48.20
Industrial Mining License C	1300	13.00	2,432	26.39	187.10	203.00
Industrial Mining License D	800	4.00	599	3.14	74.90	78.50
Artisanal Mining License A	1,450	7.25	1,615	7.84	111.40	108.10
Artisanal Mining License B	2,500	5.00	2,105	4.20	84.20	84.00
Trading License A	30	0.23	18	0.14	60.00	62.20
Trading License B	4,400	22.00	4,229	21.15	96.10	96.10
Trading License C	10	0.01	-	-	-	0.00
Transport License	1,150,000	103.50	1,432,626	128.94	124.60	124.60
Export License	700	3.50	666	3.29	95.10	94.00
Royalty		2,100.00		2295.5		109.30
Inspection Charges		312.00		289.31		92.73
Other Income		50.00		27.16		54.30
Conducting Test Blasts (No.)	200	9.20	246	13.62	123.00	148.00



## Development of Expert Engineering Service Center

Activity	Estimated Target (No.)	Target Achieved (No.)	Progress (%)	Remarks
Functioning Engineering Design Unit	200	246	123	
Conducting market value surveys	01			A market value survey for silica sand was conducted
Evaluation for IML/B metal quarries	35	38	108.6	

## Improvement/Development of regional infrastructure

Activity	Estimated Target (No.)	Progress (%)	Remarks
Establishing New Regional Offices	1	100	<b>Mulativu</b> RO was established. Since selected building for <b>Puttlam</b> RO was not available, restart the procurement process to purchase another one.
Acquire lands for Regional offices	2	100	Completed land acquisition of <b>Rathnapura &amp; Polonnaruwa</b> RO
Construction of Building for Regional Offices	2		Construction of Office building for <b>Polonnaruwa</b> Regional Office is in progress – 75 %
			Renovating <b>Kurunegala</b> RO is completed – 100 %
			<b>Rathnapura</b> RO building construction is holt & waiting for Treasury approval.

## Awareness and Skill Development

Activity	Estimated Target (No.)	Target Achieved (No.)	Progress (%)	Remarks
Awareness	21	26	123.8	
Skill Development	20	02	10	

## Addressing license related issues

Activity	Estimated Target (No.)	Target Achieved (No.)	Progress (%)	Remarks
Appeal Hearing	100	27	27	
Reject	900	855	95	
Refund	800	183	22.9	
Cancellation	35	43	122.9	Valid license cancellation – 18 Expired license cancellation – 25 Temporary Suspension - 18

## Mining related IT solutions

Activity	Estimated Target (No.)	Progress (%)	Remarks
Government Process Restructuring	1		In the stage of appointing consulting committee
Process standardization a) 5S b) ISO	3 1	30 -	Only in the Polonnaruwa Regional Office has started the 5S Process and 90 % completed
Tree Plantation Program	3	100	Tree plantation programs were conducted in Yanoya (2021/03/13 & 14) & Trincomalee areas. Similarly, we conducted a plantation program parallel to “Nakathata Palayak” program 12 <sup>th</sup> April. Plant distribution program was also conducted in Matale area

## Survey Unit

Activity	Estimated Target (No.)	Target Achieved (No.)	Progress (%)	Remarks
The quantitative estimation of the mineral in metal quarries	20	6	30.0	



## Regional Offices:

The Mines Division is presently functioning with twenty (20) Regional Offices at Ampara, Anuradhapura, Badulla, Batticaloa, Colombo, Gampaha, Hambantota, Jaffna, Kagalle, Kalutara, Kandy, Kurunegala, Matale, Matara,

Monaragala, Mullaitivu, Polonnaruwa, Ratnapura, Trincomalee and Vavuniya with three (03) sub offices at Mannar, Hasalaka and Kantale. The major activities of these Regional Offices are to provide better island wide service, for

the customers who are engaged in the Mining Industry and to control the illegal mining activities.

The Regional Mining Engineers attached to the Regional Offices in Year 2021 were as follows:

Regional Office	Regional Mining Engineer
Ampara	Eng. H.A.C.K.W.Bandara (Acting)
Anuradhapura	Eng. C. K.Karunananda
Badulla	Eng. W.A.S.Rupawansa
Batticaloa	Eng. M.R.M.Farees
Colombo	Eng. W.D.M Perera (Covering)
Gampaha	Eng. R.M.D. Rathnayake (Acting)
Hambantota	Eng. U.H.T.Priyantha
Jaffna	Eng. D.Mayooran
Kagalle	Eng. K.G.G.Kumburuhena (Covering)
Kalutara	Eng. W.A.A.C.Wanniarachchi
Kandy	Eng. A.P. Wimalasena
Kurunegala	Eng. K.N.W.K.Wimalarathna
Matale	Eng. A.M.H.V.Adhikari
Matara	Eng. D.L.P.M Dauglas (Covering)
Monaragala	Eng. T.M.W.Bandara
Mullaitivu	Eng. D.Mayooran
Polonnaruwa	Eng. W.M.T.U Jayasinghe (Covering)
Ratnapura	Eng. S.Abeysinha (Covering)
Trincomalee	Eng. P.A.S.Kumarasinghe
Vavuniya	Eng. J.M.E.P.K.Jayasekera

## Special activities done by Mines Division

- Identifying Issues in Mining Industry**

A program was held in Kurunegala on 2021-03-12 to identify the problems of mining license holders

engaged in the metal quarry industry in the Kurunegala and Puttalam districts. Director General of the Bureau - Eng.D Sajjana de Silva, Chief Excavation Engineer - Kushan

Gunasekara, Regional Mining Engineer - AP Wimalaratne, officers of Road Development Authority and Provincial Environmental Authority - North Western province participated at the event.



Also another program to identify the issues of mining license holders was held on 2021-03-13 in Anuradhapura

with the presence of Hon. minister – M.Amaraweera, Chairman of the Bureau - Eng. Anura Walpola, Anuradhapura

District Secretary - RM Wanninayake, Director General – Eng.D Sajjana de Silva.



- Skill Development Program**

A training program on Sub-

ject Circulars, Procedures and Functionality under Financial Regulations & Re-

lated institutional Procedure and Effective utility of Vehicles was held on



2021.03.27 at auditorium of the Geological Survey and Mines Bureau.

- Opening of Mullaithivu Regional Office**

To provide efficient services

to the people, a new Regional Office was established in Mullaithivu District on 23.12.2021. The opening

ceremony was commenced with the presence of Mullaithivu District Secretariat and the chairman of the Bureau.



- Introduce online payment gateway**

As a first step towards

streamlining the licensing process, the Bureau has introduced online payment system for the issuance of

transport licenses and the launching ceremony was held on 2021.09.30.



• **Awareness Programs for online payment-gateway**

Twenty one awareness programs were conducted by covering all over the country

to make clients & regional staff aware the online payment system



An awareness program was held at the Nelum Piyasa Auditorium in Kilinochchi

to educate Sri Lanka Army officers on legal background of mining process, and obtain

their active involvement to control illegal mining activities.



# Mine Safety Division

## Workshop conducted by Mines Safety division

No	District	Theme	Date	Income- LKR
1	Colombo	ආරක්ෂිත වැඩ බිමක් - සුරක්ෂිත හෙටක්	31.01.2020	140,000.00
2	Kaluthara		28.02.2020	150,000.00
3	Hambantota		06.03.2021	184,500.00
4	Rathnapura		06.04.2021	190,000.00

Several Workshops have been carried out by Mines Safety Division to improve worker own safety as well as how to make the mine site into a safer place. Their details are as follows.

### "ආරක්ෂිත වැඩ බිමක් - සුරක්ෂිත හෙටක්" Colombo Regional awareness Programe 31.01.2020



"ආරක්ෂිත වැඩ බිමක් - සුරක්ෂිත හෙටක්" Kalutara Regional awareness Programme 28.02.2020



"ආරක්ෂිත වැඩ බිමක් - සුරක්ෂිත හෙටක්" Hambantota Regional awareness Programme 06.06.2021



**"ආරක්ෂිත වැඩ බිමක් - සුරක්ෂිත හෙටක්" Ratnapura Regional awareness Programme 06.04.2021**



## 02. Complain Investigation

According to the approved SOR, all complains with regard to all mine sites and licenses are vested

with Mines Safety division. Following table described number of complaints received

to the GSMB and actions taken for those complaints by Regional Offices wise.

No	Regional Offices	Year-2019		Year-2020		Year-2021	
		Received	Replied	Received	Replied	Received	Replied
01.	Ampara	40	20	25	06	24	17
02.	Anuradhapura	47	39	33	31	52	46
03.	Badulla	59	41	50	45	50	49
04.	Batticaloe	09	02	14	09	11	10
05.	Colombo	100	31	73	20	122	12
06.	Gampaha	83	71	53	42	61	59
07.	Hambantota	47	05	21	13	29	18
08.	Head Office	-	-	-	-	268	232
09.	Jaffna	10	10	13	11	06	06
10.	Kaluthara	77	62	65	50	53	49
11.	Kandy	74	50	49	24	39	39
12.	Kegalle	35	26	27	23	47	37
13.	Kurunegala	200	159	136	55	142	66
14.	Matale	11	05	25	20	22	21
15.	Matara	96	39	98	76	79	68
16.	Monaragala	48	34	40	33	31	31
17.	Polonnaruwa	25	13	26	15	31	24
18.	Rathnapura	65	18	40	26	40	36
19.	Trincomalee	31	17	23	11	58	11
20.	Vavunia	04	02	03	02	04	04



### 03. Illegal Mine site Investigations

Investigating mine site becomes a part and parcel of our duty. Therefore the team headed by Field Officer

(Mines Safety) was entrusted to take part this duty. Here are the details of illegal mine sites which run by

various individuals that were investigated by him with the assistance of law enforcement authorities.

Year	Date	illegal sites raided	Number of Persons arrested
2020	2020.10.09	Trincomalee, Kinniya,	02
	2020.10.10	trincomalee to seruwawila	01
	2020.10.22	Trincomalee, Muthur,	01
	2020.10.22	trincomalee to seruwawila	-
	2020.10.23	Matale Dambulla	01
	2020.11.04	Mannarm, Elupukadwei	02
	2020.11.06	Anuradhapura, Galkiriyagama	01
	2020.11.21	Batticaloa, Walechana	02
	2020.11.22	Batticaloa, Valaichchenai	01
	2020.11.22	Polonnaruwa, Welikanda	01
	2020.11.24	Kurunegala, Alawwa	02
	2020.11.25	Kurunegala, Alawwa	04
	2020.12.10	Kurunegala, Kurunegala,	01
	2020.12.11	Vavuniya, Settikulam	04
	2020.12.12	Anuradhapura, Thambuththegama	01
	2020.12.15	Kurunegala, Polpithigama	05
	2020.12.16	Kurunegala, Giriulla	03
	2020.12.16	Kurunegala, Narammala	01
2021	2021.01.06	Polonnaruwa, Bakamuna	02
	2021.01.08	Badulla, Mahiyanganaya	02
	2021.01.12	Gampaha, Mirigama	04
	2021.01.13	Ratnapura, Godakawela	04
	2021.01.21	Kilinochi, Dharmapuram	0
	2021.01.22	Kilinochi, Kilinochi	02
	2021.01.23	Kurunegala, Narammala	03
	2021.01.23	Kurunegala, Narammala	01
	2021.01.26	Kurunegala, Wariyapola	07
	2021.02.06	Kurunegala, Polgahawela	01

	2021.02.07	Ratnapura, Ratnapura	0
	2021.02.08	Monaragala, Thanamalwila	02
	2021.02.08	Monaragala, Kudaoya	02
	2021.02.12	Kilinochi, Kilinochi	0
	2021.02.15	Kurunegala, Kotawehera	03
	2021.02.16	Polonnaruwa, Hingurakgoda	0
	2021.02.18	Batticaloa, Wahari	02
	2021.02.20	Ratnapura, Panamure	02
	2021.02.24	Puttalam, Madampe	03
	2021.02.24-25	Kurunegala, Pannala	09
	2021.02.27	Anuradhapura, Kekirawa	04
	2021.03.01	Anuradhapura, Horowpathana	04
	2021.03.03	Kurunegala, Ganewatta	07
	2021.03.10	Kurunegala, Wariyapola	03
	2021.03.12	Kurunegala, Ganewaththa	03
	2021.03.19	Ratnapura, Nivitigala	02
	2021.03.24	Vavniya (South), Vavniya	02
	2021.03.26	Kurunegala, Wariyapola	01
	2021.03.29	Kurunegala, Narammala	03
	2021.03.31	Hambantota, Weeraketiya	02
	2021.04.02	Badulla, Mahiyanganaya	02
	2021.04.05	Colombo, Homagama	03
	2021.04.09	Puttalam, Marawila	01
	2021.04.09	Puttalam, Marawila	03
	2021.05.18	Polonnaruwa, Thamankaduwa	01
	2021.05.18	Batticaloa, Kiran	02
	2021.05.19	Batticaloa, Kiran	02
	2021.05.21	Polonnaruwa, Welikanda	01
	2021.05.21	Polonnaruwa, Welikanda	01
	2021.05.29	Batticaloa, Walachane	04
	2021.05.30	Ampara, Mahaoya	05
	2021.05.30	Ampara, Mahaoya	05
	2021.05.31	Anuradhapura, Palugaswewa	03
	2021.06.01	Puttalam, Nattandiya	02
	2021.06.17	Polonnaruwa, Welikanda	05
	2021.06.25	Polonnaruwa, Tebow	01



	2021.06.27	Kandy, Udunuwara	01
	2021.06.28	Puttalam, Naththandiya	01
	2021.07.02	Ratnapura, Balangoda	0
	2021.07.11	Anuradhapura, Thirappane	01
	2021.07.11	Anuradhapura, Thirappane	01
	2021.07.13	Puththalama, Anamaduwa	03
	2021.07.15	Kurunegala, Bamunakotuwa	02
	2021.07.15	Kurunegala, Bingiriya	01
	2021.07.17	Kurunegala, Kuliyaipitiya	01
	2021.07.17	Kurunegala, Udubaddawa	01
	2021.07.22	Anuradhapura, Nochchiyagama	01
	2021.07.24-25	Gampaha, katena	02
	2021.07.28	kurunegala to Bingiriya	01
	2021.07.30	Puttalam, Nattandiya	01
	2021.08.08	Badulla, Mahiyanganaya	02
	2021.09.04	Anuradhapura, Thalawa	01
	2021.09.09	Trincomalee, Kinniya	01
	2021.09.14	Kurunegala, Pothuhera	02
	2021.09.16	Batticaloa, Karadiyanaru	02
	2021.09.21	Mulative, Mankulam	10
	2021.09.24	Kurunagala mahakubuk Kaduwela	0
	2021.09.27	Kandy, Nawalapitiya	03
	2021.09.28	Anuradhapura, Kahatagasdigiliya	04
	2021.09.30	Batticaloa, Karadiyanaru	03
	2021.09.30	Batticaloa, Karadiyanaru	01
	2021.10.09	Anuradhapura, Kebithigollewa	02
	2021.10.09	Anuradhapura, Medawachchiya	01
	2021.10.12	Puththalama, Mahawewa	02
	2021.10.12	Puttalam, Chilaw	01
	2021.10.13	Anuradhapura, padaviya	02
	2021.10.14	Kurunegala, Alawwa	02
	2021.10.14	Kurunegala, Alawwa	01
	2021.10.5	Puttalam, Dankotuwa	02
	2021.10.16	Puththalama, Mahawawe	02
	2021.10.22	Kalutara, Thebuwana	02

## 04. Mine Sites Rehabilitation

National Audit office showed that there is no proper mechanism adopted by the GSMB to calculate the amount of the bank guarantee and also there are many mine sites that are not rehabilitated throughout the island and the GSMB has done not enough to take actions against errant

license holders. On the other hand the COPE instructed the GSMB to take actions for the mine sites in which their bank guarantees were acquired by the GSMB.

In this connection the mine safety unit has prepared rehabilitation guidelines and it was approved by Audit & Management of

committee of the GSMB. From these guidelines three draft circulars with respect to mine site rehabilitation were derived and blanket approval was taken to implement. Once concurrence of other directors is obtained they will be implemented. Details of rehabilitated mine sites are as follows.

Year	Rehabilitated Mines Site	Percentage of Rehabilitated Mines
2012	152	79%
2013	196	75%
2014	231	73%
2015	204	72%
2016	202	70%
2017	272	75%
2018	316	68%
2019	400	70%
2020	429	79%
2021 Until March	89	63%
<b>Total</b>	<b>2491</b>	<b>73%</b>



## 05. Mine Site monitoring- Diddeniya, Hanwella RDA

As part of strengthening the monitoring of mine sites the mine safety has taken steps to outsource the required people for the RDA projects.

Up to now the mine safety division is involving for the Continus moniterin activities locating the tow monitoring locations at Diddeniya Han-

wella area.

Details of income received from RDA project are shown in below table.

