



2023 ANNUAL REPORT



Elevating Excellence: Unleashing Potential

Greetings to our Valued Partners, Colleagues, and Industry Enthusiasts,

As we embark on a new chapter, GSMB Technical Services (Pvt) Ltd proudly presents the unfolding tale of innovation, dedication, and unwavering commitment to excellence. Last year, we shaped excellence in every endeavor, and this year, we are geared up to elevate it to new heights.

Navigating New Horizons

In the vast landscape of the Mining and Geology Industry, GSMB Technical Services stands as a beacon of pioneering excellence. Our journey continues to be defined by resilience, innovation, and a relentless pursuit of perfection. Together, let's navigate new horizons and shape the future of our industry.

A Symphony of Collaboration

Building on the success of the past, we extend a heartfelt invitation to all – partners, colleagues, and enthusiasts alike. Let's join forces in a symphony of collaboration, where ideas converge, and innovation flourishes. Together, we can amplify our impact and create lasting legacies in the world of mining and geology.

Discovering Boundless Opportunities

In the spirit of exploration, we invite you to venture with us into a realm of boundless opportunities. As we shake hands, we unveil new pathways, embrace challenges, and turn them into opportunities for growth. Let's pioneer excellence, redefine standards, and collectively carve a future full of prosperity.

Shaping Tomorrow, Today

GSMB Technical Services envisions a future where excellence is not just a goal but a way of life. Together, we are not just witnessing change; we are driving it. Let's shape tomorrow, today.



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Our Vision

“To be the leader in geotechnical support and consultancy focused at maximizing national value while ensuring socially and environmentally responsible practices in the geological and mining industry in Sri Lanka and the region.”



Our Mission

“provide and facilitate geological and mining industry with technical services in mineral explorations and commercial mining; surveys, feasibility and environmental impact studies; project management support; geoscientific information and geotechnical consultancy; and the marketing support of the mineral products to enable effective management of the social cost of mining while maximizing the national value creation by enhancing the quality and productivity through capacity building both locally & regionally.”

Introduction

Welcome to GSMB Technical Services (Pvt) Ltd, a subsidiary of the Geological Survey and Mines Bureau, fully controlled by the Ministry of Environment. Founded on September 12th, 2001, GSMB Technical Services (Pvt) Ltd functions as a wholly government-owned limited liability company, operating in accordance with the regulations of the Company Act No. 07 of 2007. Our share capital is structured with 66.66% held by the Geological Survey & Mines Bureau, 16.67% by the National Gem & Jewellery Authority, and 16.67% by Lanka Phosphate Limited.

As the sole government organization in Sri Lanka with the capabilities to provide technical knowledge, manpower resources, equipment, including analytical laboratories, and expert consultation, GSMB

Technical Services (Pvt) Ltd plays a vital role in supporting the industry. With two specialized divisions in Mining and Geology, we are committed to delivering the technical services required by the industry and exploring new income projects through our Special Project Unit.

Central to our mission as a geotechnical support and consultancy firm is enhancing the quality and efficiency of mining and exploration endeavors in the industry. We are committed to providing and facilitating technical services and consultancy both locally and regionally. GSMB Technical Services (Pvt) Ltd engages in diverse activities, including industrial mineral explorations, comprehensive mapping surveys, and consultancy services for mining and excavation. Our

dedication lies in continually enhancing service quality and efficiency while mitigating the environmental impact of mining operations nationwide.

Fostering robust partnerships with our clientele remains paramount. We are dedicated to catering to a spectrum of needs and delivering unparalleled services and productivity to the industry. Our registered office and entire operations are based at No. 569, Epitamulla Road, Pitakotte.

At GSMB Technical Services (Pvt) Ltd, we are unwavering in our commitment to furnishing exceptional technical acumen, dependable resources, and inventive solutions to fortify the mining and Geology sector in Sri Lanka.

Company Information

NAME OF THE COMPANY

- GSMB Technical Services (Pvt) Ltd

COMPANY ADDRESS

- 569, Epitamulla Rd, Sri Jayawardenepura Kotte

LEGAL FORM

- Registered as a Private Limited Liability Company on 12th September 2001 by the registrar of companies under the Companies Act No 07 of 2007

CHAIRMAN

- Dr. Kithsiri Manchanayakke
(Chairman - Geological Survey & Mines Bureau)

BOARD OF DIRECTORS AS AT PRESENT

- Mr. Viraj De Silva - Director
(Chairman-National Gem& Jewellery Authority)
- Ms. Sandya Ambanwela - Director
(Chairman - Lanka Phosphate Ltd)
- Mr. Iqbal Hassen - Director
(Ministry of Environment)
- Ms. Thamara Adhikari – Director
(Chief Financial Officer - Ministry of Finance)

CHIEF EXECUTIVE OFFICER

- Mr. Sahan Hewavissa

ADMINISTRATION DIVISION

- Telephone : 011-2827855
- Fax : 011-2854764
- E- Mail : gsmbts2001@gmail.com
- Web Site : www.gsmbts.gov.lk

FINANCE DIVISION

- Telephone : 011-3042809
- E- Mail : gsmbts.finance@gmail.com

MARKETING & PLANNING DIVISION

- E-Mail : gsmbtsmarketing@gmail.com

AUDITORS

- Auditor General's Department of Sri Lanka
No.306/72, Polduwa Road, Battaramulla

BANKERS

- Sampath Bank - Dehiwala Branch
- Bank of Ceylon - Pitakotte Branch
- Nation Trust Bank - Nawala Branch
- People's Bank - Dehiwala Galle Road Branch

SCAN THE QR TAG FOR SOCIAL INSIGHTS



www.gsmbts.gov.lk



@GSMB -TechnicalServices



GSMB Technical Services



GSMB Technical Services



gsmb_ts.9

Company Objectives

- To provide technical services and consultancy support locally and regionally for the advancement of the industry.
- To contribute towards the quality and productivity of mining and exploration in the industry.
- To expand market opportunities & avenues to create national value.
- To explore methods and strategies to minimize and to manage the social and environmental cost of mining and exploration.
- To build capacity of the industry through technical, technological and managerial competency development.

Awards

National Business Excellence Awards Services Sector Year 2010

It's a pleasure to mention that the National Business Excellence Awards for the Services Sector in the year 2010 were received by GSMB Technical Services (Pvt) Ltd, which was conducted by the National Chamber of Commerce in Sri Lanka.

As a remarkable milestone of 9 years of history of the company, GSMB Technical Services (Pvt) Ltd was shortlisted among the top corporate contenders for the category of Services Sector Year 2010.

The award focused not only on the award winner but also on all enterprises that have been influenced to improve their performances by following the excellence model and the evaluation criteria. Hence, it was not an easy feat for GSMB Technical Services (Pvt) Ltd to receive the National Business Excellence Awards Services Sector Year 2010.



HISTORY

Recognizing & Appreciating Past Chairman's

2001 (Founder Chairman)
Mr. Karunasena Hettiarachchi

2001 – 2004
Mr. R. J. De Silva

2004 – 2006
Mr. P. G. R. Dharmarathna

2006 – 2008
Professor N. T. S. Wijesekara

2008 – 2014
Dr. N. P. Wijayananda

2014 – 2015
Mr. J. M. S. G. Jayasundara

2015 – 2017 June
Dr. D. M. D. O. K. Dissanayake

2017 June – 2018 February
Mr. Nimal Bopage

2018 March – 2019 November
Mr. Asela Iddawela

2019 December – 2022 February
Mr. Anura Walpola

2022 February – 2022 December
Dr. Senarath Hewage

2022 December – 2023 November
Mr. Ravirajasinghe Sanjeepan

2023 November – 2024 March
Dr. Sanjaya Perera

2024 March – Up to now
Dr. Kithsiri Manchanayakke

Recognizing & Appreciating Past Chief Executive Officer's

Dr. Dulip Jayawardane

Mr. Sarath Weerawarnakula

2005 – 2018
Mr. B.D.S.R. Silva

2018-2019
Mr. S.T.Kalubandara

2019-2020
Mr. P.B. Goonawardane

2020 January – 2020 November
Mr. R.M.S.P.K.Ratnayake

2020 November – 2022 January
Mr. T.P. Aluthpatabedige

2022 January – 2022 July
Mr. Buddika Cooray

2022 July – 2023 January
Mr. P.D. Maha Arachchi
Acting Chief Executive Officer

2023 February to 2023 September
Eng. Jayarathna Hennayake

2023 September to 2024 May
Mr. Iqbal Hassen

2024 June to Up to now
Mr. Sahan Hewavissa



A Journey of 23 Years

2001 Creation of the Company

2003
Started Blasting Monitoring
Activities of Southern
Transport Development
Project.

2004
Recorded a Profit in 1st time
Rs. 1.65 Mn (PBT).

2005
First Dividend Payment Rs.
1.2 MN.

2006
Company's 5th Anniversary.

2008
Commencement of
Manampitiya Project.

2010
Won the National Business
Excellence Awards. (Service
Sector)

2011
Company's 10th Anniversary.

2013
Became a Major
Contributor of Nation's
Development as a Large
Tax Payer of Sri Lanka.

2016
Company's 15th
Anniversary.

2021
Company's 20th
Anniversary

2023
Recorded the Highest
Profit After Tax Rs.
122.97 Mn Dividend
Payment - Rs. 29.08
Mn.



Celebrating 23 Years of Excellence in the Mineral & Environment Sector!

Celebrating 23 years of service and operational success at GSMB Technical Services (Pvt) Ltd, we express profound gratitude to all stakeholders who have played a vital role in our journey. Past chairmen & Board of Directors, Clients, Employees, State Organizations, Executives, Suppliers, Bankers, and countless others – your unwavering commitment has been instrumental in our achievements. Together, we have navigated challenges and reached

significant milestones, with trust and partnership as the cornerstones of our success.

Looking ahead, we renew our dedication to providing superior services to the mineral sector. With continued support, we are ready to embrace new opportunities, innovate, and catalyze positive change in the industry. Let us embark on this journey united in the spirit of collaboration, excellence, and shared success, as we shape a

sustainable future together.

As we mark this milestone, we stand proud of our 23-year journey, built on resilience, collaboration, and the collective efforts of all who have contributed. Together, we have laid a strong foundation for the future, and with optimism and determination, we look forward to the chapters yet to be written.

Business Portfolio



Mining & Selling

- Manampitiya
- Yakkala
- Ambathale
- Kegalle
- Minneriya
- Medirigiriya
- Hingurakgoda
- New Town

Mining Services

- Gravel & Quartz Excavation
- Blasting Monitoring Activities
- GPS Surveys
- Economic Viability Reports
- Crack Surveys
- Control Blasting
- Vibration Monitoring
- Noise Level Monitoring
- Dust Measurement
- Technical Officer Services

Geology Services

- Mineral Exploration
- Sand & Soil Surveys
- Graphite Surveys
- Mineral Resource Contouring
- Detailed Geological Mapping
- Initial Environmental Examination Reports
- River Bed Surveys
- Laboratory Investigation



Chairman's Review



It is with great pleasure and a sense of accomplishment that I present to you the Chairman's Review for GSMB Technical Services (Pvt) Ltd's 2023 annual report.

In the face of ongoing challenges, including the economic crisis gripping us, GSMB Technical Services (Pvt) Ltd has remained steadfast in its commitment to excellence and service. As a subsidiary of the Geological Survey and Mines Bureau (GSMB), we continue to play a pivotal role in the mining and geology sector of Sri Lanka.

A Continuation of Purpose and Commitment

Since our establishment in 2001, our primary objective has been to fulfill the technical service requirements within the industry, complementing the efforts of GSMB. Despite regulatory constraints and economic downturns, our dedication to contributing to the Gross Domestic Product and revenue generation remains resolute.

Diverse Solutions, Collaborative Ventures

Our portfolio of technical and consultancy solutions has expanded in 2023, thanks to fruitful collaborations with both government bodies and private enterprises. Through the integration of cutting-edge technologies, we strive to address the scarcity of raw materials across various sectors while ensuring economic viability and value addition.

Prioritizing Stakeholders

At GSMB Technical Services, we place a high premium on stakeholder satisfaction. Whether it's our esteemed customers, valued employees, or the communities we operate in, their welfare and development are at the forefront of our endeavors.

Embracing Innovation for Progress

In our pursuit of progress, we remain committed to embracing modern technologies and innovative approaches. By doing so, we not only enhance the lives of individuals in mining areas but also create valuable employment opportunities, fostering growth and prosperity across the nation.

Sustainable Development and Environmental Stewardship

Our commitment to sustainable development and environmental stewardship remains unwavering. We are dedicated to establishing stable market rates for the sale of minerals in Sri Lanka, ensuring a balance between economic growth and environmental preservation.

A Vision for the Future

As we look to the future with optimism and passion for innovation, GSMB Technical Services (Pvt) Ltd is poised to continue making a profound impact on the mining and geology industry in Sri Lanka. Our dedicated team, collaborative partnerships, and unwavering commitment to service will undoubtedly pave the way for growth and prosperity for all.

In conclusion, I extend my heartfelt gratitude to you for your continued support and trust in GSMB Technical Services. Together, let us embark on the journey ahead with confidence and determination.


.....
Dr. Kithsiri Manchanayakke
Chairman
2024.04.26

Board of Directors



Dr. Kithsiri Manchanayakke
Chairman
Geological Survey and Mines Bureau
GSMB Technical Services (Pvt) Ltd



Mr. Viraj De. Silva
Chairman
National Gem & Jewellery Authority



Ms. Sandya Ambanwala
Chairman
Lanka Phosphate Ltd



Ms. Thamara Adhikari
Chief Financial Officer
Ministry of Finance



Mr. Iqbal Hassen
Ministry of Environment

Chief Executive Officer's Review



I am pleased to present the Chief Executive Officer's Review for GSMB Technical Services (Pvt) Ltd's 2023 annual report, reflecting on our journey over the past year and our aspirations for the future. We compete in the open market with no special privileges.

A Steadfast Commitment to Excellence

GSMB Technical Services (Pvt) Ltd, operating under the Ministry of Environment, has continued its mission to provide vital technical services since its inception in 2001. Despite regulatory constraints, our dedication to serving industries in need has remained unwavering.

Fostering Accessibility and Affordability

Our primary income source, the Manampitiya Sand Mining Project, continues to play a pivotal role in our operations. Our goal is to ensure the availability of sand to our customers at concessional

rates, maintaining a delicate balance between affordability and accessibility. Through meticulous planning and dedication, we strive to fulfill this vision.

Contributions to Sri Lanka's Mining and geology Sector

Our Geology and Mining Divisions significantly contribute to our revenue by offering essential technical services to Sri Lanka's mining and geology sectors. As CEO, I am committed to elevating our company's reputation and establishing it as a leading professional institution within the industry. We actively seek partnerships with government institutions, fostering mutually beneficial relationships.

Historical record of profitability in 2023 was 176 million (profit before tax), almost 100% higher than in 2022 and 400% higher than in 2021. Additionally, over 600 million in taxes, royalties, and contributions to government authorities were paid in 2023.

Strategic Expansion and Economic Development

Looking ahead, our strategic focus includes expanding our business and increasing revenue through the production of value-added mineral products. Utilizing economically viable resources found in Sri Lanka, such as

Calcium Carbonate and Quartz, we aim to contribute not only to our profitability but also to the economic development of our nation.

Commitment to Sustainability

In addition to our economic goals, we remain committed to environmental sustainability. Our operations will continue to adhere to stringent environmental standards, ensuring responsible stewardship of the natural resources we utilize.

Gratitude and Acknowledgment

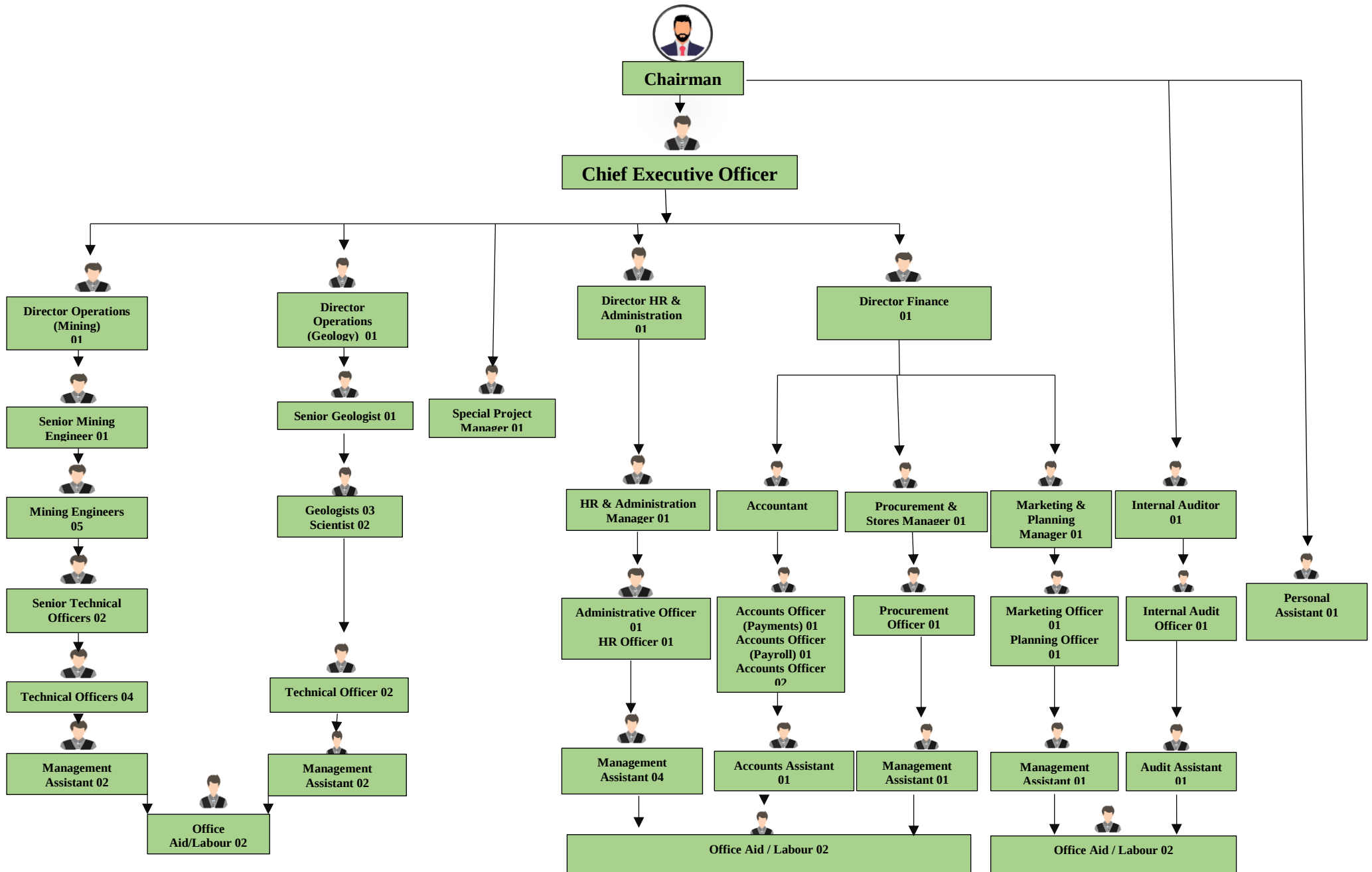
I extend my heartfelt gratitude to our esteemed stakeholders, dedicated Board of Directors, management team, and hardworking employees. Your trust and confidence in GSMB Technical Services have propelled us forward on our journey of growth and achievement. Together, we will continue to shape a prosperous future where excellence and innovation thrive.

.....
Sahan Hewavissa
Chief Executive Officer
2024.06.06

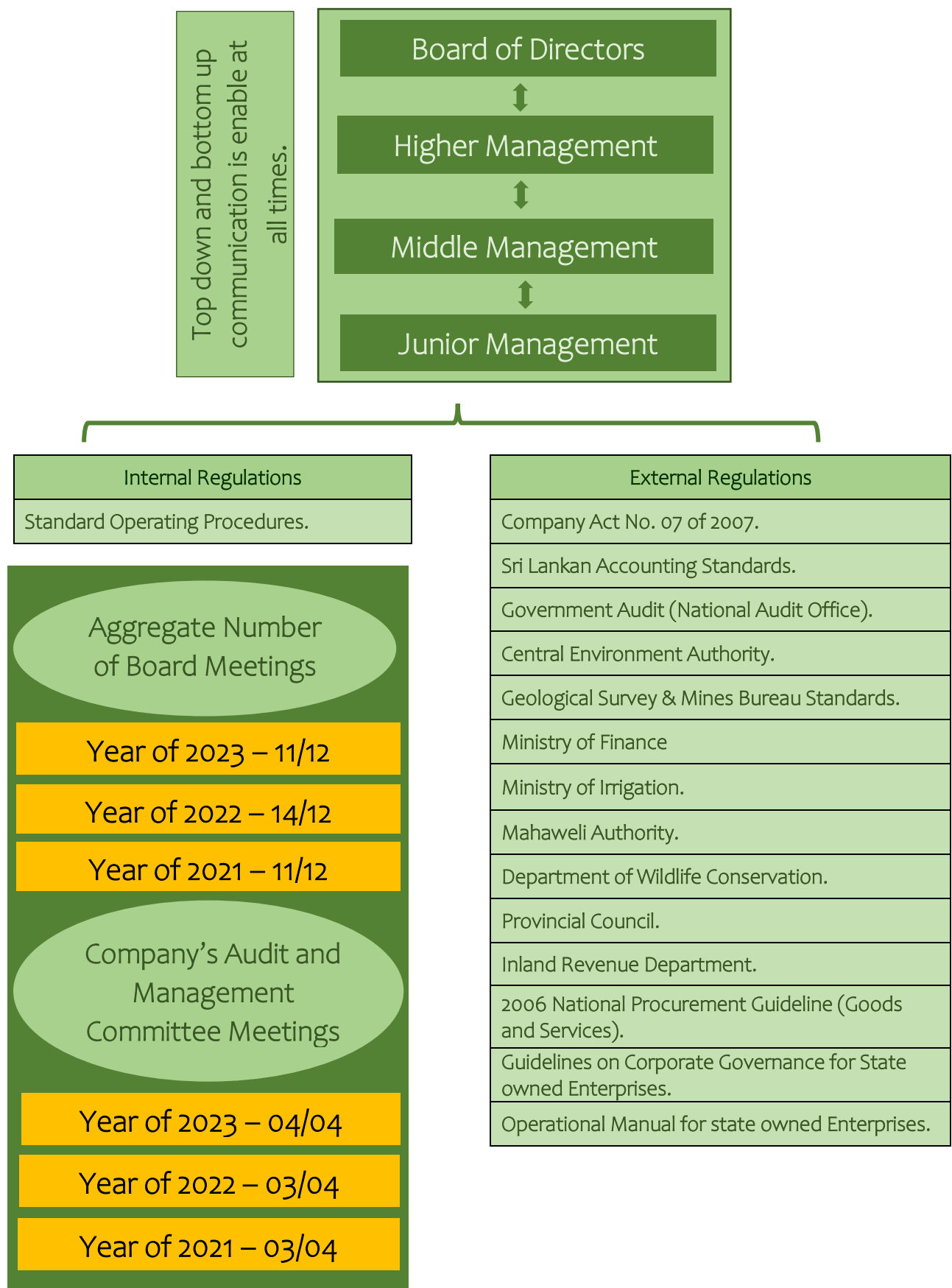
Our Staff

02	Higher Management
02	Senior Management
10	Management
10	Mining Engineers
02	Geologists
01	Scientists
11	Junior Officers
31	Management Assistants - Technical
53	Management Assistants – Non Technical
15	Other Staff

