Geological Survey & Mines Bureau
Sri Lanka

# Annual Report
2015

# ANNUAL REPORT
# 2015

## GEOLOGICAL SURVEY & MINES BUREAU

No.569, Epitamulla Road, Pitakotte.
Tel: 011 2886289/ 0112886290
Fax: 001 2886273
E-mail: info@gsmb.gov.lk
Website: www.gsmb.gov.lk

# CORPORATE INFORMATION

## GENERAL

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

# VISION AND MISSION

## Vision

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

## Mission

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

# THE FUNCTIONS OF THE GSMB ARE:

- ⇨ To undertake systematic geological mapping of Sri Lanka and preparation of geological Maps.
- ⇨ To identify and assess the mineral resources of Sri Lanka.
- ⇨ To evaluate the commercial viability of mining for, processing and export of such Minerals
- ⇨ To regulate the exploration and mining for minerals and processing, trading 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. in particular, under paragraphs (a), (b) and (c) of this section.
- ⇨ To undertake projects in regard to engineering geology and provide advice and remedial measures caused in respect of geological hazards and disaster

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# CHAIRMAN'S MESSAGE

It is with great pleasure that I bring you this short message for the Annual Report of 2015 as the Chairman of Geological Survey and Mines Bureau. I take this as a unique opportunity to recollect the key achievements of the Bureau in the year 2015.

Minerals are essential for human welfare. However, their extraction is associated with both opportunities and challenges. Historical concerns around work conditions and the competitiveness of the mining sector have been complemented by a growing number of other issues. Today, and overreaching goal is to find ways by which the mining sector can promote sustainable development.

Sustainable development is often defined as "development that meets the needs of the present without compromising the ability of future generations to meet their own needs." Furthermore, it is commonly agreed that this must incorporate economic, environmental and social concerns.

Our vision is to be the premier national geoscience agency that generates and disseminates geoscientific information and regulates mining and processing of Sri Lanka's mineral resources in the most sustainable manner while addressing the environmental and sociological issues related to mining and processing activities in Sri Lanka.

In the recent past rapid development has led to an increased demand for river sand and rock aggregates as construction materials. River sand mining is a common practice since the mining locations are usually accessible to the main road and huge demand for river sand and quick cash flow. This has resulted in increasing the river sand mining activities throughout the country and this may cause river bank erosion, river bed degradation, river buffer zone encroachment and deterioration of river water quality and ground water availability. Further excessive river sand mining may cause sea water intrusion and increase the salinity of the river water and it may directly affect to the national water supply system as well.

However, it is difficult to completely ban the river sand mining activities in Sri Lanka since river sand is an essential commodity for the construction industry. In addition to river sand mining, gravel mining and rock quarrying also may create similar environmental and sociological issues. Therefore, implementation of sustainable mining practice is an essential need today considering environmental sociological and economical aspects of Sri Lanka.

In year 2015, Mining and Quarrying sector contributed more than 3% to the national economy and it indicates more than 11.0% growth rate. Mineral export sector also contributed significant impact to the national economy.

The affiliation of the GSMB with the Ministry of Mahaweli Development and Environment is viewed upon with high expectations for developing mining sector more sustainable manner while protecting the environment and all lives in Sri Lanka.

This year Geology Division was able to compile four 1:250,000 basement geological maps based on 1:100,000 geological maps completed in previous years. These four maps will cover the entire Island and finally emerge as a single 1:500,000 updated geological map of the country. Bureau has also launched a new programme of map preparation under the title of Provincial Mineral Maps and nine maps will be prepared under this series of maps which will be prepared based on existing data and additional field surveys.

In the year 2015 the Bureau has reached the income over expenditure of Rs.1,037,093,870.42 which consist of Mining Income of Rs.1,556,379,780.10, Geology Income of Rs.33,998,019.35 and Other Income of Rs.125,426,991.71. Compared to the previous year, profit for the year increased by 25.5% to Rs. 1,037 million. In the year under review, Bureau revenue increased by 13.6 percent to Rs. 1,715 million (2014: Rs.1, 510 million) Also I am glad to mention that we were able to transfer Rs.850 million to the Treasury.

The Board of Management, Director General and the staff of GSMB are mentioned with sincere gratitude for the untiring efforts in achieving sustainable goal in industrial and construction sector.

Thank you.

**Dr. Kithsiri Dissanayake**

# DIRECTOR GENERAL'S MESSAGE

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

Geology Division was able to compile four (04) 1:250,000 basement geological maps based on 1:100,000 geological maps completed in previous years. These four (04) maps will cover the entire Island and finally emerge as a single 1: 500,000 updated geological map of the country. Another important programme undertaken by the Geological Survey Division is mapping of sedimentary formations which are younger than two (02) million years (Quaternary Period). This 1:50,000 mapping specifically covers most of the coastal sediments and alluvial/fluvial sediments. Under this programme, field mapping of Kalpitiya and Wilpattu sheets were completed and three (03) maps of 1:50,000 Quaternary maps were compiled for printing. About 1000 soils samples were collected in the year 2015 covering Kekirawa and Polonnaruwa 1:50,000 Sheets. Analytical work relevant to Thimbolketiya, Hambantota, Morawaka, Rakwana, Tanglle and Matara 1:50,000 sheets were completed. Analytical laboratory was upgraded by adding a new Atomic Absorption Spectrometer and a Mercury Analyzer. A modern XRF Spectrometer was also procured with partial financial support of the International Atomic Energy Agency (IAEA) in Vienna, Austria.

Bureau has launched a new programme of map preparation under the title of Provincial Mineral Maps. Nine (09) maps will be prepared under this series of maps which will be prepared based on existing data and additional field surveys. Provincial Mineral Map of Central Province was completed as first map of this series and the Provincial Mineral Map of Sabaragamuwa Province was in preparation.

Bureau also undertook several projects for mineral surveys, diamond core drilling and geotechnical investigations at the request of both private and government sector organizations and the income generated from these projects were around Rs.20 Million.

Mines Division is mainly responsible for regulatory functions of the Bureau. With the re-establishment of Regional Office in Polonnaruwa in April 2015, the total number of regional offices has become 15. In view of diversity and complexity attached with regulation of exploration, mining, mineral transport and environmental monitoring, this Division continued to face with challenges of socio-environmental issues and illegal mining. On many occasions Bureau has been blamed and held responsible for adverse environmental and social impacts of mining activities despite the fact that Bureau heavily relies on other agencies in getting environmental clearances. However, an analysis of strengths and weaknesses of the Bureau indicates that the post-licensing monitoring has to be significantly strengthened and an effective mechanism to minimize illegal mining and mineral transport has to be introduced. The current cadre and organizational structure which has existed virtually unchanged since the inception of Bureau nearly 23 years ago need to be revised without delay. During the year 2015, a number of discussions were held to explore the possibility of introducing modern technology in minimizing illegal mining and mineral transport. In consequent to these discussions steps were taken to initiate a system of computer based transport licenses with high security features. With the same objective of minimizing illegal activities, several awareness programmes were conducted addressing mining communities and police officers. Amidst such difficult circumstances, Mining Division has satisfactorily managed to regulate mining and transport of mineral raw material which are essential for country's industrial and infrastructure development. Financially, Bureau has earned a total income of about Rs.1715 million of which Rs. 850 million have been transferred to the Treasury.

Finally, I am glad to note that the Geological Survey and Mines Bureau has made s satisfactory progress during the year 2015 in achieving its targets and I am confident that the initiatives taken during the year will bring positive results in the years to come.

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

# BOARD OF MANAGEMENT

| | | |
|---|---|---|
| **Chairman** | : | Dr. Kithsiri Dissanayake |
| **Members** | : | Dr. W.K.B.N.Prame |
| | : | Mr. P. Algama |
| | : | Mr. N.K.G.K. Nemmawatta |
| | : | Mr. Colman P. Perera |
| | : | Mr. W.T.H.R. Withana |
| **Secretary to the Board / Legal Officer** | : | Mrs. M .S. K. Fernando |

# SENIOR MANAGEMENT

| | | |
|---|---|---|
| **Chairman** | : | Dr. Kithsiri Dissanayake |
| **Director General** | : | Dr. W.K.B.N.Prame |
| **General Manger** | : | Mr. M.W. Jayamanna |
| **Deputy Director (Geology)** | : | Dr. C.H.E.R.Siriwardhane |
| **Deputy Director (Mines)** | : | Eng. D. Sanjjana De Silva |

# ABOUT THE BUREAU

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

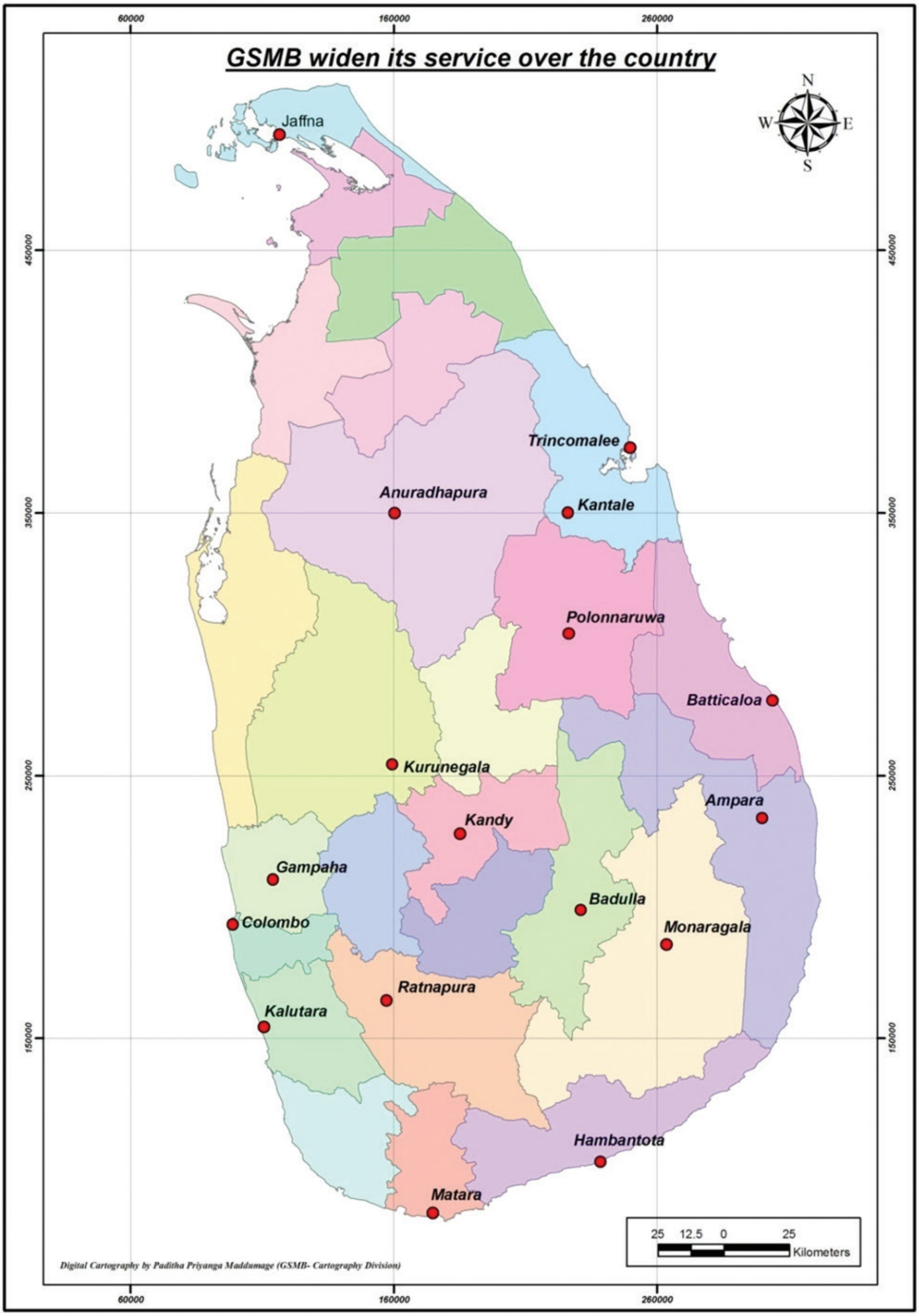
The Geological Survey and Mines Bureau (GSMB), being the authorized agency for the minerals development in Sri Lanka, is the organization for mineral investigations carried out to date and the accrued benefits to the country.

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

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

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

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




GSMB widen its service all over the country

# CONTACT DETAILS OF THE BUREAU

## Geological Survey & Mines Bureau - Head Office

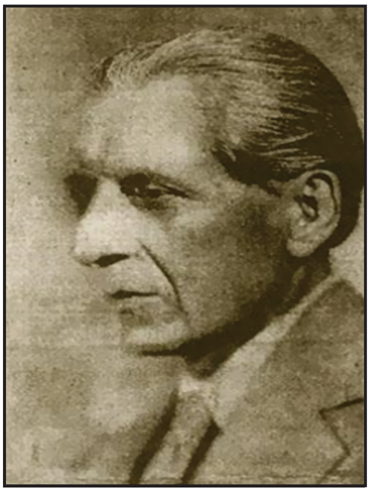
| **Address** | **Tel/Fax** |
|---|---|
| No.569, Epitamulla Road, | +94-11-2886289 |
| Pitakotte. | +94-11-2886290 |

| DESIGNATION | NAME | CONTACT DETAILS | |
|---|---|---|---|
| | | Official Phone / Fax | Residence / Mobile |
| Chairman | Dr. Kithsiri Dissanayake | +94 11 2886268<br>+94 11 2886194 | +94 112811033<br>+94 77 3305157 |
| Director General | Dr.W.K.B.N.Prame | +94 112886271<br>+94 112886276 | +94 112868768<br>+94 777593408 |
| General Manager | Mr.M.W.Jayamanna | +94 112887826<br>+94 112886273 | |
| Deputy Director - Geological Survey | Dr.C.H.E.R.Siriwardhane | +94 112886287<br>+94 112887825 | +94 33 2227439<br>+94 71 8063205 |
| Deputy Director – Mines | Deshamanya Eng. D. Sajjana De Silva | +94 11 2886270<br>+94 11 2886269 | +94 91 2264910<br>+94 77 7315452 |

# GEOLOGICAL SURVEY & MINES BUREAU - REGIONAL OFFICES

| Our Offices | Address | Office Leader | Tel/Fax |
|---|---|---|---|
| Ampara | No. 669, New Town, Ampara. | Eng.HACKWBandara | +94-63-2223385 |
| Anuradhapura | No. 596/69, Bandaranayke Mawatha, Anuradhapura. | Mr.C.K.Karunananda | +94-25-2223535 |
| Badulla | No. 52/A, Rathwattha Mawatha, Badulla | Eng. TMW Bandara | +94-55-2222787<br>+94 55-2225210 |
| Baticaloa | No. 239, Bar Road, Baticaloa. | Eng. MRM Farees | +94-65-2222266 |
| Hambantota | No. 21,Terrace Street, Hambantota. | Eng. Asanka Rupawansa | +94-47-2222477 |
| Gampaha | No. 06, Werellawatta, Yakkala. | Eng.HKMGunasekara | +94 -33-2231430 |
| Jaffna | 170, Kolomputhurei Road, Jaffna. | Eng. D Mayooran | +94-21-2224595 |
| Kalutara | No. 9A, Mosque Road, Wettumakada, Kalutara – South | Eng. KV Jagath | +94-34-2223743 |
| Kandy | Janasawigama, Pallekele, Kandy. | Eng. Dammika Prasad | +94-81-2421294<br>+94-81-2421474 |
| Kurunegala | No. 15/B, Negombo Road, Malkaduwawa, Kurunegala. | Eng. SAIJ Rodrigo | +94-37-2230858<br>+94-37-2232542 |
| Matara | No. 07, Jayasooriya Mawatha, Noope, Matara | Eng. UHT Priyantha | +94-41-2236765 |
| Monaragala | No. 190/ 6, Wellawaya Road, Monaragala. | Eng. WGS Kokila | +94-055-2277392<br>+94-055-2276882 |
| Ratnapura | No.66, Sri Saranankara Mawatha, Hidellana, Ratnapura. | Eng. TS Kumara | +94-45-2228117 |
| Trincomalee | Divisional Secretariat Office, 4th Mile Post, Trincomalee. | Eng. W Wimalarathne | +94-26-3202411<br>+94-26-2050815 |

# 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.AnandaCoomaraswamy. Throughout the history, these departments had an exceptional record of discovering, promoting and acquiring data on the country's mineral resources, to which all currently operating mineral-based industries owe their existence.

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

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

# DIVISIONAL PERFORMANCE

## GEOLOGICAL SURVEY DIVISION

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

## SERVICES OF THE GEOLOGICAL SURVEY DIVISION

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

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

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

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

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

***Mineral Intelligence Unit (MIU):*** Evaluation of project proposals submitted to the Bureau for mineral exploration and value addition to minerals is carried out by the

MIU. MIU formulates Mineral Investment Agreements (MIA) for product development as a prior requirement for export.

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

# PROGRESS OF THE GEOLOGICAL SURVEY DIVISION- 2015

## Action Plan Activities (GSMB Funds)

### *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 and it was planned to compile a 1:500,000 scale and 1:250 000 scale geological maps of Sri Lanka based on the already published 1:100,000 scale maps.

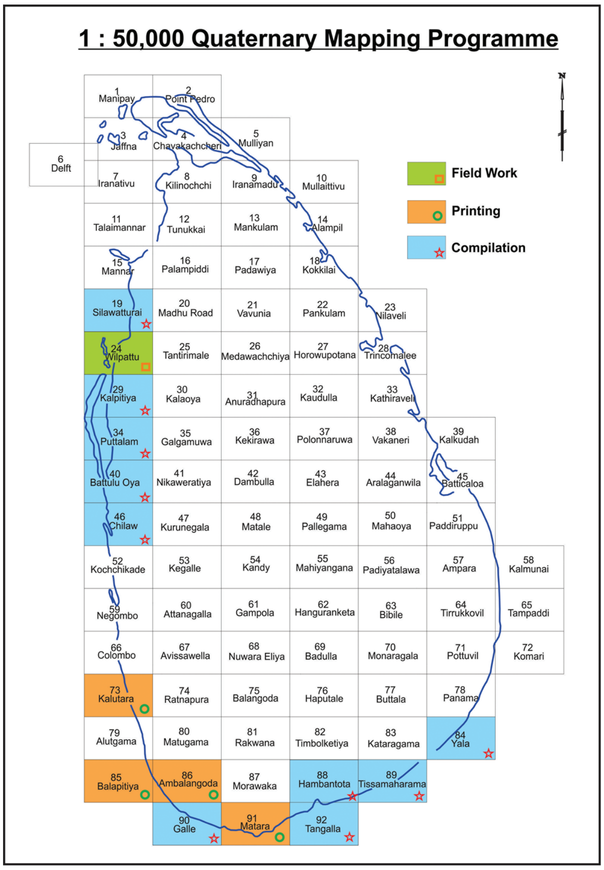
Initially it was expected to print 04 geological maps of 1: 250,000 scale and the compilation of those four maps have been completed during year 2015 and will be published in early 2016.

### *Quaternary Mapping (Coastal Zone) Programe*

The ‘Quaternary’ period of the geological time scale span from about two 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.

Compilation work of 1: 50 000 scale quaternary maps including Matara, Kalutara and Ambalangoda-Balapitiya sheets have been completed during the previous years and quotations have been called to print these maps during the first quarter of 2015. The evaluation of these quotations is in progress.