<b>RDA Projects</b>	<b>Year</b>	<b>Remuneration for Mining Engineer</b>
Badulla Chenkaladi Projects	2020	3,528,000.00
Central Expressway project -1	2020	2,020,000.00
Central Expressway project-2	2019	100,000
	2020	100,000
	2021	400,000

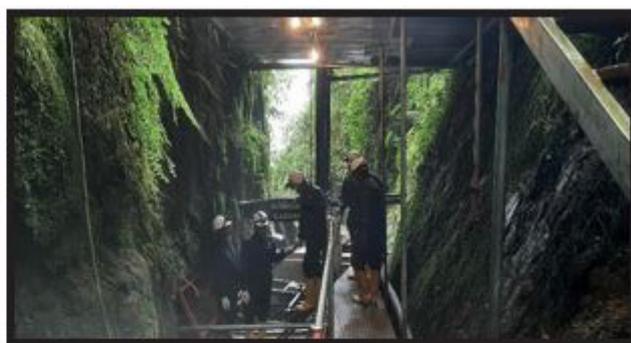
## 06. Safety Auditing

Safety auditing and make proposal for the mine sites so as to facilitate converting mine site into a safer place becomes an integral part of the mines safety division. Under this the mines safety division has done several safety audits and a few of them are mentioned below.

- With regard to several safety issues of the Damsila Pvt limited's Etipola mica mine, the GSMB has noticed impending danger of the lives of the workers who are working at Etipola mica mine and gave a TOR to address those issues. Accordingly the

company has addressed those issues.

- A Safety Audit was conducted at a Quarry owned by KDA Weerasinghe located close to central expressway at Wadakada area.





## 07. Accident Investigation & Reporting

Investigating accidents and reporting them is also comes

under this unit and it has investigated several incidents

and details of the few are described below.

Accident Investigation Date	ML No	ML ID	District	No of Death
2020.05.13	IML/A/HO/1535/LR/8	P.G.A. Wijesiri of Priyantha Enterprise	Polonnaruwa	01
2020.05.25-26	IML/B/HO/6136/LR/04	S.S. Jayasangar	Vavuniya	01
2020.05.26	IML/D/BD/N/227/LR/02	M.L. Balasuriya	Badulla	-
2020.11.18	AL/A/BD/074/LR/05	M. Somasiri	Badulla	01
2020.12.17	IML/C/HO/N/9132/LR/4	P.B.S.K. Punchi Bandara	Anuradhapura	01
2020.12.21	IML/C/HO/N/9030/LR/5	Nethmi Metal Crusher	Gampaha	01
2020.12.26	IML/C/HO/N/13 IML/C/HO/N/14	Mitco International (PVT) LTD	Gampaha	03
2021.03.17	IML/C/HO/N/12019/LR/01	M.G.D.M. Senadheera	Mathale	01
2021.04.29	IML/C/GM/N/46	M.D.R.T. Wijerathna	Gampaha	01
2021.07.12	IML/C/COL/N/025/R/01	W.M.A.D.S. Mallika Jayasundara	Colombo	02
2021.08.10	IML/C/Anu/N/0112	W.M.J.S. Adikari	Anuradhapura	01
2021.08.11	IML/C/HO/N/408/R/13	E.M.J. Jaya Thilaka	Mathale	01
2021.08.30	IML/C/MT/N/102	V.Kodagoda	Mathara	01
2021.10.14	IML/C/HO/14748	Keshan Mining & Chushing (pvt)Ltd	Mathara	01



## 08. Mine Cluster Observation

Under this the mines safety unit has observed mine clusters and necessary instructions were given in respect of mine safety and rehabilitation mine sites. Each mine s all activities are affected to the rest of mine sites of the mine cluster. Therefore mining licence

holders were convinced for integrated rehabilitation plans so as to reclaim the whole land in which mine sites are located to usable state. Few of the observations conducted by at the instigation of mine safety division are as follows.

### Madampe

Mine safety division has been involved to smooth the licenses activities and rehabilitations of the mine sites situated in madampe puttalam area. The continuous monitoring activities have been added to these silica sand mine clusters.



### Diddeniya

Mining Cluster is in the

Diddeniya it Hanwella area. Mining safety division has inspected the cluster and

found solutions for the rehabilitation and monitoring of these sites.



### Koswatiya

Mining safety division has inspected the cluster and found solutions for the rehabilitation and monitoring of these sites.



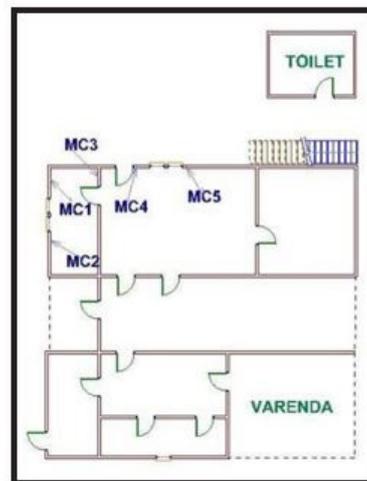
## 09. Other Activities

- i. Signing licenses and attending meeting, attending TEC committees for exploration licences, attending EVR evaluations

Year	No.of Evaluations carried out
2019	20
2020	30
2021	28

- ii. Crack Survey

The mine safety unit was undertaking the task of conducting a crack survey with the assistance from Matara regional office for the possible affected houses from pile driving activities as a part of constructing a new Kapudoowa interchange to access Matara town along the southern expressway. The income generated from this task was LKR- 218,160.00



- iii. Preparation of SPI guidelines

Up to now eighty percent of this task has been completed. It is planned to implement these guidelines since 1st of May 2022.

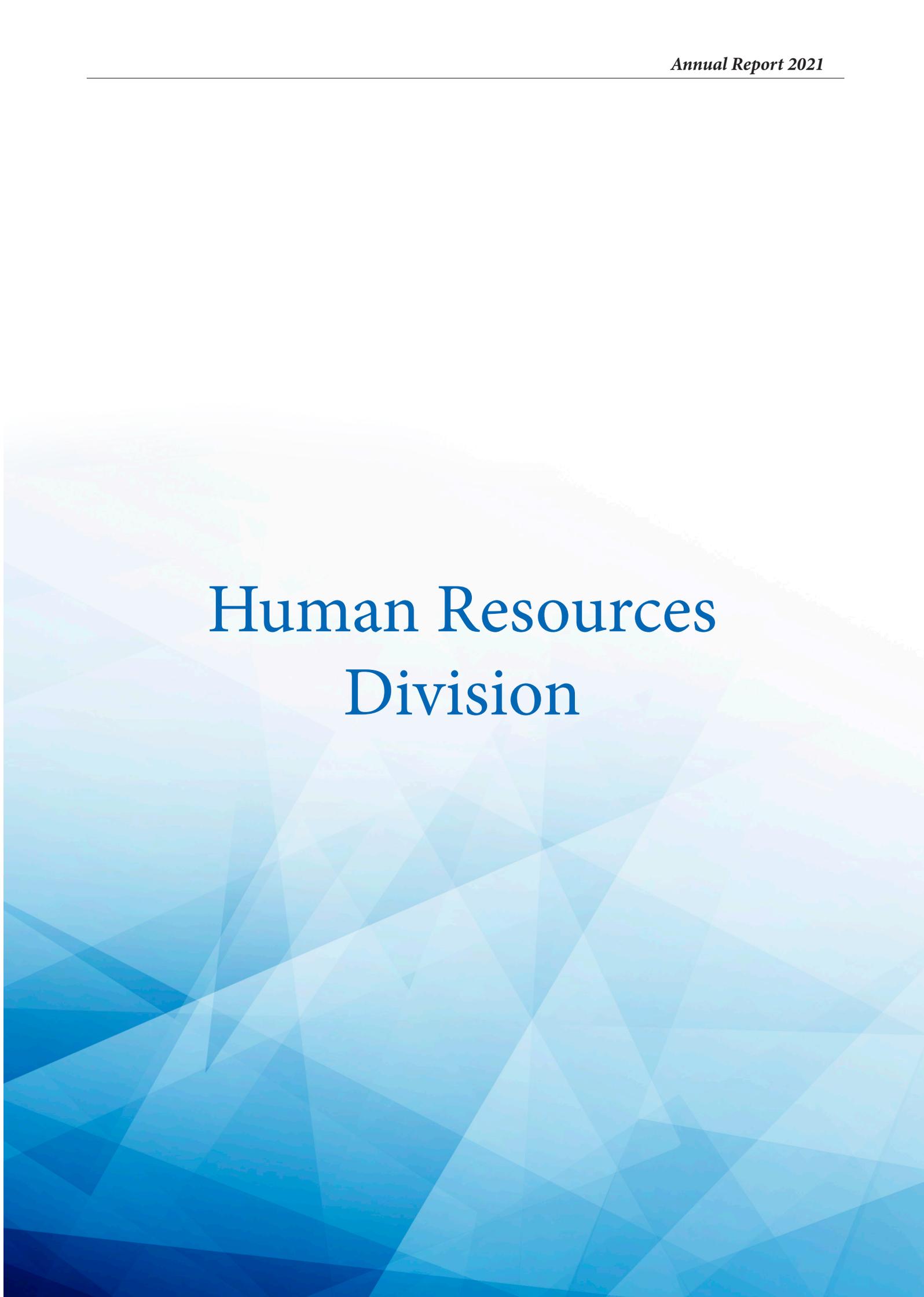
- iv. Inspection Reports formulation

Up to now eighty percent of this task has been completed. It is planned to implement these guidelines since 1st of May 2022.

- v. Act Amendment Process

During the process of amending the act the mines safety unit represented whole mining division and gave fullest contribution in making proposals to make the process a successful one.

# Human Resources Division

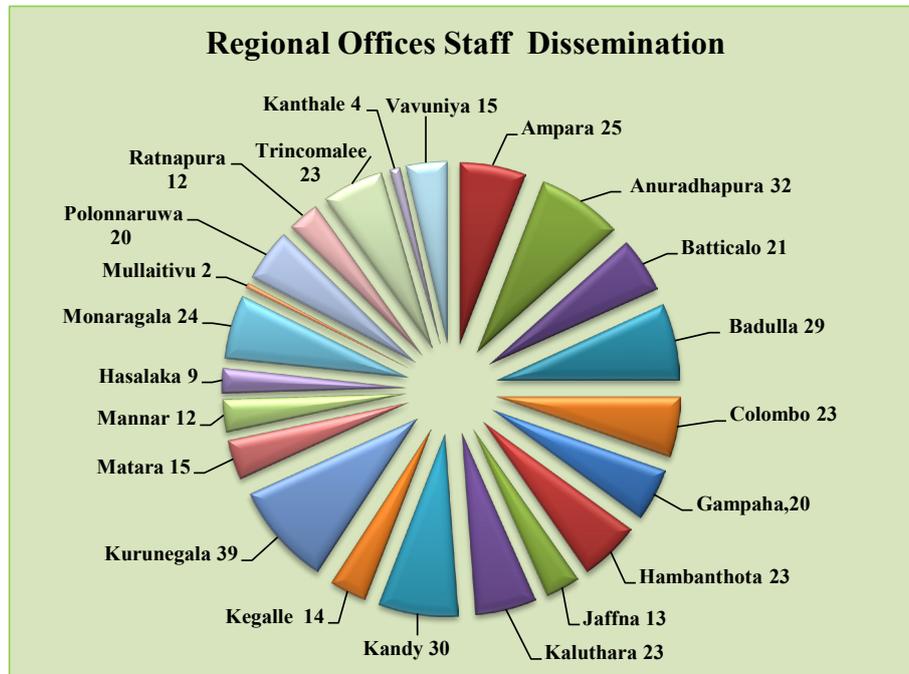
The background of the page is an abstract composition of overlapping, semi-transparent blue triangles and polygons. The colors range from a deep, dark blue at the bottom to a very light, almost white blue at the top, creating a sense of depth and movement. The overall effect is a modern, clean, and professional aesthetic.



# Human Resource Review

GSMB has 21 regional offices and 3 sub offices island wide to facilitate the general public who seek the services of the bureau and the staff dissemination of those regional and

sub offices is shown below. Most of the staff members have been recruited from the areas where the relevant office is located to provide employment opportunities.



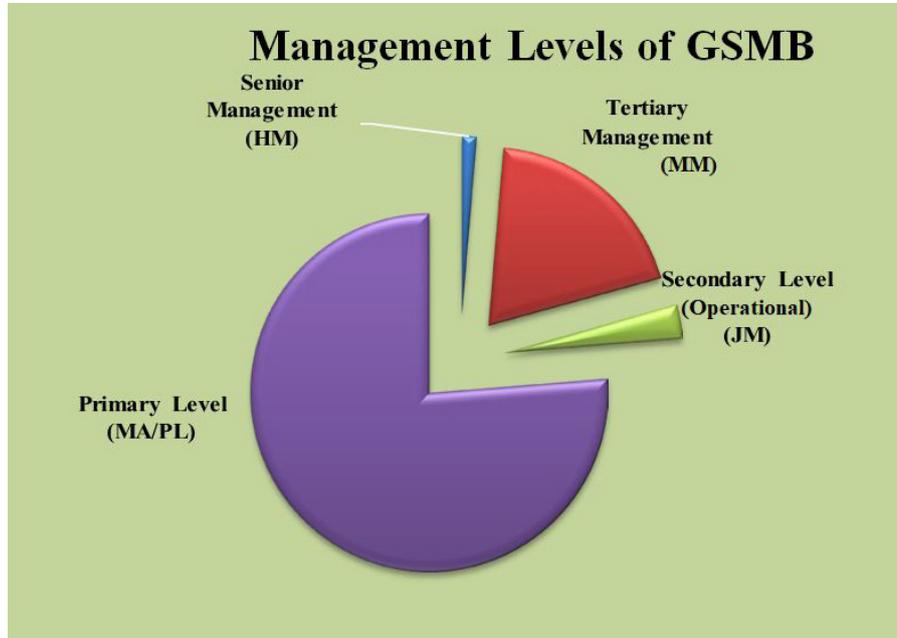
GSMB head office is located at Pitakotte having a staff membership of 291 and all the main Departments are stationed there in a Six Storied building. Basically the Strategic and

the controlling part is handled from the Head Office. All the Key officers including Chairman , Director General , Directors are stationed here.



Scheme of Recruitment (SOR) has introduced five management levels for the GSMB which consists of Senior Management, Tertiary Management,

Secondary level and Primary level. These all levels of management provide their fullest support to smooth functioning of the GSMB.



## PERFORMANCE OF HUMAN RESOURCES AND ADMINISTRATION

### DIVISION DURING - 2021

1. Introducing an automated Leave and Attendance system.
2. Organizing four Training programs for the employees.
3. Obtaining the approval to increase the OPD benefit upto Rs. 60,000/-
4. Seeking the approval of the board to hire Printers, Photo Copy Machines etc. in order to reduce cost.
5. Seeking the approval of the board to grant a loan to the employees to purchase Lap Tops or Computers in order to work from home in an emergency situation of the country.
6. Holding interviews to recruit employees which has been long overdue , for more than 10 senior positions.
7. Preparing a new Transfer Policy and referring it to the Board for approval.
8. Preparing a report to implement the recommendations of the Grievance committee as short term , medium term and long term and referring it to the board for approval.
9. Identifying the short comings of the Cadre, SOR and the organizational structure and taking steps to correct those and referring to the Management Services Department.

10. Referring the recommendations of the committee specially appointed to resolve the issues of the employees , to the board.
11. Performing all the day to day duties of the Human Resources Division effectively.

## PLANS FOR 2022 - HUMAN RESOURCES AND ADMINISTRATION

### DIVISIOIN

1. Obtaining the approval from the board to implement the automated Leave and Attendance system
2. Preparing a new Cadre and refer it to the Management Services Department for approval, with the approval of the Board of Management.
3. Complete all the recruitments during the 1st six months of the year.
4. Upon the approval of the board , commence the implementation of the short term , medium term and long term recommendations of the Grievance committee.
5. Organizing training programs for employees, relating to their job role, twice a month.
6. Organizing six training programs during the year relating to Leadership and enhancement of the English Language.
7. Introducing five “S” concept and Organizing three training programs with the assistance of National Productivity Institute.
8. Organizing at least two out bound training programs.
9. Organizing a cricket tournament, New year ceremony, Vesak Festival in order to enhance the harmony among the employees with the assistance of the Welfare society.
10. To open a Milk Bar and to install a machine to pay utility bills of the employees.