Organizational Chart



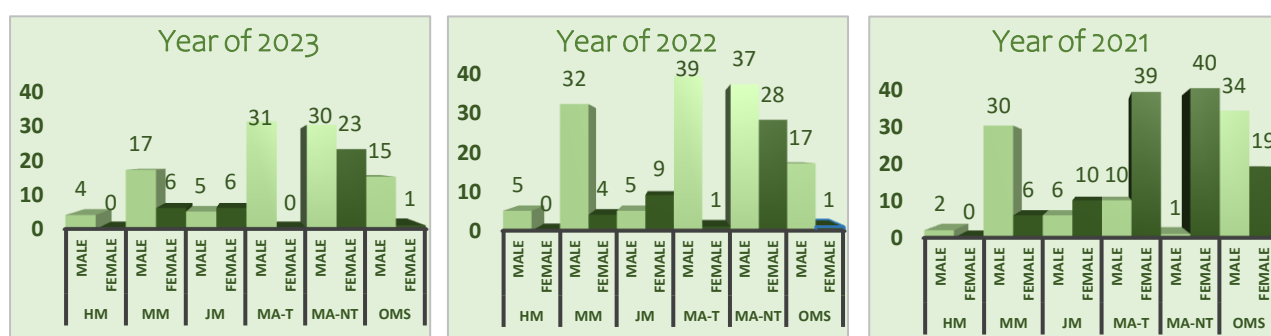
Governance Framework



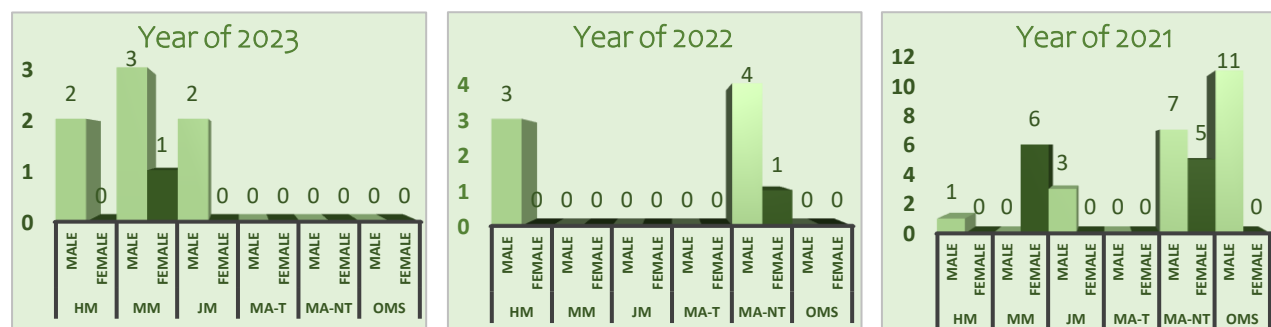
Human Capital of Our Company

Higher Management	HM
Senior Management	SM
Middle Management	MM
Junior management	JM
Management Assistant - Technical	MA-T
Management Assistant - Non-Technical	MA-NT
Other minor staff	OMS

Gender Distribution



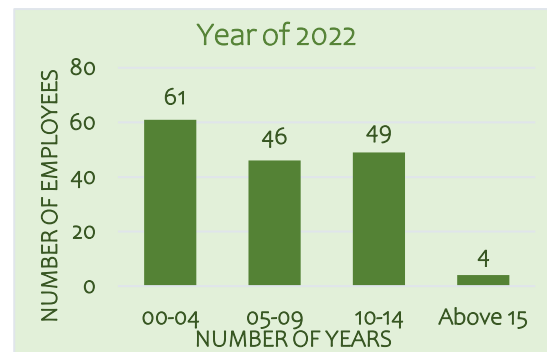
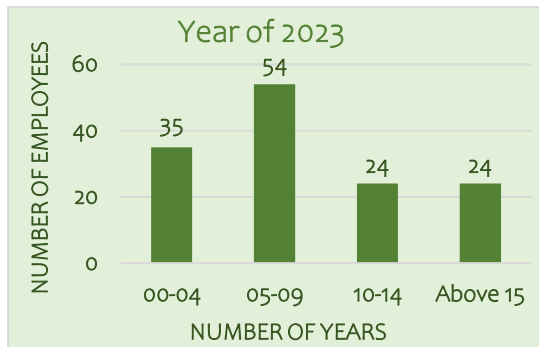
Recruitments



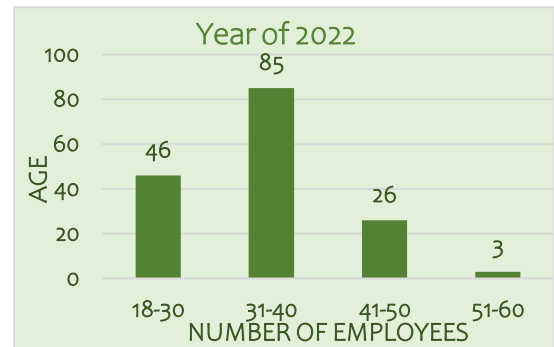
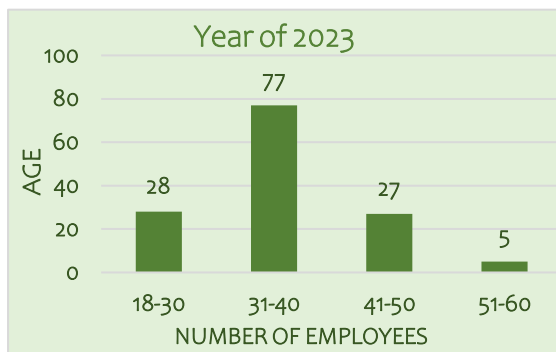
Resignation



Loyal Employees by Service Period



Age Distribution



Board Representatives of GSMB TS

(2021-2023)

2023		
	Board Directors	
Chairman Mr. R.Sanjeevan Dr Sanjay Perera	Mr. Viraj De Silva	CEO (By Invitation) Eng. Jayarathna Hennayake Mr. P.D. Maha Arachchi (Actg. CEO) Mr. Iqbal Hassen
	Ms. Sandya Ambanwala	
	Ms. Thamara Adhikari	
	Mr. Iqbal Hassen	
2022		
	Board Directors	
Chairman Mr. Anura Walpola Dr. Senarath Hewage Mr. R.Sanjeevan	Mr.Thilak Weerasinghe (January to September) Mr. Viraj De Silva (October to December)	CEO (By Invitation) Mr.T.Aluthpatabendige Mr. Buddika Cooray Mr. P.D. Maha Arachchi (Actg. CEO)
	Mr. S. Karunasinghe (January to August) Mr. T. Polwattage (September to December)	
	Ms. J.V.G. Nimali (January to March) Mr. R. Balasooriya (April to December)	
	Mr. Buddika Cooray (January to June) Mr. Iqbal Hassen (July to December)	
2021		
	Board Directors	
Chairman Mr. Anura Walpola	Mr. T. Weerasinghe	CEO (By Invitation) Mr. Thusitha Aluthpatabendige
	Mr. Anil Ranasinghe (January to July) Mr. S. Karunasinghe (August to December)	
	Ms. J.V.G. Nimali	
	Mr. Buddika Cooray	

Operational Environment

Mining Services

BLASTING MONITORING

Blasting monitoring ensures compliance with permitted conditions, controls blasting activities to prevent structural damage, and minimizes adverse effects from ground vibration and air blast overpressure.

CRACKS SURVEYS

Crack surveys identify and assess structural damage caused by construction vibrations, ultimately estimating the damages in monetary terms

GPS SURVEYS

This location mapping procedure identifies surrounding dwellings near a construction or mining site, using GPS map to aid in selecting the most suitable location for the activity.

DUST MEASUREMENT

This is carried out to evaluate the amount of dust which a construction site produces and releases to the environment in terms of the total suspended particulate matter.

VIBRATION MONITORING

This is another compliance work carried out to control the vibration effects to the structures around a construction site.

ECONOMICAL VIABLE REPORT PREPARATION

This process enables justification of the project and its benefit.

PROJECT PROPOSAL REPORT ON MINING FIELD

This report is a comprehensive account of the entire project and will reflect the benefits, and down sides to the final project.

Geology Services

DRONE SURVEYS

This method is used to assess the most accurate and latest status of the landscape selected. Providing vital statistics for riverbed and mountain scaling before projects start. Drone surveys are a primary assessment tool, greatly increasing project execution efficiency.

GEOPHYSICAL INVESTIGATION

- Vertical Electrical Sounding
- GPR ground penetrating radar
- Seismic surveys

TOPOGRAPHICAL SURVEY

This initial surface survey reveals the exact status of the site and This reveals the exact status of the surface area and enables an assessment that lays beneath the selected premises.

SLOPE STABILIZING & GROUND IMPROVEMENT

- Soil Nailing
- Grouting
- Gabion & retaining wall designs & constructions
- Rock Bolting & Anchoring
- Shotcrete

GEOTECHNICAL INVESTIGATIONS

- Drilling Investigations Report
- Engineering Geology Laboratory Services

ENVIRONMENTAL STUDIES

- EIA Environmental Impact Assessment
- IEE Initial Environmental Examination studies.

MINERAL EXPLORATION

This exploration identifies potential mineral zones by sampling geological materials from selected areas.

- Angering investigations.
- Ore Reserve estimation.
- Detailed geological mapping.
- Shotcrete
- Geophysical studies

Sand Operations

Sand Mining Projects

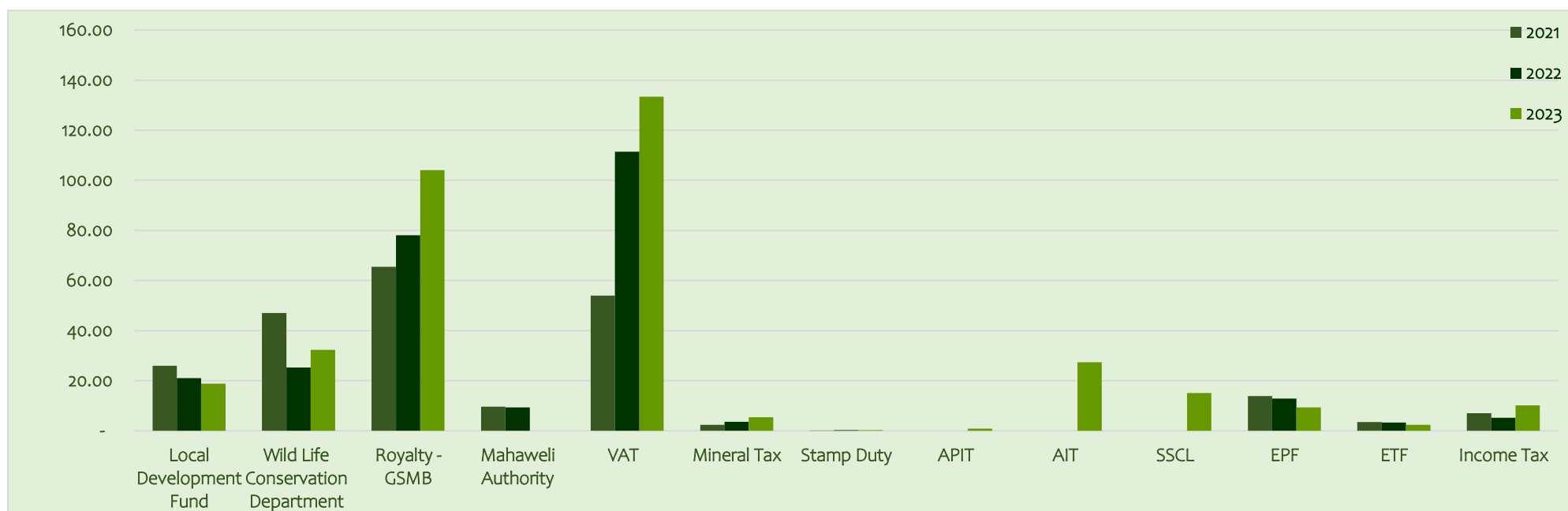
- Manampitiya

Sand Stock Yard

- Yakkala
- Ambathale
- Kegalle
- Minneriya
- Medirigiriya
- Hingurakgoda
- New Town

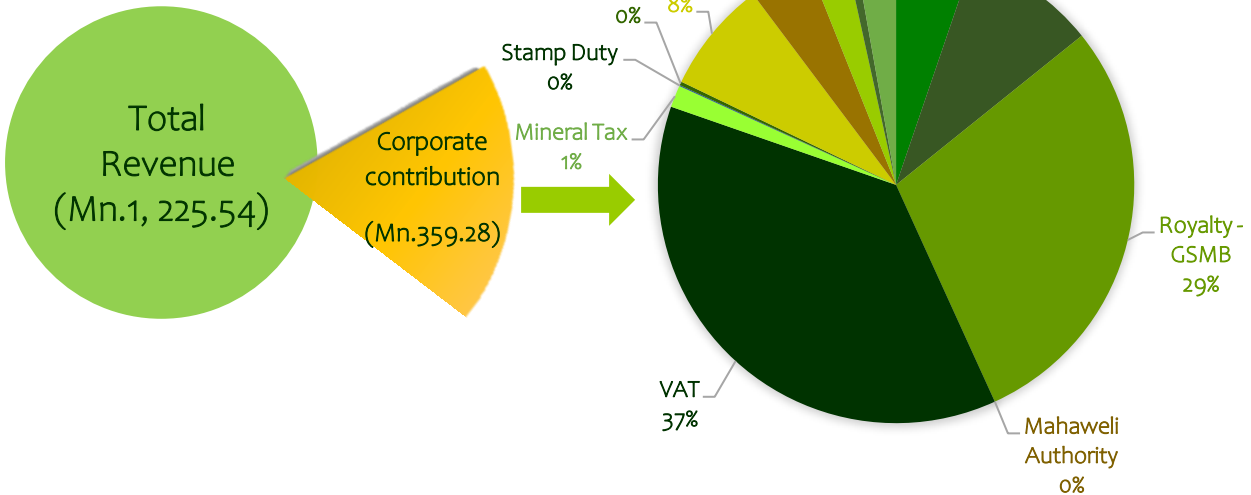
Corporate Contributions to Government and Legal Compliance

	Local Development Fund	Wild Life Conservation Department	Royalty - GSMB	Mahaweli Authority	VAT	Mineral Tax	Stamp Duty	APIT	AIT	SSCL	EPF	ETF	Income Tax
2021	25.99	47.01	65.49	9.63	53.95	2.35	0.08	-	-	-	13.87	3.46	7.02
2022	21.02	25.29	78.01	9.35	111.44	3.60	0.24	-	-	-	12.81	3.32	5.17
2023	18.81	32.32	104.06	-	133.39	5.35	0.26	0.88	27.41	15.04	9.34	2.33	10.08
Total	65.82	104.62	247.56	18.97	298.78	11.31	0.58	0.88	27.41	15.04	36.02	9.11	22.26