Compilation of Puttalam, Kalpitiya, Hambantota-Tangalle and Tissamaharama sheets were almost completed. The field work of Galle, Yala, Chillaw Battaluoya and Sillawaturai was completed while only 75% of the field work of Wilpattu sheet has been completed.



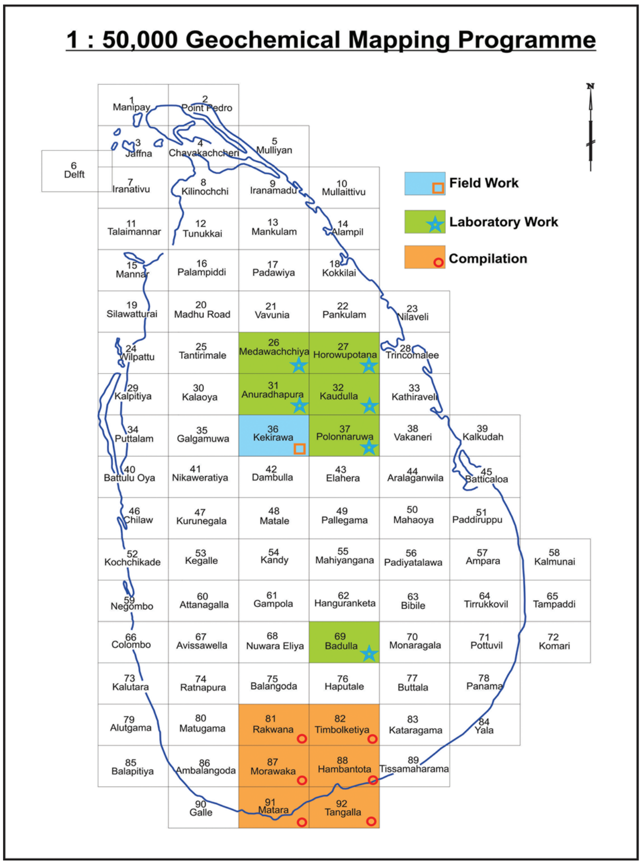




Fig.1: The progress of 1:50 000 scale Geochemical Mapping Programe and the Quaternary Mapping Programe

***Soil Geochemical Mapping Programe***

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 work is being carried out on 1:50,000 scale base maps. Two soil samples are collected the surface and from 2 m deep, for each 1 km2 grid area. The chemical properties are analyzed using the Atomic Absorption Spectrophotometer (AAS) and the Inductively Coupled Plasma Optical Emission Spectrometer (ICP-OES).

The compilation work of Morawaka, Rakwana, Thimbolketiya, Hambantota, Matara and Tangalle sheets was carried out during the last few months and also the laboratory analytical work of Badulla, Anuradhapura, Madawachchiya, and Horowpathana sheets were carried out . The field work of Polonnaruwa and Kaudulla sheets were completed within year 2015 and the field work of Kekirawa sheet will be continued in to year 2016.

*The "Minerals Year Books -2014 & 2015"*

There was a delay in preparation of "Minerals Year 2014" due to difficulties in obtaining data and the engagement of relevant officers in other activities. Eventually, the compilation of Year Book 2014 has been completed by the end of the first half of the year 2015 and data collection for the "Minerals Year Book 2015" has been done during year 2015.

***Provincial Mineral Surveys and Provincial Mineral Maps***

Instead of the planned the GSMB funded mineral survey in the Sabaragamuwa Province, a ceramic raw materials survey was launched in the Central and Uva Provinces as a responds to the request by the Ministry of Industries and the Ceramic Council of Sri Lanka. The mineral surevy in Sabaragamuwa Province was started in the third quarter of the year 2015 and will be continued into year 2016.

The compilation of Mineral maps using available data of Central and Uva provinces have been almost completed and ready for printing. The Mineral Map of the North-Central Province is being compiled until end of year 2015.

***The IAEA Assisted Nuclear Raw Material Survey and Allied Activities***

Measurement of gamma radiation and systematic sampling were carried done out in area around Mitipola, near Avissawella and Noarth East Coast during 2014 and the 2015. This field work has been completed and the field work in Matale, Dambulla, Elahera and Pallegama area was initiated in the second half of the year 2015. The interim reports has been submitted while the Samples are being analyzed at laboratories. The initial field visit was carried out to investigate the thorium and uranium occurrences in Bamabarakotuwa, Rathnapura area.

The car-borne radiation detection unit and XRF spectrometer which were partially donated by IAEA were delivered within 2015.

***Improvements to the Seismic Data and Tsunami Alert Centre and Maintenance of the three seismic stations***

Although, there were some minor troubles, three seismic stations installed by the GSMB together with other donor agencies are functioning smoothly and data from these stations were transmitted to the Data Center at the Head Office, GSMB. The Data Center has successfully responded to public complaints on earth tremors, earth vibrations and Indian Ocean earthquake events during year 2015.

The trouble shooting activities included at PALK seismic station are: (1) replacement of backup battery system (2) replacement and repair on the communication link between Project IDA system and

CTBTO system (3) replacement of damaged surge protectors at PALK seismic station (4) replacing and upgrading of GPS system at PALK site and (5) replacement of PALK 00 digitizer which was effected by lightning. Although there are good lightning protection system was available at PALK site, still it is badly effected by lightning. There is a ongoing problem with the power system at MALK seismic stations and will be solved with the assistance of GFZ on early 2016.

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

It was planned to recover rock cores stored in decayed wooden boxes stored at Yakkala premises. Core boxes were in dilapidated conditions and only about 60% of the material could be recovered with proper information. Recovered cores were stored in more than 900 galvanized core boxes during year 2013, 2014 and 2015. This project was almost completed by the end of year 2015 and final arrangements and finishing work will be continued until first quarter of year 2016.

***Upgrading the GSMB-Library***

The GSMB-Library was selected as member library of the National Network of Institutional Repositories. The upgrading of the library is in progress under the National Digitization Project which is funded by the NSF. The facilities offered by the NSF includes digitization of literature collections, developing of e-repositories, training on database management and administration, conversion of current databases into Dspace, equipment/database hosting facilities, temporary staff for data entry and technical support for trouble shooting. During year 2015, the 75% of the digitization work has been completed.

***The Petrology Laboratory***

The laboratory staff was engaged in carrying out mineralogical analysis in connection with the IAEA assisted raw materials survey and the National Gold Survey in addition to handling outside work on commercial basis.

**Services contributed by Petrology Laboratory for the routine work of the GSMB during year 2015.**

- Kelanigaga gold Survey- Initial set of 65 samples (Wet sieving , magnetic & Heavy liquid Separation Completed. )
- Radio metric survey- initial set of 64 samples (Wilfley table separation)
- Thin Section preparation. – 19 Nos
- Thin Section preparation – 01 Nos
- Thin Section Preparation - 05 Nos

Magistrates Courts Samples

- Magistrates courts- Kandy (Sieve Analysis & Mineralogical Analysis)
- Magistrates courts- Maligakanda (Sieve Analysis & Mineralogical Analysis)
- Police Station – Kochchikade (Sieve Analysis & Mineralogical Analysis)
- Magistrates courts- Negombo (Sieve Analysis & Mineralogical Analysis)
- Magistrates courts- Wariyapola (Sieve Analysis & Mineralogical Analysis)

Other

- Sanda hiru seya thin section - 02
- Sri Lanka Custom - 01

Facilities for university student research projects.

- Uwa wellassa university

  Ms. Dilrukshi- (Magnetic Separation &Bromoform Separetion) – 25 Nos

  Ms .Aruni - (Magnetic Separation &Bromoform Separetion) – 15Nos

- University of Jayawardanapura

  Mr.Ruwan – (Magnetic Separation &Bromoform Separetion) – 25 Nos

- G.R.N Gunarathna-( Magnetic Separation & Bromoform Separetion) – 20 Nos

***The Analytical Laboratory***

**Chemical Analysis for Outside Clients**

Analyses of 407 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, were carried out by the laboratory on the requests made by various institutions and individuals.

**Chemical Analysis for Internal research Projects**

The laboratory also analyzed two ilmenite samples and 10 beryl samples, obtained from various investigations carried out by the Geologists.

### Geo Chemical Mapping

Completed the sample preparation, digestion and analyses of soil samples collected from following geochemical mapping sheets

### *Research Programs*

In addition to our routine activities, the geology division always provide facilities for Post Graduate Research students and GSMB staff to carry out their research activities.

### Client Responsive Projects and Activities (Income Generating)

Table 1: summary of the income generated from various projects during the year 2015

| Client | Project | Income for 2015 (Rs.) Without VAT/NBT |
|---|---|---|
| Ceramic Council | Identification of vain quartz, feldspar, kaolin and calcite occurrences Matale and Nuwaraeliya districts | 3,458,527.58 |
| Ceramic Council | Ceramic Raw Material Survey in Badulla and Monaragala Districts | |
| | Identification of new clay occurrences along Ma Oya | 1,412,456.81 |
| MRL Graphite (Pvt) Ltd | Drilling Survey for Graphite survey at Aluketiya | 6,304,530.25 |
| Tokyo Cement Pvt. Ltd. | Reserve Estimation on Limestone Beds at Walliaipadu/Mannar | 3,667,107.85 |
| Lanka Mineral Sands Ltd. | Geological investigations of Heavy Mineral Sands Along the Coastal stretches Extending from 3km of Kokilai Lagoon Mouth to Kokkuthuduvai and South of Nayaru to Chemmalai in Mullativu District | 1,825,878.25 |
| Bora-Bora Pvt. Ltd. | Driiling project at Malsiripura Graphite site | 12,267,381.70 |
| Mahaweli Consultancy Bureau | NCP Tunnel Project | |
| MRL Graphite (Pvt) Ltd | Drilling Project for Graphite Survey at Warakapola | 3,080,110.00 |
| Industrial Technology Institute | Drilling and sampling around Chunnakam power generation complex | 833,371.14 |
| Sustainable Energy Authority | Drilling Programe at Battaramulla | 543,127.50 |
| Library | | 561,118.00 |
| Analytical Laboratory | | 2,577,000.00 |
| Petrology Laboratory | | 872,210.00 |

**Other Activities**

- **100 Days Programe – Intensive Island wide Sand Survey**

  A province based sand survey covering the entire Island was carried out with the participation of 9 groups each lead by a geologists in early 2015. Final report was submitted to the Ministry of Mahaweli Development and Environment.

- **100 Days Programe – Arsenic Research Programe of North Central Province**

  Water, soil, rock and paddy samples were collected from Anuradhapura and Polonnaruwa area and the samples were processed and analysed to find arsenic and other heavy metal content.

- **Organizing OSI Regional Introductory Course**

  An OSI is the final verification measure to verify compliance with the Comprehensive Nuclear Test Ban Treaty (CTBT). OSIs can be requested by any Member State and will be possible once the CTBT has entered into force.

  From $29^{th}$ November to $5^{th}$ December 2015, Sri Lanka hosted a regional introductory course on on-site inspection in Dambulla. The GSMB involved in this as the main technical focal point of Government of Sri Lanka. The course aimed to familiarize experts from the wider region with OSI concepts, technologies and operations. Over 50 experts from 13 countries took part: from Iran, Iraq, Israel, Jordan, Kazakahastan, Kyrgyszstan, Maldives, Oman, Qatar, South Africa, Sri Lanka, Thailand and Uzbekistan. The participants learned about OSI methods in an interactive manner through e learning modules, brief lectures, practical training sessions and equipment demonstrations, table top exercises and a field exercise.

- **Preparation of Management Plan for Ma Oya**

  Geologists from Geology division were involved in preparation of management plan for Ma oya by doing field visits and providing comments on "5 year Management Plan".

- **Sand Survey on Gin Ganga:**

  A sand survey was carried out to find suitable locations which are not environmentally damaged and also to recommend the mineable sand resources at Gin Ganga area. from 16th December 2015 up to 1st January 2016.

- **Uma Oya Project**

  Worked as committee members of the panel of expert (POE) to advice on Uma Oya Development Project by the Secretary of the Mahaweli Development and Environment. Field investigations were conducted with the members of the POE and the management of the project and a detailed report was submitted to HE the president.

- **Geophysical Surveys**

  ✓ Geo-Physical survey at Habarana-Moragahakanda tunnel trace Geo-Physical survey(DGPS survey) at Thirukkovil under the supervision

  ✓ Geo-Physical survey(Magnetic survey) at Padiyatalawa, investigate for Dolerite Dykes

  ✓ Geo-Physical survey at Padiyatalawa, investigate for Dolerite Dykes

  ✓ Geo-Physical investigation at Batticaloa with FCID

  ✓ Geo-Physical invesigation at T'male,Uppuweli and Nilaweli Police Division areas

  ✓ Granite Weathering survey at Gampaha, Waikkala, Puttalam, Mdawachchiya, Eppawala and Ambalangoda areas

  ✓ Geo-Physical survey at Kachchathive,Kytes.Delft Islands

**Field Inspections and other short period activities**

- Inspection on the consignment of quartz to be exported of Kowloon Company which was blocked by the Department of Customs, Sri Lanka at the port of Colombo on 15th May 2015. The detailed report was submitted to Sri Lanka Customs Department.

  Based on custom visit and the requests of DG and Chairman of GSMB, a joint factory visit was carried out at factory premises of Kowloon Company, Divulapitiya (18/05/2015).

- A combine field survey with the Mining Division was carried out, based on an inquiry of over exploiting of sand at Tharana Estate, Madampe area (04/08/2015).

- A factory visit (21/08/2015) to inspect export rejected mica stock of Industrial Mineral Export Company at Talawa was carried out for select the suitability to re-export as per their declared price. This was carried out jointly with a mining engineer at Head Office.

- Inspection of a complain regarding a ground water dissappering in to a tunnel/adit closer to a house, Meegoda area

- Inspection of a land for a proposed rock quarry by "Vier brooder" (pvt ltd) at

Rukmaldeniyawaththa, Ehaliyagoda (report submitted).

- Inspection on of foundation failure of retaining wall at “Naigala rajamaha Viharaya” Weeraketiya (report submitted).
- Inspection of illegal soil excavation at Pitipana North, Homagama upon requested by the District court Homagama (Joint report submitted).
- Evaluation Mineral Investment Agreement report submitted by Sunny Creation International.
- On the requested by Mr. V.M. Rathnayake, brief geological report was submitted to chairman regarding view of oil in Sri Lanka.
- A short field visit was made on 01/06/2015 to investigate a slope failure at Siri Sumanaramaya temple, Enderamulla. A report titled “එඬේරමුල්ල සිරි සුමනාරාම විහාරස්ථානයේ නායයෑම/ බෑවුමේ අස්ථාවරතාව පිළිබඳ මූලික සමීක්ෂණ වාර්තාව was submitted on 04/06/2015.

**Exhibitions/ Seminars/ Awareness Programs**

- Delivered lectures on plate tectonics, earthquake and tsunami to students from Pinnawala central collage on 26th February.
- Delivered lectures regarding geological prospect for natural disasters to Dewi Balika collage on 22nd October.
- Delivered lecture organized by DMC for teachers at AGA office-Diwulapitiya on 25th November.
- Arrangements made to GSMB exhibition stall to world environment day function at Medirigiriya on 5th -6th June and participated it.
- Conducted presentation “The Current Status of Natural Resource base in Sri Lanka (with special reference to mineral resources)” for Indian delegates at Ministry premises
- Participated to the school science programme organized by the GSSL and GSMB conduct in Embilipitiya Central Collage on 2nd and 3rd July 2015.
- Organized a school science programme for Advanced level students in Devi Balika Vidyalaya, Colombo.
- Delivered lectures on awareness programs oraganized by DMC for various audience including police, forces , government officers, school children and village communities.

**Exhibitions**

- Dharmapala Vidyalaya-Pannipitiya
- Taxila Kanishta Vidyalaya-Horana
- Getway Colleage- Rajagiriya
- Rejie Ranathunga Vidyalaya-Minuwangoda
- Samudradevi Balika Vidyalaya-Nugegoda (Participated)
- Siddhartha Maha Vidyalaya
- Aluthgama Maha Vidyalaya-Aluthgama
- Sumangala Balika Maha Vidyalaya-Pandura(Participated)
- Gem & Jewellery Exhibition-BMICH (Jewells-2015) (Participated)

**Research Publications**

- Research paper on "Petrology of charnockitic granulites and calc-silicate granulites from south-southeastern highland complex of Sri Lanka: Further constraints for physic-chemical conditions of their metamorphic evaluation "in GSSL journal, P.G. Cooray memorial volume.