# LEGAL DIVISION

- **Functions of Legal Section**
- ◀ Total Number of Cases handled by Legal Section- 75 Cases Supreme Court – 10 Cases Court of Appeal- 20 Cases
  - Civil Appellate High Court - 01 Case
  - High Court- 04 Cases District Court - 03 Cases
  - Magistrate Court - 31 Cases
  - Labour Tribunal - 01 Case
  - Human Rights Commission - 03 Cases
  - Labour Department - 02 Cases
- ◀ Appearing in Courts - 213 Appearances
 

January	- 24 Cases	July	- 23 Cases
February	- 19 Cases	August	- 12 Cases
March	- 26 Cases	September	- 11 Cases
April	- 10 Cases	October	- 33 Cases
May	- 08 Cases	November	- 10 Cases
June	- 11 Cases	December	- 26 Cases
- ◀ Filing of New Cases following the raids Conducted by Enforcement Unit- 26
  - January to April - 20
  - October - 04
  - November - 02
- ◀ Consultations held with Attorney General Department regarding cases handled by legal section and for obtaining legal opinion- 15
- ◀ Registrar of Company file search regarding Mining Files - 16
- ◀ Investigations and Raids conducted by Enforcement Unit- 147
  - Investigations – 33
  - Raids – 114
- ◀ Total Complaints Handled by the Enforcement Unit- 295
- ◀ Total sum of Rupees collected as fine to Government, through the investigations and raids - Rs. 1,874,766.25
- ◀ Total sum of Rupees collected as royalty, through Letters of Demand and filing Court Actions- Rs. 1,129,540.80



- 
- ◀ Letters received by legal section for obtaining legal advices and for take necessary actions- 1334
  - ◀ Preparation of Letters, Reports, Memos to send to Police Stations, Courts, Government Authorities, subordinates, License Holders/Applicants & others - 484
  - ◀ Appealed Mining Files Handled by Legal Section - 20
  - ◀ Mining Files Handled by Legal Section for Providing Legal Advices- 251
  - ◀ Letters and Files handled by Enforcement Unit – 312
  - ◀ Awareness Programmes for Police Officers and for Police Special Task Force Officers conducted by Legal Section regarding provisions of Mines and Minerals Act. – 10

### **Programmes**

- February – Police Station, Polonnaruwa
- June – Katana Police Academy
- August – Katana Police Academy (4 Programmes)
- October- Katana Police Academy, Maradana Police Academy and Kurunegala Wehera Police Centre
- December – Jaffna
- ◀ Awareness Programmes for GSMB Officers conducted by Legal Section regarding provisions of Mines and Minerals Act. – 01 Programme
- ◀ Agreements prepared on behalf of GSMB – 34
  - Lease Agreements - 11
  - Drilling Agreements- 02
  - Service Agreements- 10
  - MIA Agreements- 06
  - Memorandum of Understanding (MoU)- 05
- ◀ Amendments to the Mines and Minerals Act
  - Internal meetings were held to obtain the views of other sections.
  - Identified important areas to be amended.
  - Identified more amendments for the offences on rehabilitation, conditions violating and confiscating of illegally mined minerals and equipment.
  - Draft prepared by legal section as a base document and submitted for the approval of the Environment Ministry.

- ◀ Amendments to the Regulation
  - 1<sup>st</sup> part of regulations was published on 04.07.2019 and 2nd part has sent to Legal Draftsman Department.

- ◀ Implementation of Ma Oya Management Meeting
  - Special Meeting was held on 10.08.2021

- ◀ Other Internal/External Meetings- 50

\* **Summary**

\* Staff-

- ◀ Total Permanent Staff of the Legal Section – 09 (Including 02 Attorneys-at-Law, 03 Enforcement Officers, 03 Management Assistants and 01 Office Assistant.)

- ◀ Total Contract Employees in Legal Section – 03 (03 Attorneys -at- Law)

\* **Functions**

- ◀ Total Number of Cases handled by Legal Section- 75 Cases

- ◀ Appearing in Courts - 213 Appearances

- ◀ Filing of New Cases following the raids Conducted by Enforcement Unit- 26

- ◀ Consultations held with Attorney General Department regarding cases handled by legal section and for obtaining legal opinion- 15

- ◀ Registrar of Company file search regarding Mining Files - 16

- ◀ Investigations and Raids conducted by Enforcement Unit- 147

- ◀ Total Complaints Handled by the Enforcement Unit- 295

- ◀ Total sum of Rupees collected as fine to Government, through the investigations and raids- Rs. 1,874,766.25

- ◀ Total sum of Rupees collected as royalty, through Letters of Demand and filing Court Actions- Rs. 1,129,540.80

- ◀ Letters received by legal section for obtaining legal advices and for take necessary actions- 1334

- ◀ Preparation of Letters, Reports, Memos to send to Police Stations, Courts, Government Authorities, subordinates, License Holders/Applicants & others- 484

- ◀ Appealed Mining Files Handled by Legal Section - 20

- ◀ Mining Files Handled by Legal Section for Providing Legal Advices- 251

- ◀ Letters and Files handled by Enforcement Unit – 312

- ◀ Awareness Programmes -11

- ◀ Agreements prepared on behalf of GSMB - 34

- ◀ Internal/External Meetings- 51

(Signed by: Kanchana Fernando – Director Legal (AD))



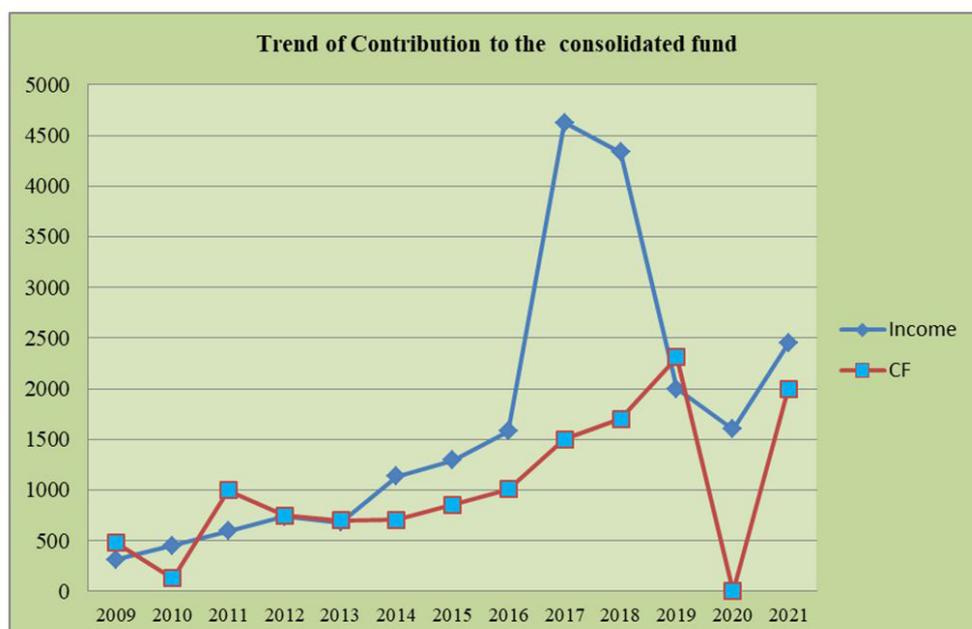
# Financial Review

The income and the expenditure of the Geological Survey and Mines Bureau of the year 2021 indicate a higher level in comparison with the income and expenditure of the year 2020 though, the pandemic situation that existed in the country whole year. The income generated by the Bureau in the year 2021 was

3230 million rupees including royalty and it is a increase of 30.4% from the income of the year 2020. Similarly, the annual expenditure of the year 2021 was 1,197 million rupees excluding grant given to the General Treasury. It is a decline of 23 % in comparison with the expenditure of the year 2020. As a result of that, the net income of the year was

Rs.2, 033 million rupees and it is a growth of 62%. Geological Survey and Mines Bureau is contributed Rs.2000 Mn to the Consolidated fund in the year 2021. The income of the Bureau from the year 2017 up to the year 2021 can be analyzed as follows and the variation of income category can be noticed through it.

	2017	2018	2019	2020	2021
Royalty Income	Rs.Mn 4626	Rs.Mn 4336	Rs.Mn 1998	Rs.Mn 1602	Rs.Mn 2451
License Income	Rs.Mn 276	Rs.Mn 182	Rs.Mn 194	Rs.Mn 143	Rs.Mn 232
Inspection Fees	Rs.Mn 260	Rs.Mn 244	Rs. Mn 262	Rs.Mn 252	Rs.Mn 286
Laboratory Income	Rs.Mn 2.6	Rs.Mn. 4.1	Rs.Mn 5.3	Rs.Mn 3.6	Rs.Mn 4
Project Income	Rs. Mn 24	Rs.Mn 49	Rs.Mn 18	Rs.Mn 24	Rs.Mn 27
Interest Income	Rs.Mn 281	Rs.Mn 323	Rs.Mn 228	Rs.Mn 173	Rs.Mn 165
Other Income	Rs.Mn 100	Rs.Mn 106	Rs.Mn 92	Rs.Mn 78	Rs.Mn 129



# FINANCIAL REPORTS



# Notes to the Financial Statements

## 1. Significant Accounting Policies

### 1.1 General Policies

#### 1.1.1 Reporting entity

The Geological Survey and Mines Bureau (GSMB) is a statutory body established by Act No. 33 of 1992 under the Mines and Minerals Act. The principal place of business is situated at No. 569, Epitamulla Road, Pitakotte. GSMB is presently functioning with 21 Regional offices situated in Kandy, Matara, Kurunegala, Kurunegala Haritha, Badulla, Ratnapura, Anuradhapura, Ampara, Monaragala, Hambantota, Trincomalee, Kalutara, Jaffna, Baticalo, Ampara, Gampaha, Polonnaruwa Mannar, Vaunia, Mathale, Mulathive and Colombo.

#### 1.1.2 Subsidiary and Sub-Subsidiaries

The Bureau has invested in 66% of the issued share capital of the Geological Survey and Mines Bureau Technical Services Private Limited (400,000 Shares) and its registered office is located at No.190/A, Stanly Thilakeratne Mawatha, Nugegoda.

The GSMB Technical Services (Pvt) Ltd.'s principal activities are to carry out trading and project trading activities to control and regulate the prices of sand in the market. It is selling sand at a subsidized price as a government policy decision, mainly to support the construction sector and the company has set up locations for trading activities. Also the private company has undertaken technical support services as projects to its clients and services such as manpower and technical expert related work is provided to its clients which are not coming under the GSMB mandate.

The Chairman of the GSMB is also the Chairman of GSMB Technical Services (Pvt) Ltd. and no other Director(s) or employees of GSMB

are appointed to the Board of the subsidiary company.

#### 1.1.3 Preparation of Consolidated accounts

The accounting year of the subsidiary company has changed in accordance with the Parent company and action has been taken to prepare and present the consolidated accounts.

Date of Authorization for Issue the Financial statements were authorized for issue by the Board on 25th February 2022.

#### 1.1.4 Principal activities and nature of operations

To undertake systematic geological mapping of Sri Lanka and preparation of Geological Maps, to identify and assess the mineral resources of Sri Lanka, to evaluate the commercial viability of mining for, processing and export of such Minerals, to regulate the exploration and mining for minerals and processing, trading in and Export of such minerals by the issue of licenses, to advice the Minister on measures to be adopted for the promotion of the extraction and production of minerals on a commercial basis, to disseminate in appropriate media, information and data acquired during the exercise of functions under the Act; to undertake projects in regard to engineering geology and provide advice and Remedial measures caused in respect of geological hazards and disaster.

#### 1.1.5 Basis of Preparation

##### (a) Statement of Compliance

The financial statements comprise the statement of financial position, statement of comprehensive income, 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 Standards issued by the Institute of chartered Accountants of Sri Lanka.

### **(b) Presentation of Financial Statements**

The Financial Statement of the year 2021 is changed in accordance with the IFRS No.10.

### **(c) Basis of measurement**

The financial statements have been prepared on historical cost basis except where appropriate disclosures are made with regard to fair value under relevant notes.

### **(d) Comparative Information**

The Accounting policies set out below have been applied consistently to all periods presented in these financial statements and in reporting the Public Sector Accounting Standards volumes 1, 11 and 111 issued by the Institute of Chartered Accounts of Sri Lanka.

It is also disclosed that when the presentation or classification of items in the financial statements have been amended, comparative amounts have also been reclassified to conform with the current in order to provide a better presentation. Hence Fixed Assets, Current Assets & Equity classification errors have been corrected as per SLPSAS and Treasury Guide Lines.

### **(e) Financial and presentation currency**

These financial statements prepared in Sri Lanka Rupees which is the functional and presentation currency of the GSMB.

All financial information presented in Sri

Lankan Rupees has been rounded to the nearest rupee, unless stated otherwise.

### **(f) Use of Estimates and Judgments**

These preparation and presentation of financial statements in conformity with Public Sector Accounting Standards requires management to make judgments, estimates and assumptions that affects the application of accounting policies and reported amounts of assets, liabilities, income and estimates. Actual results may differ from these estimates and judgments used.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimate is revised if the revision affects only that period or in the period of the revision and future periods, if the revision affects both current and future periods.

Information about significant areas of estimates, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements as included in the notes to the financial statements.

## **1.1.6 Presentation of Budget information in Financial Statements**

The Budget that was originally approved by the Board of Directors for the year was amended due to necessities of reallocation within the budget and also in certain instances due to decisions taken to carryout activities of the Bureau.

## **1.2 Assets and basis of Valuation**

### **1.2.1 Property, Plant & Equipment**

#### **(a) Recognition and Measurement**

Items of property, plant and equipment are stated at cost or at their fair value less accumulated depreciation or impairment losses.

GSMB considers the minimum value of fixed assets as rupees 5,000, all items of property,

plant and equipment are initially recorded at cost less accumulated depreciation or impairment losses. Significant components of an asset are identified and depreciated separately. When significant parts of property, plant and equipment are required to be replaced at intervals, the entity derecognizes the replaced part, and recognizes the new part with its own useful life and depreciation. All other repair and maintenance costs are recognized in the income statement as incurred.



### (b) Cost

Cost of Property, plant and equipment comprises its purchase price and any directly attributable cost of bringing the asset to working condition for intended use.

Subsequent expenditure incurred for the purpose of acquiring, extending or improving assets of a permanent nature in order to carry on or increase the earning capacity of the assets have been treated as capital expenditure.

Expenditure incurred to replace a component of an item of property, plant and equipment that is accounted for separately, including major inspection and overhaul expenditure is capitalized only if it is probable that the future economic benefits embodied within the part will flow to the GSMB and its cost can be measured reliably.

### (c) Restoration Costs

Expenditure incurred on repairs or maintenance of property, plant and equipment in order to restore or maintain the future economic benefits expected from originally assessed standard of performance, is recognized as an expense when incurred.

### (d) Revaluation of certain selected class of assets

The Bureau decided to revalue selected fixed assets only and revalued buildings in

Kurunegala, Mahakandarawa and Hakmana by the Valuation Department Chief Valuer.

However we have written to the valuation department to send us a breakdown of the items valued and since only a summary has been forwarded to GSMB at the end of this accounting year, necessary entries with regard to assets revalued can be made in the books of accounts only after such details are received.

GSMB will adopt as a policy to revalue such assets every five years and will revalue Motor Vehicles and Communication Equipment during the course of the next financial year.

### (e) Depreciation

Depreciation is charged to the statement of comprehensive income on the straight line method on the cost of all property, plant and equipment other than freehold land, in order to write-off cost of such assets over the following estimated useful lives.

Depreciation of an asset begins when it is available for use and ceases at the earlier of the date that the asset is classified as held for sale and the date that the asset is derecognized.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use. Any gain or loss on de recognition of the assets is included in the statement of comprehensive income in the year the asset is derecognized.

Category of Assets	Useful life	Rate of Depreciation
Buildings & Partitioning	20 years	5%
Fencing	5 years	20%
Plant & Machinery	8 years	12.5%
Laboratory Equipment	5 years	20%
Motor Vehicles	5 years	20%
Furniture and Fittings	10 years	10%
Office Equipment	5 years	20%
Field Equipment	5 years	20%
Mapping Equipment	5 years	20%
Communication Equipment	8 years	12.5%
Library Books and Maps	20 years	5%
Software Accessories	5 years	20%

All assets of GSMB Technical services (Pvt) Ltd have been considered for a life span of 4 years (25%) for the purpose of providing depreciation.

### 1.2.2 Work In Progress

Construction work of the laboratory building work at Pitakotte, regional office work in Rathnapura, Polonnaruwa, Ampara, and Kurunegala have not been fully completed. Therefore we have obtained a certificate confirming the percentage of completion and the value at each construction site from a qualified Civil Engineer Mr. K.A. Munasinghe, (Chartered Engineer) as at the end of the accounting year. Ampara Buddangala Tsunami GFZ Station has been completed in the year 2021.

### 1.2.3 Inventory

Inventories are stated at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course business less estimated costs of completion and selling expenses. The cost includes expenditure in acquiring the inventories and bringing them to the existing location and condition less impairment of obsolete and slow moving items. GSMB is using the first in first out method when issuing stocks.

### 1.2.4 Impairment of Assets

The carrying amounts of the assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognized if the carrying amount of an asset or cash generating unit exceeds its recoverable amount. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

### 1.2.5 Financial Assets

Financial assets and liabilities are offset and the net amount is presented in the statement of financial position when and only when, GSMB has a legal right to offset the amounts the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

The Financial assets of GSMB include cash and short-term investments and trade and other receivables.