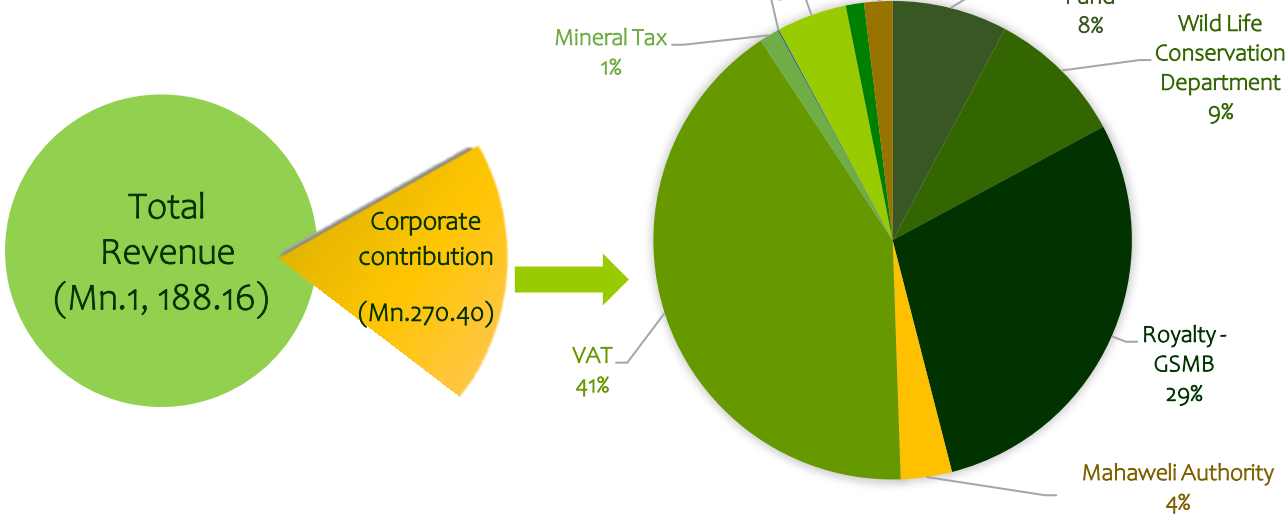


Comparison of Operating and Non-Operating Income with Corporate Contributions

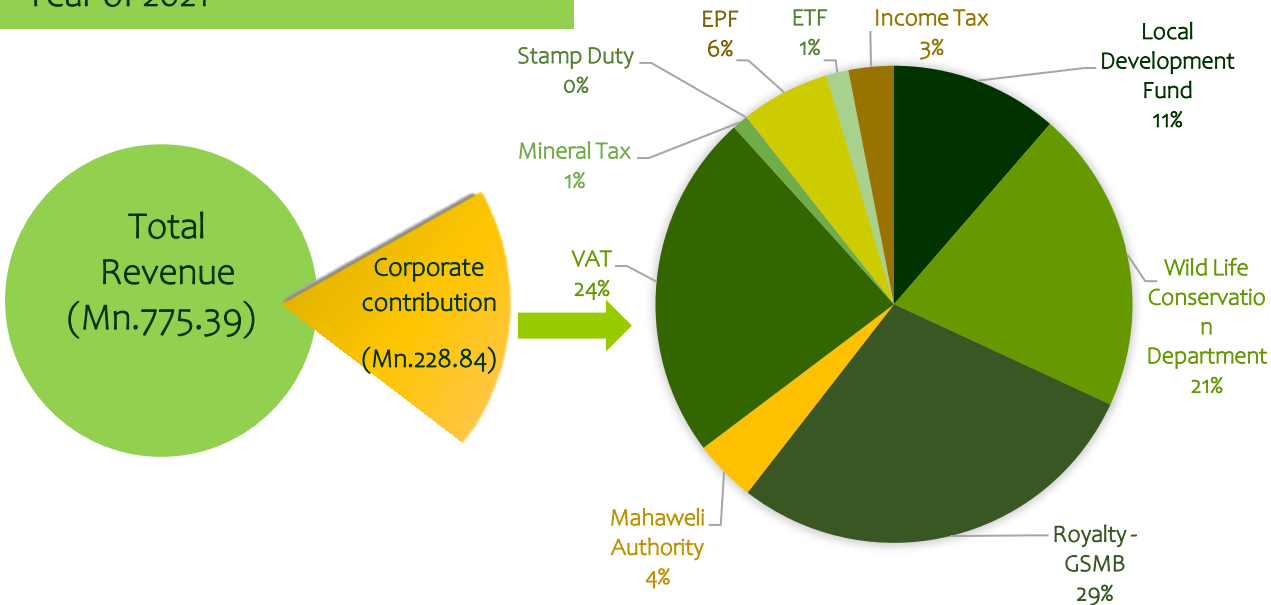
Year of 2023



Year of 2022

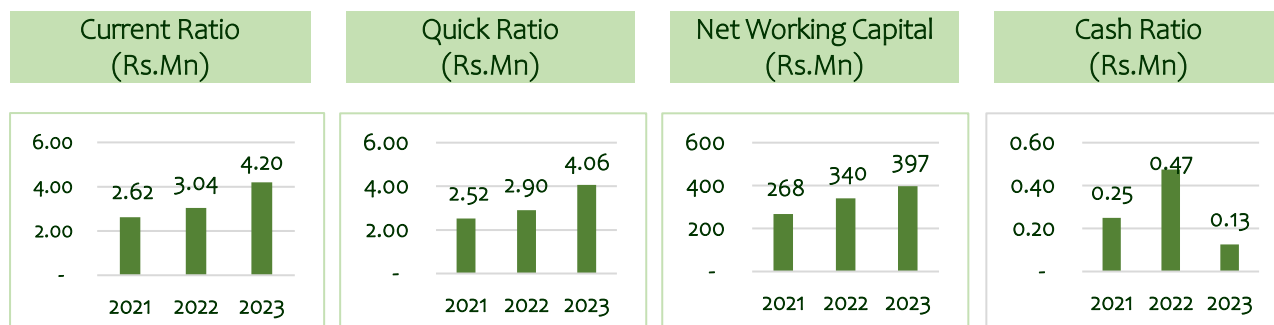


Year of 2021

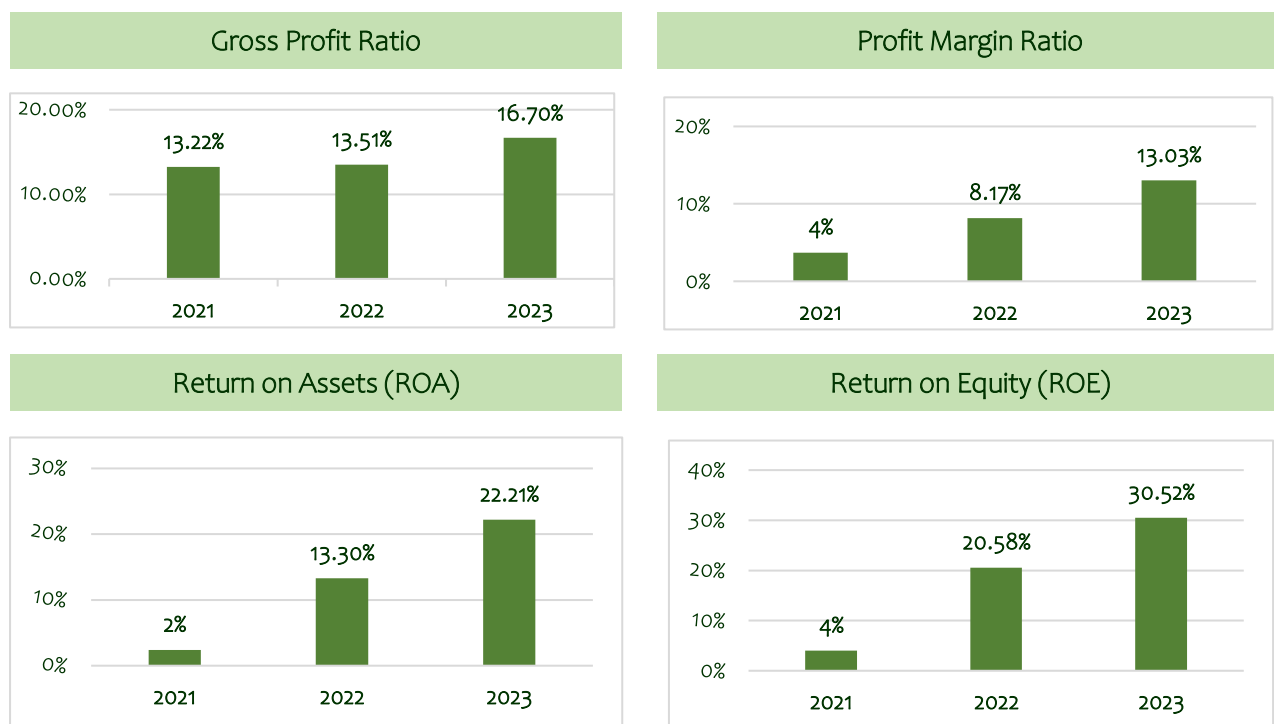


Ratio Analysis

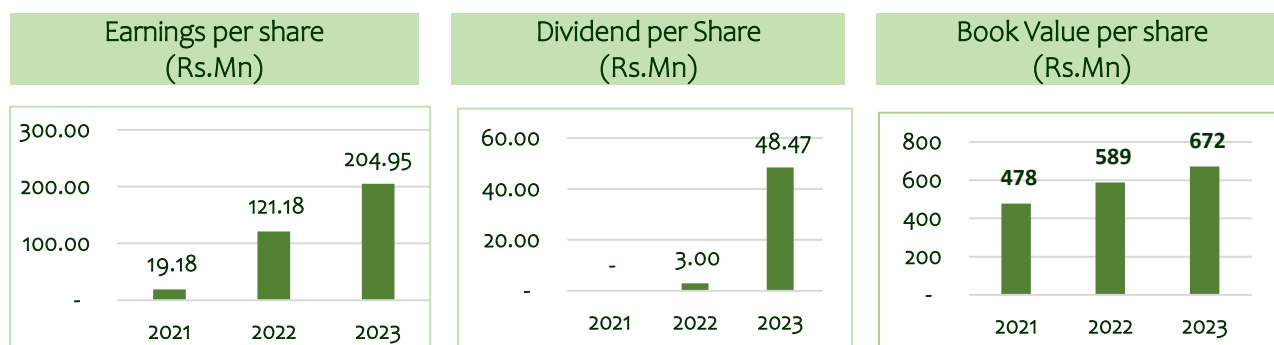
Liquidity



Profitability

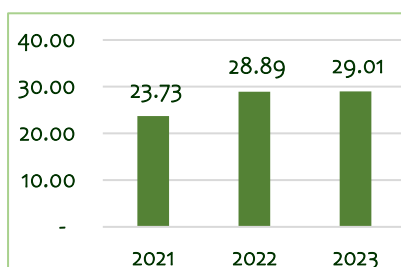


Investment Rates

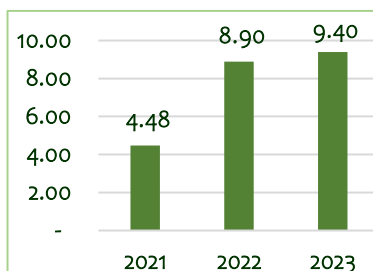


Functional Rates

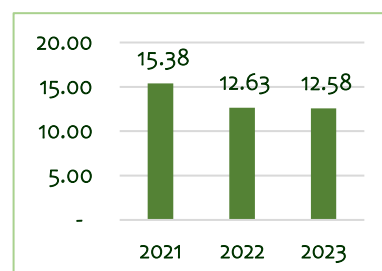
Inventory Turnover Ratio
(turns)



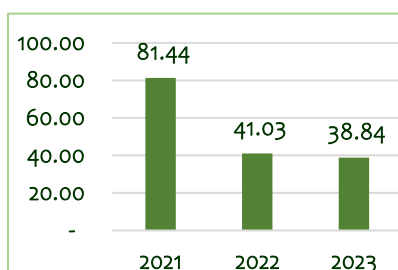
Debtors Turnover Ratio
(turns)



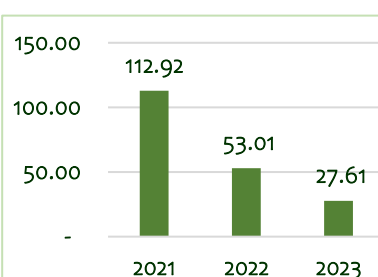
Average Inventory Period
(Days)



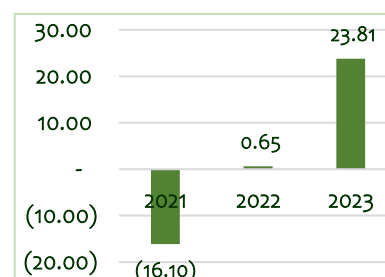
Average Debtors Period
(Days)



Average Payable Period
(Days)

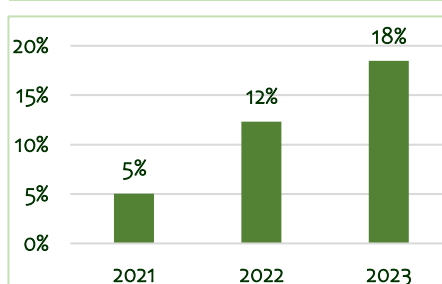


Cash Conversion Cycle



Leverage Ratio

Average FD Interest Rate



Financial Overview Comparison

Statement of Financial Position

	2023 (Rs.)	2022 (Rs.)	2021 (Rs.)	2020 (9 Months) (Rs.)	2019/2020 (Rs.)
ASSETS					
Non-Current Assets	32,539,531	39,418,647	45,123,812	60,384,983	35,407,445
Current Assets	521,042,044	507,233,618	432,981,243	403,527,441	469,253,009
Total Assets	553,581,574	546,652,265	478,105,055	463,912,424	504,660,454
EQUITY & LIABILITIES - Capital & Reserves					
Stated Capital	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
Retained Earnings	396,970,450	347,354,594	281,069,392	249,682,009	295,972,593
Total Equity	402,970,450	353,354,594	287,069,392	255,682,009	301,972,593
Non-Current Liabilities	26,459,398	26,229,213	25,741,213	22,778,507	18,007,080
Current Liabilities	124,151,726	167,068,458	165,294,450	185,451,908	184,680,781
Total Equity & Liabilities	553,581,574	546,652,265	478,105,055	463,912,424	504,660,454
Revenue Statement					
Revenue	1,136,511,699	1,147,048,282	752,762,978	475,844,596	837,211,438
Expenses of project	(946,722,830)	(992,138,527)	(653,216,559)	(442,255,617)	(676,607,623)
Gross profit	189,788,869	154,909,755	99,546,419	33,588,979	160,603,815
Other Non-Operating Income	89,030,988	41,112,524	22,626,266	15,119,498	34,187,623
Total Net Income	278,819,857	196,022,279	122,172,685	48,708,477	194,791,438
Less : Expenditure					
Total Administration Expenses	119,085,860	98,940,676	93,419,660	105,611,511	141,256,666
Profit Before Tax	159,733,997	97,081,603	28,753,025	(56,903,034)	53,534,772
Income Tax Expense (Deferred Tax Expense/Income)	(36,764,379)	(24,372,802)	(17,243,428)	13,612,451	(15,647,674)
Profit After Tax	122,969,619	72,708,801	11,509,597	(43,290,583)	37,887,098
Dividends	(29,083,520)	(1,800,000)	-	(3,000,000)	(3,900,000)

An aerial photograph of a mining or industrial processing site. The image shows large circular tanks, conveyor belts, and various pieces of heavy machinery. The terrain is a mix of reddish-brown earth and green vegetation. The text "Financial Information" is overlaid in the center in a large, bold, green font.

Financial Information

GSMB TECHNICAL SERVICES (PVT) LTD**STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER 2023**

	Notes	<u>Balance as at</u> <u>31st December 2023</u>	<u>Balance as at</u> <u>31st December 2022</u>
		Rs.	Rs.
ASSETS			
Non Current Assets			
Property, Plant & Equipment	12	15,558,053	21,624,943
Deferred Tax Asset	13	16,981,478	17,793,704
Total Non Current Assets		32,539,531	39,418,647
Current Assets			
Inventories	14	16,799,303	23,162,142
Trade Receivables	15.1	10,984,208	11,684,120
Other Receivables	16	74,270,848	73,008,530
Amount Due from Related Parties	17	6,679,175	1,545,522
Investments	18	396,641,253	318,543,331
Cash & Cash Equivalents	19	15,667,257	79,289,973
Total Current Assets		521,042,044	507,233,618
Total Assets		553,581,574	546,652,265
EQUITY & LIABILITIES			
Capital & Reserves			
Stated Capital	20	6,000,000	6,000,000
Retained Earnings		396,970,450	347,354,594
Total Equity		402,970,450	353,354,594
Non Current Liabilities			
Defined Benefit Plan	21	26,306,970	25,944,060
Deferred Tax Liability	13	152,428	285,153
		26,459,398	26,229,213
Current Liabilities			
Trade Payables	22	37,768,755	49,926,615
Accruals & Other Payables	23	84,895,370	72,790,039
Amount Due to Related Parties	24	1,487,602	44,351,804
Total Current Liabilities		124,151,726	167,068,458
Total Equity & Liabilities		553,581,574	546,652,265
Net Asset Per Share		672	589

The accounting policies and Notes as set out in pages 4 to 63 form an integral part of these financial statements.

The preparation and presentation of these Financial Statements are in compliance with the Companies Act No.07 of 2007.

.....
Accountant

The Board of Directors are responsible for the preparation and presentation of these Financial Statements. These Financial Statements were approved by the Board of Directors on 28th February 2024.

.....
Chairman

.....
Member of the Board of Directors

GSMB TECHNICAL SERVICES (PVT) LTD
STATEMENT OF COMPREHENSIVE INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 31ST DECEMBER 2023

	Notes	<u>January - December</u> <u>2023</u>	<u>January - December 2022</u>
		Rs.	Rs.
Income from Projects	5.103	1,136,511,699	1,147,048,282
Expenses of Projects	6	(946,722,830)	(992,138,528)
Net Income from Projects		189,788,868	154,909,755
Other-Non Operating Income	7	89,030,988	41,112,524
Total Net Income		278,819,857	196,022,279
Less : Expenditure			
Administration Expenses	8	(118,890,937)	(98,577,440)
Finance Cost	9	(194,922)	(363,236)
Total Expenses		(119,085,860)	(98,940,676)
Profit Before Tax		159,733,997	97,081,603
Income Tax Expense	10	(36,764,379)	(24,372,802)
Profit After Tax		122,969,619	72,708,801
Retained Earnings as at 1st January 2023		347,354,594	281,069,392
Profit After Tax		122,969,619	72,708,801
Dividends		(29,083,520)	(1,800,000)
Prior Year Adjustments	11	(44,270,243)	(4,623,599)
Retained Earnings as at 31st December 2023		396,970,450	347,354,594
Earnings Per Share		204.95	121.18
Dividends Per Share		48.47	3.00

The accounting policies and Notes as set out in pages 4 to 63 form an integral part of these financial statements.

GSMB TECHNICAL SERVICES (PVT) LTD**STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST DECEMBER 2023**

	Notes	<u>Year Ending 31st December 2023</u>	<u>Year Ending 31st December 2022</u>
		Rs.	Rs.
<u>Cash Flows from Activities</u>			
Profit After Tax		122,969,619	72,708,801
Adjustments for :			
Depreciation	12	11,613,812	15,701,298
Prior Year Profit Adjustments	11	(44,270,243)	(4,623,599)
Expenses On Defined Benefit Plan	21	2,682,754	1,665,235
Income Tax Adjustment	10	36,764,379	24,372,802
Write Off Expense	8	4,255,689	1,197,629
Provision for Doubtful Debts	7	(13,716,136)	(1,783,564)
(Profit)/Loss on Disposals	7	(149,266)	-
Finance Income	7	(74,754,963)	(39,197,823)
Operating Profit Before Working Capital Changes		45,395,643	70,040,779
(Increase) / Decrease in Inventories		6,362,838	(6,207,470)
(Increase) / Decrease in Trade Receivables		699,912	2,034,546
(Increase) / Decrease in Other Receivables		(1,262,318)	6,935,760
(Increase) / Decrease in Amount Due from Related Parties		(5,133,653)	3,479,043
Increase / (Decrease) in Trade Payables		(12,157,861)	(31,317,652)
Increase / (Decrease) in Accruals & Other Payables		12,105,330	27,420,844
Increase / (Decrease) in Amount Due to Related Parties		(42,864,202)	5,670,815
Cash from / (Used in) Operations		(42,249,952)	8,015,885
Net Cash Generated from Operations		3,145,690	78,056,664
Gratuity Paid	21	(2,319,844)	(876,705)
Income Tax Paid		(26,278,993)	(8,674,418)
		(28,598,837)	(9,551,123)
Net Cash from / (Used in) Operating Activities		(25,453,146)	68,505,541
Cash Flow from Investing Activities			
Acquisition on Property, Plant & Equipment	12	(5,548,932)	(8,555,973)
Proceed from Sales of Property, Plant & Equipment		151,277	-
Investment in Fixed Deposit	18	(78,097,921)	(32,658,618)
Finance Income		74,409,527	12,455,563
Net Cash (from) / used in Investing Activities		(9,086,050)	(28,759,028)
Cash Flow from Financing Activities			
Dividend Paid		(29,083,520)	(1,800,000)
Net Cash (from) / used in Financing Activities		(29,083,520)	(1,800,000)
Movement in Cash and Cash Equivalents		(63,622,716)	37,946,513
At the Beginning of the Year	19	79,289,973	41,343,460
Net Change in Cash and Cash Equivalents		(63,622,716)	37,946,513
At the End of the Year	19	15,667,257	79,289,973

The accounting policies and Notes as set out in pages 4 to 63 form an integral part of these financial statements.

1.0 CORPORATE INFORMATION

1.1 General

GSMB Technical Services (Private) Limited. “Company” is a liability limited company and a subsidiary company of Geological Survey and Mines Bureau, incorporated and domiciled in Sri Lanka. The registered office and principal place of business carried out at 569, Epitamulla Road, Pitakotte.

1.2 Nature of the Operations and Principal Activities

Basically, the company is a service provider relating to mineral technology and principal activities of the company are as follows.

- **Sale of Sand**
- **Mining Industry**
 - Blasting Monitoring
 - Crack surveys and damage estimations
 - GPS surveys
 - Noise level measurement and control plan
 - Dust Measurement
 - Vibration Monitoring
 - Economic viable report preparation
 - Project proposal report on mining field
 - Control and industrial blasting
- **Geology Industry**
 - Drone surveys
 - Geophysical investigation
 - Topographical surveys
 - Slope stabilizing and ground improvement
 - Geotechnical investigations
 - Environmental studies
 - Mineral exploration

2.0 BASIS OF PREPARATION

2.1 General

The financial statements have been prepared on a historical cost basis and are presented in Sri Lankan Rupees.

2.2 Statement of Compliance

These financial statements have been prepared in accordance with the Sri Lankan Financial Reporting Standard for Small and Medium-Sized Entities issued by the Institute of Chartered Accountants of Sri Lanka.

2.3 Going Concern

The Company has made an assessment of its ability to continue as a going concern and they do not intend either to liquidate or to cease trading.

2.4 Comparative Information

The accounting policies have been consistently applied by the Company and, are consistent with those used in the previous year. Prior year figures and phrases have been Re-Classified /Re-arranged where necessary to conform to the current year presentation. Comparative period consists of twelve months from 1st of January 2022 to 31st December 2022.

2.5 Functional and Presentation Currency

The financial statements are presented in Sri Lankan Rupees (Rs.) and all values are rounded to the nearest rupee, except when otherwise indicated.

2.6 Significant Accounting Policies, Estimates, Assumptions and Errors

The preparation of Financial Statements of the company in conformity with Sri Lanka. Accounting Standards requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimate and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected. There have been no changes in the accounting policies adopted by the company during the year under review except impairment of financial asset.

3.00 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.01 Cash and Cash Equivalents

Cash and cash equivalents are defined as cash in hand, demand deposits, and short-term highly liquid investments, readily convertible to known amounts of cash and subject to insignificant risk of changes in value. For the purpose of cash flow statement, cash and cash equivalents consist of cash in hand and deposits in banks net of outstanding overdrafts. Investments with short maturities i.e., three months or less from the date of acquisitions are also treated as cash equivalents.

3.02 Foreign Currency Translation

The financial statements are presented in Sri Lanka Rupees, which is the Company's functional and presentation currency. Transactions in foreign currencies are initially recorded at the functional currency rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the balance sheet date. All differences are taken to profit or loss. Non monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

3.03 Taxation

a) Current Taxes

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The effective tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

b) Deferred Tax

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

3.04 Inventories

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

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

Materials	- At Purchase cost on first-in first-out basis
Finished Good/Services	- At the cost of direct materials
Good in Transit	- At Purchase cost

Net realizable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and estimated costs necessary to make the sale.

3.05 Financial Instruments

(a) Financial Assets

- *Trade and other receivables, Investments and cash and cash equivalents*

These financial assets are recognized initially at the transaction price. Subsequently they are measured at amortized cost using the effective interest method, less provision for impairment. Sales are made on normal credit terms and trade receivables do not bear interest. Where there is objective evidence that the carrying amounts of receivables are not recoverable, an impairment loss is recognized in profit or loss.

- *Other short-term financial assets*

Other short-term financial assets comprise staff loans, refundable deposits and prepaid expenses. They are recognized initially at transaction price.

(b) Financial liabilities

The Company's financial liabilities include trade and other payables. Financial liabilities are recognized initially at transaction price. After initial recognition they are measured at amortized cost using the effective interest method. Trade payables are on normal credit terms and do not bear interest.

3.06 Related Party Transactions

- A related party is a person or entity that is related to the entity that is preparing its financial statements (the reporting entity),
- A person or a close member of that person's family is related to a reporting entity if that person is a member of the key management personnel of the reporting entity or of a parent of the reporting entity has control or joint control over the reporting entity; or has significant influence over the reporting entity.
- An entity is related to a reporting entity when the entity and the reporting entity are members of the same group.
- In considering each possible related party relationship, an entity shall assess the substance of the relationship and not merely the legal form.

3.07 Property, Plant and Equipment

a) Recognition and Measurement

All items of Property, Plant and Equipment are initially recorded at cost. Subsequent to the initial recognition the company records assets at cost less any accumulated depreciation and accumulated impairment loss thereon.

b) Depreciation

The provision for depreciation is calculated by using a straight-line method on the cost or valuation of all property, plant and equipment other than freehold land, in order to write off such amounts over the following estimated useful lives by equal instalments. Depreciation of an asset begins when it is available for use, i.e., when it is in the location and condition necessary for it to be capable of operating in the manner intended by the management.

<u>PPE Category</u>	<u>Depreciation Rate</u>
Office Partitioning	25%
Name Board	25%
Furniture & Fittings	25%
Computer & Accessories	25%
Office Equipment	25%
Field Equipment	25%
Motor Vehicles	25%
Laboratory Equipment	25%
Communication Equipment	25%

c) Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement in the year the asset is derecognised.

d) Revaluation

The company shall measure an item of property, plant and equipment whose fair value can be measured reliably at a revalued amount, being its fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations shall be made with sufficient regularity to ensure that the carrying amount does not differ **materially** from that which would be determined using fair value at the end of the **reporting period**.

If an item of property, plant and equipment is revalued, the entire class of property, plant and equipment to which that asset belongs shall be revalued.

If an asset's carrying amount is increased as a result of a revaluation, the increase shall be recognized in **other comprehensive income** and accumulated in **equity** under the heading of **revaluation surplus**. However, the increase shall be recognized in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognized in profit or loss.

If an asset's carrying amount is decreased as a result of a revaluation, the decrease shall be recognized in profit or loss. However, the decrease shall be recognized in other comprehensive income to the extent of any credit balance existing in the revaluation surplus in respect of that asset. The decrease recognized in other comprehensive income reduces the amount accumulated in equity under the heading of revaluation surplus.

3.08 Borrowing Costs

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

3.09 Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement.

3.10 Impairment of Financial Assets

The company has established a provision for doubtful debts for the first time as of 31st December 2020, and adjusted it to the trade debtors, including receivables from related parties. The provision rates are based on days past due have similar loss patterns and the requirement for an impairment is analyzed at each reporting date on an individual basis for all customers and uses a provision matrix to calculate the balance. The policy is as follows;

Past Due						
If the Invoice Date	Less than 61 Days	61-120 Days	121-180 Days	181-240 Days	241-360 Days	Above 361 Days
Percentage of provision	0%	10%	25%	50%	75%	100%

The provision matrix was initially based on the company historical observed default rates and 2023 onward company applies following provision matrix.

Past Due							
If the Invoice Date	Less than 180 Days	181 - 365 Days	366 - 730 Days	731 - 1095 Days	1096 - 1460 Days	1461 - 1825 Days	Above 1825 Days
Percentage of provision	0%	10%	20%	40%	60%	80%	100%

The company considers a trade receivable in default when contractual payments are 181 days past due. However, in certain cases, the company may also consider a financial asset to be in default when internal or external information indicates that the company is unlikely to receive the outstanding contractual amounts in full. As well when there is a subsequent settlement the usual matrix may not applied.

3.11 Contingent Asset and Liabilities

An entity shall not recognize a contingent asset as an asset. However, when the flow of future economic benefits to the entity is virtually certain, then the related asset is not a contingent asset, and its recognition is appropriate.

Contingent liability is either a possible but uncertain obligation or a present obligation that is not recognized because it fails to meet one or both of the following conditions

- it is probable that the entity will be required to transfer resources embodying economic benefits in settlement; and
- The settlement amount can be measured reliably.

3.12 Retirement Benefit Obligations

(a) Defined Benefit Plan – Gratuity

Gratuity is a defined benefit plan. Company is liable to pay gratuity in terms of the relevant statute. In order to meet this liability, a provision is carried forward in the balance sheet for each employee once after completion of one year service period. The gratuity liability is not externally funded scheme.

$$\text{Gratuity Provision} = [(\text{Last Month Basic Salary} + \text{COL}) / 2] * \text{No of Years}$$

(b) Defined Contribution Plans - Employees' Provident Fund and Employees' Trust Fund

Employees are eligible for employees' provident fund contributions and employees' trust fund contributions in line with the respective statutes and regulations. The Company contributes 12% and 3% of gross emoluments of employees to employees' provident fund and employees' trust fund respectively.

3.13 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. Revenue is recognized upon satisfaction of performance obligations. The following specific criteria are used for the purpose of recognition of revenue.

- **Interest Income**

Interest Income is recognized as the interest accrues (taking into account the effective interest rate) unless collectibles are doubtful.