**Participation for Local and International programs**

| Officer's Name | Programme | Venue | Duration |
|---|---|---|---|
| Ms. D.T.D.S. Wijesundara | Stakeholder Consultation Workshop to Amend Flood Protection Ordinance organized by Disaster Management Centre | DMC | 19/02/2015 |
| | Workshop organized by the legal division of GSMB to educate GSMB officers on legal aspects to be considered in license procedures | GSMB | 21/03/2015 |
| | Expert Meeting (EGMG-2015) organized by the Comprehnsiv Nuclear Test Ban Treaty (CTBTO) | Vienna, Austria | 17/10/2015 to 24/10/2015 |
| | Workshop on File management, Administrative rules, Financial regulations and Office management organized by NIBM | NIBM, Colombo 07 | 18/12/2015 to 19/12/2015 |

| | | | |
|---|---|---|---|
| Mr. A.C.C. Priyantha | Participated to the training programme on "2015 - Training Course on Geochemical Mapping and Environmental Geochemical Survey Technologies for Developing Countries" Organized by the Development Research Center (DRC) of the China Geological Survey. | China | |
| | Participated to the one day work shop on Coastal Engineering on Climate Risk Reduction organized by the Coast Conservation Department. | | |
| Ms. P.N. Amarasooriya | Workshop of ITC knowledge for Library Professional held at Industrial Technology Institute | | 22/01/2015 |
| | Workshop of Research Methodology for Librarians held at National Library and Documentations Services Board | | 14/01/2015 |
| | SLSTINET (Sri Lanka Science and Technology Network) Review Seminar on Library Management software used in Sri Lankan Libraries held at National Science Foundation | | 30/01/2015 |
| | Workshop of New Trends in Library Software held at National Institute of Library and Information Science Auditorium on 27/03/2015 | | |
| | Workshop of National Union Catalogue held at Sri Lanka National Library and Documentations Services Board on 29/05/2015. | | |
| | Workshop of customer care held at National Institute of Library and Information Science Auditorium | | 3/8/2015 |
| | International Conference on strengthening co-operation among Libraries in South Asia held at Global Tower Hotel organized by National Library and Documentations Services Board | | 6/8/2015 |
| | Workshop of Dewey decimal classification practical and theory held at National Library and Documentations Services Board | | 11/8/2015 |
| | Review of Library Digitization held at National Science Foundation | | 22/09/2015 |
| | International Conference of Library Management held at National Institute of Library and Information Science Auditorium on 25/09/2015. | | |
| | Workshop of Practical cataloguing at National Library and Documentations Services Board | | 26/09/2015 |

| | | | |
|---|---|---|---|
| Ms. D.P.R. Weerakoon | Three days local training on MONA system for radiation detection of minerals, held at GSMB and field around Kalutara to Ambalangoda area | GSMB | 17/05/2015 to 19/05/2015 |
| | one day workshop for the industrialists on "Economic Minerals and Value addition to the Minerals of Sri Lanka" | GSMB | 7/7/2015 |
| | Conference and Regular Training Course on "Coastal Geology and Geohazards", organized by the Korean Institute for Geosciences and Mineral Resources (former Geological Survey of Korea) | South Korea | 5/10/2015 to 21/10/2015 |
| | One day workshop on "Protective measures on constructions in the Coastal and near shore Environment", organized by Coast Conservation and Coastal Resources Management Department | Waters Edge Hotel | 04/11/2015 |
| Mr. M.M.T.N.B. Munasinghe | CTBTO On Site Inspection Regional Introductory Course | Kandalama, Dambulla | 29/11/2015 to 06/12/2015 |
| Mr. A.M.D.U. Abeysinghe | CTBTO On Site Inspection Regional Introductory Course | Kandalama, Dambulla | 29/11/2015 to 06/12/2015 |
| Mr. M.M.J.P. Ajith Prema | Workshop for Remote Sensing at DMC organized by JICA | | 21st January 2015 |
| | Workshop on File management, Administrative rules, Financial regulations and Office management organized by NIBM | NIBM, Colombo 07 | 18/12/2015 to 19/12/2015 |
| Ms. Y P S Siriwradana | Participated for a Training program at Intetnational Atomic Energy Authority; Dept. of Nuclear Sciences and Applications; Seibersdorf Laboratories; Terrestrial Environment Laboratory | Vienna, Austria | 1/09/2015 to 30/10/2015 |
| Ms. SNB Thaldena | Technical Training for Station Operators of Auxiliary Seismic Stations jointly operated with IRIS/IDA | | 12/10/2015 to 16/10/2015 |
| | 5th workshop on the Operation and Maintenance of theInternational Monitoring System | | 05/10/2015 to 09/10/2016 |
| | Workshop on File management, Administrative rules, Financial regulations and Office management organized by NIBM | | 18/12/2015 to 19/12/2015 |
| | Three days local training on MONA system for radiation detection of minerals, held at GSMB and field around Kalutara to Ambalangoda area | | 17/05/2015 to 19/05/2015 |

# MINES DIVISION

## Major Functions of the Mining Division

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

- ❖ Evaluate commercial viability of mining for processing and export of minerals under the Mines & Minerals Act No.33 of 1992
- ❖ Regulate the exploration and mining for minerals and the processing, trading in and export of such minerals by the issuance of licenses
- ❖ Advise the minister on measures to be adopted for the promotion of the extraction and production of minerals on a commercial basis

**Services available**

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

**Income Generated through Issuing Licenses**

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

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

Details of these licenses are as follows:

▪ **Exploration licenses (EL)**

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

▪ **Mining Licenses**

**Artisanal Mining Licenses (AML)**

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

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

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

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

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

**Industrial Mining Licenses (IML)**

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

Category A (include one or more of following conditions)

- Blasting method - multi-borehole using delay elements
- The depth of the bore hole - more than 3.0 meters
- Production volume - more than 1500 m3 per month
- Machinery to be used - track drills, jack hammers, rock breakers, front-end loaders and other machinery

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

- The blasting method - single borehole
- The depth of boreholes - not less than 1.5 meters and not more than 3.0 meters
- The production volume - between 1500 m3 and not more than 1500 m3 per month
- Only jack hammers to be used

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

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

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

- **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**

Following chart shows the royalty income collected by the GSMB. It clearly shows a general increase of

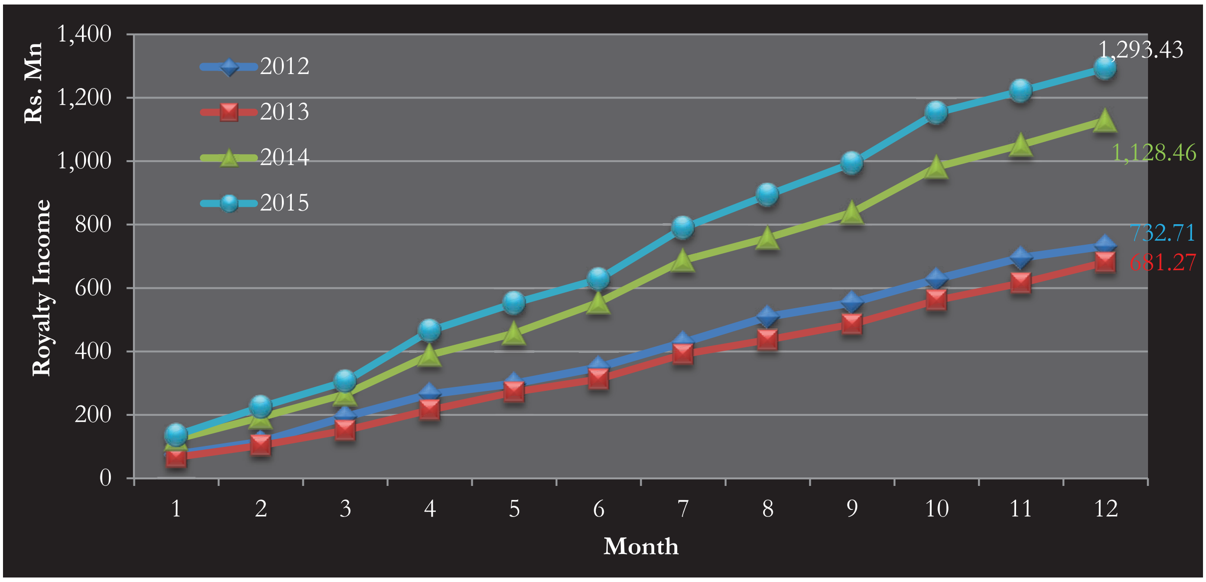



***Fig.1*: Royalty income during the period of 2012 to 2015**

| Year | Royalty Income (Rs. Mn.) |
|---|---|
| 2012 | 732.71 |
| 2013 | 681.27 |
| 2014 | 1,128.46 |
| 2015 | 1,293.43 |

**Income generated by Mines Inspection**

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

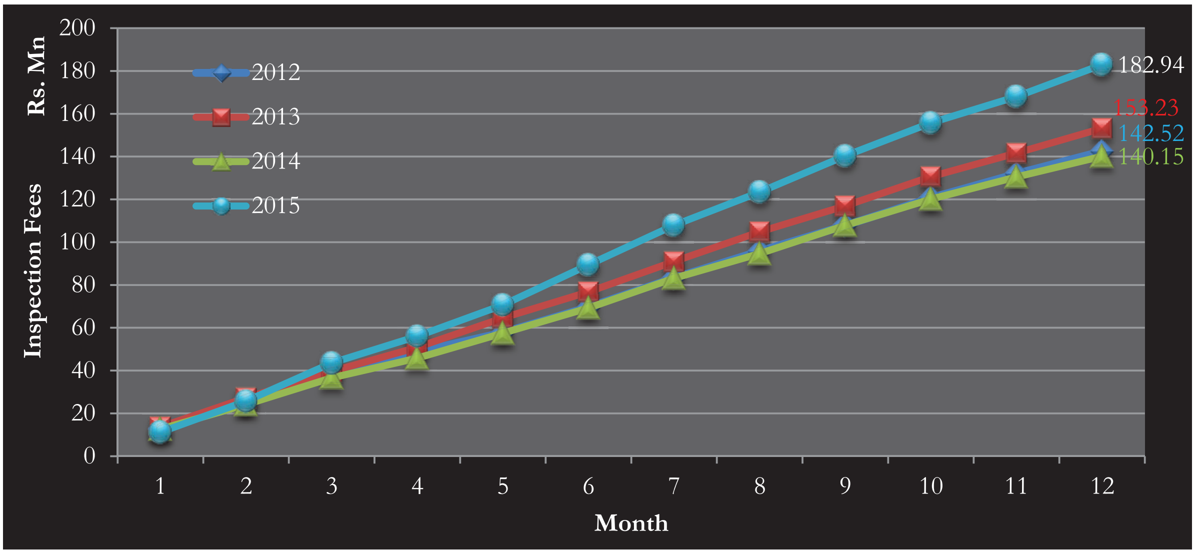



*Fig. 2:* **Income generated by mines inspection during the period of 2012 to 2015**

| Year | Royalty Income (Rs. Mn.) |
|---|---|
| 2012 | 142.52 |
| 2013 | 153.23 |
| 2014 | 140.15 |
| 2015 | 182.94 |

**Income generated by Issuing Licenses**

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

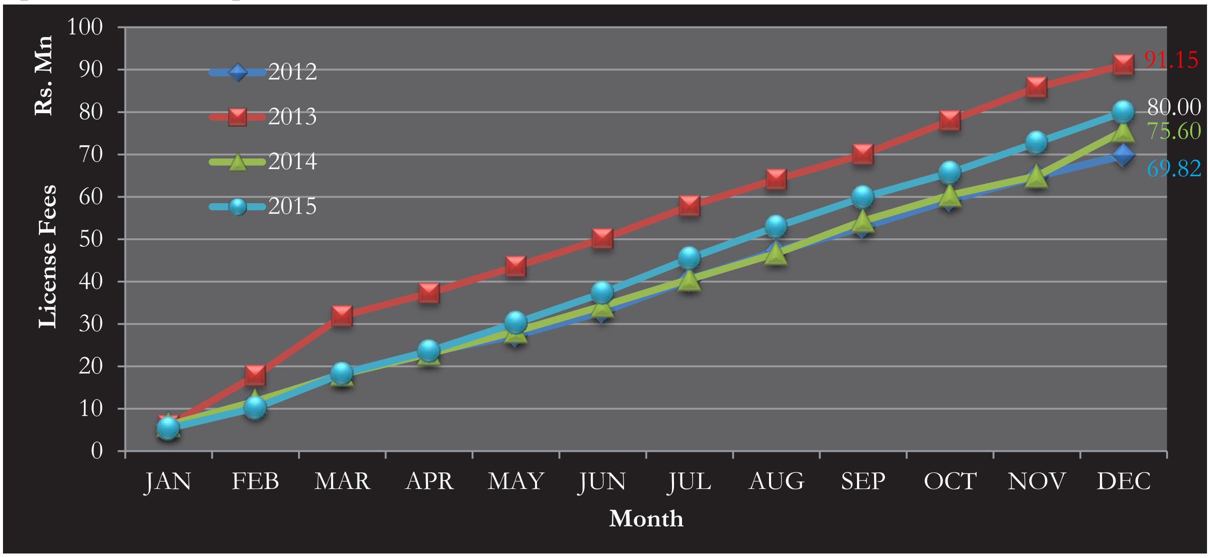



*Fig.3:* **Income generated by issuing licenses during the period of 2012 to 2015**

| Year | Royalty Income (Rs. Mn.) |
|---|---|
| 2012 | 69.82 |
| 2013 | 91.15 |
| 2014 | 75.60 |
| 2015 | 80.00 |

# GEOLOGICAL SURVEY & MINES BUREAU - MINES DIVISION
# SUMMARY PERFORMANCE (FINANCIAL AND PHYSICAL)
# YEAR 2015

**Rs. Million**

| | Components/Activity | * F P | Type of Funds | Unit | Annual Allocation & Target | Financial and Physical Progress |
|---|---|---|---|---|---|---|
| 1 | Issuing licenses as per the Mines & Minerals Act No.33 of 1992 | | | | | |
| 1.1 | Artisanal Mining Licenses (AML) | | | | | |
| 1.1.1 | AML - A | F | Income | Rs. Mn. | 2.970 | 4.497 |
| | | P | | No. | 990 | 1499 |
| 1.1.2 | AML - B | F | Income | Rs. Mn. | 3.580 | 2.698 |
| | | P | | No. | 2864 | 2158 |
| 1.2 | Industrial Mining Licenses (IML) | | | | | |
| 1.2.1 | IML - A | F | Income | Rs. Mn. | 3.000 | 4.780 |
| | | P | | No. | 150 | 239 |
| 1.2.2 | IML - B | F | Income | Rs. Mn. | 12.000 | 10.792 |
| | | P | | No. | 1500 | 1349 |
| 1.2.3 | IML - C | F | Income | Rs. Mn. | 5.800 | 3.532 |
| | | P | | No. | 1450 | 883 |
| 1.3 | Trading Licenses (TDL) | | | | | |
| 1.3.1 | TDL - A | F | Income | Rs. Mn. | 0.105 | 0.105 |
| | | P | | No. | 14 | 14 |
| 1.3.2 | TDL - B | F | Income | Rs. Mn. | 4.600 | 5.505 |
| | | P | | No. | 920 | 1101 |
| 1.4 | Transport Licenses (TPL) | F | Income | Rs. Mn. | 39.150 | 37.914 |
| | | P | | No. | 435,000 | 421,259 |

**Rs. Million**

| | Components/Activity | * F P | Type of Funds | Unit | Annual Allocation & Target | Financial and Physical Progress |
|---|---|---|---|---|---|---|
| 1.5 | Export Permits | F<br>P | Income | Rs. Mn.<br>No. | 2.825<br>565 | 2.305<br>461 |
| 1.6 | Exploration Licenses (EL) | F | Income | Rs. Mn. | 2.420 | 7.874 |
| 2 | Collection of Royalty | F | Income | Rs. Mn. | 1,128.064 | 1,293.433 |
| 3 | Inspection Charges of Mining | F | Income | Rs. Mn. | 146.975 | 182.943 |
| 4 | Conducting of Test Blast | F | Income | Rs. Mn. | 4.500 | 4.326 |
| 5 | Refund and Bank Guarantee | F | Income | Rs. Mn. | 0.586 | 0.178 |
| 6 | Sundry Income - Mining | F | Income | Rs. Mn. | 23.770 | 17.193 |
| 7 | TPL issued from DS office | F | Income | Rs. Mn. | 1.881 | included in item no.1.4 |
| 8 | Export of Samples | F | Income | Rs. Mn. | 0.100 | 0.620 |
| 9 | Conduct Educational Programmes on Blasting | F | Income | Rs. Mn. | 0.330 | 0.000 |
| 10<br>10.1 | Conduct Awareness Programmes | F | GSMB | Rs. Mn. | (8.420) | (0.201) |
| 10.2 | Organization of rehabilitation | F | GSMB | Rs. Mn. | (15.275) | (0.098) |
| | **Total** | | | | **1358.961** | **1578.252** |

# Regional Offices:

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

The Regional Mining Engineers attached to the Regional Offices in Year 2015 are as follows:

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

## Special activities done by Mines Division and contribution to the national economy

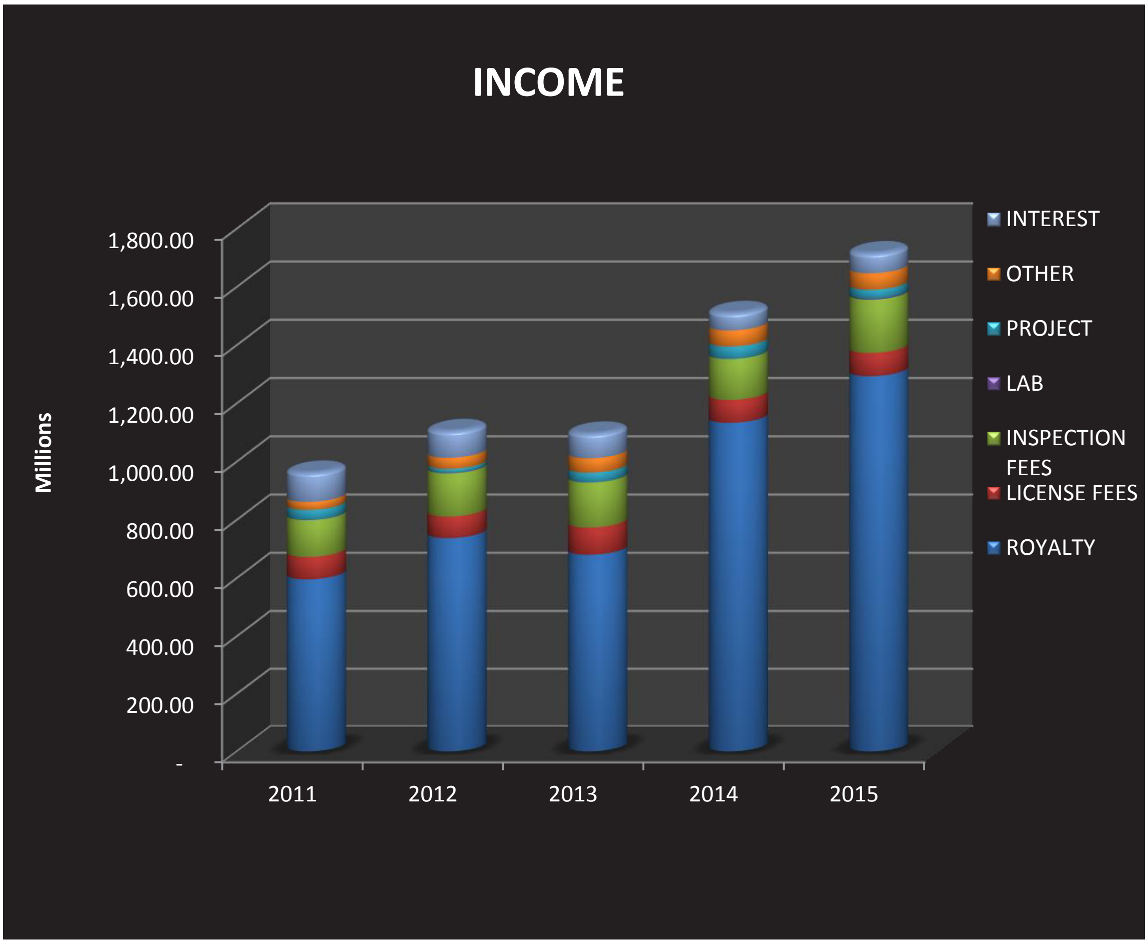
As an effective movement of capacity building and awareness of particularly blasting foramens & blasting responsible individuals the mines division of GSMB was able to continue the Blasting and blast related training course, successfully. In addition to the above, awareness programs are been conducted under regional level to aware the mining license holders in order to enhance the knowledge and understanding in blasting ,mine safety ,mine management ,environment and sociological aspects . In the exercise of eradication of illicit mining activities, series of raids were conducted all over the country by the mines division with the direct involvement of Special Task Force and respective police stations. Periodic field monitoring has been further strengthen in order to facilitate the mining activities to be operated in more regulated, sustainable and organized manner. Gravel mining was able to direct into more effective and well organized avenue with the introduction of district committee mechanism into the mining license issuing system. In the exercise of strengthening the regularities in the mineral transport issuing mechanism the mines division is planning to introduce effective automated transport licensing system with the collaboration of department of police .Steps were successfully taken in order proceed the mining coupling with effective site rehabilitation activities and post mining investigations.

# FINANCIAL REVIEW

Geological Survey and Mines Bureau achieved year-on-year growth in revenues and profit before tax in the financial year 2015. The Bureau recorded a net profit of Rs.1, 037 million for the financial year ended 31st December 2015 (2014: Rs. 826 million). In the year under review, Bureau revenue increased by 13.6 percent to Rs. 1,715 million (2014: Rs.1, 510 million)

Revenue mainly comprise the Royalty (2015: Rs. 1,293 million, 2014: Rs. 1,133 million), Licence Fee (2015: Rs.80 million, 2014: Rs. 78.6 million), Inspection (2015: Rs. 183 million, 2014: Rs.141 million), Lab Income (2015: Rs. 3.5 million, 2014: Rs.0.6 million), Project income (2015: Rs. 57million, 2014: Rs. 55 million) and Interest Income (2015: Rs. 69 million, 2014: Rs.59.6 million).