#### (a) Loans and receivables

Loans and receivables comprise trade receivables, employee loans, deposits, advances, other receivables and cash and cash equivalents.

GSMB continues to record and present employee loans at contracted amounts.

#### (b) Held to Maturity Investments (HTM)

Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held-to-maturity when the GSMB has the positive intention and ability to hold them to maturity. Investments in government securities and in fixed deposits have been classified under HTM investments.

#### (c) Critical illness & Welfare Fund / The Global Seismographic Network (GSN)

The below-mentioned Fixed Deposits had shown in the previous year's Financial Statement have been separately disclosed in this Financial Statement as a note.

Critical illness & Welfare Fund FD -  
40,789,153.33

The Global Seismographic Network (GSN) -  
12,814,733.43

### 1.2.6 Impairment of Financial Assets

GSMB assesses at each reporting date whether



there is any objective evidence that a financial asset or a group of financial assets is impaired and if such impairment has occurred, that amount of impairment is calculated by taking the difference between the asset's carrying amount and the present value of estimated future cash flows.

### 1.2.7 Cash and Cash equivalents

Cash and cash equivalents comprise cash in hand and deposits at bank.

GSMB, Board of Management has decided to open bank accounts for all regional offices in relevant areas in the year 2021.

### 1.3 Liabilities and Provisions

Liabilities classified as current liabilities on the statement of financial position are those which fall due for payment on demand or within one year from the reporting date. Noncurrent liabilities are those balances that fall due for payment after one year from reporting date.

All known liabilities have been accounted for in

preparing these financial statements. Provisions and liabilities are recognized when the GSMB has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation.

1.3(a) there are 28 legal cases filed against the GSMB in District Court, High Court, Appeal Court and Supreme Court. However, the Legal division has not identified the liability for two cases though complainers have requested compensations.

1.3(b) GSMB has made provisions on inspection income received from the customers, to make payment at customers' on requisitions if the Bureau rejects the license issuing.

#### 1.3.1 Provision for Bad and Doubtful Debts

Although the Bureau has limited in entering in to credit transactions, project work that is undertaken on a pre-signed agreement, certain amounts that is due to the GSMB on such contacts are long outstanding and provision has been made for such outstanding amounts using the following criteria.

Debtors Outstanding Amount	Outstanding for less than a year (0-1year)	Outstanding for more than a year and less than two years (1-2years)	Outstanding for more than two years and less than three years (2-3years)	Outstanding for more than three years and less than four years (3-4years)	Outstanding for more than five years (Above 5 years)
Provision Amount	No Provision	40% of the Debtors Value	50% of the Debtors Value	60% of the Debtors Value	100% Provision

#### 1.3.2 Grants

##### (a) Accounting for Grants

Grants that compensate the GSMB for expenses incurred are recognized as revenue in the

statement of comprehensive income in the same period in which the expenses are recognized. Grants that compensate the GSMB for the cost of an asset are recognized in the statement of comprehensive income on a systematic basis over the useful life of the related asset.

### 1.3.3 Employee Benefits

#### (a) Provision for retiring gratuity

GSMB has adopted the benefit plan as required under the Payment of Gratuity Act No. 12 of 1983 for all eligible employees. The benefit plan is unfunded. Provision for gratuity is computed by GSMB taking into account the guidance of Public Sector Accounting Standard SLPSAS 19 Employee Benefits.

Defined benefit plans estimate the amount of benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

#### (a) Defined contribution plans

A defined contribution plan is a post-employment plan under which an entity pays fixed contribution into a separate entity and will have no legal or constructive obligation to pay a further amount. Obligations for contributions to defined contribution plans are recognized as an expense in the statement of comprehensive income as and when they are due.

#### (b) Employees' Provident Fund

GSMB and employees contribute 15% and 10% respectively on the salary of such employee to the Employee Provident Fund.

However GSMB has held discussions with the Department of Labour to maintain the correct ratio of employee contributions.

#### (c) Employees' Trust Fund

GSMB contributes 3% on the salary of each employee to the Employee's Trust Fund.

### 1.3.4 Trade and Other Payables

Trade and other payables are stated at cost.

### 1.3.5 Taxation

Provision for taxation has been made on the

basis of profit for the year as adjusted for taxation purposes in accordance with the Inland Revenue Act No 10 of 2016 and the new Inland Revenue Act No 24 of 2017. The Bureau is liable for income tax on its total earnings effective from 01.04.2018 and taxes are computed at the rate of 24% for earnings after the effective date.

GSMB is liable to value-added tax (VAT) and has complied with the provisions of the VAT act. VAT payable and/or recoverable amounts are reflected in the Statement of Financial Position.

### 1.3.6 Deferred Taxation

The differed tax liability as at balance sheet date is Rs. 49,919,112.00.

### 1.3.7 Foreign Currency Transaction

All foreign exchange transactions are converted to Sri Lanka Rupees, which is the reporting currency, at the rates of exchange prevailing at the time the transactions were affected.

### 1.3.8 Capital Commitments and Contingent Liabilities

Contingent liabilities are possible obligations whose existence will be confirmed only by uncertain future events or present obligations where the transfer of economic benefits is not probable or cannot be reliably measured. Capital commitments and contingent liabilities of the GSMB are disclosed as stated below.

GSMB had rented out premises for the Badulla regional office during the period 2010-2011 and a fire had taken place. The landlord is of the view that the fire took place due to negligence on the part of GSMB and has filed a case in the Badulla District courts under case number M 7523. However; the Court has given decision to make payment to Landlord for Rs.1.2 Mn. Hence GSMB allocated funds from the estimated Budget 2022 to pay the damages.



## 1.4 Statement of Comprehensive Income

### 1.4.1 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to GSMB and that it can be measured reliably. Revenue is measured at the fair value of the consideration received or receivable net of trade discounts and sales taxes. The following specific criteria are used for the purpose of recognition of revenue.

#### (a) Royalty Income

Action has been taken to identify the royalty in accordance with the Section five (5) of the special Gazette no 794/23 issued by the Government of Sri Lanka on 26th November 1993.

Royalty transfers to the General Treasury during the year are adjusted in the changes of Equity since it is not directly relevant to the operating expenditure of the GSMB.

#### (b) Interest Income

Interest income is recognized on a time proportion basis that takes into accounts effective yield on the assets.

#### (c) Other Income

Other income is recognized on accrual basis. Net gains and losses of a revenue nature on the disposal of property, plant & equipment and other non current assets have been accounted for in the income statement, having deducted from proceeds on disposal, the carrying amount of the assets and related selling expenses.

#### (d) Government Grants

Government grants related to development activities which can be treated in the nature of revenue and differed revenue are accounted under the income approach.

#### (e) Investment Income

Dividend income of Rs.2Mn was received in 2021 which is relevant to the year 2020 but not received dividend for 2021 yet from the

subsidiary company. However, this dividend income might be received during the year 2022.

### 1.4.2 Expenditure

Expenses are recognized in the income statement on the basis of a direct association between the cost incurred and the earning of specific items of income. All expenditure incurred in the running of the business and in maintaining the property, plant and equipment in a state of efficiency has been charged to income in arriving at the profit for the year.

**(a) Operating Activities include the expenditure incurred on Mining and Geology divisions as the main divisions of the GSMB.**

**(b) Administrative Expenditure includes the expenditure incurred on the other supporting division's expenditure during the year 2021.**

## 1.5 Cash Flow Statement

Cash Flow statement has been prepared in accordance with SLPSAS 2.

Interest paid is classified as operating cash flow and interest received is classified as investing cash flow.

## 1.6 Events after the reporting date

The materiality of events occurring after the reporting date is considered and appropriate adjustments wherever necessary are made in the accounts.

No circumstances have arisen since the reporting date which requires material adjustments or disclosure in the financial statements.

## 1.7 Related Party Transactions

No Director(s) is interested in contracts and /

or proposed contracts with the Bureau as at the reporting date. However the Chairman of GSMB is also the Chairman of the Subsidiary Company (GSMB Technical Services Pvt. Ltd). Senior Mining Engineer of GSMB is a Board Director of SLRDC; (i.e. a Public Institution).

### **1.7.1 Fair Value or Revaluation as Deemed Cost**

Freehold property, plant and equipment are

carried in the statement of financial position prepared in accordance with the SLPAS, using the cost model. The GSMB has not elected to use the fair value as deemed cost.

### **1.7.2 Significant Accounting Judgment, Estimates and Assumptions**

Standards issued and effective during the year have been adopted by the GSMB when presenting the Financial Statements.





**GEOLOGICAL SURVEY AND MINES BUREAU**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER 2020**

<u>2020</u>			<u>2021</u>		
GSMB Rs.	GROUP Rs.	<u>ASSETS</u>	Note	GROUP Rs.	GSMB Rs.
462,909,038	504,027,729	<u>Non Current Assets</u>			
159,045,551	159,045,551	Property, Plant & Equipments	1	493,727,022	464,956,754
		Working Progress	2	326,616,983	326,616,983
<b>621,954,589</b>	<b>663,073,280</b>	<b>Total Non - Current Assets</b>		<b>820,344,005</b>	<b>791,573,737</b>
		<u>Other Non Current Assets</u>			
4,000,000	-	Investment	3	-	4,000,000
51,370,580	70,636,872	Differed Tax Assets	4	82,214,179	65,860,635
3,119,309,526	3,390,493,340	Fixed Deposits	5	2,882,877,543	2,596,992,830
<b>3,174,680,106</b>	<b>3,461,130,212</b>	<b>Total other Non Current Assets</b>		<b>2,965,091,723</b>	<b>2,666,853,465</b>
		<u>Current Assets</u>			
32,115,617	52,025,144	Inventory	6	48,759,103	31,804,432
57,584,844		Trade Debtors	7	192,495,930	180,234,642
140,747,314	310,215,110	Other Receivables	8	221,379,926	149,541,193
-		Inter Company	9	27,277,360	24,092,839
16,463,224		Pre Payment & Deposits	10	14,509,329	14,509,329
84,772,024	103,602,797	Cash & Cash Equivalents	11	199,260,399	157,916,939
<b>331,683,022</b>	<b>465,843,051</b>	<b>Total Current Assets</b>		<b>703,682,048</b>	<b>558,099,374</b>
<b>4,128,317,717</b>	<b>4,590,046,543</b>	<b>Total Assets</b>		<b>4,489,117,775</b>	<b>4,016,526,577</b>
		<u>EQUITY &amp; LIABILITIES</u>			
		<u>Equity and Reserves</u>			
2,736,894,110	2,948,639,366	Opening Equity & Reserves		2,778,886,771	2,612,432,098
(1,195,331,284)	(1,195,331,284)	Add: Prior Year Adjustment		41,863,532	28,611,675
773,685,180	730,394,597	Profit for the year		1,560,629,821	1,552,956,756
(8,598,504)	(8,598,504)	Transferred to Treasury		(2,000,000,000)	(2,000,000,000)
-	86,227,336	Non Controlling Interest		95,689,797	-
305,782,596	305,782,596	Revaluation Reserve		17,241,822	17,241,822
<b>2,612,432,098</b>	<b>2,867,114,107</b>			<b>2,494,311,743</b>	<b>2,211,242,351</b>
4,135,178	4,135,178	Foreign Remittance Received	12	2,370,912	2,370,912
35,750,158	35,750,159	Distress & Employee Benefit Account		-	-
<b>2,652,317,434</b>	<b>2,906,999,444</b>	<b>Total Equity &amp; Reserves</b>		<b>2,496,682,655</b>	<b>2,213,613,263</b>
		<u>Non Current Liabilities</u>			
238,321,390	219,000,818	Provision for Retiring Gratuity	13	292,966,115	267,810,585
25,457,826	25,457,826	Lease Payble Long Term (vehicle)	16	15,964,704	15,964,704
60,253,441	61,244,360	Differed Tax Liability	4	50,504,795	49,919,112
<b>324,032,657</b>	<b>305,703,004</b>	<b>Total Non Current Liabilities</b>		<b>359,435,614</b>	<b>333,694,401</b>
		<u>Current Liabilities</u>			
330,949,437	734,009,295	Creditors and Payables	14	643,424,633	525,013,235
194,130,301		Accruels Expenses	15	249,228,756	203,859,561
13,781,772	643,334,802	Lease Payble Short Term (vehicle)	16	13,781,053	13,781,054
-		Provision for inspection Refund	17	3,264,024	3,264,024
613,106,116		Other Payables	18	723,301,038	723,301,038
<b>1,151,967,626</b>	<b>1,377,344,096</b>	<b>Total Current Liabilities</b>		<b>1,632,999,505</b>	<b>1,469,218,912</b>
<b>1,476,000,283</b>	<b>1,683,047,099</b>			<b>1,992,435,120</b>	<b>1,802,913,313</b>
<b>4,128,317,717</b>	<b>4,590,046,543</b>	<b>Total Equity &amp; Liabilities</b>		<b>4,489,117,775</b>	<b>4,016,526,577</b>

**GEOLOGICAL SURVEY AND MINES BUREAU**  
**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31ST DECEMBER 2021**

2020		2021	
GSMB Rs.	GROUP Rs.	GROUP Rs.	GSMB Rs.
2,025,438,787	2,501,283,383	3,752,577,431	2,999,814,453
	Income		
77,637,587	92,757,085	87,367,815	64,741,549
	Other Income		
(650,901,099)	(1,071,335,505)	(1,326,099,355)	(672,882,796)
	Operating Expenses		
(517,266,955)	(644,459,521)	(585,094,263)	(492,011,335)
	Administration Expenses		
<b>934,908,320</b>	<b>878,245,442</b>	<b>1,928,751,627</b>	<b>1,899,661,871</b>
	Operating Profit		
(5,525,422)	(5,765,578)	(4,655,790)	(4,319,059)
	Finance Cost		
143,082,794	143,082,794	165,836,217	165,836,217
	Net Finance Income		
<b>1,072,465,692</b>	<b>1,015,562,658</b>	<b>2,089,932,054</b>	<b>2,061,179,029</b>
	Profit Before Tax		
298,780,512	285,168,061	525,465,700	508,222,272
	Income Tax Expenses		
<b>773,685,180</b>	<b>730,394,597</b>	<b>1,564,466,354</b>	<b>1,552,956,756</b>
	Profit for the Year		
<b>Profit is attributable to:</b>			
773,685,180	744,824,791	1,560,629,821	1,552,956,756
	Owners (GSMB)		
-	(14,430,195)	3,836,532	
	Non Controlling Interest		
<b>773,685,180</b>	<b>730,394,596</b>	<b>1,564,466,354</b>	<b>1,552,956,756</b>





**GEOLOGICAL SURVEY & MINES BUREAU**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

GROUP	CONSOLIDATED FUND Rs.	DEPARTMENT FUND Rs.	CAPITAL FUND Rs.	REVALUATION RESERVE Rs.	RETAINED EARNING Rs.	NON-CONTROLLING INTEREST Rs.	TOTAL Rs.
Balance At 1st January 2021 Brought Forward	27,652,883	1,746,726	68,916,655	305,782,596	2,374,787,911	83,227,336	2,862,114,107
Shares	-	-	-	-	-	2,000,000	2,000,000
Profit for the Year	-	-	-	-	1,560,629,822	3,836,532	1,564,466,354
Revaluation Surplus for the year	-	-	-	17,241,822	-	-	17,241,822
Income - Prior Year Adjustment	-	-	-	-	41,863,533	6,625,928	48,489,461
<b>Total Income</b>	<b>27,652,883</b>	<b>1,746,726</b>	<b>68,916,655</b>	<b>323,024,418</b>	<b>3,977,281,266</b>	<b>95,689,796</b>	<b>4,494,311,743</b>
Transferred to Treasury	-	-	-	-	(2,000,000,000)	-	(2,000,000,000)
Dividends	-	-	-	-	-	-	-
Expenditure - Prior Year Adjustment	-	-	-	-	-	-	-
<b>Balance As At 31 December 2021</b>	<b>27,652,883</b>	<b>1,746,726</b>	<b>68,916,655</b>	<b>323,024,418</b>	<b>1,977,281,266</b>	<b>95,689,796</b>	<b>2,494,311,743</b>