- **Rendering of Services**

Revenue from rendering of services is recognized by reference to the stage of completion.

- **Other Income**

Other income is recognized on an accrual basis. Net gains and losses of a revenue nature on the disposal of property, plant & equipment and other non-current assets, including investments have been accounted for in the statement of comprehensive income, having deducted from proceeds on disposal, the carrying amount of the assets and related selling expenses. Gains and losses arising from incidental activities to main revenue generating

activities and those arising from a group of similar transactions which are not material are aggregated, reported and presented on a net basis.

3.14 Expenditure Recognition

- Expenses are recognized in the income statement on the basis of direct association between the cost incurred and the earning of specific item of income. All expenditure incurred in the running of the business and the maintenance of the property plant & equipment in a state of efficiency has been charged to income in arriving at the profit for the year.
- For the purpose of presentation of Statement of comprehensive income, the Directors are of the opinion that function of expenses method presents fairly the elements of the company's performance, and hence such presentation method is adopted.
- Finance expenses are recognized in the statement of comprehensive income on effective interest cost basis

3.15 Net Asset per Share

The Net Asset per Share is arrived by dividing the net asset attributable to the equity holders of the Company by the number of shares of the company.

3.16 Earnings per Share

The Company presents basic earnings per share (EPS) is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

3.17 Dividend per Share

The Company presents its dividend per share (DPS) for its ordinary shares. The DPS is calculated by dividing the total dividend by the number of ordinary shares.

3.18 Events after the end of the reporting period

Events after the end of the reporting period are those events, favorable and unfavorable, that occur between the end of the reporting period and the date when the financial statements are authorized for issue. There are two types of events:

- (a) those that provide evidence of conditions that existed at the end of the reporting period (adjusting events after the end of the reporting period); and
- (b) Those that are indicative of conditions that arose after the end of the reporting period (non-adjusting events after the end of the reporting period).

Events after the end of the reporting period include all events up to the date when the financial statements are authorized for issue, even if those events occur after the public announcement of profit or loss or other selected financial information.

4. Authorization

The financial statements were approved by the Board of Directors on 28th February 2024.

GSMB TECHNICAL SERVICES (PVT) LTD**Notes to the Accounts - 31st December 2023****Note 5 : Net Income from Projects**

			January - December 2023	January - December 2022
Notes				
			Rs.	Rs.
<u>Mining Projects</u>				
Blasting & Monitoring	Income	5.01	33,182,203	24,701,088
	Expenses	5.02	(20,506,245)	(15,591,571)
	Profit	5.03	12,675,958	9,109,518
Crack Survey	Income	5.04	6,191,385	17,377,439
	Expenses	5.05	(362,190)	(4,336,798)
	Profit	5.06	5,829,195	13,040,640
Dust, Air, Noise & Vibration	Income	5.07	5,240,513	1,179,547
	Expenses	5.08	(3,381,467)	(361,961)
	Profit	5.09	1,859,045	817,585
EVR	Income	5.10	313,641	478,249
	Expenses	5.11	(50,486)	(51,357)
	Profit	5.12	263,155	426,892
GPS Survey	Income	5.13	333,897	375,510
	Expenses	5.14	(36,793)	(38,570)
	Profit	5.15	297,104	336,940
TO Services	Income	5.16	6,511,391	8,907,088
	Expenses	5.17	(2,411,702)	(4,497,671)
	Profit	5.18	4,099,689	4,409,416
Mining Projects - Other	Income	5.19	-	-
	Expenses	5.20	-	-
	Profit	5.21	-	-
Mining Division	Expenses	5.22	(32,706,331)	(32,315,820)
Total Net Income from Mining Projects	Income		51,773,030	53,018,920
	Expenses		(59,455,215)	(57,193,749)
	Profit		(7,682,185)	(4,174,829)
<u>Geological Projects</u>				
Environmental Studies	Income	5.23	2,528,205	1,499,423
	Expenses	5.24	(63,205)	(1,087,575)
	Profit	5.25	2,465,000	411,848
Reserve Estimation	Income	5.26	461,427	558,967
	Expenses	5.27	(772,561)	(291,005)
	Profit	5.28	(311,134)	267,962
Geo-Technical Investigations	Income	5.29	2,944,718	45,653,358
	Expenses	5.30	(1,194,266)	(30,857,683)
	Profit	5.31	1,750,452	14,795,675

GSMB TECHNICAL SERVICES (PVT) LTD**Notes to the Accounts - 31st December 2023****Note 5 : Net Income from Projects**

			Notes	
			January - December 2023	January - December 2022
			Rs.	Rs.
Mineral Exploration	Income	5.32	4,372,189	678,261
	Expenses	5.33	(109,305)	(141,290)
	Profit	5.34	4,262,885	536,971
Geological Projects - Other	Income	5.35	717,949	5,100,338
	Expenses	5.36	(670,341)	(2,250,500)
	Profit	5.37	47,607	2,849,838
Geology Division	Expenses	5.38	(11,930,301)	(13,750,570)
Total Net Income from Geological Projects	Income		11,024,488	53,490,348
	Expenses		(14,739,978)	(48,378,624)
	Profit		(3,715,490)	5,111,724
Special Projects				
Kotikambokka Quartz Project	Income	5.39	-	-
	Expenses	5.40	(2,294,830)	(784,359)
	Profit	5.41	(2,294,830)	(784,359)
Calcite Project	Income	5.42	-	-
	Expenses	5.43	(62,290)	(2,077,347)
	Profit	5.44	(62,290)	(2,077,347)
Special Projects Division		5.45	(3,908,053)	(5,690,569)
Total Net Income from Special Projects	Income		-	-
	Expenses		(6,265,173)	(8,552,276)
	Profit		(6,265,173)	(8,552,276)
Total Net Income from HR Assignment	Income	5.46	-	14,818,283
	Expenses	5.47	-	(19,018,703)
	Profit	5.48	-	(4,200,420)
Sale of Sand - Mining Sites				
Manampitiya	Income	5.49	1,046,397,190	894,342,995
	Expenses	5.50	(828,609,086)	(719,419,101)
	Profit	5.51	217,788,104	174,923,894
Aralaganwila	Income	5.52	-	6,609,669
	Expenses	5.53	-	(7,955,154)
	Profit	5.54	-	(1,345,485)
Boaththa	Income	5.55	-	3,218,858
	Expenses	5.56	-	(7,193,952)
	Profit	5.57	-	(3,975,095)

GSMB TECHNICAL SERVICES (PVT) LTD**Notes to the Accounts - 31st December 2023****Note 5 : Net Income from Projects**

		Notes	January - December 2023	January - December 2022
			Rs.	Rs.
Nidanwala	Income	5.58	-	7,520,693
	Expenses	5.59	-	(7,618,234)
	Profit	5.60	-	(97,541)
Welikanda	Income	5.61	-	7,394,864
	Expenses	5.62	-	(6,704,655)
	Profit	5.63	-	690,209
Kanthale	Income	5.64	-	40,813,487
	Expenses	5.65	(4,770,932)	(31,323,088)
	Profit	5.66	(4,770,932)	9,490,399
Muthur	Income	5.67	-	1,038,479
	Expenses	5.68	(1,569,372)	(4,255,100)
	Profit	5.69	(1,569,372)	(3,216,621)
Kegalle MaOya	Income	5.70	-	-
	Expenses	5.71	(256,534)	-
	Profit	5.72	(256,534)	-
Manampitiya Phase II	Income	5.73	-	-
	Expenses	5.74	(2,227,510)	-
	Profit	5.75	(2,227,510)	-
Sirimangalapura	Income	5.76	-	-
	Expenses	5.77	(1,764,297)	-
	Profit	5.78	(1,764,297)	-
Total Net Income from Sale of Sand Mining Sites	Income		1,046,397,190	960,939,044
	Expenses		(839,197,731)	(784,469,284)
	Profit		207,199,459	176,469,760
<u>Sale of Sand - Stock Yards</u>				
Hingurakgoda	Income	5.79	1,769,439	4,587,458
	Expenses	5.80	(1,965,917)	(6,260,058)
	Profit	5.81	(196,479)	(1,672,600)
Medirigiriya	Income	5.82	2,228,479	6,428,248
	Expenses	5.83	(1,763,050)	(8,394,699)
	Profit	5.84	465,428	(1,966,450)
Minneriya	Income	5.85	1,619,143	5,567,994
	Expenses	5.86	(1,783,582)	(8,204,994)
	Profit	5.87	(164,439)	(2,637,000)

GSMB TECHNICAL SERVICES (PVT) LTD**Notes to the Accounts - 31st December 2023****Note 5 : Net Income from Projects**

			January - December 2023	January - December 2022
			Rs.	Rs.
Yakkala	Income	5.88	5,122,289	14,160,874
	Expenses	5.89	(4,562,985)	(16,631,145)
	Profit	5.90	559,304	(2,470,271)
New Town	Income	5.91	9,169,047	7,958,790
	Expenses	5.92	(9,074,871)	(7,348,670)
	Profit	5.93	94,175	610,121
Habarana	Income	5.94	3,286,909	6,859,978
	Expenses	5.95	(2,549,185)	(7,926,619)
	Profit	5.96	737,724	(1,066,641)
Kegalle	Income	5.97	384,348	7,373,071
	Expenses	5.98	(1,748,950)	(8,263,460)
	Profit	5.99	(1,364,602)	(890,389)
Ambathale	Income	5.100	3,737,338	11,845,272
	Expenses	5.101	(3,616,192)	(11,496,247)
	Profit	5.102	121,146	349,025
Total Net Income from Sale of Sand Stock Yard	Income		27,316,991	64,781,686
	Expenses		(27,064,732)	(74,525,891)
	Profit		252,258	(9,744,205)
<u>Other</u>				
Other Income			-	-
Total Project Income			1,136,511,699	1,147,048,282
Total Project Expenses			(946,722,830)	(992,138,528)
Total Net Income from Projects			189,788,868	154,909,755

GSMB TECHNICAL SERVICES (PVT) LTD**Notes to the Accounts - 31st December 2023****Additional Notes to Note No. 5 : Project Income Statements****Mining Division**

	Notes	January - December 2023	January - December 2022
		Rs.	Rs.
<u>Blasting & Monitoring</u>			
Income	5.01	33,182,203	24,701,088
<u>Project Expenses</u>			
Salaries		6,408,260	4,494,281
EPF		915,775	644,914
ETF		228,944	161,228
COL		1,223,200	880,000
Professional Allowance		296,000	234,000
Interim Allowance		1,042,500	750,000
Weekend Allowances		320,900	212,725
Site Allowances		400,000	220,000
Allowances		473,500	413,400
Fuel		1,436,259	1,220,900
Printing & Stationery		49,715	6,319
Postage		5,910	6,505
Welfare		58,402	68,093
Electricity		7,210	8,006
Water		6,175	23,262
Travelling & Subsistence		411,152	94,876
Other Maintenance Charges		1,317,500	3,000
Transport		3,533,692	4,087,668
Cook Allowance		229,645	215,700
Rent		1,038,000	1,186,000
Office Expenses		950	6,800
Hiring Equipment/other		282,000	-
Payment for Estimation		-	490,000
SSCL		820,556	163,894
Total Expense	5.02	20,506,245	15,591,571
Net Income	5.03	12,675,958	9,109,518

Crack Survey

Income	5.04	6,191,385	17,377,439
<u>Project Expenses</u>			
Salaries		-	858,861
EPF		-	121,015
ETF		-	30,254
COL		-	149,600
Professional Allowance		-	62,000
Interim Allowance		-	127,500
Weekend Allowances		-	68,075
Site Allowances		-	45,000
Allowance		-	96,000

GSMB TECHNICAL SERVICES (PVT) LTD**Notes to the Accounts - 31st December 2023****Additional Notes to Note No. 5 : Project Income Statements****Mining Division**

	Notes	January - December 2023	January - December 2022
		Rs.	Rs.
Fuel		-	99,500
Printing & Stationery		1,200	5,545
Postage		-	1,145
Welfare		-	2,905
Electricity		-	14,472
Travelling & Subsistence		135,240	293,906
Payment for Estimations		-	1,771,000
Transport		61,887	450,689
Rent		-	67,000
Office Expenses		9,078	3,439
Cook Allowance		-	22,500
SSCL		154,785	46,393
Total Expense	5.05	362,190	4,336,798
Net Income	5.06	5,829,195	13,040,640

Dust, Air, Noise & Vibration

Income	5.07	5,240,513	1,179,547
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Project Expenses

Fuel		-	76,000
Printing & Stationery		490	-
Travelling & Subsistence		246,386	197,162
Transport		-	78,500
Office Expenses		1,080	6,740
Payment for Estimation		2,993,500	-
SSCL		140,011	3,559
Total Expense	5.08	3,381,467	361,961
Net Income	5.09	1,859,045	817,585

EVR

Income	5.10	313,641	478,249
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Project Expenses

Fuel		-	13,720
Welfare		-	480
Consultation Charges		25,000	25,000
Travelling & Subsistence		6,770	9,955
Transport		10,875	-
SSCL		7,841	2,202
Total Expense	5.11	50,486	51,357
Net Income	5.12	263,155	426,892

GSMB TECHNICAL SERVICES (PVT) LTD**Notes to the Accounts - 31st December 2023****Additional Notes to Note No. 5 : Project Income Statements****Mining Division**

	Notes	January - December 2023	January - December 2022
		Rs.	Rs.
<u>GPS Survey</u>			
Income	5.13	333,897	375,510
<u>Project Expenses</u>			
Travelling & Subsistence		6,170	30,170
Transport		22,275	6,000
Office Expenses		8,348	2,400
Total Expense	5.14	36,793	38,570
Net Income	5.15	297,104	336,940

TO Services

Income	5.16	6,511,391	8,907,088
<u>Project Expenses</u>			
Salaries		1,119,335	2,142,842
EPF		170,224	326,837
ETF		42,556	81,709
COL		299,200	580,800
Interim Allowance		255,000	495,000
Weekend Allowances		69,131	116,100
Site Allowances		10,000	-
Allowances		84,500	121,500
Fuel		21,100	27,890
Printing & Stationery		2,570	-
Travelling & Subsistence		170,540	526,191
Vehicle Maintenance Charges		4,760	38,374
Office Expenses		-	150
SSCL		162,785	40,277
Total Expense	5.17	2,411,702	4,497,671
Net Income	5.18	4,099,689	4,409,416

Mining Projects - Other

Income	5.19	-	-
<u>Project Expenses</u>			
Fuel		-	-
Travelling & Subsistence		-	-
Total Expense	5.20	-	-
Net Income	5.21	-	-

GSMB TECHNICAL SERVICES (PVT) LTD**Notes to the Accounts - 31st December 2023****Additional Notes to Note No. 5 : Project Income Statements****Mining Division**

	Notes	January - December 2023	January - December 2022
		Rs.	Rs.
<u>Mining Division</u>			
<u>Project Expenses</u>			
Salaries		12,159,231	13,510,194
EPF		1,771,656	1,960,291
ETF		442,915	490,073
COL		2,604,573	2,825,566
Bonus		684,000	800,000
Incentive		8,021,750	4,845,585
Professional Allowance		421,000	521,253
Interim Allowance		2,219,806	2,403,153
Weekend Allowances		446,212	573,486
Site Allowances		520,000	658,710
Allowances		883,855	916,330
Other Allowance & Labour Charge		38,500	-
Overtime		13,010	1,315
Fuel		-	71,750
Telephone		52,957	24,500
Printing & Stationery		647,408	673,420
Postage		-	2,400
Welfare		89,215	181,580
Travelling & Subsistence		960,884	1,550,618
Other Maintenance Charges		435,462	189,900
Transport		71,700	47,925
Office Expenses		18,568	12,459
Subscription & Registration Fee		6,681	-
Internet Charges		6,726	55,313
Shifting expenses to GSMB		190,222	-
Total Expense	5.22	<u>(32,706,331)</u>	<u>(32,315,820)</u>

GSMB TECHNICAL SERVICES (PVT) LTD**Notes to the Accounts - 31st December 2023****Additional Notes to Note No. 5 : Project Income Statements****Geology Division**

	Notes	January - December 2023	January - December 2022
		Rs.	Rs.
<u>Environmental Studies</u>			
Income	5.23	2,528,205	1,499,423
<u>Project Expenses</u>			
Fuel		-	6,000
Consultation Charges		-	1,049,000
Travelling & Subsistence		-	1,575
Transport		-	31,000
SSCL		63,205	-
Total Expense	5.24	63,205	1,087,575
Net Income	5.25	2,465,000	411,848

Reserve Estimation

Income	5.26	461,427	558,967
<u>Project Expenses</u>			
Other Allowance & Labour Charges		16,500	21,000
Fuel		-	16,000
Travelling & Subsistence		178,315	92,660
Transport		133,810	83,005
Rent		-	70,000
Other Maintenance Charges		10,500	-
Office Expenses		4,690	-
Power Auger Expenses		3,210	6,740
Lab & Data Acquisition		39,000	-
Rehabilitation		375,000	-
SSCL		11,536	1,600
Total Expense	5.27	772,561	291,005
Net Income	5.28	(311,134)	267,962

Geo-Technical Investigations

Income	5.29	2,944,718	45,653,358
<u>Project Expenses</u>			
Salaries		34,060	345,400
EPF		5,143	-
ETF		1,285	-
COL		8,800	-
Interim Allowance		7,500	-
Weekend Allowances		6,075	-
Allowances		1,750	-
Other Allowance & Labour Charges		307,000	190,700
Fuel		-	130,797
Printing & Stationery		4,115	1,520
Welfare		-	9,296

GSMB TECHNICAL SERVICES (PVT) LTD**Notes to the Accounts - 31st December 2023****Additional Notes to Note No. 5 : Project Income Statements****Geology Division**

	Notes	January - December 2023	January - December 2022
		Rs.	Rs.
Consultation Charges		-	420,000
Travelling & Subsistence		244,019	684,742
Other Maintenance		-	64,084
Transport		476,750	253,610
Hiring Equipment/other		-	108,500
Power Auger Expenses		17,500	37,220
Chemical Analysis Charges		-	317,000
Office Expenses		6,650	19,530
Drone Expenses		-	3,948
Subcontractor Payment		-	28,400,216
SSCL		73,618	(128,881)
Total Expense	5.30	1,194,266	30,857,683
Net Income	5.31	1,750,452	14,795,675

Mineral Exploration

Income	5.32	4,372,189	678,261
<u>Project Expenses</u>			
Other Allowance & Labour Charges		-	10,800
Fuel		-	38,400
Printing & Stationery		-	520
Welfare		-	640
Travelling & Subsistence		-	40,130
Office Expenses		-	5,500
Power Auger Expenses		-	13,300
Chemical Charges		-	32,000
SSCL		109,305	-
Total Expense	5.33	109,305	141,290
Net Income	5.34	4,262,885	536,971

Geological Projects - Other

Income	5.35	717,949	5,100,338
<u>Project Expenses</u>			
Other Allowance & Labour Charges		37,500	6,000
Fuel		-	33,350
Travelling & Subsistence		224,362	64,865
Transport		-	151,255
Office Expenses		-	6,300
Hiring Equipment/other		-	2,000
Subcontractor Payment		-	1,861,909
Other Maintenance Charges		25,306	-
Office Expenses		15,000	-
Power Auger Expenses		5,556	-
Chemical Analysis Charges		307,680	-

GSMB TECHNICAL SERVICES (PVT) LTD**Notes to the Accounts - 31st December 2023****Additional Notes to Note No. 5 : Project Income Statements****Geology Division**

	Notes	January - December 2023	January - December 2022
		Rs.	Rs.
Drone Expenses		36,989	-
SSCL		17,949	124,821
Total Expense	5.36	670,341	2,250,500
Net Income	5.37	47,607	2,849,838

Geology Division**Project Expenses**

Salaries		4,576,655	6,246,600
EPF		653,003	883,227
ETF		163,251	220,807
COL		865,040	1,113,626
Bonus		95,068	140,000
Incentive		1,889,919	1,089,084
Professional Allowance		215,226	288,774
Interim Allowance		767,268	949,113
Weekend Allowances		85,575	308,875
Site Allowances		290,000	492,742
Allowances		646,389	735,890
Overtime		5,728	24,691
Fuel		1,600	4,000
Telephone		25,035	18,000
Printing & Stationery		499,251	743,695
Welfare		3,159	30,450
Travelling & Subsistence		23,290	62,157
Other Maintenance Charges		669,500	147,278
Drone Expenses		130,629	3,948
Transport		18,000	32,027
Office Expenses		30,800	29,727
Internet Charges		103,641	145,859
Subscription & Registration Fee		92,850	40,000
Power Auger Expenses		13,600	-
Lab & Data Acquisition		28,800	-
Shifting expenses to GSMB		37,025	-
Total Expense	5.38	(11,930,301)	(13,750,570)

Except Kanthale Sand Mining Project other Sand Mining Projects operation was overseen by the Geology Project Division.