Compared to the previous year, profit for the year increased by 25.5% to Rs. 1,037 million. ( 2014:Rs. 826 million)



# LEGAL DIVISION

The functions of the Legal Section include representing the Bureau in cases filed by and against the Bureau, the actions filed by the Bureau based on unauthorized mining activities carried out in some areas and the non - rehabilitation of mined sites.

There were 24 Cases Pending in Courts.(Supreme Court, Court of Appeal, District Court, High court and Human Rights Commission) 02 Cases were filed against those who were engaged in unauthorized mining activities.

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

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

A Workshop has been organized for all Regional Office Mining Engineers Assistant Registrars, and field Assistants at GSMB Head Office to aware them bout legal procedures and Environment Laws.

As directed by Supreme Court Case No. 81/2004, Legal Division coordinated the discussions held at Geological Survey & Mines Bureau with stake holders to conduct the surveys on sand availability in river Maha Oya. Legal Division has also coordinated the Central Environment Authority, Irrigation Department, Provincial Environmental Authority (NWP), Environmental Foundation Ltd, Divisional Secretaries Offices, and Police Stations on drafting and implementing the 5 years Management Plan for river Maha Oya.

165 Royalty Arrears files and 80 Non Rehabilitated Land files have been scrutinized.

For taking Legal Action on Royalty Arrears, Non Rehabilitated Lands and projects debtors and Letters of Demand were issued in order to initiate the Legal Actions.

The meetings of Board of Management have been conducted and Minutes were prepared and followed up actions have also been taken.  Accordingly to the discussions taken at the Board of Management.

The meetings of Committee of Audit & Management Minutes were prepared and followed up actions have also been taken according to the discussions taken at the Committee of Audit & Management.

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

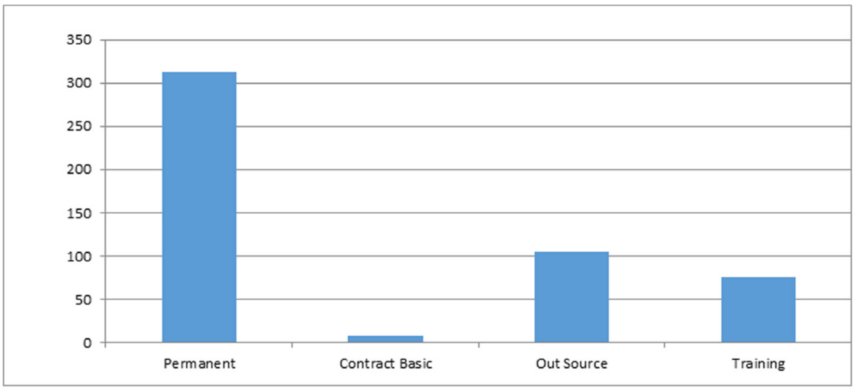
Seven Agreements have been prepared and executed for Projects undertaken by Geology Division.

Non Notarial Agreements of Geological Survey & Mines Bureau relevant to the Mineral Investments, Janitorial Services, Security Services and Vehicle Agreements were executed.

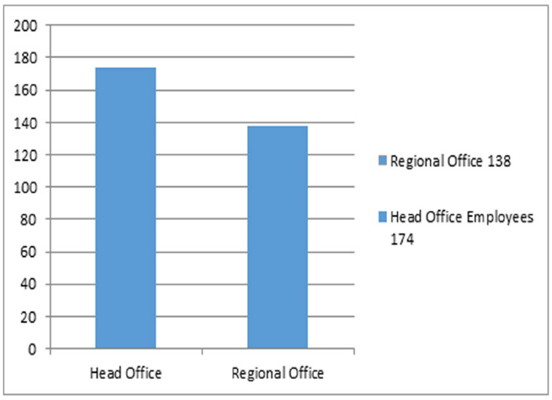
# REVIEW ON HUMAN RESOURCES

## All Employees

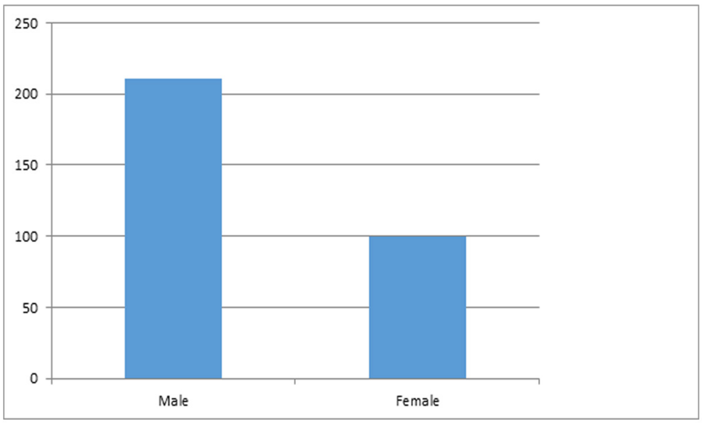
| | |
|---|---|
| Permanent | 311 |
| Contract Basic | 08 |
| Out Source | 105 |
| Training | 75 |




## Employees List – Head Office & Regional Offices




## Permanent Employees Details
## Male/ Female




| | |
|---|---|
| Male | 211 |
| Female | 100 |
| Total | 311 |

# CORPORATE GOVERNANCE

Good 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. Minster 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.

Seven (07) Board meetings were held during FY2015. 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.

# Financial Reports

# GEOLOGICAL SURVEY & MINES BUREAU
# ACCOUNTING POLICIES - 31St DECEMBER 2015

## 1. COPERATE INFORMATION

### 1.1 General

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

### 1.2 Principal Activities

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

### 1.3 Number of Employees

The number of permanent employees at the end of the year was 318.

## 2. GENARAL ACCOUNTING POLICIES

### 2.1 General

**Statement of compliance**

The financial statements of the Bureau have been prepared in accordance with the requirement of the Sri Lanka Public Sector Accounting Standards laid down by the institute of Chartered Accountants of Sri Lanka.

**Basis of preparation**

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

### 2.2 Going Concern

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

### 2.3 Comparative Information

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

## 3. ASSETS AND BASES OF THEIR VALUATIONS

### 3.1 Accounts Receivable

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

### 3.2 Inventories

Inventories have been valued at cost. Costing this context is confined to aggregate cost of purchase and includes all expenses incidental to purchasing.

### 3.3 Investments

Investments are stated at cost.

### 3.3.1 GSMB Technical Services (Pvt) Ltd

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

During the year 2015 GSMB Technical has declared dividends. This has been shown in the Financial Statements of GSMB. As the company's year-end 31/3/2015, dividend receivable cannot be shown in the Financial Statements of GSMB.

### 3.4 Property Plant and Equipment

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

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

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

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

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

### 3.5 Leasing of Property Plant & Equipment

Finance leases are leases that transfer substantially all the risks and benefits incidental to ownership of the leased item to the Bureau. Assets obtained under such finance leases are depreciated on the same rate, as applicable to other Property, Plant & Equipment.

Operating leases are leases that do not transfer substantially all the risk and benefits incidental to ownership of the leased item to the Bureau.

### 3.6 Cash & Cash Equivalents

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

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

## 4. LIABILITIES & PROVISIONS

### 4.1 Provisions

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

### 4.2 Defined Benefit Plan –Gratuity

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

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

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

## 5. COMPREHENSIVE INCOME STATEMENTS

### 5.1 Revenue Recognition

**5.2** Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Bureau and the revenue and associated costs incurred or to be incurred can be reliably measured.

Revenue is measured at the fair value of the consideration receivable. The following specific criteria are used for the purpose of recognizing revenue.

a) Rendering of Services

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

b) Interest

Interest Income is recognized on an accruals basis.

c) Others

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

d) Royalty income

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

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

**5.3 Expenses**

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

## 6. CASH FLOW

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

## 7. TAXATION

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

## 8. POST BALANCE SHEET EVENTS

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

# GEOLOGICAL SURVEY & MINES BUREAU

## STATEMENT OF FINANCIAL POSITION AS AT 31st DECEMBER 2015

| | Note | 2015 ACTUAL Rs. | 2014 ACTUAL Rs. |
|---|---|---|---|
| **ASSETS** | | | |
| Non Current Assets | | | |
| Property, Plant & Equipments | 1 | 544,174,181.25 | 523,655,528.06 |
| Working Progress | 2 | 1,505,000.00 | 5,348,476.37 |
| Total Non – Current Assets | | 545,679,181.25 | 529,004,004.43 |
| Investment | 3 | 4,000,000.00 | 10,542,302.61 |
| **Current Assets** | | | |
| Inventory | 4 | 21,352,047.94 | 16,613,205.95 |
| Trade & Other Receivables | 5 | 110,456,075.08 | 85,740,219.27 |
| Fixed Deposits | 6 | 1,068,000,572.47 | 840,820,447.32 |
| Cash & Cash Equivalents | 7 | 37,925,813.36 | 5,187,436.94 |
| Total Current Assets | | 1,237,734,508.85 | 948,361,309.48 |
| Total Assets | | **1,787,413,690.10** | **1,487,907,616.52** |
| **EQUITY & LIABILITIES** | | | |
| **Equity** | | | |
| Consolidated Fund | 8 | 27,652,883.05 | 27,652,883.05 |
| Departmental Fund | 9 | 1,746,725.68 | 1,746,725.68 |
| Capital Fund | 10 | 68,916,655.00 | 68,916,655.00 |
| Foreign Fund | 11 | 1,984,210.00 | 1,984,210.00 |
| Local Grants | 12 | 1,373,648.24 | 51,999.00 |
| Revaluation Reserves | 13 | 129,978,094.46 | 103,616,100.00 |
| Retained Earnings | | 1,110,852,578.03 | 926,492,377.37 |
| **Total Equity** | | **1,342,504,794.46** | **1,130,460,950.10** |
| **Non Current Liabilities** | | | |
| Provision on Gratuity | 14 | 125,128,193.32 | 94,288,148.50 |
| **Current Liabilities** | | | |
| Creditors and Payables | 15 | 151,933,552.62 | 143,480,755.54 |
| Other Payables | 16 | 167,847,149.70 | 119,677,762.38 |
| | | 319,780,702.32 | 263,158,517.92 |
| **Total Equity & Liabilities** | | **1,787,413,690.10** | **1,487,907,616.52** |

# GEOLOGICAL SURVEY AND MINES BUREAU
# STATEMENT OF FINANCIAL PERFORMANCE
# FOR THE YEAR ENDED 31st DECEMBER 2015

| | Note | 2015 ACTUAL Rs. | 2014 ACTUAL Rs. |
|---|---|---|---|
| Income | 17 | 1,590,377,799.45 | 1,395,612,132.41 |
| Other Income | 18 | 56,841,607.51 | 55,179,948.43 |
| Operating Expenses | 19 | (287,560,815.22) | (248,873,715.60) |
| Administration Expenses | 20 | (372,653,632.52) | (419,473,253.76) |
| **Operating Profit** | | **987,004,959.22** | **782,445,111.48** |
| Net Finance Income | 21 | 68,585,384.20 | 59,617,297.45 |
| **Profit Before Tax** | | 1,055,590,343.42 | 842,062,408.93 |
| Income Tax Expenses | 22 | 18,496,473.00 | 15,143,981.00 |
| **Net Profit for the Year** | | 1,037,093,870.42 | 826,918,427.93 |

# Notes to the Financial Statements

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

| | Balance as at 01.01.2015 Rs. | Additions during the Year Rs. | Revaluation Rs. | Disposal Items Rs. | Balance as at 31.12.2015 Rs. |
|---|---|---|---|---|---|
| **At Cost** | | | | | |
| Land, Building and Land Fencing | 639,713.50 | | | | 639,713.50 |
| Land | 224,787,057.75 | | | | 224,787,057.75 |
| Building | 72,910,439.23 | 4,205,923.87 | | | 77,116,363.10 |
| Building Portioning | 8,100,704.35 | 6,156,483.37 | | | 14,257,187.72 |
| Plant & Machinery | 74,099,349.26 | 9,291,856.75 | 626,000.00 | 36,200.00 | 83,981,006.01 |
| Motor Vehicles | 195,095,641.34 | 41,720,000.00 | 18,150,000.00 | 27,450,342.34 | 227,515,299.00 |
| Mapping Equipment | 10,287,563.44 | | 891,295.00 | 1,782,590.00 | 9,396,268.44 |
| Drilling Spares | 18,027,796.71 | 8,446,243.00 | | | 26,474,039.71 |
| Lab Equipment | 154,119,022.07 | 13,818,024.80 | 6,694,699.46 | 17,619,831.66 | 157,011,914.67 |
| Field Equipment | 13,172,294.46 | 1,271,724.00 | | | 14,444,018.46 |
| Office Equipment | 117,837,301.25 | 9,658,857.13 | | | 127,496,158.38 |
| Communication Equipment | 5,510,644.38 | 624,168.27 | | | 6,134,812.65 |
| Furniture & Fittings | 12,521,143.23 | 2,101,895.37 | | | 14,623,038.60 |
| Maps | 475,824.75 | | | | 475,824.75 |
| Library Books | 25,028,643.26 | 3,270,310.14 | | | 28,298,953.40 |
| | 932,613,138.98 | 100,565,486.70 | 26,361,994.46 | 46,888,964.00 | 1,012,651,656.14 |

## Depreciation

| | Balance as at 01.01.2015 Rs. | Charge for the Year Rs. | Disposal Items Rs. | Balance as at 31.12.2015 Rs. |
|---|---|---|---|---|
| Land, Building and Land Fencing | 511,532.77 | 37,515.96 | | 549,048.73 |
| Land | - | - | | - |
| Building | 33,003,071.49 | 13,083,804.44 | | 46,086,875.93 |
| Building Portioning | 2,292,710.27 | 2,666,738.91 | | 4,959,449.18 |
| Plant & Machinery | 34,032,448.07 | 7,565,459.98 | 36,200.00 | 41,561,708.05 |
| Motor Vehicles | 132,023,839.19 | 35,839,796.80 | 27,450,342.33 | 140,413,293.66 |
| Mapping Equipment | 8,689,066.93 | 900,027.00 | 1,782,590.00 | 7,806,503.93 |
| Drilling Spares | 8,023,313.79 | 2,758,070.22 | | 10,781,384.01 |
| Lab Equipment | 72,376,547.31 | 27,248,319.37 | 17,619,831.66 | 82,005,035.02 |
| Field Equipment | 9,195,836.71 | 1,560,782.37 | | 10,756,619.08 |
| Office Equipment | 90,367,781.59 | 11,682,944.92 | | 102,050,726.51 |
| Communication Equipment | 2,480,369.39 | 563,761.79 | | 3,044,131.18 |
| Furniture & Fittings | 5,664,689.20 | 1,169,424.24 | | 6,834,113.44 |
| Maps | 217,215.95 | 23,791.20 | | 241,007.15 |
| Library Books | 10,079,188.26 | 1,308,390.76 | | 11,387,579.02 |
| | 408,957,610.92 | 106,408,827.96 | 46,888,963.99 | 468,477,474.89 |
| **Net Book Value** | **523,655,528.06** | | | **544,174,181.25** |

**Note 02**
**Working Progress**

| | 2015 ACTUAL Rs. | 2014 ACTUAL Rs. |
|---|---|---|
| Proposed GPR/ERP System | 1,505,000.00 | 1,505,000.00 |
| Proposed Building for Lab | | |
| Proposed Building – Anuradhapura | | 3,843,476.37 |
| | 1,505,000.00 | 5,348,476.37 |

**Note 03**
**Investments**

| | | |
|---|---|---|
| Investments | 4,000,000.00 | 4,000,000.00 |
| Instruments of G.S.N Station | | 5,974,799.94 |
| V-SAT Installation | | 567,502.67 |
| | 4,000,000.00 | 10,542,302.61 |

**Note 04 - Inventory**

| | 2015 Rs. | 2014 Rs. |
|---|---|---|
| Stock Stationary | 1,994,078.18 | 2,166,655.41 |
| Stock - Hardwar | 14,076,887.66 | 11,156,162.44 |
| Stock Library Books / Maps | 668,527.30 | 668,527.30 |
| Stock - License | 4,612,554.80 | 2,621,860.80 |
| | 21,352,047.94 | 16,613,205.95 |

## Note 5 Trade & Other Receivables

| | 2015 Rs. | 2014 Rs. |
|---|---|---|
| Debtors - Project | 4,970,255.82 | 5,518,645.40 |
| Debtors - Others 05B | 1,737,923.21 | 1,877,425.72 |
| Debtors - Return Cheques | 314,180.70 | 132,416.19 |
| Debtors - GSMB Tec. Services | 545,916.95 | 504,283.83 |
| Prepayments | 7,500,165.25 | 7,416,631.88 |
| Staff Loans | 59,385,490.16 | 46,327,913.10 |
| Festival Advance | 54,950.00 | 191,950.00 |
| Special Advance | 9,500.00 | 10,500.00 |
| Advance - Field Officers | 824,090.88 | 1,680,715.88 |
| Advance - Other Officers | 1,914,700.00 | 2,235,830.00 |
| Advance Foreign Journals | 316,207.42 | 80,952.83 |
| Advance - Purchases | 19,471,423.14 | 7,611,350.25 |
| Advance & Advance B loan | 208,775.26 | 208,775.26 |
| Building Deposit | 66,000.00 | 66,000.00 |
| Refundable Deposits | 418,000.00 | 317,000.00 |
| Rent Advance | 3,009,312.50 | 4,349,708.34 |
| Treasury Bills - Interest Account | 1,825,698.85 | 1,617,919.04 |
| Peoples Bank - Interest Account | 7,883,484.94 | 5,592,201.55 |
| | 110,456,075.08 | 85,740,219.27 |

## Note 05B – Debtors

| | 2015 Rs. | 2014 Rs. |
|---|---|---|
| Chemical Analysis | 149,917.50 | 162,517.50 |
| Sundry Debtors | 371,221.56 | 385,589.49 |
| Inland Revenue GST Receivable | 973,143.00 | 973,143.00 |
| Insurance Claim | 39,112.00 | 151,646.58 |
| H & S Insurance | 113,732.35 | 113,732.35 |
| Debit Notes | 90,796.80 | 90,796.80 |
| | 1,737,923.21 | 1,877,425.72 |

**Note 6 - Fixed Deposits**

| | 2015<br>Rs. | 2014<br>Rs. |
|---|---|---|
| Deposit - Peoples Bank (Critical Fund) 06 A | 5,900,000.00 | |
| Deposit - Peoples Bank (GSN Station) | 6,404,510.32 | 6,090,437.26 |
| Deposit- Peoples Bank (Gratuity Fund) | 54,683,764.98 | 35,757,212.22 |
| Deposit - Peoples Bank (Galle Rd) | 762,978,559.12 | 572,987,453.73 |
| State Surplus Fund | 6,249,362.84 | 6,249,362.84 |
| Treasury Bills | 231,784,375.21 | 219,735,981.27 |
| | 1,068,000,572.47 | 840,820,447.32 |

**Note 6 A - Deposit - People's Bank (Critical Fund)**

This is funded by welfare Activities and the amount received from incentive

**Note 7 - Cash & Cash Equivalents**

| | 2015<br>Actual<br>Rs. | 2014<br>Actual<br>Rs. |
|---|---|---|
| Bank Of Ceylon - Current Account | 1,830,454.84 | 89,446.35 |
| Commercial Bank - Current Account | 350,143.15 | 49,392.81 |
| Sampath Bank - Current Account | 1,348,867.63 | 193,019.80 |
| Sapath Bank GSN - Current Account | 548,973.49 | 631,292.41 |
| Peoples Bank - Matara | 1,028,863.87 | 24,332.92 |
| Peoples Bank - Wellawatta | 424,059.73 | 213,011.73 |
| Peoples Bank -Galle Rd | 31,130,798.70 | 2,874,480.92 |
| Peoples Bank -Pitakotte | 8,136.95 | |
| Stamp Imprest | 18,515.00 | 20,460.00 |
| Petty Cash Imprest - Regional Offices | 1,225,000.00 | 1,080,000.00 |
| Petty Cash Imprest - Head office | 12,000.00 | 12,000.00 |
| | 37,925,813.36 | 5,187,436.94 |

**Note 08 - Consolidated Fund**

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

**Note 09 - Departmental Fund**

GSMB had to use funds allocated for GSD at the initial stage this represent such funds use by GSMB

**Note 10 - Capital Fund**

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

**Note 11 - Foreign Fund**

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

**Note 12 - Local Grants**

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

**Note 13 - Revaluation Reserve**

1. The assets of which the net value was zero as at 31/12/2014 were revalued on 29/12/2015.
2. The revaluation was done by an independent valuation board as per Para No.43 of Sri Lanka Public Sector Accounting Standards No.07 The valuation board comprised of a Chief engineer of Lanka automobile company for motor vehicles, a lecturer of Industrial Technology Institute for laboratory and mapping equipment and for water pumps an officer of Assessor Department.
3. In the revaluation process the following factors were considered the period of time for which the aforesaid assets can be used by the Bureau furthermore. The purchasing price of the relevant asset (Cost) The present condition of the assets (Performance) The category of the asset (model, brand)
4. The manner in which the fair value was decided.