**GEOLOGICAL SURVEY AND MINES BUREAU**  
**STATEMENT OF CASH FLOW AS AT 31 DECEMBER 2021**

2020			2021	
GSMB Rs.	GROUP Rs.	Description	GROUP Rs.	GSMB Rs.
1,072,465,693	1,029,175,108	Excess or Revenue over Recurrent expenditure After Tax & Interest	1,564,466,354	1,552,956,756
-	-	Income Tax	17,243,428	-
-	-	Dividend Income From Subsidiary	(2,000,000)	(2,000,000)
106,782,013	118,598,066	Depreciation	115,257,802	99,549,064
-	(13,612,451)	Deffered Tax Adjustment	-	-
48,567,942	52,632,599	Gratuity	34,625,333	30,906,805
(5,331,284)	(5,331,284)	Prio Year Adj	48,489,461	28,611,675
-	43,054,708	Priv for Bad Debts	(5,660,884)	1,511,201
-	-	(Profit)/Loss on Disposals	25,938	-
(143,082,794)	(143,082,794)	Finance Income	(15,170,906)	-
<b>1,079,401,570</b>	<b>1,081,433,952</b>		<b>1,757,276,525</b>	<b>1,711,535,503</b>
		<b>Working capital adjustment</b>		
16,170,703	16,825,163	Stock ( Increased) / Decreased	3,266,041	311,185
35,709,843	39,010,601	Trade Debtors ( Increased) / Decreased	(110,900,731)	(124,161,000)
-	-	Deferred Tax ( Increased) / Decreased	(24,824,384)	(24,824,384)
-	-	Other Receivable ( Increased) / Decreased	(14,540,638)	(8,793,879)
-	-	Inter Company ( Increased) / Decreased	(19,629,337)	(24,092,839)
-	-	Pre Payment & Deposit ( Increased) / Decreased	1,953,895	1,953,895
143,402,537	145,418,042	Creditors and Other Payables Increased / (Decreased)	160,251,973	194,063,798
93,185,414	93,185,415	Accrued Expenses Increased / (Decreased)	26,383,627	9,729,260
-	-	Provision for Inspection Refund Increased / (Decreased)	3,264,024	3,264,024
-	-	Other Increased / (Decreased)	110,194,922	110,194,922
<b>1,367,870,067</b>	<b>1,375,873,173</b>	<b>CASH GENERATING FROM OPERATING ACTIVITIES</b>	<b>1,892,695,916</b>	<b>1,849,180,485</b>
-	(119,999)	ESC Paid	-	-
(8,197,930)	(8,197,930)	Gratuity Paid	(1,768,195)	(1,417,610)
<b>1,359,672,137</b>	<b>1,367,555,245</b>	<b>NET CASH GENERATING FROM OPERATING ACTIVITIES BEFORE TAX</b>	<b>1,890,927,721</b>	<b>1,847,762,875</b>
(152,352,709)	(160,646,195)	Income Tax Paid	(14,735,916)	-
<b>1,207,319,428</b>	<b>1,206,909,049</b>	<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>1,876,191,805</b>	<b>1,847,762,875</b>
		<b>CASH FLOW FROM INVESTING ACTIVITY</b>		
(61,669,692)	(84,144,062)	Purchase of property Plant & Equipment	(87,741,211)	(84,354,959)
(59,272,501)	(59,272,501)	Addition to Working Progress	(167,571,432)	(167,571,432)
-	-	Fixed deposit Withdrawal	522,316,696	522,316,696
(1,176,096,010)	(1,196,685,002)	Investment in Fixed Deposit	(14,700,899)	-
148,505,843	148,505,843	Finance Income	15,170,906	-
<b>(1,148,532,360)</b>	<b>(1,191,595,721)</b>	<b>NET CASH GENERATING FROM INVESTING ACTIVITIES</b>	<b>267,474,060</b>	<b>270,390,305</b>
		<b>FINANCING ACTIVITY</b>		
(8,440,913)	(8,440,913)	Transfer to Treasury	(2,000,000,000)	(2,000,000,000)
-	-	Dividend Paid	(1,000,000)	2,000,000
(13,781,772)	(13,781,772)	Lease Paid	(9,493,839)	(9,493,839)
(4,860,050)	(4,860,050)	Distress Fund	(35,750,159)	(35,750,159)
-	-	Remittance Received (Overcies)	(1,764,266)	(1,764,266)
<b>(27,082,735)</b>	<b>(27,082,735)</b>	<b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>(2,048,008,264)</b>	<b>(2,045,008,264)</b>
31,704,333	(11,769,407)	Net cash generated / (used) during the year	95,657,602	73,144,916
53,067,690	115,372,204	Cash & cash equivalents at the beginning of the year	103,602,798	84,772,024
<b>84,772,024</b>	<b>103,602,798</b>	<b>Cash &amp; cash equivalents at the end of the year</b>	<b>199,260,399</b>	<b>157,916,939</b>
<b>84,772,024</b>	<b>103,602,798</b>	<b>Cash &amp; Cash Equivalents</b>	<b>199,260,399</b>	<b>157,916,939</b>



**GEOLOGICAL SURVEY AND MINES BUREAU  
CONSOLIDATED FINANCIAL STATEMENT -2021**

**Note 01**

**Property, Plant & Equipments  
1.1 GROUP**

Description	Balance as at 01.01.2021	Addition during the year	Revaluation for the year	Disposal Item	Balance as at 31.12.2021	Cumulative Depreciation as at 01.01.2021	Depreciation for the year	Adjustments	Cumulative Depreciation as at 31.12.2021	Written Down Value as at 31.12.2021
Land Fencing	1,882,214	4,874,816	-	-	6,757,030	876,855	285,192	-	1,162,047	5,594,982
Building	45,347,210	10,133,193	12,307,000	-	67,787,403	14,343,447	2,286,660	-	16,630,107	51,157,296
Building Partitioning	68,864,156	2,757,005	-	-	71,621,161	39,496,155	10,000,879	-	49,497,035	22,124,126
Plant & Machinery	52,263,316	1,350,000	-	-	53,613,316	10,285,062	6,784,040	-	17,069,101	36,544,215
Motor Vehicles	358,977,261	-	-	-	358,977,261	284,783,885	21,183,333	-	305,967,218	53,010,043
Mapping Equipment	9,103,384	-	-	-	9,103,384	9,103,317	-	-	9,103,317	68
Drilling Spares	131,076,109	10,687,093	-	-	141,763,202	23,358,229	17,200,114	-	40,558,343	101,204,859
Lab Equipment	232,097,316	45,443,566	-	-	277,540,882	208,848,510	16,136,321	-	224,984,831	52,556,051
Field Equipment	65,574,894	1,670,330	-	-	67,245,224	39,770,795	7,511,071	-	47,281,866	19,963,358
Office Equipment	126,242,542	3,494,015	-	(30,000)	129,706,557	95,590,462	11,397,275	(4,063)	106,983,675	22,722,882
Communication Equipmnet	15,985,353	420,010	-	-	16,405,363	7,931,557	1,633,420	-	9,564,977	6,840,385
Furniture & Fittings	53,790,788	1,154,412	-	-	54,945,200	25,440,652	5,035,483	-	30,476,135	24,469,066
Name Board	1,597,610	87,271	-	-	1,684,881	1,120,230	278,952	-	1,399,182	285,699
Maps	475,825	-	-	-	475,825	359,963	23,790	-	383,753	92,072
Library Books	30,525,273	-	-	-	30,525,273	17,668,848	1,202,935	-	18,871,783	11,653,490
Museum Items	1,337,056	-	-	-	1,337,056	-	-	-	-	1,337,056
Software & Accessories	10,504,638	-	-	-	10,504,638	10,422,598	28,132	-	10,450,730	53,908
Co-repository at yakkala Werallawatti	27,207,663	-	-	-	27,207,663	27,108,572	8,089	-	27,116,661	91,003
Building at Gampaha Regional Office	19,251,356	-	-	-	19,251,356	17,708,941	962,568	-	18,671,509	579,848
Computer & Accessories	105,974,800	5,669,500	-	-	111,644,300	68,731,110	13,299,549	-	82,030,659	29,613,641
Land - GSMB	28,000,000	-	7,000,000	-	35,000,000	-	-	-	-	35,000,000
Kandy Regional Office	1,745,685	-	-	-	1,745,685	-	-	-	-	1,745,685
Rathnapura Regional Office	13,687,291	-	-	-	13,687,291	-	-	-	-	13,687,291
GFZ Station Mahakanadarawa	2,670,527	-	(970,527)	-	1,700,000	-	-	-	-	1,700,000
GFZ Station Hakmana	2,794,651	-	(1,094,651)	-	1,700,000	-	-	-	-	1,700,000
<b>Total</b>	<b>1,406,976,917</b>	<b>87,741,211</b>	<b>17,241,822</b>	<b>(30,000)</b>	<b>1,511,929,950</b>	<b>902,949,189</b>	<b>115,257,802</b>	<b>-</b>	<b>1,018,202,928</b>	<b>493,727,022</b>



**GEOLOGICAL SURVEY AND MINES BUREAU  
CONSOLIDATED FINANCIAL STATEMENT -2021**

**Note 01**

**Property, Plant & Equipments**

**1.2 GSMB**

Description	Balance as at 01.01.2021	Addition during the year	Revaluation for the year	Disposal Item	Balance as at 31.12.2021	Cumulative Depreciation as at 01.01.2021	Depreciation for the year	Adjustments	Cumulative Depreciation as at 31.12.2021	Written Down Value as at 31.12.2021
Land Fencing	1,882,214	4,874,816	-	-	6,757,030	876,855	285,192	-	1,162,047	5,594,982
Building	45,347,210	10,133,193	12,307,000	-	67,787,403	14,343,447	2,286,660	-	16,630,107	51,157,296
Building Partitioning	46,332,692	2,005,126	-	-	48,337,818	24,505,388	6,459,085	-	30,964,472	17,373,346
Plant & Machinery	52,263,316	1,350,000	-	-	53,613,316	10,285,062	6,784,040	-	17,069,101	36,544,215
Motor Vehicles	340,065,299	-	-	-	340,065,299	265,871,923	21,183,333	-	287,055,256	53,010,043
Mapping Equipment	9,103,384	-	-	-	9,103,384	9,103,317	-	-	9,103,317	68
Drilling Spares	131,076,109	10,687,093	-	-	141,763,202	23,358,229	17,200,114	-	40,558,343	101,204,859
Lab Equipment	230,762,723	45,443,566	-	-	276,206,289	207,557,085	16,117,821	-	223,674,905	52,531,384
Field Equipment	13,102,132	409,309	-	-	13,511,441	6,422,882	1,922,926	-	8,345,808	5,165,633
Office Equipment	113,535,382	2,753,685	-	-	116,289,067	87,667,597	9,349,584	-	97,017,180	19,271,886
Communication Equipmnet	15,541,365	420,010	-	-	15,961,375	7,880,434	1,522,423	-	9,402,857	6,558,518
Furniture & Fittings	45,323,837	1,035,162	-	-	46,358,999	19,181,793	3,982,165	-	23,163,958	23,195,040
Name Board	-	-	-	-	-	-	-	-	-	-
Maps	475,825	-	-	-	475,825	359,963	23,790	-	383,753	92,072
Library Books	30,525,273	-	-	-	30,525,273	17,668,848	1,202,935	-	18,871,783	11,653,490
Museum Items	1,337,056	-	-	-	1,337,056	-	-	-	-	1,337,056
Software & Accessories	10,504,638	-	-	-	10,504,638	10,422,598	28,132	-	10,450,730	53,908
Co-repository at yakkala Werallawatt	27,207,663	-	-	-	27,207,663	27,108,572	8,089	-	27,116,661	91,003
Building at Gampaha Regional Office	19,251,356	-	-	-	19,251,356	17,708,941	962,568	-	18,671,509	579,848
Computer & Accessories	87,138,436	5,243,000	-	-	92,381,436	56,442,094	10,230,209	-	66,672,303	25,709,133
Land - GSMB	28,000,000	-	7,000,000	-	35,000,000	-	-	-	-	35,000,000
Kandy Regional Office	1,745,685	-	-	-	1,745,685	-	-	-	-	1,745,685
Rathnapura Regional Office	13,687,291	-	-	-	13,687,291	-	-	-	-	13,687,291
GfZ Station Mahakanadarawa	2,670,527	-	(970,527)	-	1,700,000	-	-	-	-	1,700,000
GfZ Station Hakmana	2,794,651	-	(1,094,651)	-	1,700,000	-	-	-	-	1,700,000
<b>Total</b>	<b>1,269,674,064</b>	<b>84,354,959</b>	<b>17,241,822</b>	<b>-</b>	<b>1,371,270,845</b>	<b>806,765,026</b>	<b>99,549,064</b>	<b>-</b>	<b>906,314,091</b>	<b>464,956,754</b>



**GEOLOGICAL SURVEY AND MINES BUREAU  
CONSOLIDATED FINANCIAL STATEMENT -2021**

**Note 01**

**Property, Plant & Equipments**

**1.3 GSMIBTS**

Description	Balance as at 01.01.2021	Addition during the year	Revaluation for the year	Disposal Item	Balance as at 31.12.2021	Cumulative Depreciation as at 01.01.2021	Depreciation for the year	Adjustments	Cumulative Depreciation as at 31.12.2021	Written Down Value as at 31.12.2021
Office Partitioning	22,531,464	751,879		-	23,283,343	14,990,768	3,541,795	-	18,532,562	4,750,780
Name Board	1,597,610	87,271		-	1,684,881	1,120,230	278,952	-	1,399,182	285,699
Furniture & Fittings	8,466,952	119,250		-	8,586,202	6,258,859	1,053,318	-	7,312,177	1,274,025
Computer & Accessories	18,836,364	426,500		-	19,262,864	12,289,016	3,069,340	-	15,358,356	3,904,508
Office Equipment	12,707,159	740,330		(30,000)	13,417,490	7,922,866	2,047,691	(4,063)	9,966,494	3,450,995
Field Equipment	52,472,761	1,261,021		-	53,733,782	33,347,913	5,588,145	-	38,936,058	14,797,725
Motor Vehicles	18,911,962	-		-	18,911,962	18,911,962	-	-	18,911,962	-
Laboratory Equipment	1,334,593	-		-	1,334,593	1,291,426	18,500	-	1,309,926	24,667
Communication Equipment	443,988	-		-	443,988	51,124	110,997	-	162,121	281,868
	<b>137,302,853</b>	<b>3,386,251</b>	<b>-</b>	<b>(30,000)</b>	<b>140,659,105</b>	<b>96,184,162</b>	<b>15,708,738</b>	<b>(4,063)</b>	<b>111,888,837</b>	<b>28,770,267</b>



**GEOLOGICAL SURVEY AND MINES**  
**CONSOLIDATED FINANCIAL STATEMENT -2021**

2020		Note 02	2021	
GSMB Rs.	GROUP Rs.	<u>Working Progress</u>	GROUP Rs.	GSMB Rs.
17,583,073	17,583,073	Proposed Stores Complex at Werrellawatta	-	-
2,807,165	2,807,165	Proposed Building at Yakkala Regional Office	-	-
503,540	503,540	Proposed GPR/ERP System	503,540	503,540
130,011,351	130,011,351	Proposed Building For Laboratory at Pitakotte	280,073,784	280,073,784
-	-	Proposed Building - Circuit Bungalow - Nuwara Eliya	69,890	69,890
3,976,250	3,976,250	Proposed Building -Regional Office Rathnapura	8,881,474	8,881,474
2,563,889	2,563,889	Proposed Regional Office -Polonnaruwa	32,025,499	32,025,499
366,000	366,000	Proposed Building Ampara	366,000	366,000
182,510	182,510	Proposed Building Kurunegala	4,696,795	4,696,795
1,051,773	1,051,773	Proposed GFZ Station Budhdhangala Ampara	-	-
<b>159,045,551</b>	<b>159,045,551</b>		<b>326,616,983</b>	<b>326,616,983</b>
		<b>Note 03</b>		
GSMB Rs.	GROUP Rs.	<u>Investment</u>	GROUP Rs.	GSMB Rs.
4,000,000	-	Investment in Subdiary Company	-	4,000,000
<b>4,000,000</b>	<b>-</b>		<b>-</b>	<b>4,000,000</b>
		<b>Note 04</b>		
		<u>Deferred Tax Assets</u>	GROUP Rs.	GSMB Rs.
56,288,829	61,235,900	Opening Balance As At 01-01-2021	70,636,872	51,370,580
(4,918,249)	9,400,972	Adjusment	11,577,308	14,490,055
<b>51,370,580</b>	<b>70,636,872</b>	Closing Balance As At 31-12-2021	<b>82,214,179</b>	<b>65,860,635</b>
		<u>Deferred Tax Liability</u>	GROUP Rs.	GSMB Rs.
76,398,944	76,683,093	Opening Balance As At 01-01-2021	61,244,360	60,253,441
(16,145,503)	(15,438,733)	Adjusment	(10,739,565)	(10,334,329)
<b>60,253,441</b>	<b>61,244,360</b>	Closing Balance As At 31-12-2021	<b>50,504,795</b>	<b>49,919,112</b>
		<b>Note 05</b>		
		<u>Fixed Deposits</u>	GROUP Rs.	GSMB Rs.
852,163,556.00	852,163,556.00	Fixed Deposit Bank of Ceylon	880,469,276	880,469,276
-	253,396,561.00	Fixed Deposit - People's Bank	282,208,676	-
1,401,203,327.00	1,401,203,327.00	Fixed Deposit Peoples Bank Galle Road Dehiwela	1,459,802,351	1,459,802,351
-	3,500,000.00	Fixed Deposit - State Mortgage Bank	3,676,037	-
241,593,123.00	241,593,123.00	Fixed Deposit Peoples BNK on Gratuity Provision	256,721,203	256,721,203
-	14,287,253	Fixed Deposit Sampath Bank	-	-
350,552,740.00	350,552,740.00	Treasury Bills	-	-
9,982,899.00	9,982,899.00	Fixed Deposit - People's Bank Galle Rd For GSN Account	-	-
30,182,747.00	30,182,747.00	FD - GSMB Distress Fund - PPIs Bank Pitakotte	-	-
233,631,134.00	233,631,134.00	Fixed Deposit - Normal - PPLS Bank Pitakotte	-	-
<b>3,119,309,526.00</b>	<b>3,390,493,340.00</b>		<b>2,882,877,543</b>	<b>2,596,992,830</b>