GSMB TECHNICAL SERVICES (PVT) LTD
Notes to the Accounts - 31st December 2023
Additional Notes to Note No. 5 : Project Income Statements
Special Projects Division

	Notes	January - December 2023	January - December 2022
		Rs.	Rs.
<u>Kotikambokka Quartz Project</u>			
Income	5.39	-	-
<u>Project Expenses</u>			
Salaries		619,868	396,300
EPF		87,056	52,836
ETF		21,764	13,209
COL		105,600	44,000
Interim Allowance		150,000	97,500
Weekend Allowances		975	-
Bonus		20,000	20,000
Incentive		160,550	95,430
Other Allowance & Labour Charges		9,000	4,000
Allowances		12,000	5,000
Fuel		4,000	2,700
Printing & Stationery		2,480	165
Welfare		7,000	9,170
Travelling & Subsistence		273,170	32,649
Transport		99,440	-
Office Expenses		52,700	11,400
Site Preparation Exp.		520,000	-
Subscription & Registration Fee		19,988	-
Feasibility Studies		10,256	-
Mining License & Royalty		118,983	-
Volume Survey		-	-
Total Expense	5.40	2,294,830	784,359
Net Income	5.41	(2,294,830)	(784,359)
<u>Calcite Project</u>			
Income	5.42	-	-
<u>Project Expenses</u>			
Welfare		-	12,090
Consultation Charges		-	1,200,000
Travelling & Subsistence		29,610	18,602
Transport		32,030	54,780
Office Expenses		650	7,875
Chemical Analysis Charges		-	784,000
Total Expense	5.43	62,290	2,077,347
Net Income	5.44	(62,290)	(2,077,347)

GSMB TECHNICAL SERVICES (PVT) LTD
Notes to the Accounts - 31st December 2023
Additional Notes to Note No. 5 : Project Income Statements
Special Projects Division

	Notes	January - December 2023	January - December 2022
		Rs.	Rs.
<u>Special Projects Division</u>			
<u>Project Expenses</u>			
Salaries		1,601,330	2,275,572
EPF		230,192	323,757
ETF		57,548	80,939
COL		316,937	422,400
Bonus		60,000	80,000
Incentive		424,125	575,400
Professional Allowance		38,000	116,000
Interim Allowance		341,488	340,000
Weekend Allowances		15,387	23,943
Site Allowances		23,629	120,000
Allowances		157,844	318,000
Overtime		12,791	24,588
Other Allowance & Labour Charge		-	13,500
Telephone		2,000	12,000
Printing & Stationery		307,284	220,879
Welfare		26,320	12,570
Travelling & Subsistence		93,622	278,647
Consultation Charges		-	95,000
Other Maintenance Charges		108,600	139,000
Transport		-	134,565
Office Expenses		22,635	15,090
Internet Charges		62,322	68,719
Shifting expenses to GSMB		6,000	-
Total Expense	5.45	<u>(3,908,053)</u>	<u>(5,690,569)</u>

GSMB TECHNICAL SERVICES (PVT) LTD**Notes to the Accounts - 31st December 2023****Additional Notes to Note No. 5 : Project Income Statements****HR Assignment**

	Notes	January - December 2023	January - December 2022
		Rs.	Rs.
<u>HR Assignment</u>			
Income	5.46	-	14,818,283
<u>Project Expenses</u>			
Salaries		-	8,766,024
EPF		-	1,673,456
ETF		-	418,484
COL		-	3,151,935
Interim Allowance		-	105,000
Weekend Allowances		-	48,750
Allowances		-	4,304,765
Overtime		-	549,192
Travelling & Subsistence		-	-
SSCL		-	1,097
Total Expense	5.47	-	19,018,703
Net Income	5.48	-	(4,200,420)

GSMB TECHNICAL SERVICES (PVT) LTD**Notes to the Accounts - 31st December 2023****Additional Notes to Note No. 5 : Project Income Statements****Sand Mining Sites**

	Notes	January - December 2023	January - December 2022
		Rs.	Rs.
<u>Manampitiya</u>			
Income - Sale of sand		1,043,027,121	884,714,634
Other Income - Manampitiya Yard Income		694,364	631,344
- Manampitiya Tipper Income		2,675,705	3,130,243
- Manampitiya Other Income		-	5,866,774
	5.49	1,046,397,190	894,342,995
<u>Project Expenses</u>			
Cost of Sand Manampitiya		564,520,187.90	524,347,174
Salaries		13,609,097.58	12,818,709
EPF		2,005,558.88	1,887,697
ETF		501,389.73	471,924
COL		3,684,943.23	3,666,709
Incentive		4,187,780.90	3,324,418
Bonus		542,860.28	888,110
Professional Allowance		35,451.61	36,000
Interim Allowance		3,184,200.42	3,162,064
Weekend Allowances		50,072.00	65,247
Site Allowances		648,968.81	447,500
Allowances		219,645.16	425,388
Other Allowance & Labour Charge		39,000.00	-
Overtime		1,094,807.69	883,325
Fuel		2,158,190.40	3,238,761
Telephone		45,136.03	72,693
Printing & Stationery		1,267,153.74	726,857
Postage		56,245.99	76,922
Welfare		1,594,976.07	1,172,770
Electricity		1,328,764.07	527,747
Water		70,175.86	17,068
Travelling & Subsistence		657,798.00	104,945
Vehicle Maintenance Charges		149,010.00	579,203
Other Maintenance Charges		1,695,644.50	740,372
Insurance		76,298.84	142,613
Transport		2,731,608.67	3,616,311
Rent		1,205,000.00	855,000
Security Charges		3,123,600.00	3,165,650
Water Bowser Expenses		2,064,149.66	1,015,250
Subscription & Registration Fee		6,465.23	139,506
Office Expenses		57,747.47	358,023
GSMBTS Tipper Expenses		1,745,849.73	186,129
GSMBTS Loader Expense		5,300.00	13,260
Internet Charges		70,433.64	27,517
Generator Expenses		90,500.00	105,728
Cook Allowance		205,258.06	135,000
Yard Transport Manampitiya		-	64,800
Wild Life		27,083,719.00	20,229,622
Road & Other Cons-Rehabilitation		485,450.00	2,457,255

GSMB TECHNICAL SERVICES (PVT) LTD**Notes to the Accounts - 31st December 2023****Additional Notes to Note No. 5 : Project Income Statements****Sand Mining Sites**

	Notes	January - December 2023	January - December 2022
		Rs.	Rs.
Inspection & Investigation		7,991,579.25	8,737,363
Mining License & Royalty		76,659,979.89	59,049,493
Loading Charges		62,054,235.00	38,420,246
LDF		20,691,900.00	13,435,350
License & TPL fee		71,915.41	115,088
TDL Charges		4,163.74	-
Environment Monitoring Meeting		444,000.00	-
Translation Charges		30,000.00	-
Mineral Tax		5,214,703.22	4,423,510
Legal Fees		25,000.00	-
SSCL		13,123,170.41	3,044,785
Total Expense	5.50	828,609,086	719,419,101
Net Income	5.51	217,788,104	174,923,894

Other Sand Mining Projects in Polonnaruwa**Aralaganwila**

Income - Sale of sand		-	6,560,163
Other Income		-	49,506
	5.52	-	6,609,669

Project Expenses

Cost of Sand	-	2,696,000
Salaries	-	1,314,080
EPF	-	206,266
ETF	-	51,566
COL	-	404,800
Bonus	-	20,000
Interim Allowance	-	345,000
Weekend Allowances	-	2,573
Site Allowances	-	82,500
Allowances	-	11,000
Overtime	-	49,593
Fuel	-	88,400
Telephone	-	29,003
Printing & Stationery	-	16,073
Welfare	-	13,700
Electricity	-	27,886
Other Maintenance Charges	-	3,170
Transport	-	125,500
Rent	-	120,000
Water Bowser Expenses	-	184,850
Office Expenses	-	11,077
Loading Charges	-	473,418
Mahaweli Authority	-	112,200
Yard Transport Aralaganwila	-	1,133,600
Road & Other Cons-Rehabilitation	-	39,370

GSMB TECHNICAL SERVICES (PVT) LTD**Notes to the Accounts - 31st December 2023****Additional Notes to Note No. 5 : Project Income Statements****Sand Mining Sites**

	Notes	January - December 2023	January - December 2022
		Rs.	Rs.
Mining License & Royalty		-	116,066
LDF		-	26,850
Inspection & Investigation		-	203,100
TDL Charges		-	13,500
Mineral Tax		-	32,795
SSCL		-	1,219
Total Expense	5.53	-	7,955,154
Net Income	5.54	-	(1,345,485)

Boaththa

Income - Sale of sand		-	3,170,061
Other Income		-	48,796
	5.55	-	3,218,858

Project Expenses

Cost of Sand	-	1,373,500
Salaries	-	1,730,987
EPF	-	270,976
ETF	-	67,744
COL	-	527,148
Bonus	-	20,000
Interim Allowance	-	450,000
Weekend Allowances	-	1,950
Site Allowances	-	83,393
Allowances	-	11,000
Overtime	-	13,254
Other Allowance & Labour Charge	-	1,800
Fuel	-	111,520
Printing & Stationery	-	44,484
Welfare	-	29,640
Electricity	-	22,182
Travelling & Subsistence	-	1,500
Other Maintenance Charges	-	70,735
Transport	-	177,500
Water Bowser Expenses	-	111,800
Office Expenses	-	4,000
Subscription & Registration Fee	-	4,500
Road & Other Rehabilitation	-	91,200
Inspection & Investigation	-	954,050
Loading Charges	-	90,964
Mining License & Royalty	-	232,755
Mahaweli Authority	-	100,800
LDF	-	25,200
Tractor Payment Boaththa	-	537,200
TDL Charges	-	15,500
Mineral Tax	-	15,847

GSMB TECHNICAL SERVICES (PVT) LTD**Notes to the Accounts - 31st December 2023****Additional Notes to Note No. 5 : Project Income Statements****Sand Mining Sites**

	Notes	January - December 2023	January - December 2022
		Rs.	Rs.
SSCL		-	823
Total Expense	5.56	-	7,193,952
Net Income	5.57	-	(3,975,095)

Nidanwala

Income - Sale of sand		-	7,405,509
Other Income		-	115,184
	5.58	-	7,520,693

Project Expenses

Cost of Sand		-	3,600,000
Salaries		-	1,404,015
EPF		-	213,345
ETF		-	53,336
COL		-	373,858
Bonus		-	20,000
Interim Allowance		-	343,361
Weekend Allowances		-	7,570
Site Allowances		-	67,500
Allowances		-	11,000
Overtime		-	22,191
Fuel		-	102,860
Printing & Stationery		-	5,719
Postage		-	800
Welfare		-	9,210
Electricity		-	2,233
Water		-	(1,802)
Other Maintenance Charges		-	750
Transport		-	96,500
Rent		-	153,500
Water Bowser Expenses		-	62,000
Office Expenses		-	(3,315)
Subscription & Registration Fee		-	4,500
Road & Other Cons-Rehabilitation		-	118,500
Inspection & Investigation		-	75,250
Mining License & Royalty		-	129,030
Mahaweli Authority		-	68,400
LDF		-	17,100
Loading Charges		-	623,525
Mineral Tax		-	37,026
SSCL		-	274
Total Expense	5.59	-	7,618,234
Net Income	5.60	-	(97,541)

GSMB TECHNICAL SERVICES (PVT) LTD**Notes to the Accounts - 31st December 2023****Additional Notes to Note No. 5 : Project Income Statements****Sand Mining Sites**

	Notes	January - December 2023	January - December 2022
		Rs.	Rs.
<u>Welikanda</u>			
Income - Sale of sand		-	4,516,562
Other Income		-	2,878,302
	5.61	-	7,394,864
<u>Project Expenses</u>			
Cost of Sand		-	2,127,500
Salaries		-	1,220,237
EPF		-	186,556
ETF		-	46,639
COL		-	334,400
Bonus		-	20,000
Interim Allowance		-	295,026
Site Allowances		-	59,516
Other Allowance & Labour Charge		-	1,000
Allowances		-	7,000
Overtime		-	15,536
Fuel		-	68,780
Telephone		-	5,000
Printing & Stationery		-	7,237
Welfare		-	58,445
Electricity		-	31,488
Insurance		-	8,589
Transport		-	132,500
Security Charges		-	1,326,800
Inspection & Investigation		-	408,600
Mining License & Royalty		-	82,132
Mahaweli Authority		-	84,000
LDF		-	20,550
Loading Charges		-	130,584
Mineral Tax		-	22,563
SSCL		-	3,977
Total Expense	5.62	-	6,704,655
Net Income	5.63	-	690,209

GSMB TECHNICAL SERVICES (PVT) LTD**Notes to the Accounts - 31st December 2023****Additional Notes to Note No. 5 : Project Income Statements****Sand Mining Sites**

	Notes	January - December 2023	January - December 2022
		Rs.	Rs.
<u>Other Sand Mining Projects</u>			
<u>Kanthale Sand Project</u>			
Income - Sale of sand		-	40,621,133
Other Income		-	192,353
	5.64	-	40,813,487
<u>Project Expenses</u>			
Cost of Sand			
- Mining Cost		-	9,815,850
Salaries		1,163,042	2,599,560
EPF		169,695	394,108
ETF		42,424	98,527
COL		251,084	684,676
Bonus		60,000	40,000
Incentive		837,555	265,530
Professional Allowance		36,000	66,323
Interim Allowance		213,992	565,651
Weekend Allowances		9,450	31,425
Site Allowances		120,000	120,000
Other Allowance & Labour Charge		-	43,500
Allowances		59,300	36,000
Overtime		22,813	179,785
Fuel		-	465,733
Printing & Stationery		12,933	134,388
Postage		4,900	9,540
Welfare		23,000	60,558
Electricity		43,471	67,870
Travelling & Subsistence		117,263	184,997
Other Maintenance Charges		-	84,114
Transport		8,400	918,134
Rent		175,000	344,516
Security Charges		1,269,800	2,287,700
Office Expenses		2,230	21,745
Internet Charges		21,231	3,850
Power Auger Expenses		-	700
Inspection & Investigation		-	135,000
Subscription & Registration Fee		6,465	5,469
License & TPL fee		-	69,453
Wild Life		(24,116)	2,133,265
Mining License & Royalty		-	3,546,905
Mahaweli Authority		125,000	5,903,406
SSCL		-	4,809
Total Expense	5.65	4,770,932	31,323,088
Net Income	5.66	(4,770,932)	9,490,399

GSMB TECHNICAL SERVICES (PVT) LTD**Notes to the Accounts - 31st December 2023****Additional Notes to Note No. 5 : Project Income Statements****Sand Mining Sites**

	Notes	January - December 2023	January - December 2022
		Rs.	Rs.
<u>Muthur Sand Project</u>			
Income - Sale of sand		-	1,033,679
Other Income		-	4,800
	5.67	-	1,038,479
<u>Project Expenses</u>			
Cost of Sand		-	672,000
Salaries		575,484	1,346,236
EPF		87,896	206,956
ETF		21,974	51,739
COL		156,981	378,400
Incentive		(90,030)	193,410
Bonus		-	40,000
Interim Allowance		133,790	319,919
Site Allowances		57,097	100,000
Allowances		7,613	12,000
Fuel		41,136	13,733
Printing & Stationery		200	29,149
Postage		-	1,050
Welfare		4,600	1,950
Electricity		1,561	2,674
Water		1,277	934
Travelling & Subsistence		57,198	583
Other Maintenance Charges		-	15,500
Transport		25,000	47,800
Rent		90,000	280,000
Mining License & Royalty		-	541,066
Inspection & Investigation		397,596	-
Total Expense	5.68	1,569,372	4,255,100
Net Income	5.69	(1,569,372)	(3,216,621)

Kegalle MaOya

Income - Sale of sand		-	-
	5.70	-	-
<u>Project Expenses</u>			
Other Allowance & Labour Charge		17,000	-
Travelling & Subsistence		16,905	-
Rent		90,000	-
Legal Fees		3,000	-
Mining License & Royalty		127,931	-
Inspection & Investigation		1,698	-
Total Expense	5.71	256,534	-
Net Income	5.72	(256,534)	-

GSMB TECHNICAL SERVICES (PVT) LTD**Notes to the Accounts - 31st December 2023****Additional Notes to Note No. 5 : Project Income Statements****Sand Mining Sites**

	Notes	January - December 2023	January - December 2022
		Rs.	Rs.
<u>Manampitiya Phase II</u>			
Income - Sale of sand		-	-
	5.73	-	-
<u>Project Expenses</u>			
Welfare		12,800	-
Other Maintenance Charges		1,049,255	-
Mining License & Royalty		1,165,455	-
Total Expense	5.74	2,227,510	-
Net Income	5.75	(2,227,510)	-
<u>Sirimangalapura</u>			
Income - Sale of sand		-	-
	5.76	-	-
<u>Project Expenses</u>			
Salaries		851,766	-
EPF		131,371	-
ETF		32,843	-
COL		242,994	-
Interim Allowance		207,097	-
Site Allowances		34,113	-
Allowances		10,000	-
Fuel		25,795	-
Printing & Stationery		15,887	-
Postage		2,000	-
Welfare		42,390	-
Electricity		9,056	-
Water		6,695	-
Internet Charges		8,100	-
Travelling & Subsistence		10,127	-
Transport		12,516	-
Rent		121,548	-
	5.77	1,764,297	-
	5.78	(1,764,297)	-

GSMB TECHNICAL SERVICES (PVT) LTD**Notes to the Accounts - 31st December 2023****Additional Notes to Note No. 5 : Project Income Statements****Sand Stock Yards**

	Notes	January - December 2023	January - December 2022
		Rs.	Rs.
<u>Hingurakgoda Stock Yard</u>			
Income	5.79	1,769,439	4,587,458
<u>Project Expenses</u>			
Cost of Sale		940,308	3,151,624
Salaries		377,509	715,804
EPF		57,973	110,185
ETF		14,493	27,546
COL		105,600	202,400
Incentive		(9,288)	187,710
Bonus		-	40,000
Interim Allowance		90,000	172,500
Site Allowances		30,000	65,000
Fuel		27,000	39,000
Telephone		6,000	9,000
Printing & Stationery		8,557	1,840
Welfare		18,645	20,910
Electricity		15,369	15,794
Vehicle Maintenance Charges		10,700	5,730
Other Maintenance Charges		11,350	102,845
Insurance		-	9,463
Travelling & Subsistence		7,216	-
Yard transport Hingurakgoda		-	1,037,917
Rent		150,000	300,000
Office Expenses		(42)	(116)
Internet Charges		13,131	3,850
Inspection & Investigation		10,256	-
Loading Charges		9,600	-
Write-off Expenses		40,576	-
TDL Charges		-	13,500
Mineral Tax		8,847	22,937
SSCL		22,118	4,618
Total Expense	5.80	1,965,917	6,260,058
Net Income	5.81	(196,479)	(1,672,600)

GSMB TECHNICAL SERVICES (PVT) LTD**Notes to the Accounts - 31st December 2023****Additional Notes to Note No. 5 : Project Income Statements****Sand Stock Yards**

	Notes	January - December 2023	January - December 2022
		Rs.	Rs.
<u>Medirigiriya Stock Yard</u>			
Income	5.82	2,228,479	6,428,248
<u>Project Expenses</u>			
Cost of Sale		1,098,256	3,211,634
Salaries		208,730	542,230
EPF		31,384	81,964
ETF		7,846	20,492
COL		52,800	140,800
Bonus		-	20,000
Incentive		(5,199)	103,980
Interim Allowance		45,000	120,000
Weekend Allowances		-	975
Site Allowances		45,000	90,000
Allowances		6,000	12,000
Other Allowance & Labour Charge		2,000	-
Fuel		13,500	25,000
Printing & Stationery		4,830	16,658
Postage		200	385
Welfare		16,696	30,735
Electricity		35,008	12,802
Water		2,673	9,733
Travelling & Subsistence		7,216	1,763
Other Maintenance Charges		17,770	95,864
Transport		-	26,500
Security Charges		-	1,150,100
Office Expenses		-	2,327
Yard Transport Medirigiriya		40,500	2,606,750
Internet Charges		9,337	14,247
Subscription & Registration Fee		6,465	4,500
Loading Charges		6,500	-
Inspection & Investigation		10,256	-
TDL Charges		-	15,500
Write-off Expenses		61,283	-
Mineral Tax		11,142	32,141
SSCL		27,856	5,620
Total Expense	5.83	1,763,050	8,394,699
Net Income	5.84	465,428	(1,966,450)

GSMB TECHNICAL SERVICES (PVT) LTD**Notes to the Accounts - 31st December 2023****Additional Notes to Note No. 5 : Project Income Statements****Sand Stock Yards**

	Notes	January - December 2023	January - December 2022
		Rs.	Rs.
<u>Minneriya Stock Yard</u>			
Income	5.85	1,619,143	5,567,994
<u>Project Expenses</u>			
Cost of Sale		911,956	2,944,078
Salaries		220,971	803,254
EPF		33,874	124,255
ETF		8,469	31,064
COL		61,316	232,206
Bonus		-	20,000
Incentive		(4,839)	96,780
Interim Allowance		52,258	190,403
Site Allowances		37,500	60,000
Weekend Allowances		975	-
Allowances		3,000	7,500
Other Allowance & Labour Charge		8,750	-
Fuel		13,500	-
Telephone		1,000	12,000
Printing & Stationery		2,640	18,153
Postage		165	1,525
Welfare		6,403	47,081
Electricity		17,712	15,884
Travelling & Subsistence		7,216	1,541
Other Maintenance Charges		12,740	93,800
Transport		35,000	-
Loading Charges		54,133	-
Rent		113,333	246,452
Security Charges		-	1,148,000
Office Expenses		200	6,380
Yard Transport & TPL Minneriya		-	2,042,167
Internet Charges		3,538	12,401
Subscription & Registration Fee		6,465	4,500
Inspection & Investigation		10,256	-
TDL Charges		-	15,875
Write-off Expenses		136,715	-
Mineral Tax		8,096	27,840
SSCL		20,239	1,855
Total Expense	5.86	1,783,582	8,204,994
Net Income	5.87	(164,439)	(2,637,000)

GSMB TECHNICAL SERVICES (PVT) LTD**Notes to the Accounts - 31st December 2023****Additional Notes to Note No. 5 : Project Income Statements****Sand Stock Yards**

	Notes	January - December 2023	January - December 2022
		Rs.	Rs.
<u>Yakkala Stock Yard</u>			
Income - Sale of sand		5,122,289	12,332,555
Other Income		-	1,828,319
	5.88	5,122,289	14,160,874
<u>Project Expenses</u>			
Cost of Sale		1,609,100	6,250,276
Salaries		591,480	838,366
EPF		91,042	129,116
ETF		22,760	32,279
COL		167,200	237,600
Incentive		154,550	177,303
Bonus		20,000	38,027
Interim Allowance		142,500	202,500
Site Allowances		60,000	65,000
Other Allowance & Labour Charges		-	1,000
Allowances		7,000	15,000
Telephone		17,025	33,348
Printing & Stationery		44,375	20,926
Postage		5,825	14,075
Welfare		40,310	28,495
Electricity		105,649	62,321
Water		32,182	28,933
Travelling & Subsistence		36,247	31,080
Other Maintenance Charges		105,215	315,205
Transport		-	6,000
Office Expenses		2,670	-
Security Charges		689,449	329,055
Internet Charges		8,100	1,550
Subscription & Registration Fee		6,465	59,500
Inspection & Investigation		56,675	74,419
Transport & Loading Yakkala		365,400	7,354,960
License & TPL fee		-	174,422
TDL Charges		22,018	14,540
Write-off Expenses		70,108	-
Mineral Tax		25,613	61,663
SSCL		64,028	34,187
Total Expense	5.89	4,562,985	16,631,145
Net Income	5.90	559,304	(2,470,271)

GSMB TECHNICAL SERVICES (PVT) LTD**Notes to the Accounts - 31st December 2023****Additional Notes to Note No. 5 : Project Income Statements****Sand Stock Yards**

	Notes	January - December 2023	January - December 2022
		Rs.	Rs.
<u>New Town Stock Yard</u>			
Income	5.91	9,169,047	7,958,790
<u>Project Expenses</u>			
Cost of Sale		5,809,676	4,784,198
Salaries		362,200	415,020
EPF		56,136	64,586
ETF		14,034	16,147
COL		105,600	123,200
Bonus		20,000	20,000
Incentive		151,550	90,030
Interim Allowance		90,000	105,000
Site Allowances		60,000	60,000
Fuel		31,500	11,500
Telephone		7,000	3,000
Printing & Stationery		4,300	3,156
Welfare		37,604	9,313
Electricity		86,139	25,939
Other Maintenance Charges		24,970	56,800
Transport		10,000	35,000
Office Expenses		6,128	(40)
Internet Charges		21,582	18,363
Travelling & Subsistence		5,000	-
Subscription & Registration Fee		6,465	4,500
Yard Transport New Town		1,982,500	1,431,975
TDL Charges		22,030	13,500
Mineral Tax		45,845	39,793
SSCL		114,612	17,690
Total Expense	5.92	9,074,871	7,348,670
Net Income	5.93	94,175	610,121