   Each item was revalued by the officers who did the revaluation using special methodologies which were identical to them. Our opinion is that different methodologies have been adopted for each category of assets.

**Note 14 - Gratuity**

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

Completion of 5 years of continued service.

| **Note 15 - Creditors and Payables** | **2015** | **2014** |
|---|---|---|
| | **Rs** | **Rs** |
| Staff Salary Payable | | 24,537.10 |
| Creditors | 59,135.54 | 100,000.00 |
| Creditors on Purchasing | 11,344,366.10 | 3,977,618.34 |
| E.P.F/E.T.F Payable | 2,508,623.47 | 2,304,969.03 |
| Stamp Duty Payable | 1,770,276.00 | 1,660,053.58 |
| Payee tax | 58,339.02 | 56,869.00 |
| VAT Payable | 25,183,362.71 | 31,998,474.00 |
| ESC Payable | 1,123,971.00 | 1,476,897.26 |
| NBT Payable | 6,180,103.48 | 6,823,449.29 |
| Income Tax Payable | 7,321,411.00 | 2,951,568.00 |
| Vehicle Insurance claims from insurance companies | 22,642.74 | |
| Accruals Expenses | 96,361,321.56 | 92,106,319.94 |
| | 151,933,552.62 | 143,480,755.54 |

| **Note 16 - Other Payables** | **2015** | **2014** |
|---|---|---|
| | **Rs** | **Rs** |
| Advance On G.S.N Station 16A | 6,887,885.35 | 6,665,050.20 |
| Advance on I.E.E.R | 137,685.00 | 137,685.00 |
| Advance On Project | 12,024,414.90 | 2,288,686.50 |
| Advance On Chemical Analysis | 8,500.00 | 59,464.29 |
| Advance on MIA | 14,000.00 | 14,000.00 |
| Rehabilitation Deposit | 32,012.00 | 35,872.00 |
| Advance On Royalty | 53,064,259.76 | 31,666,395.84 |
| Advance On Mining License 16B | 58,284,392.69 | 48,846,608.55 |

| | | |
|---|---|---|
| Bank Guarantee | 37,394,000.00 | 29,964,000.00 |
| | 167,847,149.70 | 119,677,762.38 |

**Note 16A - Advance On G.S.N Station**

GSMB Received funds from university of California to maintain the activities at Pallekelle G.S.N. Station .This represent such money received.

**Note 16B - Advance on Mining License**

This is the Money Held for Processing of Licenses Applications. Once the Licenses is Granted this is taken for income. If the License is rejected the money held is paid back to Client.

| | **2015** | **2014** |
|---|---|---|
| | **Rs** | **Rs** |
| Advance Received on Exploration License | 15,605,352.83 | 12,328,465.47 |
| Advance Received on IML. A. | 7,319,416.96 | 6,786,423.84 |
| Advance Received On I.M.L. - B | 17,325,336.71 | 14,303,315.37 |
| Advance Received on I.M.L. - C | 6,401,066.30 | 5,798,603.30 |
| Advance Received on A.M.L. - A | 6,542,548.87 | 5,922,388.74 |
| Advance Received on A.M.L. - B | 3,248,902.12 | 2,585,320.36 |
| Advance Received on T.D.L. - A | 131,150.36 | 106,467.08 |
| Advance Received b on T.D.L. - B | 1,662,225.14 | 931,969.36 |
| Advance Received on T. D. L. - C | 14,427.40 | 14,427.40 |
| Excess Money On Mining License | 33,966.00 | 69,227.63 |
| | 58,284,392.69 | 48,846,608.55 |

**Note 17 - Income**

| | 2015 | 2014 |
|---|---|---|
| | Rs | Rs |
| Royalty 17A | 1,293,433,031.76 | 1,133,601,622.30 |
| License Fee 17B | 80,002,819.08 | 78,633,199.63 |
| Inspection (Mineral Exploration) 17C | 182,943,929.26 | 140,512,835.99 |
| Lab | 3,568,174.29 | 628,365.77 |
| Project (Drilling) 17D | 30,429,845.06 | 42,236,108.72 |
| | 1,590,377,799.45 | 1,395,612,132.41 |

**17A - Royalty**

| | 2015 | 2014 |
|---|---|---|
| | Rs | Rs |
| Royalty - Building material | 729,914,696.68 | 694,380,431.05 |
| Royalty - Industrial Minerals | 397,746,549.61 | 308,659,522.29 |
| Previous - Building Material | 121,198,115.71 | 95,086,381.08 |
| Previous - Industrial Mineral | 12,977,493.39 | 11,888,306.89 |
| Penalty - Building Material | 28,942,518.98 | 22,647,231.66 |
| Penalty - Industrial Mineral | 2,653,657.39 | 939,749.33 |
| | 1,293,433,031.76 | 1,133,601,622.30 |

**17B - License Fee**

| | 2015 | 2014 |
|---|---|---|
| | Rs | Rs |
| Export | 2,305,000.00 | 2,500,000.00 |
| Exploration | 7,874,000.00 | 3,898,000.00 |
| IML | 19,104,000.00 | 22,568,000.00 |
| AML | 7,194,500.00 | 6,811,750.00 |
| Trading | 5,612,000.00 | 4,834,500.00 |
| TPL | 37,913,319.08 | 38,020,949.63 |
| | 80,002,819.08 | 78,633,199.63 |

## 17C- Inspection

| | 2015 | 2014 |
|---|---|---|
| | Rs | Rs |
| Inspection | 168,187,722.53 | 128,527,395.99 |
| Special Inspection - IML A | 730,000.00 | 776,820.00 |
| Special Inspection - IML B | 1,182,500.00 | 1,056,100.00 |
| Special Inspection - IML C | 300,000.00 | 365,000.00 |
| Special Inspection - AML A | 80,320.00 | 830,820.00 |
| Special Inspection - AML B | 5,000.00 | |
| Major site special Inspection | 12,458,386.73 | 8,956,700.00 |
| | 182,943,929.26 | 140,512,835.99 |

## 17D - Project Details

| | 2015 | 2014 |
|---|---|---|
| | Rs | Rs |
| Envi. Assessment- Gampha- Disaster Mgt Cent | | 595,226.59 |
| Drilling - Kurunegala - Polpithigama | | 835,124.28 |
| Drilling-Pathakada- Mc Lanka Graphite Pt ltd | | 5,645,736.43 |
| Sigiriya - CCF- Rock Conservation | | 3,497,230.86 |
| Geological Mapping-Pasyala-Sarcon | | 566,700.00 |
| Drilling-Poonarine- Tokyo cement | 3,183,375.00 | 1,269,000.00 |
| Drilling-Habarana - Huruluwewa- Mahaweli | | 11,983,312.50 |
| Drilling-Galewela-Alle Weerasinghe | | 1,519,500.00 |
| Drilling -Warakapola- MRL Graphite | 3,080,110.00 | 9,542,756.29 |
| Min Ex-Uwa cen/Kandy - MIC | 3,458,527.58 | 3,497,571.90 |
| Min Ex-Mulathive- Lanka Mineral Sand | 1,789,375.00 | 1,789,687.50 |
| Min Ex.- Pothuwil /Ampara- Eastern Mineral | 1,081,012.22 | 1,494,262.37 |
| Drilling -Aluketiya- MRL | 5,566,206.37 | |
| Mineral Sand Sur.-Chilaw/Waikkala- VVML | | 161,588.42 |
| Drilling-Melsiripura - Plumbago | | 10,830,747.97 |
| Drilling-Jaffna - ITI | | 735,775.00 |
| Drilling -Battaramulla - SL Sustainbility Authority | | 543,127.50 |
| | 30,429,845.06 | 42,236,108.72 |

**Note 18 Other Income**

| | 2015 | 2014 |
|---|---|---|
| | Rs | Rs |
| Test Blast Income | 4,326,000.00 | 4,212,000.00 |
| Sale Of Publication | 178,086.00 | 38,610.00 |
| Field Supervision | 40,000.00 | 720,165.00 |
| Export Sample Income | 619,499.98 | 555,966.19 |
| Supplier Registration | 158,000.00 | 147,000.00 |
| Int On Distress loan | 2,192,441.80 | 1,813,353.22 |
| Sundry Income - Mining | 17,193,125.59 | 17,106,981.78 |
| Equipment Hiring | | 280,000.00 |
| Dividend Income 18A | 720,000.00 | 2,160,000.00 |
| Transfer Fee - Mining | 11,663.22 | 12,314.24 |
| Penalty On Not Providing Previous License | 28,566,859.55 | 21,098,599.87 |
| Training Course Fee | | 318,000.00 |
| Sale Of Maps/Mineral Boxes | 36,570.00 | 252,140.00 |
| Office Chargers On Refund on License | 44,250.00 | 54,700.00 |
| Office Chargers On Bank Guarantee | 133,900.00 | 148,850.00 |
| Photocopy chargers | 6,428.00 | 14,840.00 |
| Communication Fee On EL | 280,000.00 | 190,000.00 |
| Profit On Disposal Assets | | 4,894,805.72 |
| Sundry Income - Geo | 33,373.28 | 30,758.37 |
| Rental Income | 918,000.00 | 1,080,000.00 |
| Service Charge on TPL - SLLRDC | 328,442.00 | |
| Inspection charges on Export of Samples | 5,500.00 | |
| Sundry Income | 849,468.09 | 50,864.04 |
| | 56,841,607.51 | 55,179,948.43 |

**Note 18A - Dividend Income**

Rs. 720,000 net dividend has been received after deducting withholding tax from the GSMB Technical Services pvt Ltd.

**Note 19 - Operating Expenses**

| | 2015 | 2014 |
|---|---|---|
| | Rs | Rs |
| Geology 19.A | 60,936,938.27 | 47,869,748.73 |
| Mapping 19.B | 8,201,413.15 | 6,380,133.73 |
| Project 19.C | 13,308,901.10 | 29,077,160.09 |
| Regional 19.D | 167,317,920.49 | 135,609,045.00 |
| Mining 19.E | 37,795,642.21 | 29,937,628.05 |
| | 287,560,815.22 | 248,873,715.60 |

### Note 19A - Geology

| Account Type | Geological Rs | Tsunami Rs | Library Rs | Laboratory Rs | Total 2015 Rs | **Total 2014 Rs** |
|---|---|---|---|---|---|---|
| Salaries | 12,973,854.13 | | 237,381.93 | 3,071,911.35 | 16,283,147.41 | **14,144,930.40** |
| Allowances | 15,087,019.54 | 753,500.00 | 281,051.38 | 3,240,520.07 | 19,362,090.99 | **11,407,533.40** |
| E.P.F | 2,177,498.70 | | 43,914.83 | 503,729.01 | 2,725,142.54 | **2,322,258.99** |
| E.T.F | 544,111.02 | | 10,978.71 | 125,932.24 | 681,021.97 | **574,666.28** |
| Wages | 2,817,082.43 | | 343,784.86 | 1,642,804.99 | 4,803,672.28 | **2,325,198.23** |
| Overtime | 627,673.23 | | - | 43,010.15 | 670,683.38 | **396,715.49** |
| Travelling | 380,602.00 | | | 1,000.00 | 381,602.00 | **175,115.00** |
| Fuel | 88,230.00 | | | | 88,230.00 | **73,166.00** |
| Stationary | 1,306,240.35 | | 103,920.96 | 2,117,577.39 | 3,527,738.70 | **2,892,338.27** |
| Newspaper | | | 288,352.00 | | 288,352.00 | **286,762.00** |
| Courier Chargers | | | 59,457.66 | | 59,457.66 | **92,689.27** |
| Research - Office | 471,259.84 | | | | 471,259.84 | **903,789.89** |
| Research - Intern | 1,697,926.40 | | | | 1,697,926.40 | **472,400.00** |
| Other | 3,887,934.98 | 4,568,822.01 | 209,172.00 | 1,230,684.11 | 9,896,613.10 | **11,802,185.51** |
| | 42,059,432.62 | 5,322,322.01 | 1,578,014.33 | 11,977,169.31 | 60,936,938.27 | **47,869,748.73** |

## Note 19B - Mapping

| ACCOUNT TYPE | Restroation Of Dilapidated Core Boxes | Geo Chemical Kaudulla | Geo Chemical Pollonnaruwa | Stream Sediment Sury in Walawe Ganaga | Sand Survey Pollonnaruwa | Sand Survey 100 Day Program | Quaternary Field- Silawathra | Drilling Investigation Rathnapura | Nuclear Raw Material Matale - Elahera Area | Geo Chemical Kekirawa | Mineral Exploration Sabaragamuwa | Other | TOTAL 2015 | TOTAL 2014 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Rs | Rs | Rs | Rs | Rs | Rs | Rs | Rs | Rs | Rs | Rs | Rs | Rs | Rs |
| Salaries | | 125,236.67 | 49,371.17 | 102,875.17 | 91,095.53 | 182,525.20 | 299,830.65 | | 224,891.40 | 272,262.34 | 58,680.67 | | **1,406,768.80** | **1,299,555.92** |
| Allowances | | 153,162.99 | 43,083.43 | 168,799.09 | 108,507.58 | 189,706.92 | 384,260.89 | | 180,942.10 | 299,590.08 | 102,141.96 | | **1,630,195.04** | **845,999.93** |
| Wages | 127,800.00 | 198,250.00 | 176,700.00 | 111,800.00 | 75,500.00 | 10,000.00 | 277,100.00 | 348,200.00 | 143,332.22 | 331,600.00 | 27,258.58 | | **1,827,540.80** | **1,913,287.13** |
| Overtime | 2,857.50 | 1,260.90 | 19,010.25 | 11,523.52 | | 55,401.31 | 41,199.04 | 28,210.23 | 8,742.24 | 37,913.95 | 2,685.75 | | **208,804.69** | **174,197.68** |
| E.P.F | | 20,729.80 | 7,761.41 | 20,275.86 | 17,611.85 | 27,544.33 | 51,170.42 | | 29,771.05 | 44,654.28 | 7,746.45 | | **227,265.45** | **213,189.33** |
| E.T.F | | 5,182.45 | 1,940.35 | 5,068.96 | 4,402.96 | 6,886.08 | 12,792.60 | | 8,071.92 | 11,163.56 | 1,732.95 | | **57,241.83** | **53,297.33** |
| Travelling | 3,500.00 | 44,100.00 | 73,025.00 | 71,175.00 | 49,000.00 | 70,870.00 | 113,950.00 | 45,400.00 | 86,575.00 | 73,400.00 | 11,450.00 | | **642,445.00** | **673,075.00** |
| Fuel | 10,874.00 | 42,600.00 | 34,295.00 | 42,000.00 | 49,750.00 | 162,295.00 | 114,905.00 | 122,817.00 | 80,085.00 | 59,375.00 | 95,250.00 | | **814,246.00** | **483,516.50** |
| Other | 70,871.35 | 21,938.00 | 70,593.94 | 69,228.45 | 155,367.00 | 380,813.00 | 120,552.35 | 146,269.25 | 55,522.00 | 62,999.00 | 6,380.20 | 226,371.00 | **1,386,905.54** | **724,014.91** |
| | 215,902.85 | 612,460.81 | 475,780.55 | 602,746.05 | 551,234.92 | 1,086,041.84 | 1,415,760.95 | 690,896.48 | 817,932.93 | 1,192,958.21 | 313,326.56 | 226,371.00 | **8,201,413.15** | **6,380,133.73** |

## Note 19C - Project

| ACCOUNT TYPE | Poonarine Tokyo Cement Rs | Chunnakkulam Jaffna ITI Rs | Driiling Aluketiya Rs | Battaramulla SLSA Rs | Driiling Melsiripura Plumbago Rs | Sigiriya CCF Rs | Huruluwewa Mahaweli Consultancy Bur. Rs | Warakapola MRL Graphite Rs | Kandy Minis Of Industrial Com Rs | Pothuwil Ampara Eastern Mineral Rs | TOTAL 2015 Rs | TOTAL 2014 Rs |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Salaries | 66,354.19 | 103,518.71 | 658,932.42 | 53,489.03 | 399,092.74 | 101,607.26 | 111,327.10 | 72,450.00 | 308,945.00 | | **1,875,716.45** | **3,675,935.67** |
| Allowances | 25,023.45 | 43,356.19 | 228,447.04 | 23,673.10 | 168,440.99 | 50,926.58 | 585,139.40 | 17,795.81 | 237,129.00 | 14,000.00 | **1,393,931.56** | **2,705,492.07** |
| Wages | 94,500.00 | 59,000.00 | 1,300,900.00 | 81,900.00 | 1,011,600.00 | 182,500.00 | 242,800.00 | 130,200.00 | 290,250.00 | | **3,393,650.00** | **9,358,950.00** |
| Overtime | 5,532.60 | | 196,055.91 | 5,572.62 | 158,801.91 | 12,261.34 | 30,318.62 | 30,698.95 | 24,269.65 | 8,790.14 | **472,301.74** | **908,570.29** |
| E.P.F | 7,962.50 | 12,422.25 | 79,071.89 | 6,418.68 | 47,891.13 | 12,192.87 | 13,359.25 | 8,694.00 | 37,073.40 | | **225,085.97** | **441,112.28** |
| E.T.F | 1,990.63 | 3,105.56 | 19,767.97 | 1,604.67 | 11,972.78 | 3,048.22 | 3,339.81 | 2,173.50 | 9,268.35 | | **56,271.49** | **121,456.09** |
| Travelling | 23,450.00 | 57,000.00 | 256,654.88 | 16,650.00 | 227,325.00 | 60,675.00 | 44,825.00 | 10,700.00 | 137,925.00 | 15,825.00 | **851,029.88** | **1,864,754.00** |
| Stationary | 4,941.55 | 1,116.35 | 743,368.43 | | 1,121,403.00 | | | 5,925.00 | 1,835.75 | | **1,878,590.08** | **1,041,780.53** |
| Fuel | 29,355.00 | 30,475.00 | 314,822.00 | 26,975.00 | 586,426.00 | | 61,710.00 | 27,410.00 | 127,000.00 | 20,900.00 | **1,225,073.00** | **3,088,172.40** |
| Other | 19,629.00 | 149,155.00 | 449,627.06 | 58,494.67 | 715,703.20 | 104,768.00 | 234,364.00 | 97,749.50 | 101,216.50 | 6,544.00 | **1,937,250.93** | **5,870,936.76** |
| | 278,738.92 | 459,149.06 | 4,247,647.60 | 274,777.77 | 4,448,656.75 | 527,979.27 | 1,327,183.18 | 403,796.76 | 1,274,912.65 | 66,059.14 | **13,308,901.10** | **29,077,160.09** |