**GEOLOGICAL SURVEY AND MINES BUREAU**  
**CONSOLIDATED FINANCIAL STATEMENT -2021**

2020		Note 06	2021	
GSMB Rs.	GROUP Rs.	<u>Inventory</u>	GROUP Rs.	GSMB Rs.
4,010,110	4,010,110	Stationary	3,160,478	3,160,478
-	14,558,233	Sand	12,123,460	
10,481,747	15,616,850	Consumable Item	15,448,117	10,833,097
-	216,192	Sand Bags	216,192	
2,428,865	2,428,864	Book Licence	690,805	690,805
635,303	635,303	Library Books	635,303	635,303
30,224	30,224	Maps	22,724	22,724
14,529,368	14,529,368	Drilling & Other Consumable Items	16,462,025	16,462,025
<b>32,115,617</b>	<b>52,025,144</b>	<b>Inventory</b>	<b>48,759,103</b>	<b>31,804,432</b>

		Note 07		
GSMB Rs.	GROUP Rs.	<u>Trade Debtors</u>	GROUP Rs.	GSMB Rs.
62,682,371	338,641,248	Gross Trade Receivables	227,975,070	186,843,370
(5,097,527)	(36,237,346)	Less: Provision for Bad Debts	(35,479,140)	(6,608,728)
57,584,844	302,403,902	Net Trade Receivables	192,495,930	180,234,642
-	7,811,208	Related Party Accounts	-	-
<b>57,584,844</b>	<b>310,215,110</b>		<b>192,495,930.34</b>	<b>180,234,642.04</b>

		Note 08		
GSMB Rs.	GROUP Rs.	<u>Other Receivables</u>	GROUP Rs.	GSMB Rs.
38,093,304	-	Advances given to other parties (Note 8a)	11,544,506	11,544,506
73,263,355	-	Staff Loan & Advances (Note 8b)	91,042,432	91,042,432
29,390,655	-	Interest Receivables (Note 8c)	46,954,256	46,954,256
-	-	Other Receivables (GSMBTS)	71,838,733	
<b>140,747,314</b>	<b>-</b>		<b>221,379,926</b>	<b>149,541,193</b>

		Note 08-a		
GSMB Rs.	GROUP Rs.	<u>Other Receivables</u>	GROUP Rs.	GSMB Rs.
		<u>Advances given to other parties</u>		
208,775	-	Advance & Loan (Advance 'B)	208,775	208,775
28,421,027	-	Advance Paid For Local Purchases	3,258,959	3,258,959
3,555,313	-	Advance Paid for Field Officers	1,520,913	1,520,913
2,630,664	-	Advance Paid for Other Employees	2,571,013	2,571,013
378,066	-	Mobitel Pvt Ltd	28,066	28,066
2,899,459	-	Mobitel Pvt Ltd - Huwawei Phone CP -2	3,956,780	3,956,780
<b>38,093,304</b>	<b>-</b>		<b>11,544,506</b>	<b>11,544,506</b>

		Note 08-b (Other Receivables)		
GSMB Rs.	GROUP Rs.	<u>Staff Loan &amp; Advances</u>	GROUP Rs.	GSMB Rs.
45,400	-	Special Advances	8,200	8,200
450,900	-	Festival Advance	78,400	78,400
72,767,055	-	Staff Loan (Distress)Comb.	90,837,135	90,837,135
-	-	Suspence A/C Incentive	118,696	118,696
<b>73,263,355</b>	<b>-</b>		<b>91,042,432</b>	<b>91,042,432</b>

		Note 08-c		
GSMB Rs.	GROUP Rs.	<u>Interest Receivables</u>	GROUP Rs.	GSMB Rs.
11,968,710	-	Interest Receivable on F/D B.O.C.	11,444,475	11,444,475
2,670,589	-	Interest Receivable on F/D Peoples Bank	-	-
2,136,931	-	Interest Receivable on Treasury Bills	-	-
12,614,425	-	Int.Receivable PPLS Bank Galle Road	35,509,780	35,509,780
<b>29,390,655</b>	<b>-</b>		<b>46,954,256</b>	<b>46,954,256</b>

**GEOLOGICAL SURVEY AND MINES BUREAU**  
**CONSOLIDATED FINANCIAL STATEMENT -2021**

GSMB Rs.	GROUP Rs.	Note 09 <u>GSMB TS Inter Company</u>	GROUP Rs.	GSMB Rs.
-	-	Inter Company Assets	32,058,378	27,360,000
-	-	Inter Company Liability	(4,781,018)	(3,267,161)
-	-		<b>27,277,360</b>	<b>24,092,839</b>

GSMB Rs.	GROUP Rs.	Note 10 <u>Pre Payment &amp; Deposits</u>	GROUP Rs.	GSMB Rs.
5,682,042	-	Rent Advance- Building	3,629,292	3,629,292
366,000	-	Building Deposit	366,000	366,000
973,143	-	G.S.T. Recoverable	973,143	973,143
8,500	-	Deposit for Water	8,500	8,500
348,000	-	Deposite for Fuel	348,000	348,000
87,500	-	Deposits Sundry	87,500	87,500
840,000	-	Deposit For Regional Office Buildings	840,000	840,000
8,154,439	-	Prepayments for sundry expences	8,253,276	8,253,276
3,600	-	Banks	3,600	3,600
-	-	Stamp Duty on TPL/HWTPL	18	18
<b>16,463,224</b>	-		<b>14,509,329</b>	<b>14,509,329</b>

GSMB Rs.	GROUP Rs.	Note 11 <u>Cash &amp; Cash Equivalents</u>	GROUP Rs.	GSMB Rs.
2,550,920	2,550,920	Commercial Bank Current A/C	130,240	130,240
5,412,777	5,412,777	Bank Of Ceylon Current A/C	11,192,975	11,192,975
13,252,316	20,986,155	Sampath Bank Current A/C	27,604,641	10,768,832
-	8,744,115	People's Bank A/C No.337100140000881	22,086,021	
25,000	25,000	Peoples Bank Wellawatte Current A/C	25,000	25,000
-	2,295,188	People's Bank Savings A/C	2,364,998	
1,108,448	1,108,448	Peoples Bank Matara Current A/C	671,006	671,006
3,583,604	3,583,604	Peoples Bank Galle Rd.Dehiwela. Current A/C	89,856,286	89,856,286
-	57,632	Nations' Trust Bank A/C No.100270004596	56,632	
-	-	Peoples Bank - Borella Current A/C	1,846,860	1,846,860
47,727,721	47,727,721	GSMB Savings Ac-337-2-001-7-6137984 Peoples	43,326,369	43,326,369
-	-	Petty Cash Imprests	33,776	33,776
68,000	68,000	Stamp Imprest - Admin.	65,595	65,595
2,592,346	2,592,346	Sampath Bank G.S.N. Station C/A	-	-
8,450,893	8,450,893	Peoples Bank - Pitakotte	-	-
<b>84,772,024</b>	<b>103,602,797</b>		<b>199,260,399</b>	<b>157,916,939</b>



**GEOLOGICAL SURVEY AND MINES BUREAU**  
**CONSOLIDATED FINANCIAL STATEMENT -2021**

2020			2021	
GSMB Rs.	GROUP Rs.	Notes to Change of Equity	GROUP Rs.	GSMB Rs.
		<b><u>Capital Contributed By the General Treasury</u></b>		
		This represent the total net value of Assets transferred from Geological Dept (GSD) to GSMB in 1993		
27,652,883	27,652,883	Capital Contributed By Treasury (Consolidated )	27,652,883	27,652,883
1,746,726	1,746,726	Capital Contributed By Treasury (Departmental )	1,746,726	1,746,726
68,916,655	68,916,655	Capital Contributed By Treasury 1993-2001(Capital )	68,916,655	68,916,655
<b>98,316,264</b>	<b>98,316,264</b>		<b>98,316,264</b>	<b>98,316,264</b>
		<b><u>Revaluation Reserve</u></b>		
GSMB Rs.	GROUP Rs.	Revaluation Reserve	GROUP Rs.	GSMB Rs.
<b>305,782,596</b>	<b>305,782,596</b>		<b>323,024,418</b>	<b>323,024,418</b>
		<b><u>Retained Earning</u></b>		
GSMB Rs.	GROUP Rs.	Retained Earnings	GROUP Rs.	GSMB Rs.
2,638,577,846	2,934,550,439	Retained Earnings	2,458,015,247	2,208,333,238
773,685,180	730,394,597	Add. Income Over Expenditure	1,564,466,354	1,552,956,756
-1195331284	(1,195,331,284)	Prior Year Adjustment - 13 A	48,489,461	28,611,675
-	-83227336	Transferred to Minority Interest	(93,689,797)	
(8,598,504)	(8,598,504)	Transferred to Treasury	(2,000,000,000)	(2,000,000,000)
-	(1,000,000)	Dividend Payable (Minority)	-	-
<b>2,208,333,238</b>	<b>2,376,787,911</b>		<b>1,977,281,265</b>	<b>1,789,901,670</b>
		<b><u>Non Controlling Interest</u></b>		
GSMB Rs.	GROUP Rs.	Shares	GROUP Rs.	GSMB Rs.
-	2,000,000	Shares	2,000,000	-
-	83,227,336	Retained Earnings	93,689,797	-
-	1,000,000	Dividends	-	-
<b>-</b>	<b>86,227,336</b>		<b>95,689,797</b>	<b>-</b>
		<b><u>Distress &amp; Employee Benefit Account</u></b>		
GSMB Rs.	GROUP Rs.	Distress & Employee Benefit Account	GROUP Rs.	GSMB Rs.
<b>35,750,159</b>	<b>35,750,159</b>	Distress & Employee Benefit Account	<b>37,906,482</b>	<b>37,906,482</b>

**GEOLOGICAL SURVEY AND MINES BUREAU**  
**CONSOLIDATED FINANCIAL STATEMENT -2021**

2020		Note 12	2021	
<b>GSMB</b>	<b>GROUP</b>	<b>Foreign Remittance Received</b>	<b>GROUP</b>	<b>GSMB</b>
Rs.	Rs.		Rs.	Rs.
<u>4,135,178.0</u>	<u>4,135,178.0</u>	Remittance Received from USA	<u>2,370,912</u>	<u>2,370,912</u>
<b>GSMB</b>	<b>GROUP</b>	<b>Note 13</b>	<b>GROUP</b>	<b>GSMB</b>
Rs.	Rs.	<b>Provision for Retiring Gratuity</b>	Rs.	Rs.
200,499,915.0	-	Balance as at 01.01.2021	260,108,978	238,321,390
48,567,942.0	-	Add: Provision made during the year	34,625,333	30,906,805
-	-	Total Provision as at 31.12.2021	294,734,310	269,228,195
(10,746,467.0)	-	Paid during the year	(1,768,195)	(1,417,610)
<u>238,321,390</u>	<u>219,000,818</u>	Balance Provision as at 31.12.2021	<u>292,966,115</u>	<u>267,810,585</u>
197,213,230.0	-	Gratuity Provision ( Long Term Liability)	231,371,635	206,216,105
41,108,160.0	-	Gratuity Provision ( Short Term Liability)	61,594,480	61,594,480
<u>238,321,390</u>	<u>219,000,818</u>		<u>292,966,115</u>	<u>267,810,585</u>
<b>GSMB</b>	<b>GROUP</b>	<b>Note 14</b>	<b>GROUP</b>	<b>GSMB</b>
Rs.	Rs.	<b>Creditors and Payables</b>	Rs.	Rs.
<u>330,949,437</u>	<u>734,009,295</u>	Creditors and Payables	<u>643,424,633</u>	<u>525,013,235</u>
<b>GSMB</b>	<b>GROUP</b>	<b>Note 15</b>	<b>GROUP</b>	<b>GSMB</b>
Rs.	Rs.	<b>Accrued &amp; Other Payable</b>	Rs.	Rs.
<u>194,130,301</u>	-	Accrued Expenses & Other Payables	<u>249,228,756</u>	<u>203,859,561</u>
<b>GSMB</b>	<b>GROUP</b>	<b>Note 16</b>	<b>GROUP</b>	<b>GSMB</b>
Rs.	Rs.	<b>Lease Payable - Vehicle</b>	Rs.	Rs.
71,206,998	-	Opening Balnce as at 31.12.2020	48,428,622	48,428,622
13,590,070	-	Add: Instalments & Interest for the year	(13,781,772)	(13,781,772)
57,616,928	34,646,850		<u>34,646,850</u>	<u>34,646,850</u>
(9,189,024)	(9,189,024)	Less: Lease Interest In suspense	(4,900,374)	(4,900,374)
<u>48,427,904</u>	<u>25,457,826</u>		<u>29,746,476</u>	<u>29,746,476</u>
25,457,826	-	Lease Payable - Long Term	15,964,704	15,964,704
13,781,772	-	Lease Payable - Short Term	<u>13,781,053</u>	<u>13,781,054</u>
<b>GSMB</b>	<b>GROUP</b>	<b>Note 17</b>	<b>GROUP</b>	<b>GSMB</b>
Rs.	Rs.	<b>Provision for Inspection Refund</b>	Rs.	Rs.
-	-	Provision for Inspection Refund	3,264,024	3,264,024
<u>-</u>	<u>-</u>		<u>3,264,024</u>	<u>3,264,024</u>
<b>GSMB</b>	<b>GROUP</b>	<b>Note 18</b>	<b>GROUP</b>	<b>GSMB</b>
Rs.	Rs.	<b>Other Pavbles</b>	Rs.	Rs.
		Advance Received	492,280,513	492,280,513
		Bank Guarantee	230,968,025	230,968,025
		Refundable Deposits	46,500	46,500
613,106,116	643,334,802	Other Advances	6,000	6,000
<u>613,106,116</u>	<u>643,334,802</u>		<u>723,301,038</u>	<u>723,301,038</u>



# Corporate Governance

**G**ood corporate governance is globally accepted as being fundamental to an organization's competitiveness, growth and sustainability. There is great attention on Board of Management to discharge their duties with high ethical values and accountability in their commitment to good governance practices.

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

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

The GSMB is governed by the Board of Management.

The members of the Board of Management (BOM) are appointed by the Hon. Minister in charge of the subject as per the requirements of the Mines and Mineral Act. The Board of Management is consisted of 7 members and they are as follows. The Legal Officer of GSMB serves as the Secretary to the BOM.

- **The Secretary to the Ministry of the Minister in charge of the subject of industries or his representative**
- **The Secretary to the Ministry of the Minister in charge of the subject of environment or his representative**
- **Three members who appear to the Minister to have demonstrated practical experience and possess knowledge in the field of Geology, Mining, Business Management, Finance and Law**
- **One member appointed by the Minister in consultation with the Minister in charge of the subject of Finance**
- **The Director General of Geological Survey and Mines Bureau**

## Board Meetings

The Board of Management meets monthly and holds additional meetings as and when the Board thinks appropriate.

**Nine (09)** Board meetings were held during FY2021. The Agenda and draft minutes for Board meetings are prepared by the Board Secretary with details of decisions reached, any concerns raised and dissenting views expressed and are circulated to all members for comments before each meeting with Board papers within three business days before the intended date of the Board of Management. At each regular Board meeting, Head of the divisions of the Bureau made presentations to the Board on various aspects, including the Bureau performances, financial performances etc.

The Board of Management of the Bureau plays an active role in participating the Bureau's meeting

through contribution of their professional opinions and active participation in discussion.

# AUDITOR'S REPORT



**ජාතික විගණන කාර්යාලය**  
**தேசிய கணக்காய்வு அலுவலகம்**  
**NATIONAL AUDIT OFFICE**



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My No. }

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2022 අගෝස්තු 18 දින

The Chairman,  
Geological Survey and Mines Bureau.