Habarana Stock Yard

Income	5.94	3,286,909	6,859,978
<u>Project Expenses</u>			
Cost of Sale		1,549,045	3,353,387
Salaries		183,660	396,674
EPF		28,375	61,329
ETF		7,094	15,332
COL		52,800	114,400
Incentive		(100,322)	187,560
Bonus		-	40,000
Interim Allowance		45,000	97,500
Site Allowances		30,000	60,000
Other Allowance & Labour Charges		3,500	9,500
Allowances		-	1,000

GSMB TECHNICAL SERVICES (PVT) LTD**Notes to the Accounts - 31st December 2023****Additional Notes to Note No. 5 : Project Income Statements****Sand Stock Yards**

	Notes	January - December 2023	January - December 2022
		Rs.	Rs.
Overtime		-	5,331
Fuel		-	4,500
Telephone		6,000	11,000
Printing & Stationery		7,120	10,492
Postage		-	300
Welfare		25,475	24,647
Electricity		10,083	4,847
Water		2,909	2,080
Internet Charges		13,131	3,850
Travelling & Subsistence		10,301	2,196
Other Maintenance Charges		10,000	43,650
Transport		-	5,000
Rent		180,000	345,000
Office Expenses		470	2,980
Loading Charges		(588)	-
Yard Transport Habarana		375,000	3,059,700
Write-off Expenses		30,580	-
TDL Charges		22,030	13,500
Mineral Tax		16,435	34,300
SSCL		41,086	16,565
Total Expense	5.95	2,549,185	7,926,619
Net Income	5.96	737,724	(1,066,641)

Kegalle Stock Yard

Income - Sale of sand		384,348	7,370,852
Other Income		-	2,219
	5.97	384,348	7,373,071

Project Expenses

Cost of Sale		183,312	4,793,302
Salaries		468,750	685,720
EPF		72,090	105,518
ETF		18,023	26,380
COL		132,000	193,600
Incentive		(9,408)	188,160
Bonus		-	40,000
Interim Allowance		112,500	165,000
Weekend Allowances		-	25,350
Site Allowances		52,500	82,500
Allowances		1,750	-
Overtime		-	34,871
Other Allowance & Labour Charge		31,000	12,200
Printing & Stationery		31,428	25,052
Postage		-	8,870
Electricity		7,182	3,250
Water		9,116	6,033
Internet Charges		13,131	3,850

GSMB TECHNICAL SERVICES (PVT) LTD**Notes to the Accounts - 31st December 2023****Additional Notes to Note No. 5 : Project Income Statements****Sand Stock Yards**

	Notes	January - December 2023	January - December 2022
		Rs.	Rs.
Travelling & Subsistence		15,090	12,196
Rent		150,000	120,000
Security Charges		289,279	314,591
Office Expenses		(1,255)	-
Legal Fees		5,000	-
Inspection & Investigation		28,307	54,200
License & TPL fee		-	12,375
Subcontractor Payment		132,429	921,195
Yard transport Kegalla		-	392,322
Mineral Tax		1,922	36,854
SSCL		4,804	71
Total Expense	5.98	1,748,950	8,263,460
Net Income	5.99	(1,364,602)	(890,389)

Ambathale Stock Yard

Income		3,737,338	11,844,160
Other Income		-	1,112
	5.100	3,737,338	11,845,272
Project Expenses			
Cost of Sale		2,753,713	6,454,925
Salaries		175,500	604,453
EPF		28,452	94,184
ETF		7,113	23,546
COL		61,600	180,409
Incentive		(3,750)	75,000
Interim Allowance		52,500	153,758
Weekend Allowances		-	12,675
Site Allowances		-	64,000
Allowances		-	8,533
Overtime		-	22,193
Printing & Stationery		1,917	40,087
Welfare		31,008	9,905
Travelling & Subsistence		22,200	36,029
Other Maintenance Charges		3,500	-
Inspection & Investigation		23,864	86,970
License & TPL fee		-	54
TDL Charges		-	17,300
Subcontractor Payment		393,173	1,570,352
Yard Transport Ambathale		-	1,959,676
Stamp Duty		-	7,200
Mineral Tax		18,687	59,221
SSCL		46,715	15,778
Total Expense	5.101	3,616,192	11,496,247
Net Income	5.102	121,146	349,025

GSMB TECHNICAL SERVICES (PVT) LTD
Notes to the Accounts - 31st December 2023

Notes	January - December 2023	January - December 2022
	Rs.	Rs.
Note 6 : Operating Expense		
Cost of Sale	579,375,554	579,575,447
Salaries	45,306,928	66,126,017
EPF	6,626,897	10,123,374
ETF	1,656,724	2,530,965
COL	10,498,268	16,962,535
Bonus	1,501,929	2,306,137
Incentive	15,604,945	11,495,380
Professional Allowance	1,041,677	1,324,349
Interim Allowance	9,152,400	11,954,948
Weekend Allowances	1,004,751	1,499,718
Site Allowances	2,418,808	3,043,361
Allowances	2,574,146	7,659,006
Other Allowance & Labour Charges	509,750	465,700
Overtime	1,149,149	1,825,863
Fuel	3,773,580	5,910,795
Telephone	162,153	229,545
Printing & Stationery	2,915,851	2,752,165
Postage	75,246	123,682
Welfare	2,038,003	1,844,633
Electricity	1,667,203	845,394
Water	131,203	86,242
Consultation Charges	25,000	2,789,000
Travelling & Subsistence	3,973,306	4,355,736
Vehicle Maintenance Charges	164,470	623,307
Other Maintenance Charges	5,497,312	2,166,067
Drone Expenses	167,618	7,896
Payment for Estimations	2,993,500	2,261,000
Insurance	76,299	160,666
Transport	7,282,984	10,597,770
Rent	3,312,881	4,087,468
Security Charges	5,372,128	9,721,896
Legal Fees	33,000	-
Translation Charges	30,000	-
Site Preparation Expenses	520,000	-
Feasibility Studies	10,256	-
Lab & Data Acquisition	67,800	-
Water Bowser Expenses	2,064,150	1,373,900
Inspection & Investigation	8,530,487	10,728,951
Mining License & Royalty	78,072,349	63,697,446
Office Expenses	230,950	530,472
Cook Allowance	434,903	373,200
Chemical Charges	307,680	1,133,000
Wild Life Charges	27,059,603	22,362,887
GSMBTS Loader Expense	5,300	13,260
GSMBTS Tipper Expenses	1,745,850	186,129
Internet Charges	354,404	359,371

GSMB TECHNICAL SERVICES (PVT) LTD**Notes to the Accounts - 31st December 2023**

Notes	January - December 2023	January - December 2022
	Rs.	Rs.
Yard Transport	2,763,400	-
Yard Transport & TPL Minneriya	-	2,042,167
Yard Transport Medirigiriya	-	2,606,750
Yard Transport Aralaganwila	-	1,133,600
Yard Transport Ambathale	-	1,959,676
Yard Transport Kegalla	-	392,322
Yard Transport Hingurakgoda	-	1,037,917
Yard Transport Manampitiya	-	64,800
Yard Transport New Town	-	1,431,975
Yard Transport Habarana	-	3,059,700
Transport & Loading Yakkala	-	7,354,960
Labour Charges Kanthale	-	4,000
Mahaweli Authority Expenses	125,000	6,268,806
Mineral Tax	5,351,289	4,846,491
Hiring Equipment/Other	282,000	110,500
Power Auger Expenses	39,866	57,960
License & TPL fee	71,915	371,391
TDL Charges	70,236	132,715
Tractor Payment Boaththa	-	537,200
Generator Expenses	90,500	105,728
Loading Charges	62,123,880	39,738,737
Stamp Duty	-	7,200
Rehabilitation	860,450	2,706,325
Subscription & Registration Fee	158,311	266,975
Subcontractor Payment	525,602	32,753,672
LDF	20,691,900	13,525,050
SSCL	15,034,575	3,407,235
Environment Monitoring Meeting	444,000	-
Sand Stock Write-off	339,263	-
Shifting expenses to GSMB	233,247	-
Total Operating Expenses	946,722,830	992,138,528

Note 7 : Other Non Operating Income

Interest State Mortgage Bank	1,111,089	577,940
Interest People's Bank	49,936,480	31,972,773
Interest Bank Of Ceylon	22,259,427	5,832,192
Interest Distress Loan	590,329	562,224
People's Bank Savings A/C	857,112	252,542
BOC Savings A/C	526	152
Finance Income	74,754,963	39,197,823

GSMB TECHNICAL SERVICES (PVT) LTD**Notes to the Accounts - 31st December 2023**

Notes	January - December 2023	January - December 2022
	Rs.	Rs.
Income - Tender Deposit	78,261	96,175
Miscellaneous Income	36,710	34,963
Over Provision-Doubtful Debtors	13,716,136	1,783,564
Gain/(Loss) on Asset Disposal	149,266	-
Non Refundable Tipper Deposit	295,652	-
Other Income	14,276,026	1,914,701
Total Other Non Operating Income	89,030,988	41,112,524

Note 8 : Administration Expenses

Salaries	18,352,833	19,341,879
EPF	2,714,457	2,685,397
ETF	703,086	581,943
COL	4,121,582	4,559,178
Incentive	8,261,827	4,088,080
Bonus	738,685	716,942
Professional Allowance	414,468	378,032
Interim Allowance	3,677,329	3,854,996
Weekend Allowance	521,258	327,128
Site Allowance	578,500	463,645
Other Allowances & Labour Charges	109,000	110,500
Allowances	3,658,434	4,202,098
Overtime	1,294,545	926,741
Professional Fees	200,000	55,000
Fuel	1,754,080	3,508,254
Telephone	681,277	522,886
Printing & Stationery	4,121,077	3,708,805
Postage	335,693	508,593
Welfare	3,483,448	1,789,744
News Papers & Periodicals	96,690	67,960
Electricity	2,593,867	1,398,521
Travelling & Subsistence	1,002,152	918,682
Other Maintenance Charges	679,189	1,193,222
Advertising	1,282,907	1,730,975
Board & Committee Fees	864,000	884,315
Training & Development	117,229	744,176
Insurance	8,764,245	5,889,100
Transport	12,193,441	5,526,058
Rent	4,685,000	3,600,000
Security Charges	1,131,067	889,881
Secretarial Fees	238,100	271,900
Legal Fees	603,600	394,500
Depreciation	11,613,812	15,701,298
Office Expenses	245,032	167,173
Subscription and Registration Fees	590,215	233,308
Audit Fees	821,024	1,236,142
Cleaning Services	1,329,995	1,267,800

GSMB TECHNICAL SERVICES (PVT) LTD**Notes to the Accounts - 31st December 2023**

	Notes	January - December 2023	January - December 2022
		Rs.	Rs.
Internet Charges		367,791	338,386
Generator Expenses		15,450	26,600
Gratuity		2,682,754	1,665,235
Translation Charges		229,718	32,518
Business Promotion Expenses		677,837	303,500
Awareness Programs Expenditure		-	431,250
Write Off Expense		-	1,176,382
Bad Debts		3,677,369	21,247
Web Site Maintenance		124,700	124,200
Stamp Duty		325	375
SSCL		9,348	12,896
Water		8,313	-
Vehicle Maintenance Charges		1,800	-
AGM Expenses		42,278	-
Vehicle Expenses - KA-3327		623,540	-
Shifting expenses to GSMB Main Building		5,591,256	-
Consumable Stock - Damage Items		239,057	-
CEO & Guest Refreshment		26,257	-
Total Administration Cost		118,890,937	98,577,440
Note 9 : Finance Cost			
Bank Charges		194,922	363,236
Total Finance Cost		194,922	363,236
Note 10 : Income Tax Expense			
Income Tax for the Year		36,141,768	26,451,091
(Over)/Under Provision		(56,891)	(337,599)
Increase of Deferred Tax Asset			
Deferred Tax Asset - 2021		-	16,353,544
Deferred Tax Asset - 2022		17,793,704	(17,793,704)
Deferred Tax Asset - 2023		(16,981,478)	-
Deferred Taxation Charge / (Reversal)		812,226	(1,440,160)
Decrease of Deferred Tax Liabilities			
Deferred Tax Liabilities - 2021		-	(585,683)
Deferred Tax Liabilities - 2022		(285,153)	285,153
Deferred Tax Liabilities - 2023		152,428	-
		(132,724)	(300,530)
Income Tax Expense		36,764,379	24,372,802

GSMB TECHNICAL SERVICES (PVT) LTD
Notes to the Accounts - 31st December 2023

Notes	January - December 2023	January - December 2022
	Rs.	Rs.
Note 11 : Prior Year Adjustments (PYA)		
Reversal of Sundry Payable - Geological Mapping of Calcite Deposit Balangoda	50,000	-
Refund from GSMB for Yan Oya License	170,000	-
Revisal of Provision for Penalty on Taxes	158,128	
Excess Liabilities	-	11,034,749
Total Income Recognized As PYA	378,128	11,034,749
Rehabilitation	-	(10,829,734)
Inspection Charges	(27,360,000)	-
Correction of VAT for the QE 1810	(4,154,460)	(1,975,044)
Correction of VAT for the QE 1910	(3,439,619)	
Correction of SVAT for the QE 1610	(142,801)	
Correction of Income Tax Expense for the Y/A 16/17	(1,614,961)	-
Correction of Income Tax Expense for the Y/A 18/19	(7,315,629)	
Correction of SVAT for the QE 1910	(267,903)	
Telephone Expenses	(6,197)	-
CEA Clearance	-	(37,448)
Rent	(226,500)	(53,548)
Transport Charge	(120,300)	-
Mahaweli Authority	-	(2,719,944)
Fuel Expenses	-	(42,630)
Total Expenses Recognized As PYA	(44,648,371)	(15,658,348)
Net Prior Year Adjustments	(44,270,243)	(4,623,599)

GSMB TECHNICAL SERVICES (PVT) LTD**Notes to the Accounts - 31st December 2023****Note 12 : Property, Plant & Equipment**

Cost	Balance as at 01.01.2023 (Rs.)	Additions (Rs.)	Write Off / Disposal / Transfers (Rs.)	Balance as at 31.12.2023 (Rs.)
Office Partitioning	23,283,343	110,560	95,000	23,298,903
Name Board	1,684,881	-	21,190	1,663,691
Furniture & Fittings	9,536,790	228,152	580,245	9,184,697
Computer & Accessories	21,548,864	794,740	2,939,852	19,403,752
Office Equipment	15,107,789	1,564,858	1,673,815	14,998,832
Field Equipment	57,362,868	1,050,622	2,244,305	56,169,185
Motor Vehicles	18,911,962	1,800,000	-	20,711,962
Laboratory Equipment	1,334,593	-	15,205	1,319,388
Communication Equipment	443,988	-	-	443,988
	149,215,078	5,548,932	7,569,612	147,194,398

Depreciation	Balance as at 01.01.2023 (Rs.)	Charges for the Year (Rs.)	Write Off / Disposal / Transfers (Rs.)	Balance as at 31.12.2023 (Rs.)	Net Book Values 31.12.2023 (Rs.)
Office Partitioning	21,719,710	1,286,012	95,000	22,910,722	388,181
Name Board	1,598,791	49,880	21,190	1,627,481	36,210
Furniture & Fittings	8,282,269	690,235	580,245	8,392,259	792,438
Computer & Accessories	18,141,678	1,793,141	2,939,508	16,995,311	2,408,441
Office Equipment	12,115,196	1,635,775	1,672,149	12,078,822	2,920,010
Field Equipment	45,218,986	5,929,105	2,244,305	48,903,785	7,265,400
Motor Vehicles	18,911,962	112,500	-	19,024,462	1,687,500
Laboratory Equipment	1,328,426	6,167	15,205	1,319,388	-
Communication Equipment	273,117	110,997	-	384,114	59,874
	127,590,135	11,613,812	7,567,602	131,636,345	
Net Book Value	21,624,943				15,558,053

GSMB TECHNICAL SERVICES (PVT) LTD**Notes to the Accounts - 31st December 2023****Note 12 : Property, Plant & Equipment**

Note 12.1 : During the year, the company acquired Property, Plant and Equipment aggregate value of Rs. 5,548,932/- (2022 - Rs. Rs. 8,555,973/-).

Note 12.2 : Property, Plant and Equipment includes fully depreciated assets that are still in use having a gross carrying amount of Rs.107,024,750/- (2022 - Rs. Rs. 90,645,552/-).

Note 12.3 : The Re-valuation was not considered as of 31st December 2023. Since it is assumed that the carrying value of Property, Plant, and Equipment is not materially different from the fair value under SLASSMEs 17.15B.

Note 13: Deferred Tax Computation

Asset Category	Book WDV	Tax WDV	Difference	Deferred Tax	Deferred Tax	
	31.12.2023	31.12.2023		30%	Asset	Liability
Office Partitioning	388,181	9,873,182	(9,485,001)	(2,845,500)	2,845,500	-
Name Board	36,210	34,909	1,301	390	-	390
Furniture & Fittings	792,438	800,574	(8,136)	(2,441)	2,441	-
Computer & Accessories	2,408,441	2,801,412	(392,971)	(117,891)	117,891	-
Office Equipment	2,920,010	2,657,386	262,624	78,787	-	78,787
Field Equipment	7,265,400	7,133,731	131,669	39,501	-	39,501
Motor Vehicles	1,687,500	1,575,000	112,500	33,750	-	33,750
Laboratory Equipment	-	-	-	-	-	-
Communication Equipment	59,874	88,798	(28,924)	(8,677)	8,677	-
	<u>15,558,053</u>	<u>24,964,991</u>			<u>2,974,510</u>	<u>152,428</u>

Defined Benefit Plan	26,306,970	-	26,306,970	7,892,091	7,892,091	-
Provision for Doubtful Debts	20,382,923	-	20,382,923	6,114,877	6,114,877	-
Taxable Loss	-	-	-	-	-	-
					<u>14,006,968</u>	-
					<u>16,981,478</u>	<u>152,428</u>

GSMB TECHNICAL SERVICES (PVT) LTD
Notes to the Accounts - 31st December 2023

	Balance as at 31.12.2023	Balance as at 31.12.2022
	Rs.	Rs.
Note 14 : Inventories		
Sand Stock at Hingurakgoda	-	1,045,306
Sand Stock at Yakkala	-	1,251,143
Sand Stock at Minneriya	-	1,119,646
Sand Stock at Medirigiriya	-	1,104,384
Sand Stock at Kanthale	10,603,916	10,603,916
Sand Stock at New Town	15,015	217,250
Sand Stock at Muthur	-	18,800
Sand Stock at Habarana	-	1,065,314
Sand Stock at Kegalle	-	182,058
Sand Stock at Ambathale	-	130,780
Consumable Stock	6,180,372	6,423,546
Total Inventories	16,799,303	23,162,142

Note 15 : Trade Receivables

A.M.Somawathi	88,562	88,562
Access Logistics Park Ekala (Pvt) Ltd	-	314,700
Ashoka Senadeera	308,359	308,359
B A Kanthi	49,950	49,950
B.C.Maduranga	-	14,154
B.J.Engineering	57,110	57,110
B.P.Gunaratna Company (Pvt) Ltd	314,245	314,245
Blue Ocean Group of Companies	62,076	62,076
Boulder Mix (Pvt) Ltd	-	149,795
C.Nihal Muthukumarana	3,785	3,785
C.P.Jayasinghe	26,798	26,798
Cargills Foods Company (Pvt) Ltd	-	14,153
CATIC	-	79,423
China Harbour Eng.Com.Ltd (Leenawatta)	645,179	1,100,859
China Machinery Engineering Corporation	5,508	5,508
China National Electric Eng.Com.Ltd	-	1,361,054
China State Cons. Eng. Cor.Ltd	6,344,066	6,726,627
China State Cons. Eng. Cor.Ltd - Hambanthota Gravel	-	11,730
China State Construction Engi.Corpo.Ltd	1,101,615	924,128
D.P.Jayasinghe Piling Co. (Pvt) Ltd	-	1,372,989
D.Wanniarachchi	-	56,615
Damsila Exports (Pvt) Ltd	1,494,500	1,494,500
E.D.P.N. Ruwan Pathirana	-	11,917
Eastern Minerals (Pvt) Ltd	1,359,750	1,359,750
ESR Kelaniya Logistics Park (Pvt) Ltd	432,300	3,336,487
G.Murugeshwaram	51,240	51,240
G.Srikandarajah	-	679,308
Gunasena Mallawarachchi	117,300	117,300
Global Group of Companies	-	26,784
H.A.W.Hapuarachchi	18,410	-

GSMB TECHNICAL SERVICES (PVT) LTD**Notes to the Accounts - 31st December 2023**

	Balance as at 31.12.2023	Balance as at 31.12.2022
	Rs.	Rs.
H.Chamidu Sujana Mendis	7,400	7,400
H.L.Sumanasiri	163,504	163,504
H.M.K.P.L.D.H. Rathkinda	64,915	64,915
I.B.J.C.Samarasinghe	208,881	208,881
J.P.K.L.Engineering & Developers (Pvt) Ltd	97,652	97,652
Jacob Sienna Leisure (Pvt) Ltd	435,675	435,675
K.A.Karunadasa	40,000	40,000
K.D.A.Weerasinghe & Co. (Pvt) Ltd - Batapola	341,154	361,000
K.D.A.Weerasinghe (Pvt) Ltd	187,765	157,919
K.D.A.Weerasinghe (Pvt) Ltd (Madawachchiya)	88,822	88,822
K.D.Ebert & Sons Holding (Pvt) Ltd	392,000	392,000
K.D.Ebert & Sons Holding (Pvt) Ltd - CEP	1,055,924	-
K.M.Nandasara	307,745	307,745
K.Sivanatham	129,060	129,060
Kumagai Gumi Co.Ltd	-	13,910
Lalinda Liyanage	174,154	174,154
Lalithweera Wanniarachchi	-	49,538
Lanka Mineral Sands Limited	116,185	514,845
Leading Crusher Works	84,000	84,000
Limor Lanka (Pvt) Ltd	727,358	727,358
Link engineering (Pvt)Ltd	-	70,872
M.A.I.M.P.Kumara	156,800	156,800
M.D.E Kodithuwakku	34,800	34,800
M.L.Jayarathne	-	21,948
M.N.S.Kumari	17,300	57,883
M.R.Sri Lal	392,376	392,376
M.S.D.Perera	165,189	165,189
Maga Engineering (Pvt) Ltd	394,905	315,505
Maga Eng. Pvt Ltd - Star Class Hotel	899,692	-
Metal Mix (Pvt) Ltd	-	42,462
Milroy Auto Engineers	-	5,851
Ministry of Environment	-	1,403,600
Mulathivu Sand Debtors	-	99,000
Nawaloka Construction Company (Pvt) Ltd	1,121,332	4,067
NEM Construction (Pvt) Ltd	165,923	48,000
NEM Construction (Pvt) Ltd - Pothuhera	1,124,806	945,110
NEM Construction (Pvt) Ltd - Bopitiya	88,462	648,718
Nimal Enterprises	645,059	628,019
Nimal Enterprises - Diddeniya	172,144	172,144
Office of the Chief Secretary - Anuradhapura	-	6,958
Olympus Construction (Pvt) Ltd	65,013	65,013
Orial Construction	-	11,936
P.Achila Udara	90,000	90,000
P.M.D.Fernando	114,968	114,968
PGP Glass Ceylon PLC	87,683	175,366
Prime Logistic Services Inter. (Pvt) Ltd	-	78,000
Rasika Gayan Ekanayake	56,000	56,000
Reliance Holding	-	9,000
Road Development Authority	1,488,785	1,657,600