# Note 19D - Regional

| ACCOUNT TYPE | Kandy Rs | Matara Rs | Kurunegala Rs | A'pura Rs | Badulla Rs | Polonnaruwa Rs | Ratnapura Rs | Ampara Rs | Monaragala Rs | Habantota Rs | Kanthale Rs | Jaffna Rs | Trinco Rs | Baticaolo Rs | Kalthara Rs | Gampha Rs | TOTAL 2015 Rs | TOTAL 2014 Rs |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Salaries | 3,859,079.68 | 1,913,963.85 | 2,850,547.09 | 2,004,710.39 | 2,183,666.89 | 511,120.00 | 2,257,032.46 | 1,478,474.59 | 1,880,563.14 | 1,365,535.79 | 415,268.63 | 1,153,746.77 | 1,503,606.10 | 1,310,364.95 | 2,188,933.67 | 1,962,714.83 | **28,839,328.83** | **28,170,461.55** |
| Allowances | 5,323,139.12 | 2,601,289.73 | 4,285,679.39 | 2,986,569.86 | 3,045,262.22 | 606,438.46 | 3,210,831.83 | 2,331,443.18 | 2,723,047.19 | 1,942,434.34 | 528,951.98 | 1,771,844.35 | 2,387,708.07 | 2,115,215.36 | 2,973,565.22 | 2,740,301.34 | **41,573,721.64** | **25,064,876.04** |
| Wages | 6,799,525.16 | | 2,087,760.97 | 1,545,697.69 | 1,281,574.32 | 1,576,361.24 | 724,500.00 | 963,704.58 | 1,652,425.24 | 1,435,208.28 | 220,528.17 | 2,237,023.47 | 1,447,704.87 | 1,213,495.79 | 591,077.25 | 2,776,718.13 | **26,553,305.16** | **17,391,229.87** |
| Overtime | 459,222.23 | 90,549.25 | 229,292.96 | 89,189.33 | 83,110.35 | 111,094.33 | 106,552.97 | 80,937.64 | 207,163.85 | 84,641.09 | 38,675.43 | 187,829.00 | 180,544.38 | 76,135.58 | 111,873.88 | 310,035.00 | **2,446,847.27** | **2,145,983.85** |
| E.P.F | 715,657.30 | 356,056.66 | 552,211.86 | 393,067.24 | 414,443.02 | 94,760.40 | 420,552.68 | 295,175.95 | 359,159.74 | 255,946.29 | 80,738.23 | 217,559.61 | 288,033.72 | 250,993.79 | 403,098.07 | 375,291.32 | **5,472,745.88** | **4,988,708.47** |
| E.T.F | 178,914.36 | 89,014.17 | 138,052.99 | 98,266.79 | 103,610.76 | 23,690.10 | 105,138.18 | 73,794.04 | 89,789.93 | 63,986.58 | 20,184.56 | 54,389.90 | 72,008.44 | 62,748.44 | 100,774.52 | 93,822.83 | **1,368,186.59** | **1,247,177.21** |
| Travelling | 498,997.00 | 94,271.00 | 419,187.00 | 307,580.00 | 130,887.50 | 244,668.00 | 290,242.45 | 203,138.00 | 309,907.00 | 155,869.00 | 1,500.00 | 232,335.00 | 128,719.00 | 141,550.00 | 171,370.00 | 242,350.00 | **3,572,570.95** | **3,395,843.60** |
| Rent | 460,430.11 | 624,000.00 | 600,000.00 | | 876,562.50 | | 600,000.00 | 378,000.00 | 490,000.00 | 732,500.00 | 233,250.00 | 420,000.00 | | 483,045.00 | 540,000.00 | | **6,437,787.61** | **5,563,964.28** |
| Fuel | 836,104.00 | 254,095.00 | 1,108,717.22 | 784,040.00 | 589,560.00 | 614,178.00 | 671,746.00 | 463,281.70 | 796,428.00 | 301,892.90 | | 662,564.81 | 462,156.00 | 447,296.68 | 424,581.76 | 392,774.50 | **8,809,416.57** | **9,466,323.44** |
| Telephone | 439,982.26 | 310,620.28 | 310,737.62 | 336,615.69 | 304,658.43 | 55,781.65 | 287,844.00 | 299,614.75 | 369,240.00 | 310,728.76 | 32,751.00 | 295,779.38 | 279,134.00 | 284,015.15 | 344,694.00 | 298,611.33 | **4,560,808.30** | **4,368,428.81** |
| Electricity | 107,955.11 | 37,707.74 | 91,823.67 | 104,679.80 | 69,322.30 | 12,762.40 | 71,910.00 | 13,845.10 | 28,640.00 | 116,501.30 | 17,888.00 | 72,200.20 | 51,085.00 | 64,620.70 | 69,775.00 | 80,022.90 | **1,010,739.22** | **1,102,926.21** |
| Stationary | 2,208,590.95 | 215,764.04 | 860,224.29 | 678,775.78 | 744,321.65 | 697,661.09 | 756,616.07 | 448,142.94 | 820,854.56 | 356,629.88 | | 488,907.00 | 660,508.68 | 594,430.97 | 475,987.98 | 533,246.65 | **10,540,662.53** | **9,037,060.97** |
| Security | 1,481,600.00 | 325,600.00 | 773,600.00 | 503,200.00 | 565,600.00 | 229,600.00 | 584,000.00 | 503,200.00 | 580,000.00 | 575,200.00 | 512,800.00 | 586,400.00 | 212,000.00 | 563,200.00 | 584,000.00 | 874,400.00 | **9,454,400.00** | **7,606,761.33** |
| Water | 72,790.00 | 50,346.00 | 117,866.69 | 65,943.19 | 74,812.80 | 44,831.81 | 49,903.00 | 49,407.04 | 111,497.00 | 83,068.77 | 12,163.00 | 45,810.00 | 42,512.26 | 93,620.00 | 99,605.00 | 25,490.00 | **1,039,666.56** | **787,255.00** |
| Repair | 356,780.10 | 265,516.52 | 225,075.00 | 245,847.48 | 281,663.64 | 18,265.00 | 264,208.73 | 182,540.00 | 447,186.02 | 125,694.93 | | 685,654.54 | 373,191.51 | 251,758.25 | 197,655.93 | 181,838.54 | **4,102,876.19** | **4,328,569.47** |
| Cleaning | 245,800.00 | | 200,350.00 | 211,205.56 | 252,000.00 | 133,804.17 | 255,861.12 | 234,800.00 | 235,700.00 | 188,975.00 | 83,300.00 | 221,500.00 | 194,800.00 | 215,500.00 | 256,000.00 | 241,459.73 | **3,171,055.58** | **2,651,022.22** |
| Awareness | 65,760.00 | | 35,600.00 | 64,900.00 | | | | | 1,500.00 | | | | | | | 100,750.00 | **268,510.00** | **352,913.00** |
| Rehabilitation | 24,723.00 | | | | | | | | | | | | | | | | **24,723.00** | **204,515.00** |
| Insurance | 345,150.44 | 52,048.41 | 94,063.12 | 267,542.70 | 165,556.17 | 4,010.81 | 295,496.14 | 55,033.56 | 46,962.51 | 66,403.01 | 13,489.52 | 53,707.27 | 44,132.82 | 31,764.90 | 100,789.34 | 459,191.74 | **2,095,342.46** | **1,954,074.53** |
| Maintenance Of office Equip. | 193,380.66 | 194,709.97 | 120,021.40 | 208,408.30 | 85,745.86 | 3,499.99 | 154,070.36 | 81,801.26 | 94,146.09 | 120,638.77 | 40,883.75 | 126,565.43 | 71,047.52 | 71,347.64 | 149,510.73 | 95,706.81 | **1,811,484.54** | **1,441,567.44** |
| Other | 695,239.60 | 164,126.00 | 166,523.00 | 360,801.80 | 313,728.00 | 283,660.00 | 171,778.50 | 81,779.40 | 339,692.00 | 152,440.09 | 82,685.50 | 93,404.50 | 198,310.00 | 207,314.59 | 285,895.00 | 566,363.63 | **4,163,741.61** | **4,339,382.71** |
| | 25,368,821.08 | 7,639,678.62 | 15,267,334.27 | 11,257,041.60 | 11,566,086.41 | 5,266,187.45 | 11,278,284.49 | 8,218,113.73 | 11,583,902.27 | 8,434,294.78 | 2,335,057.77 | 9,607,221.23 | 8,597,202.37 | 8,478,417.79 | 10,069,187.35 | 12,351,089.28 | **167,317,920.49** | **135,609,045.00** |

**Note 19E – Mining**

| ACCOUNT TYPE | 2015 | 2014 |
|---|---|---|
| | TOTAL Rs | TOTAL Rs |
| Salaries | 11,632,878.61 | 10,385,604.30 |
| Allowances | 14,727,460.44 | 8,007,359.03 |
| Wages | 3,332,263.69 | 3,181,124.92 |
| Overtime | 959,877.91 | 815,479.07 |
| E.P.F | 2,148,064.61 | 1,817,674.62 |
| E.T.F | 536,750.71 | 454,418.68 |
| Travelling | 519,019.00 | 402,190.00 |
| Fuel | 549,620.00 | 669,389.30 |
| Awareness | 102,376.85 | 1,276,316.26 |
| Stationary | 1,837,381.26 | 2,495,929.46 |
| Other | 1,449,949.13 | 432,142.41 |
| | 37,795,642.21 | 29,937,628.05 |

**Note 20 - Administration**

| ACCOUNT TYPE | 2015 | 2014 |
|---|---|---|
| | TOTAL Rs | TOTAL Rs |
| Salaries | 15,887,343.30 | 13,125,624.88 |
| Allowances | 19,582,860.67 | 10,243,875.55 |
| Wages | 8,417,933.83 | 10,123,708.88 |
| Overtime | 3,261,397.00 | 2,866,890.38 |
| E.P.F | 2,944,800.02 | 2,305,700.56 |
| E.T.F | 736,453.63 | 576,897.49 |
| Travelling | 928,371.00 | 1,421,175.89 |
| Travelling - Foreign | 5,113,770.59 | 9,039,099.91 |
| Uniforms | 2,357,520.03 | 1,353,353.82 |
| Medical | 9,424,415.00 | 9,330,773.54 |
| Incentive | 70,000,000.00 | 69,000,000.00 |
| Bonus | 3,973,721.91 | 3,686,350.68 |
| Welfare | 5,099,611.56 | 7,557,051.80 |

| | | |
|---|---|---|
| Staff Training | 478,940.00 | 727,112.20 |
| Membership Fee | 268,645.38 | 251,204.00 |
| Rent | 676,232.50 | 13,514,790.00 |
| Security | 5,102,355.13 | 4,864,207.58 |
| Cleaning | 4,046,834.56 | 3,597,696.00 |
| Electricity | 6,165,570.52 | 6,140,832.70 |
| Water | 336,525.59 | 428,738.12 |
| Telephone | 3,203,749.32 | 3,490,876.24 |
| Fuel | 5,761,482.02 | 8,069,923.94 |
| Gratuity | 33,602,380.33 | 57,766,396.87 |
| Vehicle Loan Interest Reim. | 301,726.92 | 435,820.97 |
| Housing Loan Interest Reim | 4,470,006.88 | 3,447,150.75 |
| MV - Repair | 4,639,002.68 | 5,586,864.78 |
| MV - Service Chargers | 2,764,388.24 | 2,673,556.94 |
| MV - Hiring Chargers | 48,882.00 | 86,877.00 |
| MV - Other | 837,298.49 | 816,838.49 |
| Insurance - Personnel Accident | 512,312.51 | 626,433.82 |
| Insurance - Other | 2,011,950.19 | 1,315,296.49 |
| Insurance - H&S | 3,214,183.70 | 2,663,233.29 |
| Insurance - MV | 4,530,862.79 | 4,027,522.58 |
| Insurance - Building | 325,006.58 | 319,294.05 |
| Maintenance - Building | 2,701,822.15 | 2,255,225.72 |
| Maintenance - Plant & Machinery | 147,530.00 | 378,700.04 |
| Maintenance - Elevator | 232,981.52 | 60,180.31 |
| Maintenance - Office Equip. | 2,642,636.45 | 3,388,606.67 |
| Maintenance - Software | 772,403.54 | 618,586.07 |
| Maintenance - Generator | 269,512.08 | 405,389.51 |
| Board Exp. | 310,682.20 | 556,331.50 |
| Legal Fee | 299,350.00 | 667,997.00 |
| Audit Fee | 1,512,843.70 | 960,455.00 |
| Bank chargers | 13,705.84 | 51,397.99 |
| Postage | 660,882.00 | 609,015.00 |
| Stamp Fee | 190,475.00 | 179,825.00 |

| | | |
|---|---|---|
| Stationary | 3,215,181.58 | 2,057,667.67 |
| Advertisement | 2,051,753.75 | 1,577,466.35 |
| Trade Promotion | 200,000.00 | 429,498.78 |
| Depreciation | 106,408,827.96 | 94,218,703.55 |
| V.A.T/N.B.T/E.S.C | 7,077,027.07 | 27,029,015.18 |
| Donation | 750,900.00 | 3,013,631.41 |
| Rehabilitation | 73,000.00 | 671,988.00 |
| Other Exp - Note 20A | 12,095,582.81 | 18,862,402.82 |
| | 372,653,632.52 | 419,473,253.76 |

**Note 20A - Other Expenses**

| | **2015** | **2014** |
|---|---|---|
| | **TOTAL Rs** | **TOTAL Rs** |
| Interview Board | 6,000.00 | 43,500.00 |
| Deyata Kirula | | 1,921,824.17 |
| Environmental Day / CSR | 1,172,633.51 | 5,140,268.01 |
| Vehicle Tracking | | 329,152.33 |
| Municipal Council Tax | 591,855.60 | 591,855.60 |
| Tender Board | 110,300.00 | 112,300.00 |
| Yakkala Lease Exp | 1,771,875.00 | 1,771,875.00 |
| Staff Transport | 1,958,780.00 | 1,594,485.00 |
| Inventory - Below than 5000 | 1,215,573.39 | 2,167,807.81 |
| Consultancy Fee | 27,500.00 | 50,000.00 |
| Donation - Scholarship Exam | 45,000.00 | 45,000.00 |
| Donation -University Entrants | 45,000.00 | |
| Other office Exp. | 5,151,065.31 | 5,094,334.90 |
| | 12,095,582.81 | 18,862,402.82 |

**Note 21 - Finance Income**

| | 2015 TOTAL Rs | 2014 TOTAL Rs |
|---|---|---|
| Peoples Bank - Galle Rd | 52,440,860.69 | 39,019,694.73 |
| Peoples Bank (Gratuity Fund) | 2,526,552.76 | 3,706,802.22 |
| Int. On Treasury bills | 13,617,970.75 | 16,476,304.18 |
| Int. On Surplus Fund | | 414,496.32 |
| | 68,585,384.20 | 59,617,297.45 |

**Note 22 - Income Tax**

As per the section 07 (b) of Inland Revenue Act No 2006 GSMB is liable to pay Income Tax Accordingly. Rs. 18,496,473 Have been paid for the year 2015.

# Auditor's Reports

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கணக்காய்வாளர் தலைமை அதிபதி திணைக்களம்
AUDITOR GENERAL'S DEPARTMENT

මගේ අංකය
எனது இல.
My No. IEN/D/GSMB/1/15/2

ඔබේ අංකය
உமது இல.
Your No.

දිනය
திகதி
Date 07 November 2016

The Chairman,

Geological Survey and Mines Bureau

Report of the Auditor General on the Financial Statements of the Geological Survey and Mines Bureau for the year ended 31 December 2015 in terms of Section 14(2) (c) of the Finance Act, No. 38 of 1971.

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The audit of financial statements of the Geological Survey and Mines Bureau for the year ended 31 December 2015, comprising the statement of the financial position as at 31 December 2015 and the statement of financial performance, statement of changes in equity and cash flow statement for the year then ended and summary of significant accounting policies and other explanatory information was carried out under my direction in pursuance of provisions in Article 154(1) of the Constitution of the Democratic Socialist Republic of Sri Lanka read in conjunction with Section 13(1) of the Finance Act, No.38 of 1971 and Section 18(3) of the Mines and Minerals Act, No.33 of 1992. My comments and observations which I consider should be published with the Annual Report of the Bureau in terms of Section 14(2)(c) of the Finance Act appear in this report. A detailed Report in terms of Section 13(7)(a) of the Finance Act was furnished to the Chairman of the Bureau on 02 September 2016.

## 1.2 Management's Responsibility for the Financial Statements

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

අංක 306/72, පොල්දූව පාර, බත්තරමුල්ල, ශ්‍රී ලංකාව, .- இல. 306/72, பொல்தூவ வீதி, பத்தரமுல்லை, இலங்கை.- No. 306/72, Polduwa Road, Battaramulla, Sri Lanka
+94-11-2887028-34 +94-11-2887223 oaggov@sltnet.lk www.auditorgeneral.gov.lk

1.3 Auditor's Responsibility

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

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

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

1.4 Basis for Qualified Opinion

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

2. Financial Statements

2.1 Qualified Opinion

In my opinion, except for the effects of the matters described in paragraph 2:2 of this report, the financial statements give a true and fair view of the financial position of the Geological Survey and Mines Bureau as at 31 December 2015 and its financial performance and cash flows for the year then ended in accordance with Sri Lanka Public Sector Accounting Standards.

2.2 Comments on Financial Statements

2.2.1 Sri Lanka Public Sector Accounting Standards

(a) Sri Lanka Public Sector Accounting Standard 01

In disclosing provisions for gratuity in the financial statements, although the gratuity payable to the employees who have exceeded the age of retirement should be shown as current liability and the balance should be shown as non-current liability, the total provision for gratuity amounting to Rs.125,128,193 had been stated as non-current liability.

(b) Sri Lanka Public Sector Accounting Standard 07

In case of revaluation of property, plants and equipment, although the relevant class of assets should be revalued, contrary to that, only the assets which are being used at present with zero carrying value had been revalued and a capital profit of Rs.26,361,994 had been adjusted to the Accumulated Fund.

2.2.2 Failure to Disclose the Transactions with Related Parties

The payment of Rs.37,344,658 made for obtaining 105 employees on hired basis form an affiliated institution of the Bureau with 66 per cent ownership and the receipt of income amounting to Rs.1,230,325 in respect of maintaining that institution within a premises of the Bureau had not been disclosed in the financial statements by way of notes.