**Report of the Auditor General on the Financial Statements and Other Legal and Regulatory Requirements of the Geological Survey and Mines Bureau and its Subsidiary Company for the Year Ended 31st December 2021 in terms of the Section 12 of the National Audit Act No. 19 of 2018.**

**1. Financial Statements**

**1.1.1 Qualified Audit Opinion**

The audit of the financial statements of Geological Survey and Mines Bureau and its Subsidiary Company (Group) for the year ended 31st December 2021 which comprise the Statement of Financial Position as at 31st December 2020 and the Statement of Financial Performance, the Statement of Changes in Equity and the 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 the provisions of Article 154(1) of the Constitution of the Democratic Socialist Republic of Sri Lanka read in conjunction with the provisions of the National Audit Act No. 19 of 2018 and the Finance Act No. 38 of 1971. My report to Parliament in pursuance of the provisions of 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 the Qualified Opinion section of my report, a true and fair view of the Financial Position of the Bureau and its Group as at 31st December 2021, and the Financial Performance and Cash Flow of it for the year then ended is given in accordance with the Sri Lanka Public Sector Accounting Standards.

**1.2 Basis for the Qualified Opinion**

(a) Even though the fixed assets of the Group with a cost of 550,059,778 rupees had been completely depreciated, the aforesaid fixed assets had not been disclosed in the financial statements in accordance with Public Sector Accounting Standard No. 7 and action had not even been taken to revise again the estimated defects of the effective lifetime of these assets and adjust them in the financial statements in accordance with Public Sector Accounting Standard No. 3

(b) Despite the fact that the Bureau's fixed deposit investment was 2,641,230,569 rupees as confirmed by the relevant banks regarding the balance of the said deposits, the value of the aforementioned investments was recorded in financial statements as 2,596,992,830 rupees, indicating a difference of 44,237,739 rupees. However, no action has been taken to investigate into the cause of this discrepancy and correct it in the financial statements.

(c) The cost of 8,193,693 rupees incurred during the period 2018 to 2020 on the development activities of the Gampaha regional office and the warehouse that had been constructed on a plot of land leased for a period of 99 years, had been cut off against the accumulated profit as an adjustment for the previous year, but action had not been taken to

capitalize it as building expenditure. Therefore, the accumulated profit and the value of the buildings for the year under review have been understated in the financial statements by the aforesaid amount.

(d) The balance remaining after expenses from the money received from a foreign university for the maintenance of the Tsunami centres in Pallekale in the previous years had been recorded as current liabilities in the financial statements. The audit reports of the previous years pointed out that action should be taken to select the appropriate accounting policy for it and record it in accounts accordingly, as well as to disclose the receipts of grants in financial statements. However, though a sum of 1,824,809 rupees received as grants in the year under review and the investment income of 359,498 rupees received from the fixed deposits made out of the remaining balance of the grants received and the amount of 2,591,292 rupees incurred as expenses in the year out of the grants received, had been recorded in a separate account without taking action as mentioned above, these incomes and expenditures had not been recorded in the financial statements of the year under review.

(e) According to the financial statements of the Bureau's subsidiary company, the amount to be paid by the Bureau to the company and vice versa was 4,698,378 rupees and 1,513,857 rupees, respectively, while the amount to be paid by the subsidiary company to the Bureau and vice versa was 27,360,000 and 3,267,161 rupees, respectively, according to the financial statements of the Bureau. Accordingly, a discrepancy of 22,661,622 rupees and 1,753,304 rupees was observed respectively. The net value of 27,277,360 of the balances to be paid by the Bureau to the company and vice versa has been recorded under current assets of "intercompany" in the financial statements of the Group.

I conducted my audit in accordance with Sri Lanka Auditing standards. 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 opinion.

### **1.3 The Other Information Included in the 2021 Annual Report of the Group.**

The other information means the information obtained by me before the date of this audit report, which has been included in 2021 Annual Report of the Group but is not included in the financial statements and in the audit report prepared by me in regard to those financial statements. The management is responsible for this other information.

My opinion in regard to the financial statements does not disclose other information and neither confirm such information nor express any opinion in that regard.

My responsibility in regard to the audit of the financial statements is to read the other information mentioned above and to consider whether the other information is materially incongruent with the financial statements or with my knowledge obtained through the audit or some other means.

If I conclude that this other information is materially erroneous based on the other information obtained by me or based on the functions carried out by me before the date of the audit report, I am required to report that matter. I do not have anything to report in this regard.

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

Management is responsible for the preparation of these financial statements in accordance with the Sri Lanka Accounting Standards, presentation of the said financial statements in a fair manner and for the determination of such internal controls that are necessary to enable the preparation of financial statements without



material misstatements whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Group's ability to continue as a going concern, disclosing matters related to a going concern and using the going concern basis of accounting unless the management either intends to liquidate the Group or to cease operations when other alternative is not available.

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

As per sub section 16 (1) of the National Audit Act No 19 of 2018, books and records should be properly maintained in regard to the income, expenditure, assets and liabilities of the Group in order that its annual and periodic financial statements could be prepared.

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

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements 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 it 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 exercised professional judgment and maintained professional scepticism throughout the audit. I also

- identified and assessed the material misstatements of the financial statements, whether due to fraud or error, designed and

performed the audit procedures responsive to those risks and obtained audit evidence that is sufficient and appropriate to provide a basis for my opinion. The effect resulting from a fraud is higher than the effect resulting from a material misstatement and a fraud may involve collusion, forgery, intentional omissions, or the override of internal controls.

- obtained an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- evaluated the appropriateness of the accounting policies used and the reasonableness of the accounting estimates and the related disclosures made by the management.
- concluded on the appropriateness of the management's use of the going concern basis of the company for 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 company'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. However, future events or conditions may cause the institution to cease to continue as a going concern.
- evaluated the overall presentation, structure and content of the financial statements including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- obtained sufficient and appropriate audit information with regard to the financial information of the institutions or business activities in the group, in order to express an opinion regarding the consolidated financial statements. Similarly I am responsible for the audit's conduct, monitoring, and performance. I am solely responsible for my audit opinion

I communicated with those charged with governance regarding, among other matters, significant audit findings including any significant deficiencies in the internal controls that were identified during my audit.

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

2.1 Special provisions are included in regard to the following requirements of the National Audit Act No. 19 of 2018 and the Companies Act No. 7 of 2007.

2.1.1 I obtained all the necessary information and explanations as per the requirements of section 12(a) of the National Audit Act No. 19 of 2018 and as it appears from my examination, proper financial reports have been maintained by the Bureau except for the effect made by the matters described in the section of "basis for qualified opinion" in my report.

2.1.2 The financial statements of the Bureau are consistent with the requirements of section 6(1) d (iii) of the National Audit Act No. 19 of 2018.

2.1.3 Except for the observation set out in paragraph No. 1.2 (d) of the section "basis for qualified opinion" in my report, the recommendations made by me in the previous year in accordance with the requirements of section 6(i) (d) (iii) of the National Audit Act No. 19 of 2018 are included in the financial statements.

2.2 Based on the procedures followed and the evidence obtained, which were limited to the matters that are material, nothing has come to my attention that requires the following statements to be made.

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

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

Reference to Law and Rules / Directions	Observations
Financial Regulation No. 756 of the Code of Financial Regulations of the Democratic Socialist Republic of Sri Lanka	Even by June 30th, 2022, physical survey reports of the previous year's non-current assets had not been submitted to the audit, and while only the items in the laboratories of the head office and the Yakkala branch had been surveyed in the year under review, a survey of the items found in other sections of the Bureau had not been carried out.
Mines and Minerals Act No.33 of 1992	



<p>(i) Sections 26(i) and 44(b)</p>	<p>Even though the royalty charges collected by the Bureau on behalf of the government should be remitted to the Treasury, the value of the royalty charges that have been kept by the Bureau without being remitted to the Treasury during the period from 2016 to 2021 was 3147 million rupees.</p>
<p>(ii) Section 52(2) and the Mines and Mining Regulation No. 21(a) amended by the Gazette No. 958 dated 10th January 1997</p>	<p>Despite the fact that action should be taken to have the land rehabilitated within two months to nine years of the mining activity, no steps have been taken to get this task accomplished through 1943 mining licence holders. Similarly, notwithstanding the encashment of the bank guarantees of 439,004, 539 rupees obtained from the aforesaid licence holders, the said money hadn't been utilized for land rehabilitation activities but had been recorded in financial statements as a payable balance.</p>
<p>(iii) Mining Regulation No. 33(4) amended by the Gazette No. 958 dated 10th January 1997</p>	<p>Action has not been taken to submit recommendations to the secretary for the program related to the specified trade value of mining products, allowable deductions, and the payment of royalty charges, and carry out opportune amendments to those activities.</p>
<p>Mines and Minerals ( Amendment) Act No. 66 of 2009</p>	
<p>(i) Section 2(e)</p>	<p>The plumbago, mineral sand, and the quartz that were mined were being exported in the form of raw materials due to the fact that the Bureau had not yet introduced the steps to be taken to make value addition to minerals.</p>
<p>(ii) Section 37 (a),(b),(c)</p>	<p>If the Bureau is satisfied that a certain condition related to the mining licence has been violated; a certain legal direction given by the Bureau has not been followed; or the licence has not been utilized for a period of more than three months without the Bureau's sanction, the Bureau has the authority to cancel that licence.</p> <p>However, although no mining activity had been carried out under the mining licences granted to V.V.M Lanka Minerals Private Limited for the period of 2017/2018 and to Alchemy Heavy Metals Private Limited for the period of 2014/2024 up to June 30th, 2022, action had not been taken to cancel the aforesaid licences.</p>

<p>(d) Foreign exchange regulation published in Gazette Extraordinary Nos. 2045 /56 dated 17th November 2017 and 1232/14 dated 19th April 2002</p>	<p>The ceiling of the foreign ownership of a mining company operating in Sri Lanka should be 40% of the total number of shares and if the foreign ownership exceeds 40% ,special approval should be obtained from the Board of Investment. However, two foreign companies owned 86.55% of the total number of shares in a company mining graphite in Sri Lanka, but this company had not obtained approval from the Board of Investment of Sri Lanka or entered into an investment agreement with that Board, as mentioned above. Despite the aforementioned fact, the Bureau has granted this company two mining licenses.</p>
<p>Cabinet Decision No. / 17/530/704/009 dated 29<sup>th</sup> March 2017</p>	<p>It is stated that the government should grant mining licences only to the GSMB Technical Services Private Limited after conducting an evaluation of the huge environmental impact that can be caused to the rivers and river basins managed by the Mahaweli Authority for the development activities of the government ,when removing the minerals existing in those places, even taking into account the importance of minimizing the adverse impacts caused to the environment as a result of removing the aforesaid minerals. During the year under review, the Bureau granted mining licences to 82 private individuals to mine sand in the Maduru Oya ,which belongs to the Mahaweli authority, in addition to the aforesaid company.</p>

2.2.3 The fact that the Bureau has acted in a manner which is inconsistent with the powers, duties and functions of the Bureau as per the requirements of section 12(g) of the National Audit Act No. 19 of 2018.

2.2.4 The fact that the resources of the Bureau has not been procured in accordance with the relevant rules and regulations within the time frames in a frugal, efficient and effective manner except for the following observations as per the requirements of section 12(h) of the National Audit Act No. 19 of 2018.

### 2.3 Other Matters

(a) 50.1% of the government's shares in the

Bogala graphite company have been transferred to a German company in accordance with an agreement entered into between the Secretary of the Treasury and the aforesaid German company in the year 2020, and the said purchasing company has even agreed to submit to the Public Enterprise Reform Commission the proposals relevant to the development of the graphite-based industries and marketing its products in Sri Lanka . However the aforesaid company has not made any development in graphite-based industries in Sri Lanka, and furthermore, the graphite mined by that company has been exported as raw material with no value addition.

(b) The mining licenses of the Khatagaha mine



where the mining activities are carried out by the Kahatagaha graphite company, were extended annually after the said company was notified of the shortcomings existing there through the reports of field investigations carried out by the Bureau annually and on special occasions. However it was disclosed by the investigation reports that the company has not taken action to rectify the aforesaid shortcomings.

(c) While following a field investigation and a committee meeting held in the year under review by a technical group comprised of the Bureau's mining engineers and geologists, the Director (Environmental Impact Assessment and Regional) of the aforementioned committee recommended only a one-year extension of the Sakura graphite company's mining licence, the Bureau took action to extend the aforesaid licence by ten years, from 2021 to 2031, though special powers had not been granted to the Bureau for it either by the Act by which the it was established or by any other extraordinary gazette.

(d) The mining activities of the Karasnagala graphite mine are carried out by Sircon Development Private Limited, and the aforementioned company entered into an agreement with the Board of Investment of Sri Lanka in 2012 for graphite exploration, mining, and marketing it in local and foreign markets due to the fact that the company's entire ownership is held by a foreign party. The validity period of the aforementioned agreement was extended up to the year 2018 because the relevant activities were not carried out in accordance with the agreement, and mining licenses were issued for this mine on two occasions between August 26, 2019 and February 28, 2022, without further examination into the validity of the said agreement. Graphite was not sufficiently mined in this mine during the period 2019-2021, and only 1 ton of graphite was exported as raw material to a foreign

country in the year 2020.

(e) Despite the fact that value addition should be made to the products of mineral-based industries in accordance with the National Mineral Policy published by the Ministry of Industries Development in 1991 and still in use today, the four companies of Bogala Graphite, Kahatagaha Graphite, Karasnagala Graphite, and Sakura Graphite exported 7,632,000 kg of graphite for a value of 2708 million rupees without value addition from 2019 to 2021 with the price of a kilogram ranging from 282 to 415 rupees.

(f) V.V.M. Lanka Mineral Private Limited and the Board of Investment signed an agreement in 2012 to mine sand in Mannar district and add value, but the agreement was cancelled by the Board of Investment on February 25, 2020, because the project was never implemented. Without reviewing the aforementioned agreement, the Bureau granted a license to mine sand in the Muthur area of Trincomalee to be effective from 2017 to 2018 and for a period of ten years from July 12, 2018 to July 11, 2028. However, no mining activity was carried out until the end of the year under review, and action was being taken to transfer this license to a newly registered company in the year under review.

(g) Despite the fact that the Departments of Coast Conservation and Coast Resources Management had not granted licenses to V.V.M Lanka Mineral Company and Alchemy Heavy Metal Company to mine sand in the relevant coastal belts after the dates of October 23, 2018, and December 20, 2017, respectively, the Bureau had granted these companies licenses for a period of ten years.

(h) The amount of granite has not been determined using scientific methods so far, and the royalty charges had been collected without any basis based on the assumption that the number of cubes of granite mined was twice the amount of explosives used.

(i) An amount of 27,419,690 rupees that should have been received from the contracting company as the royalty payments for 1,343,810 cubes of soil and 3397 cubes of sand used for the construction work of the Yan Oya project during the period 2016 to 2018—26,876 000 rupees for soil and 543,490 rupees for sand—had not been collected even by the end of the year under review.

(j) Mining licenses with a monthly capacity of 100 cubes had been issued to 82 private license holders to mine sand in Maduru Oya, which comes under the purview of the Mahaweli Authority, and permission had been granted to carry out mining activities for three days per week through it. However, license holders had been carrying out mining activities in violation of the conditions issued by the Environmental Authority and the Bureau throughout all seven days of the week, exceeding the monthly capacity of 100 cubes, and any proper regulation of it had not been done by the Bureau.

(k) Even though the approved mining

area set out in the mining license No. IML/A/HO/13015 issued by the Bureau for the Kanthale sand mining project was 1 hectare, the sand deposit named A, in which mining was done, had spread throughout an area of 6-7 hectares. Similarly, it has been mentioned in a report issued by a mining engineer of the Bureau itself that facts such as the maximum monthly mining capacity ; whether the machinery can be used for mining activities and which machinery can be used for that; the sand level of the deposit up to which mining can be done; and the correct GPS coordinates in the area in which mining should be done have not been mentioned in the mining license and that it is appropriate to monitor the mining activities by the Bureau or a third party. However, the Bureau has not taken action to monitor the aforementioned mining activities and correct the flaws discovered in the mining license during the fiscal year under review.

**W.P.C Wickremaratne**  
**Auditor General**



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# AUDITOR'S REPORT - ANSWER

28.08.2022

Your No:-IWR/C/GSMB/1/21

Our No:-HR/AR/09

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

**Report of the Auditor General on the Financial Statements and Other Legal and Regulatory Requirements of the Geological Survey and Mines Bureau for the Year Ended 31st December 2021 in terms of the Section 12 of the National Audit Act No. 19 of 2018.**

The answers to the paragraphs included in the report are given below.\

in accordance with Public Sector Accounting Standard No. 7.

**Financial Statements**

**1.1 Qualified Opinion**

**1.2 Basis for the Qualified Opinion**

(a) The completely depreciated fixed assets are being used further and action will be taken to disclose them in the financial statements in the future and estimate the effective lifetime of those assets through a qualified professional valuer

(b) Only the Bureau's fixed deposits were shown in the financial statements when preparing the accounting statements for the year 2021. The fixed deposits under the Critical Illness Fund for Bureau employees, as well as the donation from a foreign country for the tsunami earthquake center and the current account balance, are shown in Note 1:2:5 under accounting policies and notes and the summary of it is given below

(c) Balance of the Fixed Deposits (31.12.2021)

Tsunami Earthquake Centre Fund

11,841,846.83

Critical Illness Fund

32,385,892.14

44,227,738.97



Action will be taken to show this in the financial statements of the year 2022 and disclose it separately in the financial statements.