GSMB TECHNICAL SERVICES (PVT) LTD**Notes to the Accounts - 31st December 2023**

	Balance as at 31.12.2023	Balance as at 31.12.2022
	Rs.	Rs.
Road Development Authority (OCHP)	-	326,340
Romax Construction (Pvt.) Ltd	311,202	311,202
RR Construction (Pvt) Ltd	1,081,873	1,514,631
S.D.P.De Silva	50,000	50,000
S.K.D.Lakshman	296,619	296,619
S.K.Subasinghe	41,625	41,625
Senura Holdings (Pvt) Ltd	85,704	85,704
Senura Trading (Pvt) Ltd	209,027	209,027
Sinohydro Corporation Limited	201,255	-
Sky Enterprises	524,117	524,117
Sri Lanka Navy	52,200	-
Sri Lanka Ports Authority	1,969,710	1,969,710
Tasma International Multy Ser.(Pvt) Ltd	36,797	36,797
Thirupathi Constructions	104,070	104,070
Thilina Construction	95,601	-
Three Sanka Holdings Lanka (Pvt) Ltd	38,187	38,187
TMC Company Ltd	-	20,514
Tudawe Brothers (Pvt)Ltd	-	5,882
U.V.Buddika Ravindra	507,002	507,002
United Granite Products (Pvt) Ltd	112,387	112,387
Vista Venture International Pvt. Ltd	32,258	32,258
VSS Products (Pvt) Ltd	24,923	37,143
W.A.Dinesh Udaya Kumara	991,937	991,937
W.A.Pushpakumara	-	33,600
W.S.Padmalal	56,656	56,656
Walkers Piling (Pvt) Ltd	-	16,480
Yahangala Estate	159,797	159,797
Total Trade Receivables	31,367,131	39,097,154

Note 15.1

Gross Trade Receivables (Note 15)	31,367,131	39,097,154
Less: Provision for Impairment of Trade Receivables (Note 15.2)	(20,382,923)	(27,413,034)
Net Trade Receivables	10,984,208	11,684,120

Note 15.2**Provision for Impairment of Trade Receivables**

As at 31st December 2023, The impairment of trade receivables, is as follows: The following two tables shows the policy changes effect,

Period	Total	Under New Policy - Past Due Effect						
		Less than 180 Days	181-365 Days	366-730 Days	731-1095 Days	1096-1460 Days	1461-1825 Days	Above 1826 Days
As At 31st December 2023	20,382,923	-	1,841	86,460	33,696	1,396,170	3,802,929	15,061,827
As At 31st December 2022	21,559,848	-	147,771	19,235	998,306	3,175,161	3,425,496	13,793,878

Period	Total	Under Old Policy - Past Due Effect					
		Less than 60 Days	61-120 Days	121-180 Days	181-240 Days	241-360 Days	Above 361 Days
As At 31st December 2022	27,413,034	-	42,660	345,367	85,800	979,583	25,959,625

GSMB TECHNICAL SERVICES (PVT) LTD
Notes to the Accounts - 31st December 2023

	Balance as at 31.12.2023	Balance as at 31.12.2022
	Rs.	Rs.
Note 16: Other Receivables		
Other Advance	95,865	168,677
Festival Advance	32,250	115,250
Rent Advance	-	1,007,000
Distress Loan	11,931,875	11,390,180
Boat Loan	-	220,661
Advance (Purchases)	105,000	105,000
Prepayment Insurance	9,253,715	6,063,265
Prepaid Tax	19,817,057	18,709,782
Petty Cash Advance	14,284	-
Receivable Deposit	394,379	700,000
Deposit - Mulative Gravel Project	400,000	400,000
Interest Receivable	24,798,972	30,061,150
Fuel Deposit	700,000	1,457,370
Prepayment Mining License	157,115	157,115
Salary Advance	64,600	25,670
TPL Advance	117,681	77,410
Advance Mahaweli Authority	2,334,000	2,334,000
WHT Receivable	3,940,318	-
Receivable for stock shortage	113,738	-
Inspection Advance	-	16,000
Total Other Receivables	74,270,848	73,008,530
Note 17 : Amount Due from Related Parties		
Geological Survey & Mines Bureau	-	6,686,025
Less: Provision for impairment of Due from Related Parties (Note 17.1)	-	(6,686,025)
Net Amount Due from Related Parties	-	-
Other Receivables - Yan Oya Accommodation	-	150,000
- Foreign Travel Reimbursement	884,231	-
- Royalty Excess Receivable	5,794,944	-
- HR Assessment of GSMB	-	400,000
- Mining License Mundeniaru	-	995,522
Net Amount Due from Related Parties	6,679,175	1,545,522

GSMB TECHNICAL SERVICES (PVT) LTD**Notes to the Accounts - 31st December 2023****Note 17.1****Provision for impairment of Amounts Due from Related Parties**

As at 31st December 2023, The impairment of trade receivables, is as follows: The following two tables shows the policy changes effect,

Period	Total	Under New Policy - Past Due Effect						
		Less than 180 Days	181-365 Days	366-730 Days	731-1095 Days	1096-1460 Days	1461-1825 Days	Above 1826 Days
As At 31st December 2023	-	-	-	-	-	-	-	-
As At 31st December 2022	5,814,230	-	-	7,149	-	1,264,796	-	4,542,285

Period	Total	Under Old Policy - Past Due Effect					
		Less than 60 Days	61-120 Days	121-180 Days	181-240 Days	241-360 Days	Above 361 Days
As At 31st December 2022	6,686,025	-	-	-	-	-	6,686,025

	Balance as at 31.12.2023	Balance as at 31.12.2022
	Rs.	Rs.
Note 18 : Investments		
Fixed Deposit - People's Bank	270,000,000	248,530,198
Fixed Deposit - BOC	120,437,500	65,000,000
Fixed Deposit - State Mortgage Bank	6,203,753	5,013,133
	396,641,253	318,543,331

Note 19 : Cash & Cash Equivalents

People's Bank C/A No. 337100140000881	197,732	16,117,412
People's Bank S/A No. 337200140004454	5,034,448	61,647,994
Bank of Ceylon C/A No. 89636201	41,728	529,625
Bank of Ceylon S/A No. 89633196	19,651	20,152
Sampath Bank C/A No. 001710004982	10,373,698	974,791
Total Cash & Cash Equivalents	15,667,257	79,289,973

Note 20 : Stated Capital

600,000 Shares @ Rs.10.00 (Note 20.1)	6,000,000	6,000,000
	6,000,000	6,000,000

Note 20.1 : Share Holding (No of Shares)

Geological Survey & Mines Bureau	400,000	400,000
Lanka Phosphate Ltd.	100,000	100,000
National Gem & Jewellery Authority	100,000	100,000
	600,000	600,000

Note 20.2 : Authorized Share Capital

2,000,000 Shares @ Rs.10.00 = Rs.20,000,000.

GSMB TECHNICAL SERVICES (PVT) LTD**Notes to the Accounts - 31st December 2023**

	Balance as at 31.12.2023	Balance as at 31.12.2022
	Rs.	Rs.
Note 21 : Defined Benefit Plan		
Balance as at 01st January 2023	25,944,060	25,155,530
Add: Expenses On Defined Benefit Plan	2,682,754	1,665,235
	28,626,814	26,820,765
Less: Benefits Paid	(2,319,844)	(876,705)
Balance as at 31st December 2023	26,306,970	25,944,060

Note 22: Trade Payables

Creditors Manampitiya	-	3,361,150
Wild Life Manampitiya	9,816,400	14,271,516
Wild Life Kanthale	-	225,080
LDF - Manampitiya Phase I	3,156,450	3,365,850
Loading Charges Manampitiya	435,186	-
Mahaweli Authority - Kanthale	100,000	-
Retention Payable	1,639,857	1,776,857
Advance Received on Projects 22.1	20,912,362	24,456,546
Refundable Deposit - Full Body Lorries	648,000	648,000
Refundable Tender Deposit	117,500	98,617
Performance Bond	376,000	655,000
Refundable Bid Bond	567,000	1,068,000
Total Trade Payable	37,768,755	49,926,615

Note 22.1 : Advance Received on Projects

Mining Projects	9,688,220	8,591,688
Geological Projects	4,286,681	8,389,310
Other	6,937,462	7,475,548
Total Advance Received on Projects	20,912,362	24,456,546

Note 23 : Accruals & Other Payables

Staff Salary Payable	101,310	125,759
EPF Payable	1,139,899	1,470,235
ETF Payable	170,985	220,535
Incentive Payable	24,489,400	15,693,303
Bonus Payable	-	179,267
Stamp Duty	43,185	67,700
Staff Welfare Contribution	29,775	24,250
Provision for Penalty on Tax in Default	-	158,128
Accrued Audit Fees	1,222,716	1,343,692
Accrued Mineral Tax	796,194	1,245,663
Accrued Expenses	4,966,116	11,596,554
Accrued Income Tax 23.1	36,141,768	26,451,091
Sundry Payables	94,225	50,000
SSCL Control	574,388	1,236,181
VAT Control	11,392,559	12,914,765

GSMB TECHNICAL SERVICES (PVT) LTD**Notes to the Accounts - 31st December 2023**

	Balance as at 31.12.2023	Balance as at 31.12.2022
	Rs.	Rs.
AIT	499,489	-
APIT	56,774	-
Insurance	3,176,587	-
Petty Cash Advance	-	12,916
Total Accruals & Other Payables	84,895,370	72,790,039
Note 23.1 : Accrued Income Tax		
Income Tax Payable	36,141,768	26,451,091
	36,141,768	26,451,091
Note 24 : Amount Due To Related Parties		
Mining License & Royalty	-	19,943,034
Inspection Charges Payable	1,487,602	22,894,913
GSMB - Penalty on Royalty	-	1,513,857
Total Amount Due To Related Parties	1,487,602	44,351,804

GSMB TECHNICAL SERVICES (PVT) LTD**Notes to the Accounts - 31st December 2023****Note 25 : Events Occurring After the Reporting Period**

There have been no material events occurred after the Reporting Period.

Note 26 : Transactions with Key Management Personnel of the Company

Key Management Personnel (KMPs) are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the company. Such key management personnel of the company are the members of its Board of Directors and the members of corporate management, that of its parent, and Chief Executive Officer, Independent Transactions with Key Management Personnel and transactions with the Close Family Members (CFMs) of the KMPs , if any, also been have taken into consideration in the following disclosure.

Name	Designation	Period	Payment (Rs.)
Mr.R. Sanjeevan	Chairman	Janu.- Nov.2023	1,203,990
Mr.P.D.Mahaarachchi	Act.CEO	Jan. 2023	150,776
Mr.H.M Jayarathna	CEO	Feb - Aug. 2023	1,965,171
Mr.Iqbal Hassaen	Director	Jan. - Aug.2023	128,000
Mr.Iqbal Hassaen	CEO	Sep. - Dec.2023	983,840
Ms.G.A.M.S.P.Abanwala	Director	Jan - Dec 2023	176,000
Ms.A.A.T.Adhikari	Director	Feb - Dec 2023	224,000
Mr.Viraj De Silva	Director	Jan - Dec 2023	208,000
Total			5,039,777

Note 27 : Commitments & Contingencies**Performance Bond**

There was no issued performance bonds as at 31.12.2023.

Litigation

Following Court actions have been initiated against the Company. As at 31/12/2023, it is uncertain obligation or a present obligation that was not recognized due to settlement amount cannot be measured reliably and not probable that the entity will be required to transfer resources embodying economic benefits in settlement.

<u>Case Detail (Against Cases)</u>	<u>Court</u>	<u>Progress (Initial/Trial/Calling/ Final Stage)</u>
Traffic Tours, Travels and Transport Services (Pvt) Ltd. Vs GSMBTS	Nugegoda DC	Calling Stage
Rufus Sarath Anthony Vs GSMBTS	Homagama LT	Calling Stage
Mr. S.T Kalubandara Vs GSMBTS	Supreme Court	Initial
Mr. S.T Kalubandara Vs GSMBTS & GSMB	Borralle DC	Initial

Note 28 : Earnings Per Share

Basic Earnings Per Share is calculated by dividing the net profit for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year.

Earnings Per Share	2023	2022
Amounts Used as Numerator-Net Profit/(Loss) Attributable to Ordinary Shareholders	122,969,619	72,708,801
Number of Ordinary Shares Used as Denominator Weighted Average Number of Ordinary Shares in Issue	600,000	600,000
Earnings Per Share	204.95	121.18

Note 29 : Net Assets Per Share

The Net Assets Per Share is arrived by dividing the net asset attributable to the equity holders of the Company by the number of shares of the company.

Net Assets Per Share	2023	2022
Net Assets Attributable to Ordinary Shareholders	402,970,450	353,354,594
Number of Ordinary Shares Used as Denominator Weighted Average Number of Ordinary Shares in Issue	600,000	600,000
Net Asset Per Share	672	589

Note 30 : Related Party Disclosure

- Significant Related Party Disclosure :

The Company carried out following transactions with related parties in the ordinary course of its business on an arms-length basis at commercial rates during the year.

Refer Notes 17 & 24

- Terms and Conditions

Transactions with related parties are carried out in the ordinary course of business on relevant commercial terms. Outstanding balances at the year-end are unsecured and net settlement occurs in cash.

Note 31 : Financial Risk Management Objectives and Policies

The company principal financial liabilities comprise of trade and other payables. The main purpose of these financial liabilities is to finance the company's investments, operations and to provide guarantees to support its operations. The Company has, trade and other receivables and cash and other short - term deposits that arrive directly from its operations. The Company Directors and senior management oversees the management of these risks. The company senior management is supported by the Audit committee that advises on financial risks and the appropriate financial risk governance framework for the company. The Audit committee provides assurance to the Board of Directors that the company financial risk-taking activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with company policies and company risk appetite. The Board of Directors reviews and agrees policies for managing each of these risks which are summarized below:

a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise of four types of risk: interest rate risk, currency risk, commodity price risk and other price risk, such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits with financial institutions.

- **Interest Rate Risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company does not exposure to the risk of changes in market interest rates. The company fixed deposits with fixed interest rates up to each maturity date.

- **Foreign Currency Risk**

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The company does not exposure to the risk of changes in foreign exchange rates. The foreign currency related risks associated with the imports of plant & machinery are within the acceptable range of the company risk appetite and would be accommodated by the project contingency measures.

- **Commodity Price Risk**

The company is principally engaged in sand mining. The project would pay pre-agreed cubes or permit or license wise unit prices for the mining or sales of cubes to the respective government institutions, thus the impact of commodity prices would have material impact on the earnings of the company. All operation activities, prices will be evaluate based on market competition, inflation and other factors.

b) Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The company is exposed to credit risk from its operating activities (primarily for trade receivables) and from its financing activities, including deposits with banks and financial institutions. Customer credit risk is managed by each business unit subject to the company's established policy, procedures and control relating to customer credit risk management.

Financial Instruments and Cash Deposits Credit risk from balances with banks and financial institutions is managed by the company's Finance Department in accordance with the company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the top management on a regular basis. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through potential counterparty's failure.

c) Liquidity Risk

The company monitors its risk to a shortage of funds using continuous cash flow forecasts & cash budgeting. The company's objective is to maintain a balance between continuity of funding and flexibility through the use of working capital loans, short term loans, leases and hire purchase contracts.

Liquidity Risk Ratios	2023	2022
Current Asset = Current assets/ Current liabilities	4.20	3.04
Quick Ratio = (Current Assets - Inventory)/ Current Liabilities	4.06	2.90

GSMB TECHNICAL SERVICES (PVT) LTD**Notes to the Accounts - 31st December 2023****Tax Computation****32. Income Tax**

	Notes	Rs.
Assessable Income from Business Income	33	45,717,596
Assessable Income from Investment Income	33	74,754,963
Total Assessable Income		120,472,558

Deductions

Qualifying Payments	-
Taxable Income	120,472,558

Income Tax Payable @ Effective Rate

1st January 2023 to 31st December 2023	30% 36,141,768
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Tax Credits

	Rs.	
WHT Receivable	3,940,318	
Current Paid	10,080,836	
Total Tax Credits		(14,021,154)
Balance Tax Payable		22,120,613

GSMB TECHNICAL SERVICES (PVT) LTD**Notes to the Accounts - 31st December 2023****Business Income Tax Computation**

<u>33. Business Income</u>	Notes	Rs.
Net Profit / (Loss) Before Taxation		159,733,997
<u>Prior Year Adjustments</u>	10	
Reversal of Sundry Payable - Geological Mapping of Calcite Deposit Balangoc		50,000
Refund from GSMB for Yan Oya License		170,000
Inspection Charges		(27,360,000)
Correction of VAT for the QE 1810		(4,154,460)
Correction of VAT for the QE 1910		(3,439,619)
Correction of SVAT for the QE 1610		(142,801)
Correction of SVAT for the QE 1910		(267,903)
Telephone Expenses		(6,197)
Rent		(226,500)
Transport Charge		(120,300)
Net Business Income Prior to Tax Adjustment		124,236,217
Add:		
Depreciation	12	11,613,812
Gratuity Provision	21	2,682,754
Bonus Provision	6/8	2,240,614
Incentive Provision	6/8	23,866,772
Tax Gain/(Loss) on Asset Disposal		150,177
Total Addition		40,554,128
Deduct:		
Capital Allowances	34	10,821,251
Interest	6	74,754,963
Gratuity Payment	21	2,319,844
Over Provision for Doubtful Debts	7	13,716,136
Accounting Gain/(Loss) on Asset Disposal	7	149,266
Bonus Paid		2,240,614
Incentive Paid		15,070,675
Total Deduction		(119,072,749)
Profit/(Loss) from Trade or Business		45,717,596

GSMB TECHNICAL SERVICES (PVT) LTD
Notes to the Accounts - 31st December 2023
Note 34 : Capital Allowance Details

Asset Classification	Year of Purchase	Tax Allowance Rate	Cost			Capital Allowance				Tax WDV	Disposal Asset Tax WDV
			Purchased Cost of the Asset	Disposal Item Cost on FY 2023	Closing Balance	Opening	Allowance for the year (Addition & Disposals)	Disposed Assets Allowance 2023	Closing		
					As at 31/12/2023	As at 1/1/2023			As at 31/12/2023	2023	2023
					Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Office Partition	2011/12	12.50%	6,655,090	-	6,655,090	6,655,090	-	-	6,655,090	-	-
	2012/13	12.50%	926,013	95,000	831,013	926,013	-	95,000	831,013	-	-
	2017/18	20.00%	2,541,400	-	2,541,400	2,541,400	-	-	2,541,400	-	-
	2018/19	5.00%	3,873,860	-	3,873,860	968,465	193,693	-	1,162,158	2,711,702	-
	2019/20	5.00%	8,214,594	-	8,214,594	1,642,920	410,730	-	2,053,650	6,160,944	-
	2020	5.00%	320,508	-	320,508	48,075	16,025	-	64,100	256,408	-
	2021	5.00%	751,879	-	751,879	75,188	37,594	-	112,782	639,097	-
	2023	5.00%	110,560	-	110,560	-	5,528	-	5,528	105,032	-
			23,393,903	95,000	23,298,903	12,857,151	663,570	95,000	13,425,721	9,873,182	-
Name Board	2010/11	12.50%	393,720	-	393,720	393,720	-	-	393,720	-	-
	2016/17	33.33%	127,140	21,190	105,950	127,140	-	21,190	105,950	-	-
	2018/19	20.00%	964,500	-	964,500	964,500	-	-	964,500	-	-
	2019/20	20.00%	112,249	-	112,249	89,800	22,449	-	112,249	-	-
	2021	20.00%	87,272	-	87,272	34,909	17,454	-	52,363	34,909	-
			1,684,881	21,190	1,663,691	1,610,068	39,904	21,190	1,628,782	34,909	-
Furniture & Fittings	2014/15	12.50%	2,521,408	509,709	2,011,698	2,521,408	-	509,709	2,011,698	-	-
	2015/16	20.00%	221,614	825	220,789	221,614	-	825	220,789	-	-
	2015/16	33.33%	505,000	-	505,000	505,000	-	-	505,000	-	-
	2016/17	20.00%	606,924	5,558	601,367	606,924	-	5,558	601,367	-	-
	2017/18	20.00%	1,287,707	-	1,287,707	1,287,707	-	-	1,287,707	-	-
	2018/19	20.00%	592,482	64,154	528,328	592,482	-	64,154	528,328	-	-
	2019/20	20.00%	2,731,818	-	2,731,818	2,185,456	546,362	-	2,731,818	-	-
	2021	20.00%	119,250	-	119,250	47,700	23,850	-	71,550	47,700	-
	2022	20.00%	950,588	-	950,588	190,118	190,118	-	380,236	570,352	-
	2023	20.00%	228,152	-	228,152	-	45,630	-	45,630	182,522	-
			9,764,942	580,245	9,184,697	8,158,408	805,960	580,245	8,384,123	800,574	-

GSMB TECHNICAL SERVICES (PVT) LTD
Notes to the Accounts - 31st December 2023
Note 34 : Capital Allowance Details

Asset Classification	Year of Purchase	Tax Allowance Rate	Cost			Capital Allowance				Tax WDV	Disposal Asset Tax WDV
			Purchased Cost of the Asset	Disposal Item Cost on FY 2023	Closing Balance	Opening	Allowance for the year (Addition & Disposals)	Disposed Assets Allowance 2023	Closing		
					As at 31/12/2023	As at 1/1/2023			As at 31/12/2023	2023	2023
					Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Computers & Accessories	2015/16	25.00%	5,329,408	2,082,102	3,247,306	5,329,408	-	2,082,102	3,247,306	-	-
	2015/16	25.00%	199,200	-	199,200	199,200	-	-	199,200	-	-
	2016/17	25.00%	378,500	-	378,500	378,500	-	-	378,500	-	-
	2017/18	25.00%	1,853,250	846,450	1,006,800	1,853,250	-	846,450	1,006,800	-	-
	2018/19	20.00%	3,909,006	5,800	3,903,206	3,909,006	-	5,800	3,903,206	-	-
	2019/20	20.00%	4,049,900	5,500	4,044,400	3,239,920	804,480	4,400	4,044,400	-	1,100
	2020	20.00%	3,117,100	-	3,117,100	1,870,260	623,420	-	2,493,680	623,420	-
	2021	20.00%	426,500	-	426,500	170,600	85,300	-	255,900	170,600	-
	2022	20.00%	2,286,000	-	2,286,000	457,200	457,200	-	914,400	1,371,600	-
	2023	20.00%	794,740	-	794,740	-	158,948	-	158,948	635,792	-
			22,343,604	2,939,852	19,403,752	17,407,344	2,129,348	2,938,752	16,602,340	2,801,412	1,100
Office Equipment	2010/11	12.50%	60,420	-	60,420	60,420	-	-	60,420	-	-
	2013/14	12.50%	3,769,696	1,462,617	2,307,079	3,769,696	-	1,462,617	2,307,079	-	-
	2016/17	33.33%	1,118,637	172,524	946,113	1,118,637	-	172,524	946,113	-	-
	2018/19	20.00%	2,490,604	28,674	2,461,930	2,490,604	-	28,674	2,461,930	-	-
	2019/20	20.00%	4,731,870	10,000	4,721,870	3,785,496	946,374	10,000	4,721,870	-	-
	2020	20.00%	505,932	-	505,932	309,558	101,186	-	410,744	95,188	-
	2021	20.00%	740,330	-	740,330	296,132	148,066	-	444,198	296,132	-
	2022	20.00%	1,690,300	-	1,690,300	338,060	338,060	-	676,120	1,014,180	-
	2023	20.00%	1,564,858	-	1,564,858	-	312,972	-	312,972	1,251,886	-
			16,672,647	1,673,815	14,998,832	12,168,603	1,846,658	1,673,815	12,341,446	2,657,386	-
	2010/11	12.50%	2,469,727	793,039	1,676,688	2,469,727	-	793,039	1,676,688	-	-
	2011/12	12.50%	376,234	603,232	(226,997)	376,234	-	603,232	(226,997)	-	-
	2012/13	12.50%	1,217,544	158,201	1,059,343	1,217,544	-	158,201	1,059,343	-	-