2.2.3 Accounting Policies

An appropriate accounting policy had not been introduced for accounting of development expenditure and a sum of Rs.1,505,000 paid to a private institution three years ago for carrying out a system analysis had been stated as work-in-progress in the financial statements.

2.2.4 Accounting Deficiencies

The following observations are made.

(a) In recognizing the fixed assets, since the useful life of the assets had not been identified, consumables amounting to Rs.10,687,383 consumed in the preceding years had been further stated under the fixed assets.

(b) Assets valued at Rs.2,046,540 which had been purchased for and reimbursed by the client had been brought to account as the assets of the Bureau.

(c) Although a sum of Rs.1,321,648 received for the employees' welfare should be credited to the Employees' Welfare Fund, it had been credited to the Local Grants Account.

(d) Even though the Orugodawatta land purchased by the Bureau at a cost of Rs.130,476,703 had been taken over by the Urban Development Authority, it had been further stated as non-current asset in the financial statements.

## 2.2.5 Accounts Receivable and Payable

Action had not been taken to recover the receivable balances totalling Rs.3,312,205 older than five years and to settle the payable balances totalling Rs.4,218,727.

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

The following instances of non-compliance were observed.

| | Reference to Laws Rules, and Regulations and Management Decisions | Non-compliance |
|---|---|---|
| (a) | Section 11 of the Finance Act No.38 of 1971 | Sums totalling Rs. 231,784,375 and Rs.823,562,324 had been invested in the Treasury Bills and the fixed deposits respectively as at 31 December of the year under review without the due approval. |
| (b) | Paragraph 6(2)(a) of the Payment of Gratuity Act, No.12 of 1983 | As the gratuity had been computed on the monthly gross salary , a sum of Rs.609,070 had been overpaid to an officer during the year under review. |
| (c) | Establishments Code of the Democratic Socialist Republic of Sri Lanka. | |
| | (i) Section 10 of Chapter XXIV and the National Budget Circular No.142 of 31 December 2008. | Although the distress loan should be paid based on the monthly basic salary, the distress loan had been paid exceeding Rs.250,000 based on the gross salary inclusive of the allowances. Accordingly, a sum of Rs.9,053,927 exceeding the amount payable had been overpaid. |
| | (ii) Sections 1.4 and 1.4.1 of Chapter XXX | Even though three officers had supplied professional services to an affiliated institution of the Bureau without permission of the Secretary and |

| | | |
|---|---|---|
| | | earned a sum of Rs.1,969,500 during the year under review, action had not been taken to pay the royalty as required by the provisions in the Establishments Code. |
| (d) | Financial Regulations of the Democratic Socialist Republic of Sri Lanka<br>Financial Regulation 104 (2) | Action in accordance with the Financial Regulation had not been taken in connection with 13 accidents caused to the vehicles of the Bureau during the year under review. |
| (e) | Section 6 (iii) of the Circular No.01/2010/01 dated 11 October 2010 of the Ministry of Finance and Planning. | Overpayment of Rs.469,300 had been made to 9 officers of the Bureau exceeding the prescribed Consolidated Allowance. |
| (f) | Letter No.PE1/000/6 dated 02 August 1996 of the Treasury | Although the net earnings received from the earth boring and mineral explorations only should be used for the payment of incentives, the test charges and explosion test charges of Rs.144,724,836 had been utilized for the payment of incentives. |
| (f) | The letter of permission dated 10 September 2015 of the Controller of Exchange<br>Sections 2(b) , 4 and 5 | Although the local payments should be made in Sri Lanka currency from the Special Foreign Exchange Account opened in August of the year under review, contrary to that, U$D 105,402 had been paid to a local institution. Further, the Controller of Exchange had given permission to maintain that account only up to 14 January 2016, whereas the relevant account had been maintained even by May 2016. Moreover, the details on that account and the relevant payment details had not been furnished to the Controller of Exchange. |

## 3. Financial Review

### 3.1 Financial Results

According to the financial statements presented, the financial results of the Bureau for the year ended 31 December 2015 amounted to a profit of Rs.1,037,093,870 as compared with the corresponding profit of Rs. 826,918,428 for the preceding year, thus indicating an improvement of Rs.210,175,442 in the financial results of the year under review as compared with the preceding year. The increase in royalty income and the tests income by Rs.159,831,410 and Rs.42,431,093 respectively had mainly attributed to this improvement.

In analyzing financial results of the preceding years, although a decrease in the profit was shown in the year 2013 as compared with the year 2012 a continuous increase in the profit was observed from the year 2013 to 2015. When taking into consideration the employees' remuneration, Government tax and the depreciation, the contribution of the Bureau in the year 2011 was Rs.821,150,804 and it had ceaselessly increased up to Rs.1,547,924,501 by the year 2015.

### 3.2 Legal actions instituted against or by the Bureau

Outside parties had filed 13 cases against the Bureau while the Bureau had filed 02 cases against outside parties.

4. Operating Review

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4.1 Performance

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In terms of the Mines and Mineral Act, No.33 of 1992, the main objectives of the Bureau were the exploration and mining for minerals and processing, trading in and export of such minerals.

(a) Out of the functions of the Bureau, the progress of the preparation of geological maps, identification and assessment of mineral resources had been at a slow pace and any activity such as evaluation of commercial viability of mining, processing and export of minerals, advising the Minister on the measures to be adopted for the extraction, production and promotion of mineral on a commercial basis had not been carried out.

(b) No activity whatsoever had been done in Vawunia, Pankulama, Rakwana and Tangalle under the Geochemical Mapping 1:50,000 programme planned in the year under review. Further, any activity of the Provincial Mineral Surveying Programme relating to the Sabaragamuwa Province had not been carried out.

4.2 Management Activities

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The following observations are made

(a) Recovery of Royalty.

(i) It was observed in Audit that as the royalty had been computed based on the reports issued by the Controller of Explosives instead of utilizing modern technological methods, there was a risk of depriving a considerable amount of royalty in respect mining for granite.

(ii) The Bureau had not paid attention on the formulation of an appropriate methodology for taking relevant legal action in the instances of where mining had been done exceeding the approved amount in the licence and for the recovery of royalty for the amounts which had been excessively mined.

(iii) Although the Bureau had computed royalty based on the market value of the minerals, the management had not taken action to revise that values subsequent to the year 2011.

(b) Issue of Licences and Recovery of Charges

(i) The total licence charge and the relevant Value Added Tax and the stamp duty had been recovered along with the application prior to submit recommendations required for the issue of a lincence. In addition, an advance had been recovered for the royalty to be recovered on the quantity of mineral mined under the licence. As a result, a large amount of money relating to the applications for which the licences could not be issued had constantly accumulated in the Bureau. Accordingly, there were advance balances totalling Rs.111,348,683 as at the end of the year under review.

(ii) As a Raiding Unit had not been established to control the illegal mining, illegal mining is perpetually carried out Island-wide and the Bureau had failed to take legal action in that connection.

(c) A specific methodology for the determination of value of the Bank guarantees obtained for the rehabilitation of excavation sites was not available.

(d) A sum of Rs.3,633,770 had been spent during the year under review in order to purchase of Scientific Journals of 13 Geologists Associations of various countries relating to the years 2013 and 2014. The journals relevant to the year had not been purchased within the respective year and those had been purchased after a long delay and its benefits enjoyed by the Bureau could not be established to the audit.

(e) The Board of Governance had not taken required steps for the implementation of observations and the recommendations relating thereto of the Board of Survey Report of the Yakkala warehouse and the shortage of 9,925 units of 412 items had not been assessed and necessary steps had not been taken.

(f) A formal procedure had not been adopted for obtaining clients for the earth boring projects and promotions had not been carried out for obtaining projects at institutional level. As a result, the income of the earth boring projects had decreased by 27 per cent as compared with the preceding year.

(g) Out of the funds received from a foreign country for the maintenance of Earth Tremor Measurement Towers from the year 2000, a sum of Rs.6,887,885 had accumulated in the Bureau. Necessary steps had not been taken either to pay this amount to the relevant party or credit it to the income.

(h) The domestic sponsorship of a conference of the Comprehensive Nuclear-Test-Ban Treaty Organization had been carried out by the Bureau. The procurement activities relating to the reservation of hotel facilities had not been effected in transparent manner and the Bureau had failed to establish the existence of two institutions which had submitted bids. Further, overpayment amounting to Rs.284,000 had been made exceeding the agreed prices of the bids.

4.3 Transactions of contentious nature
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The following observations are made.

(a) Contrary to the Memorandum of Understanding entered into for the maintenance of Earth Tremor Measurement Towers, Pallekele, various domestic taxes amounting to Rs.215,372 had been paid from the Foreign Current Account.

(b) An account audited by a Private Audit Firm had been used for the computation of Rs.56,915,835 paid as the incentive during the year under review and the profit therein had been overstated by Rs.31,951,689 than the profit specified in the financial statements submitted to the Auditor General. Further, a sum of Rs.8,973,399 included therein as receivable income had not been recovered even by April 2016.

(c) The Bureau had spent a sum of Rs.953,258 as combined allowance and other expenses in respect of providing a foreign training for two officers who were not serving in the Bureau.

### 4.4 Staff Administration

The following observations are made

(a) Four officers of the Bureau had proceeded abroad for academic purposes and subsequently they had left the Bureau without completing the compulsory period of service as required by the agreement and the Bureau had failed to recover a sum of Rs.2,921,783 due to be recovered as the fines and other expenses.

(b) The new cadre and the organizational structure had been approved by the Department of Management Services on 28 June 2013 and due to the failure to forward the relevant Scheme of Recruitment to the Department of Management Services and obtain the approval, promotions for the officers had been granted based on the previous Scheme of Recruitment.

### 4.5 Identified Losses

Equipment valued at Rs.597,231 obtained by a former Director General had not been handed over and action had not been taken to recover the said loss.

4.6 Commencement of the Projects on the lands not properly vested in

Even though the agreement specified that, developments effected in the land and the ownership of the land is entitled to the lessor at the termination of the period of lease and the lessee does not have the right to demand any allowance in that respect, the Bureau had constructed 02 buildings on a land obtained on lease spending a sum of Rs.46,035,957.

5. Accountability and Good Governance.

5.1 Internal Audit

The following observations are made

(a) Although an Internal Auditor who is responsible to the Chairman of the Bureau had been appointed for internal audit purposes, a permanent audit staff had not been appointed to assist him. Further, adequate training programmes had not been conducted for the improvement of professional knowledge of the Internal Auditor on the subject of auditing.

(c) Replies for six internal audit queries had not been given by the relevant divisions and a formal methodology for reviewing the progress of the future actions relating to the internal audit disclosures could not be observed.

5.2 Unresolved Audit Paragraphs

Action had not been taken to recover the royalty and penalty for delays amounting to Rs.44,727,062 that remained recoverable for the years 2013 and 2014 in respect of a licence issued to the Sri Lanka Land Reclamation and Development Corporation for sea sand mining. Similarly, action had not been taken to recover the royalty of over Rs.100 million remained recoverable for the stock 2,269,563 cubic feet. stock of sand specified in the Board of Survey report as at 31 December 2014.

5.3 Budgetary Control

Variances ranging from 16 per cent to 4,812 between the budgeted and actual income and expenditure were observed , thus indicating that the budget had not been made use of as an effective instrument of management control.

5.4 Tabling Annual Reports

The Annual Report for the year 2013 had not been tabled in Parliament even by May 2016.

6. Systems and Controls

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

| Area of System and Control | Observations |
| --- | --- |
| (a) Accounting | Failure to verify stock physically and bring to account. |
| (b) Staff Administration | Action had not been taken according to the Circulars of the Department of Management Services and recruitment had not been made properly. |

| | | |
|---|---|---|
| (c) Stock Control | Issue of goods directly to the relevant Divisions without taking over such goods by the stores. | |
| (d) Fixed Assets Control | Failure to revalue equipment received from foreign countries and bring them to account | |
| (e) Operating Control | (i) | Failure to establish field official tours. |
| | (ii) | Payment of fuel expenses without establishing the details on running of vehicle. |
| | (iii) | Failure to disclose the illegal mining and the violation of conditions of the licence through the investigation reports. |
| (f) Issue of Licences | (i) | Issue of licences without obtaining the Environmental Clearance Certificates. |
| | (ii) | Poor follow up action on licences |
| | (iii) | Issue of transport permits on forged signatures and failure to maintain a register for the acceptance of applications. |

H.M. Gamini Wijesinghe

Auditor General

# Auditor's Report

## Answers

05.01.2017

Your No: - IEN/D/GSMB/1/15/2

Auditor General

Auditor General's Department

No. 306/72, Polduwa Road,

Battaramulla.

**Clarifications made by the Geographical Survey and Mines Bureau for the Report of the Auditor General prepared in terms of Section 14 (2) (c) of the Finance Act No. 38 of 1971 pertaining to the Financial Statements of the Bureau for the Year ended 31st December 2015**

**2.2 Comments on Financial Statements**

**2.2.1 Sri Lanka Public Sector Accounting Standards**

**(a) Sri Lanka Public Sector Accounting Standards No. 01**

When allocations for gratuity are revealed in the future, such allocations would be indicated as current liabilities and non current liabilities as pointed out in the Audit.

**(b) Sri Lanka Public Sector Accounting Standards 07**

As pointed out in the Audit, arrangements have been made to revalue the relevant category of assets in accordance with the Sri Lanka Public Sector Accounting Standards 07.

**2.2.2 Non Disclosure of Transactions with the Related Parties**

The Affiliated institution has obtained employees on the employment requirement of the Bureau and expenditure in that regard has been accurately accounted for. Since this is outsourcing of services from an external institution, it has to be stated as an expenditure and not as Notes. Likely, the rental for the building, where the institute is being conducted has been accurately accounted for as another type of income.

**2.2.3 Accounting Policies**

Since the relevant software on counter-mechanism has been further developed at present and since the prices submitted are very high, the Board of Directors were of the view that it is appropriate to reinvite tenders subsequent to preparing the Terms of References (TOR). Accordingly, this task is currently in progress.

**2.2.4. Accounting Deficiencies**

(a) Consumer goods have been included as fixed assets due to certain lapses that take place in the inclusion of goods in to the inventory. Action will be taken to make relevant rectifications.

(b) Necessary arrangements have already been made to remove such assets, purchased for clients of Projects, from accounts.

(c) This has occured as a result of a shortcoming and it has already been rectified by now.

(d) The Land, which is situated at Orugodawette and purchased by the Bureau has been vested by the State Defence and Urban Developmwent Authority. In lieu of this, both of the lands, viz. the land at Battaramulla vested to the Bureau and the land vested to the Burerau by the Urban Development Authority were again vested to the Ministry of Environment and activities are in progress to lawfully vest the land and the building situated at Epitamulla Road, Pitakotte and owned by the Ministry of Environment and where the bureau is currently being operated, to the Bureau itself. Accordingly, arrangements will be made to accurately account for the relevant new assets, subsequent to removing the lands situated in Orugodawatte and Battaramulla.

**2.2.5 Receivable and Payable Accounts**

The sum of Rs.1,618, 483 out of the amount, Rs.3,312,2015 is the receivable from the public institutions. Discussions are being made constantly for obtaining the amounts. Letters have already been sent to obtain the other amounts receivable from the private institutions. The Bureau has the intention of taking legal action in the future.

**2.3. Non Compliance with Laws, Rules, Regulations and Management Decisions**

(a) The Bureau does not depend on Public Money and only the amount required for the payment of salaries of the employees and the Employees Provident Fund for the future functions of the bureau and in case the Bureau is unable to earn money in a emergency situation has been invested in Treasury Bills. The approval of the General Treasury has been granted to invest the balance amount in State Banks as fixed deposits.

Further, the Bureau has functioned in compliance with the Provisions of the Mines and Minerals Act No. 33 of 1992 and the surplus amount is annually remitted to the General Treasury.

(b) The Labour Commissioner, who is the referee of the Gratuity Act has informed that the Bureau is permitted by the Bureau Act to pay gratuity exceeding the minimum in terms of the Section 10 of the Gratuity Act No. 12 of 1983. Accordingly, the limit of Gratuity has been increased by the Board of Directors of the Bureau for the employees, who retire after a lenghy service, in terms of the powers vested on the Bureau for the payment of Gratuity for emplyees by the Mines and Minerals Act and accordingly, the due approved amount has only been paid and an excess amount has not been paid.

(c) (i) Inquiries have been made from the Public Enterprises Department in this regard. The Bureau was made aware that it is not necessary to make the National Budget Circular 05/2014 applicable to the Bureau since Treasury Funds are not utilized by the Bureau in the payment of distress loan and since adequate provisions are allocated for the payment of distress loan. Accordingly, an over payment has not been made exceeding the payable amount.

(ii) The Chapter XXX 1.4.1 of the Establishments Code has made reference to the Public Officers. The Bureau is of the view that the Employees of the Bureau are not deemed to be Public Officers as per the Interpretation made in the Chapter 1 of the Establishments Code. We intend to make this clarified from the Ministry of Public Administration.

(d) Number 104 (2) Financial Reulations

Necessary action will be taken in compliance with the Financial Regulations pertaining to the vehiclular accidents of the Bureau.

(e) These payments have been made on the limit, which are approved by the Public Enterprises Department.

(f) Limit that can be recommended through an experimental blast and the quantity of stones are studied in the issuance of recommendations for the blast of quarry and it is merely an exploration. Accordingly, the quantity of quarries that can be quarried monthly is computed and this process is also applicable to sand deposits. Accordingly, the charge related to the experimental blast and the Testing charges can be considered as exploration charges.

(g) These expenses have not been incurred using public money and all the expenses have been incurred by the Comprehensive Nuclear-Test Ban Treaty Organization (CTBTO). The Bureu has systematically provided necessary instructions to the Bank in accordance with the instructions issued by the CTBTO and in the provision of hotel facilities, the prices of local Hotels have been indicated in American dollars.

All the expenses that are payable through this Agreement have been finalyzed before the 14th of January 2016. The bills related to the trasactions have been submitted to the CTBTO Institution and discussions wth the Peoples' Bank have been continued until the approval of the CTBTO is granted to return the balance amount. The particulars pertaining to all the monetory trasactions have not been submitted to the Controller of Exchange, until the approval is granted for such trasactions by the CTBTO and action has been taken to notify the Controller of Exchange on the trnsactions subsequent to closing down the accounts on 07.06.2016.

### 3.2 Legal proceedings started against the Institution or by the Institution

As pointed out by the Audit, the legal cases will be disclosed in the Financial Statements in the future.

## 4. Operational Review

### 4.1 Performance

(a) Discussions have been constantly made by the Bureau with the Minister and Deputy Minister in charge of the subject and the respective Ministry pertaining to the matters such as promotion through the development of products related to Minerals, extraction, manufacture for value addition and manufacture of such minerals on a commercial basis and exportation and the Mines and Mineral Act and its Regulations have been amended from time to time as a result of having such discussions.

(b) On the Exigencies of the Government, Polonnaruwa, Kawdulla and Kekirawa areas have been selected for the Programme of Geo-Chemical Mapping instead of Vavuniya, Pankulam areas in the preparation of Action Plan 2015 in order to give priority to Polonnaruwa, Kawdulla and Kekirawa, where the Kidney Disease has been extensively spread. However, it has been proposed to restart the activities of collecting soil samples in Vavuniya, Pankulam and Mahaoya in the First Quarter of the year 2017.