(d) In accordance with the accounting standards, action will be taken to record in accounts in the upcoming accounting year, the adjustment of the expenses made for preparing the drain system of this land, the access road to it, and preparing it for use.

(e) Since 2021, these fixed deposits have been shown in the financial statements in Note No. 1:2:5 C under accounting policies. The money given as foreign aid was given for activities in tsunami communication centers, not for Bureau activities.

The maintenance activities of the Pallekale Tsunami centre are carried out through an agreement entered into between Sandiego University in California and the Bureau. The accounting policies related to this will be corrected in the future.

(f) Several rounds of discussions have taken place regarding the Bureau's and GSMB Technical Services Private Limited's inter-transactions, and further discussions will take place regarding those accounts. In the future, steps will be taken to address this issue.

#### 2.2.2 Reference to Law and Rules / Directions

(a) A physical survey will be conducted regarding the non-current assets of the Bureau in the year 2022 and the report concerned will be submitted in the future.

(b) (i) Even though an amount of 3147 million rupees has been retained by the Bureau out of the royalty income received during the period from 2016 to 2021 without being remitted to the Treasury ,

“The Bureau shall have a fund of its own as per section 17 (1) of Mines and Minerals Act Number 33 of 1992 , and the Bureau has maintained that fund.”

(2)(a) All the money passed by Parliament from time to time for the use of the Bureau: and

(b) all the money received by the Bureau when executing its powers and duties

Should be paid.

Accordingly please pay your attention to the fact that the total expenditure made by the Bureau during the period from the year 2016 to 2021 was 11697 million rupees. (The relevant account summaries have been attached herewith this)

(ii) The mined land should be rehabilitated after the mining activity in accordance with licences issued by the Bureau under Section 2 of the Mines and Minerals Act No. 33 of 1953, amended by Act No. 66 of 2009, and the regulations made under it for issuing licences. A separate account is being maintained for the bank guarantees that have been encashed by now, and action is being taken to rehabilitate the lands concerned expeditiously. A circular has also been issued for this.(213/217)

(iii) It has been set out by Regulation No. 33(4), as amended by Gazette No. 958 dated 10.01.1997 that the Secretary can specify in consultation with the Bureau the program for the payment of royalty , which includes the trade value of mining products; royalty percentage; allowable deductions; and the items to be included in the investment agreement. Accordingly, the increases or decreases in the royalty percentages set out under regulation No. 4 may be changed in an investment agreement signed by the Secretary to the Ministry.

It is informed that these activities are already being carried out by the Bureau when signing investment agreements. However, a request for the amendment of the royalty charges charged by the Bureau has been submitted to the Legal Draftsman's Department subject to the approval of the Secretary to the Ministry of Environment.

(c) (i) The Bureau does not allow minerals to be exported without value addition as per the existing Mineral Policy.

Licences are issued for the exportation of certain minerals for which approval is given for exportation currently in accordance with limits of value addition identified by cabinet papers.

According to the Act and Regulations, subjecting minerals extracted from the earth to processes such as washing, fragmentation, powdering, and grinding is considered value addition.

However, the Bureau is taking steps to establish limits for new value additions for each type of mineral.

A cabinet memorandum has been presented by now with regard to value addition to minerals.

(ii) The Bureau has issued mining licences, which are valid for ten years, to the two companies named V.V.M Lanka Private Limited and Alchemy Heavy Metals Private Limited in accordance with the Acts and the Regulations as has been pointed out by the Audit. However, in accordance with the Act and the Regulations, the two mining licenses issued to Alchemy Heavy Metals Private Limited in 2017 were cancelled. Following an appeal by the licence holders to the Secretary of the Ministry, the Bureau took action to validate the aforementioned licences again in accordance with the Act and the Regulations.

(d) According to the circular issued by the Ministry of Finance, 40% of the shares in a foreign investment made in a mining related industry in Sri Lanka may exist as foreign investment shares, while 60% of the shares should exist as local shares.

When a foreign company makes an investment that exceeds 40% of the shares in the investment, the Board of Investment of Sri Lanka must approve it.

As a result, the Bureau has inquired by now whether 40% of the Bogala Graphite Company's investment is foreign investment and whether it has been approved by the Board of Investment.

Accordingly, the Bureau will take action to obtain the approval of the Board of Investment based on the information received from them.

(e) Following the Supreme Court's order in Case

Number 81/2004, the Bureau has issued mining licenses to GSMB Technical Services Private Limited since 2008 to remove the sand deposited in the Mahaweli river in the wildlife zones in Manampitiya area in the district of Polonnaruwa.

Licences were issued to other people to mine sand in the Mahaweli river and Maduru Oya in areas other than Manampitiya in Polonnaruwa district.

Accordingly, it is informed that it is not a problem under the law to issue licences to other people to mine sand with the approval of the Sri Lanka Mahaweli Authority that owns the land.

2.2.3 The Bureau has done nothing to violate section 12(g) of the National Audit Act No. 19 of 2018

2.2.4 The resources of the Bureau have been utilised in a frugal, effective, and efficient manner within time frames in accordance with the relevant rules and regulations, with procurement activities conducted in such a way that Bureau's goals and objectives could be met.

### 2.3 Other Matters

(a) The minerals brought to the earth's surface by mining up to a depth of more than 1000 feet from the earth's surface with a large capital expenditure under mining licenses issued to the Bogala graphite company are fabricated again and prepared for exportation.

Accordingly, all the mining licence holders, including the Bogala graphite company, invest heavily to make a value addition to a mineral.

Graphite is being exported currently with a value addition identified by the Bureau. However, the Bureau is taking preliminary action to introduce new value addition limits in the future and to allow exportation be done within the aforesaid limits.

(b) The Khatagaha graphite mine is one of the oldest and most historically significant mines in Sri Lanka. It is managed by the Kahatagaha graphite company and is subject to public administration.



The mining licence granted to this graphite mine is renewed on an annual basis, and the Bureau has imposed conditions to correct the mine's shortcomings. When renewing the mining licence each year, the Bureau checks to see if the instructions in the conditions have been followed.

(c) Mr. J.D.K. Wickremaratne was granted an industrial mining licence category-A, valid for one year, by the Bureau to mine graphite on the land known as Radagedarawatta in the Rideegama Divisional Secretariat Division in Matale district.

The validity period of an industrial mining licence category- A can be determined based on economic viability reports submitted to the Bureau's Director in accordance with the Act and Regulations.

Accordingly, Bureau granted the licence for a period of ten years based on the economic viability report' submitted by the applicant in accordance with the Act and Regulations, as he had completed the necessary requirements

It is informed that regulations have been made to issue industrial mining licences C and D categories for a period of not exceeding 3 years..

(d) After conducting mineral exploration, Sircon Development Private Limited obtained a license from the Bureau to mine graphite in the Karasagala area.

However there are occasions when it is not possible to mine graphite in accordance with the technical methodologies mentioned in the mining licence.

(e) Bogala graphite company, Khatagaha graphite company, Karasagala graphite company, and Sakura graphite company have all exported graphite in accordance with the Act and Regulations.

The minerals brought to the earth's surface by mining up to a depth of more than 1000 feet from the earth's surface with a large capital expenditure under mining licenses issued to the

aforesaid companies are fabricated again and prepared for exportation.

Accordingly, the licence holders have made a preliminary value addition in the exportation of minerals and the Bureau is taking action at the moment to introduce new value addition limits for graphite.

(f) Laws allowing the legal transfer of mining licenses in the A and B categories have been drafted under the Act and Regulations.

As a result, the transfer was made based on the applications, technical matters, and agreements submitted with the Secretary to the Ministry's approval.

(g) The Department of Coast Conservation and Coast Resources Management grants approval based on preliminary environmental survey studies, and the licence holder must carry out the tasks authorized by the licence while adhering to the relevant recommendations.

(h) The Bureau is currently implementing the National Mineral Policy issued in 1999 by the then-Ministry of Industry. The aforementioned policy has been amended to reflect the current situation and has been submitted to the Ministry of Environment.

After consulting with the Ministry of Environment, the Bureau is planning to issue the new policy within the next six months.

(i) The government owns minerals, according to Section 26 of the Mines and Minerals Act No. 33 of 1992, as amended by Act No. 66 of 2009. As a result, percentages of 4 and 6 are charged as royalty fees for building materials and industrial minerals (local), respectively, out of the selling price of minerals mined under mining licences issued under Section 44 of the aforementioned Act.

The amount of minerals removed from the land is calculated based on the amount of explosives used in order to determine the royalty fee, which is charged as previously stated.

Accordingly, the Bureau collects information

on the amounts of minerals removed from the land in order to calculate the royalty fees applicable from 1994 to the present.

After identifying the shortcomings in the current system, the Bureau is currently taking action to use high-tech equipment to calculate the amounts of minerals removed under mining licence categories A and B, in which mining is carried out in higher capacities on a monthly basis, in order to obtain more accurate information.

Although the use of high-tech equipment is appropriate for mining licenses with higher capacities, it is not appropriate for calculating the amount of minerals mined under mining licenses with lower capacities due to the higher cost.

However, calculating the amount of minerals mined based on the amount of explosives used becomes difficult because there is no certainty as to whether the entire amount of explosives obtained was used for mining minerals on the land in question or whether it was used for mining minerals elsewhere.

To address the aforementioned issue, action has been taken to conduct random comparisons of the amount of granite mined and the amount of explosives used

(j) The Yanoya Reservoir Project has paid the royalty fees due to the Bureau under the mining licenses obtained from the Bureau.

However, as the audit has pointed out, the royalty fees for the minerals used in the project should be paid under the mining licenses of the relevant mineral suppliers.

However, despite the fact that the Bureau informed the Chinese company that implemented the Yanoya project and the Department of Irrigation to which the project belonged that the royalty fees were due, they have yet to make that payment, as revealed by the audit.

However, in response to a discussion held by the Bureau with the Department of Irrigation in this regard, it has been informed that this matter should be discussed further, and another discussion is scheduled between the two parties in the future.

(k) Mining licenses have been issued to 82 people to mine sand in the Mahaweli river in the Polonnaruwa district, with the conditions that 100 cubes of sand be mined per month and mining be done only on Monday, Wednesday, and Friday of the week.

The Raid Unit of the Bureau has conducted several raids in response to the complaints received by the Bureau to the effect that mining is being done violating the aforesaid conditions.

Furthermore, because the Sri Lanka police have the authority under the Act and the Regulations to enforce the law in order to prevent unauthorized activities, the Bureau has informed the Sri Lanka Police Department that raids be conducted in this regard.

Furthermore, the Bureau has directed the Special Task Force to conduct raids on mining licenses.

Under the recommendations of the Sri Lanka Mahaweli Authority, Department of Irrigation, and Department of Wildlife, the Bureau has issued the industrial mining licence No. IML/A/HO/13015 to GSMB Technical Services Private Limited to remove the sand that has been collected in such a way that the river bank may be damaged, in order to construct a dam to prevent damage to the Mahaweli river in the Kanthale-Suriyapura area.

Because this licence was issued primarily for the purpose of removing the sand that damages the river bank, in order to build a dam on the river bank in accordance with the requirements of the Sri Lanka Mahaweli Authority, Department of Irrigation, and Department of Wildlife, the monitoring activities of it should also be carried out by the aforementioned institutions.



# Audit & Management Committee Report

“ Towards a State Owned Regulatory entity operated in better governance framework trusted by people constantly involved in protecting Natural Resources and Environment ”

Rules & Responsibilities of Audit Committee of GSMB are clearly described in the Charter

Of the Board Audit and Management Committee which is based on the guiding principles in the Public Enterprise Guidelines for the good governance.

The committee is responsible to the Board of Management and reports its proceedings to the Board.

The Audit Committee of the Geological Survey & Mines Bureau is comprised of three non-executive members of the Board of Management and chaired by Treasury representative namely:

1. Chairman - Mr. Rohitha Wickramarathne (Director - Department of National Policy)
2. Member - Mr. I.C. Pathiraja (Additional Secretary – Industry & Industrial Estates Development)
3. Member - Mr. W.D.S.C. Weliwatta (Additional Secretary – Natural Resources)

## **Rules & Responsibilities of Audit & Management Committee**

The AMC continues to assist the Board of Directors in fulfilling effectively its responsibilities relating to financial and other connected affairs of the company. The Committee has been empowered to:

1. Review of the Annual Audit Plan, Work Program, Corporate Plan, Action Plan, Procurement Plan, Annual Budget and Capital Budget.
2. Reviewing the suitability and the quality of accounting policies and any changes in accounting policies and practices and

their adherence to statutory and regulatory compliance applicable accounting standards.

3. Review and evaluate the internal control system covering Accounting Financial and operational aspects based on audit reports and Management decisions of Board of Directors.
4. Review compliance of statutes, rules, regulations, Treasury circulars & directives.
5. Submit recommendations of the Committee to the Board of Management.
6. Review of the matters pertaining to organization's staff discipline, performance elimination of wasteful expenditure and corrupt practices with the objective of making the GSMB cost conscious and productiveness.
7. Carrying out appropriate investigations to mitigate the fraud risk.

## **Meeting of the committee**

During the financial year ended 31st December 2021, two (02) meetings of the committee were held. The proceedings of the committee meetings are recorded with adequate details and are reported regularly to the Board of Directors. On the invitation of the committee the representative from Auditors General Dept. attended committee meetings during the year.

## **Internal Audit**

The GSMB has its own Internal Audit section headed by an Internal Auditor. The Internal audit Program was presented and approved by the AMC and Committee regularly reviews and monitors the internal audit and the inspection functions.

**External Audit**

The AMC reviews the reports submitted by the Auditor General to ensure all reported instances of non-compliance and irregular Accounting and Reporting issues are addressed on time.

The Committee is satisfied with the appropriateness of application of the accounting policies and thus gives a reasonable assurance that the Financial Statement of the GSMB are reliable. Further, the committee is satisfied that the Compliance framework of the GSMB

ensures that the GSMB complies with applicable laws, rules and regulations and corrective and preventive actions were taken with regard to the reported non – compliances during the year under review.

**Mr. Rohitha Wickramarathne**  
**Chairman**  
**Audit and Management Committee**



# Corporate Social Responsibilities

# Corporate Social Responsibility Projects of GSMB

## ➤ CSR Project (1)

Donated two Cardiac Monitoring Machines to the Maharagama Apeksha Hospital with the contributions made by the Management of GSMB and its towards a worthy cause.



Donated six wall mounted Oxygen Flow Metres to the Gampaha District General Hospital to the patients who were suffering from the Covid 19 pandemic in aid of medical treatment. The main reason for this donation was to assist the hospital considering the complicated situation faced by the country as a whole due to the shortage of Oxygen cylinders which were desperately needed to treat the patients suffering from the epidemic.



➤ **CSR Project (2)**

A land in Yakkala Werellawatta which has been rented by the GSMB under the ownership of the District Secretariat was utilized to grow Manioc, Coconut, King Coconut and Jack trees in order to obtain maximum benefit out of an empty unexploited land.



➤ **CSR Project (3)**

Donated dry rations to all the cleaning and security staff in December 2021 in order to assist the needy staff and their families to meet their daily needs.



➤ CSR Project (4)

- On the World Environment day in collaborated with the Ministry of Environment, a Tree planting campaign of Suduhadun trees in Battaramulla were carried out. In addition, a variety of plants were planted in the 21 Regional Offices to commemorate the World Environmental Day.



➤ CSR Project (5)

- An event was organized to plant Kohomba trees in a Kovil at Kirrulapona, which was successfully held under the patronage of of the Secretary of Ministry of Environment.



➤ **CSR Project (6)**

A Dharma Deshana was held by the Management during the period of the Covid 19 Pandemic to bless speedy recovery to those suffering from this deadly illness and to release the trauma which was undergoing by the people of Sri Lanka at that time.

In conclusion, the main vision GSMB is to standardize and increase efficiency in its processes and deliver an efficient public service whilst securing sustained economic prosperity in Sri Lanka.



## Contact Details of the Bureau

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Rathnapura	No.66, Sri Saranankara Mawatha	rathnapura@gsmb.gov.lk	0452228117
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Polonnaruwa	No 26, Rown Road	polonnaruwa@gsmb.gov.lk	0272226366
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Kegalle	No 102/8 , Molamure mawatha	kegalla@gsmb.gov.lk	0352221958
Matale	No 80/2, Alvala	matale@gsmb.gov.lk	0662058585



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**GEOLOGICAL SURVEY & MINES BUREAU**

No. 569, Epitamulla Road, Pitakotte.

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