### 4.2 Management Activities

(a) (i) At present, the government portion of gravels is computed by the Bureau using a methodology based on the explosives. Technologocally precise information can be successfully obtained through the adoption of this methodology. Thereby, it is possible to charge a considerable amount as the government portion. Monitiring activities pertaining to the A grade quarries have been intencified and it is anticipated to rectify certain shortcomings in the future in case such shortcomings are present in this methodology.

(ii) Two retired officers have already been recruited for monitoring as to whether mining activities are performed in compliance with the Conditions specified in the Mine Licenses and the two officers are monitoring the Mine licenses at present. Further, legal action has been taken against these licensees and Regulations pertaining to the Bureau Act are being amended.

(iii) Even though price levels of minerals have not been revised subsequent to the year 2011, the Government portion has been raised from 2 % to 4 % and thereby, the income of the Government has increased by two times. Since these revisions are directcly influence the Construction Industry, necessary arrangements have been made to timely revise the price levels subsequent to studying the market price. The Bureau is of the opinion that it is more practical to revise the market value of minerals by taking in to consideration that the trasport cost is also included in the market price of sand.

(b) (i) Arrangemetns have been made to obtain recommendations of the reelvant institutions, subsequent to accepting applications submitted for obtaining mine licenses from the Bureau and mine licenses are not issued without having required recommendations. Thereby, the issuance of licenses may be delayed due to the delays in obtaining recommendations that are to be issued by the other institutions and balances of advances may exist in this way due to delays in accounting for the advances that are received as income.

(ii) The Investigation Unit consisting of officers in the Special Task Force has already been established and at present, the officers are carrying out the relevant functions successfully.

(c ) A Bank Guarantee is obtained from the Licensee by the Bureau only in occasions, where the land that undergoes excavations under the mine license is to be rehabilitated.

(d) Geographical Surveys and Mines Bureau is the only Public Institution, that operates in relation to the geography and the related subject fields and as a result, it is necessary to purchase these scientific periodicals. It is necessary to use such periodicals to equip with the timely information of the subject field mentioned here and in doing experiments. Geologists, Excavation engineers, Geo-Physicists, Chemists of the Bureau use such periodicals constantly in their research activities and in various developmental projects of the Bureau.

University Students, local and foreign researchers, school students, private investors related to the subject field use these scientific periodicals. It is essential to purchase such periodicals to accomplish the requirement of obtaining information for all such persons to the maximum possible level and it is a national responsibility.

(e ) As pointed out in the Audit, observations provided through reports submitted by Goods Survey Boards were noted down for executing such observations.

(f) Specific Public Institutions such as Minstry of Mahaweli and Electricity Board and Private Institutions, which contribute in the construction of tunnels, dams and the other Civil Engineering constructions are the service providers in the Geo Drilling Projects and the respective institutions have made aware on the drilling activities of our Institution. Apart from that, Officers in charge of the Project Units of the Geology Division have already been made aware to get projects directcly in order to conduct promotional activities.

(g) Seismometer towers havev been received as grants from foreign countries. The respective countries are the absolute owners and maintenance activities of such equipment is also performed by the countries. The amount of money is incurred on the maintenance of these equipment and the sum can be recovered only when this process comes to an end.

(h) Quotations on hotel rooms were invited in May/June 2015 and at the moment Comprehensive Nuclear-Test Ban Treaty Organization (CTBTO) informed that 100 members would participate in the Conference and quotations were invited accordingly. US Dollars 199 had to be incurred for one room as per the prices submitted by the Institution selected as the supplier at the moment. However, the CTBTO Institution informed in October 2015 that approximately 80 members would only participate in the Conference. The supplier has already reserved rooms and the supplier had to pay the same amount of money though the number of members were reduced. Likely, prices had gone up when the number of members were decreased. Accordingly, the new price of a room was US Dollars 202 and payments were made accordingly.

(i) Thereby, it had been scheduled to use 100 rooms at the rate of US dollars 199 per room for 08 days. However, the price per room per day had increased up to US Dollars 202 due to the reduction in the number of members participated in the Conference and the amount spent was US Dolars 25,130 (RS. 3,643,850) and since the expenses are lesss than the estimated amount, it was possible to save money.

Reservation of rooms as well as preparation of the list of the personnel, who provided room facilities were made according to the recommendations made by the Officers of the CTBTO. In addition to trainees, trainers and facilitators, we had to provide lodging facilities to the guests, who participated at the commencement and at the end of the Conference.

Further, Officers of the International Committee of the Red Cross, Police Officers and media personnel were also provided with room facilities until the final day of the Conference on the recommendation of the CTBTO Institution. Double rooms were provided for them instead of providing single rooms and US Dollars 3,900 (Rs. 565,500) has been saved by adopting that procedure.

Certain members, who participated in the Conference arrived in Sri Lanka on the 27th December and they were provided with lodging facilities for the night on the 27th December in Hotel Taj Gateway. Foreign members arrived in Sri lanka in various occasions and since it is expensive to accompany them to Dambulla separately, the practically accepted method was to accompany them to Dambulla as a team by making them stayed close to the Airport. Accordingly, they were accompanied to Hotel Kandalama on the 28th of December and if trasport facilities were provided to each person and accompanied them separately to Hotel Kandalama from the Airport, it should have incurred an additional cost of Hundrerd Thousand Rupees.

Likewise, this International Workshop was very significant in national level and the participation of His Excellency the President in the Conference was also scheduled. Several distinguished Guests had also been invited for guaranteeing the recognition required by our country and for confirming the significance of the Programme and they were also provided with lodging facilities.

Public money has not been incurred on the entire process and all the expenses could be settled using the moneys provided by the CTBTO Institution.

**4.3 Trasactions of Contentious Nature**

(a) As pointed out in the Audit, the Bureau has not functioned in contrary to the Mode of Understanding.

(b) This difference has taken place since the project incomes converted in to money are only taken in to consideration in the payment of increments. Accordingly, the values related to the projects in the year 2014 have been mentioned in the final Accounts and the monitory income obtained in relation to the year 2014 and monetary income obtained in the year 2015 in relation to the projects started in the year 2014 were obtained in the payment of incentives.

An amount of Rs.7.747,321 has already been received out of the sum of Rs. 8,973,399, the project income receivable as shown in the Audit. Money that should be received from the Public institutions is mostly delayed.

(c) These payments have been made for two Judges of the Sri Lankan Courts of Law for participating in the International Conference on Energy and Environmental Law on a request made by the Secretariat of the Judicial Servcies Commission from the Minister of Environment and Renewable Energy and as per the request made by the Minister of Environment and Renewable Energy from the Secretary of the Ministry of Environment and Renewable Energy to instruct the Bureau on the matter.

**4.4 Administration of the Staff**

(a) Letters have been sent to the relevant officers informing them to pay the penalty that had been charged and it has been decided to take necessary action to charge the amount from the guarantors in case the relevant officers do not pay the sums.

(b) The Scheme of Recruitment has been submitted to the Minstry of Mahaweli Development and Environment on 28.02.2014 by the Bureau enabling it to be sent to the Department of Management Services and the Bureau hope that the Ministry will expeditiously submit it to the Department of Management Services.

**4.5 Losses Identified**

This matter was referred to a Three Person Committee on the 13th of October 2015 to probe in to this matter and it was revealed from the investigation that the former Director General had not obtained such goods.

**4.6 Implementation of projects in lands, which have not been duly vested**

This applies to a land owned by the State. State lands are vested to Statutory institutions on lease basis and not on absolute ownership.

The lesee is permitted to develop the land under the approval of the relevant public institutions in terms of Section 04 of the Agreement during the tenure of the Lease. The lesee is entitlted to the Developmental activities performed in the land at the end of the tenure of the lease or immature termination of the lease in terms of the Sections 17 and 18 of the Agreement.

However, in instances, where the Government decides to trasfer the land or part thereof to the State on the exigencies of the Government, the lesee is entitled to obtain a compensation appropriate for the rentals paid and developmental activities carried out in the land, as per the portion of land trasferred to the state.

**5. Accountability and Good Governance**

**5.1 Internal Audit**

(a) The officers, who are presently attached to the Internal Audit Division of the Bureau have got through the G.C.E. (Advanced Level) in Commerce stream and some clerks have completed External Degrees and have sat for Chartered Accountancy Examinations and some have successfully completed the other qualifications. In addition to the practical training obtained by continuously serving in the Internal Audit Division for more than 10 years, these clerks have obtained theoritical training through the participation in the training programmes condcuted by External Institutions.

As pointed out in the Audit, action will be taken to provide necessary training by preparing a systematic training programme in the future.

(b) Answers have already been provided to all the Audit queries. Action will be taken in the future to review the progress of the matters, which have been pointed out in the Audit.

**5.2 Unresolved Audit Paras**

The quantity of sand deposits excavated by Sri Lanka Land Reclamation and Development Corporation has been notified to the Bureau and the said Institution has already been informed to calculate and pay the portion of the Government in compliance with the Act No. 33 of 1992 and the regulations thereunder.

**5.3 Budgetary Control**

The increase in the income by 4812% has been due to the step taken by the Bureau to obtain the income received from Divisional Secretariats systematically and efficiently. A certain increase in the Expenditure compared to the increase in the income is a obligatory occurrence.

**5.4 Tabling of the Annual Reports**

The Annual Report for the year 2013 has been submitted to the Parliament of Sri Lanka on 06.09.2016 and the Annual Report for the Year 2014 has been submitted to the Minstry on 16.06.2016.

## 6. Systems and Controls

As pointed out by the Audit, special attention will be focused on the improvement of the field of systems and controls.

**Dr. Kithsiri Dissanayake**
**Chairman**
**Geographical Surveys and Mines Bureau**

***Copies:*** - Secretary – Ministry of Mahaweli Development and Environment

Secretary – Ministry of Finance

# AUDIT 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 regulatory.

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

**1. Chairman - Mr. P. Algama**

(Director General- Department of Public Finance)

**2. Member - Mr. N.K.G.K. Nemmawatta**

(Additional Secretary-Ministry of Environment & Mahaweli Development)

**3. Member - Mr. W.T.H.R. Withana**

(Director-Ministry of Industrial & Commerce)

**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 2015, four 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. The attendance of the committee members at the meeting as stated below. On the invitation of the committee the representative from Auditors General Dept. attended committee meetings during the year.

Composition of the AMC as at 31st December 2015

***Total number of meetings attended out of the total meetings held during the year 2015***

| | |
|---|---|
| Mr.P.Algama | 4 |
| Mr. N.K.G.K. Nemmawaththa | 4 |
| Mr.W.T.H.R. Withana | 4 |

**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.

**Conclusion**

The AMC is satisfied that the GSMB internal controls are effectively implemented and organization's assets are sufficiently safe guarded. The committee is satisfied that the internal audit section has been effective and independent throughout the year. In addition, the committee is also satisfied with the appropriateness of application of the accounting policies and thus gives a reasonable assurance that the Financial Statements of the GSMB are reliable. Further, the committee is satisfied that the Compliance Framework of the GSMB ensures that the GSMB complies with all applicable laws, rules and regulations and corrective and preventive actions were taken with regard to the reported non-compliances during the year under review.

The AMC approved this report on 2016.10.25

Mr. P. Algama

Chairman

Audit and Management Committee.

# CORPORATE SOCIAL RESPONSIBILITIES

**Educational programmers**

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

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

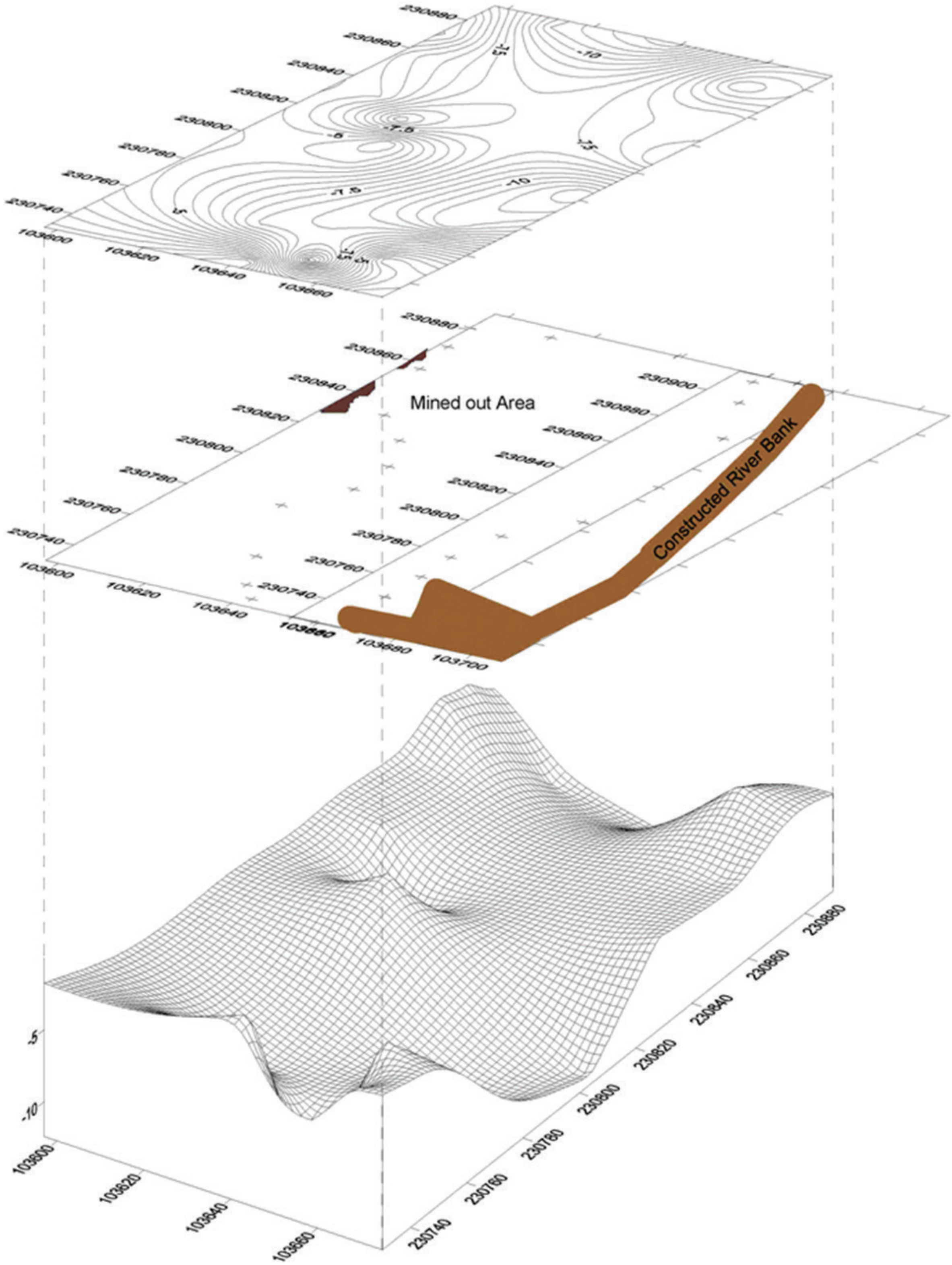
**(b) Rehabilitation programme**

**a. Boat Numbering Programme in Kelani River – Colombo District**

A boat numbering programme was conducted along the Kelani River in Colombo district in the month of June 2015. The main objectives of this programme were minimizing unauthorized mining activities and save the river banks. Awareness programme also conducted for the mining license holders and officers of the government institutes related to the licensing procedure of Kelani River, regarding the existing rules and regulations of licensing procedure.

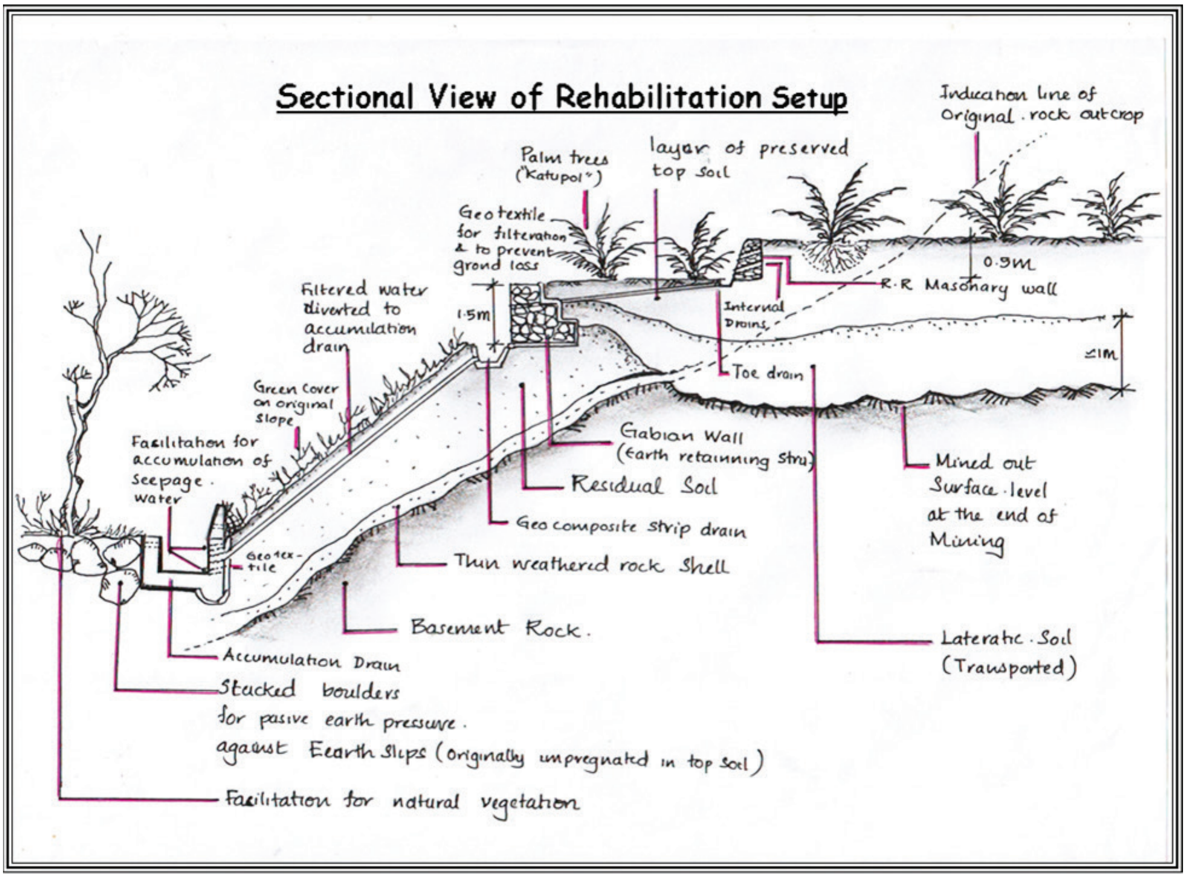
### b. Rever bank restoration in Maha Oya

During the concerned period, several rehabilitation and restoration programs were implemented by GSMB regional level in addition to the usual post mining exercises. Several activities could distinctly heighted in the district of Gampaha specially in the flood plain of Maha Oya.. In the area of Muruthana and jambugaswatta river bank restoration was successfully conducted against the seasonal degradation.




Restoration module of Maha Oya implemented for Muruthana in Katana.

(c) Quarry site rehabilitation –Thudugala Kanda -Dodangoda




Diagrammatic and pictorial illustrations on quarry site rehabilitation –Thudugala Kanda -Dodangoda gsmb.gov.lk

GSMB

**Geological Survey & Mines Bureau**
**Annual Report**
**www.gsmb.gov.lk**

BP Chandimal