GSMB TECHNICAL SERVICES (PVT) LTD
Notes to the Accounts - 31st December 2023
Note 34 : Capital Allowance Details

Asset Classification	Year of Purchase	Tax Allowance Rate	Cost			Capital Allowance				Tax WDV	Disposal Asset Tax WDV
			Purchased Cost of the Asset	Disposal Item Cost on FY 2023	Closing Balance	Opening	Allowance for the year (Addition & Disposals)	Disposed Assets Allowance 2023	Closing		
					As at 31/12/2023	As at 1/1/2023			As at 31/12/2023	2023	2023
					Rs.	Rs.			Rs.	Rs.	Rs.
Field Equipment	2014/15	20.00%	482,153	-	482,153	482,153	-	-	482,153	-	-
	2014/15	33.33%	19,122,604	-	19,122,604	19,122,604	-	-	19,122,604	-	-
	2015/16	12.50%	47,000	-	47,000	47,000	-	-	47,000	-	-
	2015/16	20.00%	83,105	-	83,105	83,105	-	-	83,105	-	-
	2015/16	33.33%	386,986	215,080	171,906	386,986	-	215,080	171,906	-	-
	2016/17	33.33%	2,880,000	-	2,880,000	2,880,000	-	-	2,880,000	-	-
	2016/17	33.33%	2,838,690	474,753	2,363,937	2,838,690	-	474,753	2,363,937	-	-
	2017/18	33.33%	357,028	-	357,028	357,028	-	-	357,028	-	-
	2017/18	33.33%	1,721,576	-	1,721,576	1,721,576	-	-	1,721,576	-	-
	2018/19	20.00%	1,394,771	-	1,394,771	1,394,771	-	-	1,394,771	-	-
	2019/20	20.00%	1,038,500	-	1,038,500	830,800	207,700	-	1,038,500	-	-
	2020	20.00%	18,056,842	-	18,056,842	10,834,102	3,611,368	-	14,445,470	3,611,372	-
	2021	20.00%	1,261,021	-	1,261,021	504,408	252,204	-	756,612	504,409	-
	2022	20.00%	3,629,085	-	3,629,085	725,817	725,817	-	1,451,634	2,177,451	-
	2023	20.00%	1,050,622	-	1,050,622	-	210,124	-	210,124	840,498	-
			58,413,490	2,244,305	56,169,185	46,272,546	5,007,213	2,244,305	49,035,454	7,133,731	-
Motor Vehicles	2015/16	20.00%	905,592	-	905,592	905,592	-	-	905,592	-	-
	2016/17	20.00%	9,025,000	-	9,025,000	9,025,000	-	-	9,025,000	-	-
	2010/11	12.50%	8,981,370	-	8,981,370	8,981,370	-	-	8,981,370	-	-
	2023	12.50%	1,800,000	-	1,800,000	-	225,000	-	225,000	1,575,000	-
			20,711,962	-	20,711,962	18,911,962	225,000	-	19,136,962	1,575,000	-
Laboratory Equipment	2013/14	12.50%	271,500	15,205	256,295	271,500	-	15,205	256,295	-	-
	2014/15	20.00%	120,153	-	120,153	120,153	-	-	120,153	-	-
	2016/17	33.33%	868,940	-	868,940	868,940	-	-	868,940	-	-
	2019/20	20.00%	74,000	-	74,000	59,200	14,800	-	74,000	-	-
			1,334,593	15,205	1,319,388	1,319,793	14,800	15,205	1,319,388	-	-

GSMB TECHNICAL SERVICES (PVT) LTD**Notes to the Accounts - 31st December 2023****Note 34 : Capital Allowance Details**

Asset Classification	Year of Purchase	Tax Allowance Rate	Cost			Capital Allowance				Tax WDV	Disposal Asset Tax WDV
			Purchased Cost of the Asset	Disposal Item Cost on FY 2023	Closing Balance	Opening	Allowance for the year (Addition & Disposals)	Disposed Assets Allowance 2023	Closing		
					As at 31/12/2023	As at 1/1/2023			As at 31/12/2023	2023	2023
			Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Communication Equipment	2020	20.00%	443,988	-	443,988	266,393	88,798	-	355,191	88,798	-
			443,988	-	443,988	266,393	88,798	-	355,191	88,798	-
			154,764,010	7,569,612	147,194,398	118,972,268	10,821,251	7,568,512	122,229,407	24,964,991	1,100

NATIONAL AUDIT OFFICE

My No. : IWM/C/GSMBTS/1/23

Date : 10th of May 2024

Chairman,
GSMB Technical Services (Pvt.) Ltd.

Report of the Auditor General on the Financial Statements and other legal and regulatory requirements of the GSMB Technical Services (Pvt) Ltd for the year ended on 31st December 2023 in terms of Section 12 of the National Audit Act No 19 of 2018.

The report above mentioned is sent herewith.

W.P.C. Wickramaratne
Auditor General

Copies to :-

01. Secretary - Ministry of Environment
02. Secretary - Ministry of Finance Economic Stabilization and National Policies

NATIONAL AUDIT OFFICE

My No. : IWM/C/GSMBTS/1/23

Date : 10th of May 2024

Chairman,
GSMB Technical Services (Pvt.) Ltd.

Report of the Auditor General on the Financial Statements and other legal and regulatory requirements of the GSMB Technical Services (Pvt) Ltd for the year ended on 31st December 2023 in terms of Section 12 of the National Audit Act No 19 of 2018.

1. Financial Statements

1.1 Qualified Audit Opinion

The Audit of Financial Statements of the GSMB Technical Services (Pvt.) Ltd for the year ended on 31st December 2023 comprising the Statement of Financial Position for the 31st December 2023, the Statement of Extended Income and Retained Earnings for the year ended on that date, the Cash Flow Statement, Notes to the Financial Statement and a summary of significant Accounting Policies for the year ended on that date was carried out under my direction in pursuance of provisions of the National Audit Act No 19 of 2018 read together with Article 154 (1) of the Constitution of the Democratic Socialist Republic of Sri Lanka. This report will be tabled in the Parliament in due course as per Article 154 (6) of the Constitution.

In my opinion, except for the effects of the matters described in the section "Basis for the Qualified Audit Opinion" of this report, The Financial Statements of the Company give a true and fair view of the Financial Position of the Company, as at 31st December 2023 and its Financial Performance and the cash flows for the year then ended in accordance with Sri Lanka Accounting Standards for Small and Medium Scale Enterprises.

1.2 Basis for the Qualified Audit Opinion

- a. 1109 items of non-current assets with fully depreciated cost of Rs.90,853,735 as per paragraph 17.19 of Sri Lanka Accounting Standards for Small and Medium Sized Enterprises are still in use by the company but the useful life and scrap value of the assets had not been reassessed to present the fair value in the financial statements.
- b. Although the government share and license fee cost of Manampitiya Sand Project was Rs.86,352,396, the cost had been adjusted Rs.8,280,047 less to the financial statements as Rs.78,072,349 and the profit was overstated in that amount.
- c. In the Kantale sand mining project, which has been in operation since July 10, 2022, although there was no sand stock as of 31st December 2023, the financial statements of the year under review had shown a sand stock value of Rs.10,603,916. As a result, the stock was stated more than that amount and the profit was stated less than that amount in the Financial Statements.

- d. According to the Financial Statements of the Company. Although balances of Rs.6,679,175 due to the company from the Bureau of Geological Survey and Mines and Rs.1,487,602 payable by the company to the bureau There was no balance due from the Bureau to the Company was shown according to the Financial Statements of the Bureau and an amount of Rs. 26,928.891 was shown as the balance due from the Company.
- e. According to the financial statements of the company, the to the Geological Survey and Mines Bureau and the balances due to the company from the bureau are Rs.1,487,602 and Rs. 6,679'175 respectively, but according to the financial statements of the bureau, there was no balance due to the Company and Rs. 26,928,891 was shown as the balance payable by the company.

I have conducted the audit following the Sri Lanka Auditing Standards (SLAS) and my responsibility under these Auditing Standards has been further explained under the section the responsibility of the auditor. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

1.3 **Other details in the Annual Report 2023 of the Company**

Other details, here, means the details included in the Annual Report 2023 of the company expected to be given to me after the date of this audit report but not included in the financial statements and my audit report on that. The management is responsible for other details mentioned here.

My opinions on the financial reports do not cover the other details and I do not express any assurance of any type or an opinion with regard to this.

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

If, while reading the Company's 2023 Annual Report, I conclude that there are material misstatements, those facts must be communicated to the controlling parties for correction. If there are any further uncorrected misstatements, they will be included in the report which I will table in Parliament in due course in terms of Article 154(6) of the Constitution.

1.4 Responsibility of the Management and Authorities of Administration on the Financial Statements

Management is responsible for the preparation and fair presentation of these Financial Statements in accordance with Sri Lanka Accounting Standards for Small and Medium Scale Enterprises, 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.

It is the responsibility of the Management to decide upon the ability of the Company to operate continuously, and the Management is also responsible for accounting on the basis of continuous operation of the Institution and to disclose matters that relate to the continuous operation of the Institute, in every instance other than when the Management decides to liquidate the Institution or to stop operating where no other option is available.

The responsibility of checking over the financial reporting process of the Company is borne by the authorities of management.

The Company has to properly maintain ledgers and reports on its own Income, Expenditure, Assets and liabilities in a manner that the annual and timely financial statements can be prepared in accordance with sub section 16 (1) of the National Audit Act No 19 of 2018.

1.5 Auditor's Responsibility over the audit of financial statements

My objective is to provide a fair confirmation that the financial statements are free from material misstatements arising due to, fraud and error and to issue the auditor's report which includes my opinion. Although reasonable assurance is an assurance of high standard, it will not be an assurance that it will always disclose material misstatements when conducting an Audit as per the Sri Lanka Auditing Standards. Material misstatements may occur due to the individual and collective effects of fraud and error, and it is expected that it may affect the economic decisions taken by the users based on these financial statements.

The Audit conducted by me was done with a professional judgment and skepticism in accordance with the Sri Lanka auditing standards, and further

- For the identification and assessment of quantitative misstatements possible in financial statements due to fraud or error, appropriate audit procedures have been planned and implemented for the finding of a base for the audit opinion expressed. The effect caused by a fraud is powerful comparable to effect of a misstatement causing from error because fraud is usually committed by reasons like collusion, preparation of false documents, intentional avoidance, misstatement or avoidance of internal controls.
- Although an understanding of the internal control of the Institution was procured in order to design audit procedures that are appropriate in the circumstances, it was not intended for making an opinion on the effectiveness of the Institute's internal control.
- The appropriateness of the accounting policies and the fairness of the accounting estimates used and the appropriateness of related disclosures made by the management were evaluated.

- The relevance of using the basis of continuous operation of the Institute for accounting was decided based upon the audit evidence obtained regarding the existence of a quantitative indecision regarding the continuous operation of the Institution, due to instances or circumstances. If I deduce that there is adequate indecision, the attention of my audit report is to be directed at the related disclosures in the financial statements and if the said disclosures are insufficient my opinion has to be modified. However, continuous operation might end upon future incidents or situations.
- The presentation of the Financial Statements including the structure and the content of the financial statements that include the disclosures were evaluated and it was agreed that the transactions and instances that provided a base for that were entered in a suitable and a fair manner in the financial statements.

I will notify the administrating authorities regarding the important audit findings, major internal administrative weaknesses and other such information identified in my Audit.

2. **Report on other legal and regulatory requirements**

2.1 The National Audit Act No 19 of 2018 and the Companies Act No 7 of 2007 includes special provisions with regard to the requirements mentioned below.

2.1.1 Except for the effects of the matters described in the section "Basis for the Qualified Audit Opinion" of this report, I have obtained all the information and explanations required for the audit, as per the requirements mentioned in clause 163 (2) of the Companies Act No 7 of 2007 and the Section 12 (a) of the National Audit Act No. 19 of 2018, and the Company had kept proper financial reports as evidenced by my review.

2.1.2 As per the requirement mentioned in Section 6 (i) (d) (iii) of the National Audit Act No. 19 of 2018 the financial statements of the Institute are consistent with the preceding year.

2.1.3 As per the requirement mentioned in Section 6 (i) (d) (iv) of the National Audit Act No. 19 of 2018, except for the observations in 1.2 (a) and (b) described in the section Basis for the Qualified Audit Opinion of my report the financial statements produced include the recommendations made by me in the previous year .

2.2 Upon the procedure followed and evidences obtained and upon limitation to quantitative facts, nothing worthy of making the following statements came under my attention.

2.2.1 As per the requirement mentioned in Section 12 (d) of the National Audit Act No. 19 of 2018, that any member of the Institution has any direct or indirect connection that is outside of a general business condition regarding any contract entered in to by the Company.

2.2.2 As per the requirement mentioned in Section 12 (f) of the National Audit Act No. 19 of 2018, that the Company has acted in non-compliance with any relevant written law or to any other general or special provisions issued by the administrative board of the Company apart from the following observations.

Reference for Regulations/ Directives	Description
(a) Payment of Gratuity Act No. 12 of 1983	The audited gratuities are to be paid within 30 days from the date of termination of service, but the gratuity amounting to Rs.146,690 due to a geologist who terminated his service on 31st January 2023 had not been paid by the end of the year under review.
(b) Chapter 3.8 of State Business Circular No. 01/2021 (ii) dated 27 th September 2023	(i) According to the circular, the Chief Executive Officer of the company should be appointed on contract basis, but the Chief Executive Officer of the company was appointed on permanent basis from 15 September 2023 (ii) (Although the Company was to prepare an administrative and financial handbook approved by the Board of Directors of the Company with the approval of the Department of Public Enterprises, it has not been prepared so far.
(c) State Business Circular No.06/2022 dated 06 October 2022	A 63-year-old officer was recruited as the Chief Executive Officer of the company on 01 st of September 2023 on contract basis and had been confirmed in service on 23 rd of October 2023.

2.2.3 According to the requirement mentioned in Section 12 (g) of the National Audit Act No. 19 of 2018, actions were made inconsistently with the powers, duties and functions of the company.

2.2.4 That the Company's resources have not been procured and used in accordance with the relevant rules in a timely manner, efficiently and effectively as required by Section 12 (h) of the National Audit Act No. 19 of 2018.

3. Other Observations

- (a) No steps had been taken to collect the disaster loan installments and interest amounting to Rs.114,579 due at the end of the year under review from two employees who had terminated their service even by the date of audit, i.e. 31st of March 2024.
- (b) In the trade receivable balance of Rs.31,36,131, there had been 86 balances of which the total for more than 10 years was Rs.4,136,387 and 78 balances of which the total for more than 5-10 years was Rs.6,837,177 No action had been taken to recover these balances even by the date of audit, i.e. 31st of March 2024.
- (c) During the period between 2017 - 2023, a total of 149 organizations and individuals had paid advances amounting to Rs.9,688,220 to the company in order to obtain various services and in that there were 47 advances amounting to Rs.3,000,636 which had exceeded 05 years. These advances were not settled even by 31st March 2024, the date of audit.

(d) Sand Mining in Kantale and River Bank Conservation Project

The Kantale Sand Mining and River Bank Conservation Project was entrusted to the company by Sri Lanka Mahaweli Authority in the year 2019 to remove the 103,128 cubic meters of sand deposited as a threat to the protection dam of the Mahaweli River flowing from Suriyapura area of the Kantale Divisional Secretariat Division. The following matters were observed in relation to it.

- (i) This project was stopped from 10th of July 2022 and was not extended again, nevertheless Rs. 2,977,062 worth of idle expenses including salaries, allowances, house rents, office expenses, etc. had been incurred, from 1st of August 2022 to the end of the year under review.
- (ii) The company had planned to construct 03 erosion barriers in the Mahaweli River at a cost of Rs.168,254,363 under this Project. Only one erosion barrier had been completed and the construction progress of the remaining 02 erosion barriers was 75% and 54%. respectively. The contract period of these erosion control constructions has now been exceeded, and it was observed that the dam of Mahaweli river may be damaged during floods as the work of the remaining 02 erosion barriers has not been completed.
- (e) The mining activities of the Muthur Sand Project implemented by the Company was stopped from the month of April 2022, nevertheless Rs. 1,569,372 worth of expenses including salaries, allowances, house rents, office expenses, etc. had been incurred by the end of the year under review.
- (f) The excavation work of the Kotikambokka Quartz deposit mining project, which was to be implemented in 2017, was not started even by 31st of March 2024, the date of audit and an amount of Rs.24,823,325 expenses had been incurred on administrative expenses, surveying activities, purchase of fixed assets and payment of employee wages from year 2017 to the end of the year under review. The Weigh Bridge purchased for 2.2 million in 2017, even before the project activities were implemented had become an idle asset. The electrical equipment of the Weigh Bridge which was removed in year 2019 for cataloguing by the company from which it was purchased from had not been returned to the Company.
- (g) The company planned to initiate a project with the Postgraduate Institute of Science of the University of Peradeniya from year 2020 with the objective of mining the calcite deposit in Rajawaka Reserve in Balangoda Divisional Secretariat Division of Ratnapura District, with the aim of adding value to it through exporting it and using it for the local market. Rs. 3,304,612 worth of expenses including payments of consultation fees to the Postgraduate Institute of Science, transport costs, travelling expenses, combined allowances, cost for testing, etc. had been incurred, by the end of the year under review and this Project was abandoned
- (h) The company had recruited 6 employees in June 2023 to implement a Sand Saled Center in Sirimangalapura and the Rs. 1,764,297 worth of expenses including salaries and remuneration, fuel, house rents, welfare, electricity which were incurred.

- (i) June 2023 to start a Kantale Sirimangala Pura Weli Sales Centre 6 employees have been assigned since and salaries and wages, fuel, house rent For welfare, electricity etc. Rs. 1,764,297 was incurred, but the project was stopped and the expenses incurred were made idle.
- (j) An amount of Rs.884, 231 had been paid to an airline ticket sales company on 04th of December 2023 upon the request made to the Chief Executive Officer of the Company on 30th of November 2023, requesting for the aforementioned amount on reimbursement basis for the Chairman of the Bureau of Geological Survey and Mines to participate in the 28th Conference of the Parties to the United Nations Framework Convention on Climate Change (COP 28) held in the United Arab Emirates. The approval of the c board of directors of the company had not been granted for this and the Secretary to the President had also not given approval for this foreign trip. The company had not recovered this amount even by the 31st of March 2024 , the date of audit.

(k) Action Plan and Performance

- (i) The operational plan of the year under review did not include the roles of the company's human resource department, marketing department and planning department.
- (ii) In the year under review, the company had targeted to earn Rs.2,417,000,000 from sand sales and Rs.159,000,000 from mining and geological projects, but it had only been able to earn an income of only Rs.27,316,991 and Rs.62,797,518 respectively at 1.1 percent and 39.5 percent. Strategies to enhance the company's revenue were not identified and a marketing plan was not developed.
- (l) The loader machine worth Rs.8,883,520 belonging to the Manampitiya Sand Mining **Project** was inactive from the 16th July 2017 and steps had not been taken to repair and the get the machine back to working condition or to dispose of it.
- (m) The Company had identified that a Motor Cycle and a container worth of Rs. 104,650 and Rs. 567,000 respectively had been misplaced from year 2014, steps had not been taken to identify the responsible Parties and to recover the losses.

(n) The Post of Marketing and Planning Manager

Steps had been taken to call for applications through a Newspaper Advertisement to recruit for the Post of Marketing and Planning Manager of the company on contract basis and an Interview had been conducted on 19th of October 2023, but the company had not made any recruitments to the above mentioned Post even by 08th of February 2024, the date of the Audit. Further, a post which was not in the approved carder called Planning Manager had been created instead of this post and lady officer who was already working in the company was appointed to the said post on permanent basis on 09th of October 2023 and the approval of the Board of Directors had not been obtained for the said Post.

(o) The company had confirmed a carder of 35 employees in service with effect from 09th October 2023, the following observations are made.

(i) The approved procedure of confirming employees in service is to call for applications from all the internal employees and then selecting suitable candidates from among the applicants and to confirm the selected candidates, which had not been followed in this instance. instead of taking in to consideration the educational qualifications and Service experience the sectional heads had selected, qualitative qualifications such as the quality of final product and subject knowledge, analytic planning and Organizational skills, attitude towards work, group activities, responsibility, decision making, leadership qualities and etc., which could not be quantified. Accordingly the sectional heads seems to have acted under their own will and it was not confirmed whether the evaluations were done on a justifiable basis, therefore the employees recruited on contract basis in years 2008, 2012 and 2013 were not confirmed in service and instead employees recruited on contract basis in the following years had been confirmed in service.

(ii) Although approval of the Board of Directors had been obtained during the 182nd Meeting of the Board of Directors conducted on 21st of September 2023, citing that the Performance Evaluation Procedures were conducted properly and candidates were interviewed to make recruitments to confirmed service, no such interviews had been conducted.

W.P.C. Wickremaratne
Auditor General

19.06.2024

My No : GSMBTS/A.R.F./1/2023

Your No : IWM/C/GSMBTS/1/23

Government Auditor
Geological Mines and Survey Bureau
No. 569
Epitamulla Road
Pitakotte

Dear Sir,

Report of the Auditor General on the Financial Statements and other Legal and Regulatory requirements of the GSMB Technological Services Private Company for the year ended on 31st December 2023 in terms of Section 12 of the National Audit Act No 19 of 2018

The justifications and notes with regards to the above report, are kindly forwarded herewith.

Dr. S.M.A Kithsiri Manchanayaka
Chairman
GSMB Technological Services Private Company

1.2 Basis for the Qualified Audit Opinion

- a) According to accounting standards, in asset revaluation, whole of the relevant asset class should be calculated. Therefore, this task has not been carried out, taking in to consideration the economic benefits received by the institution in the revaluation of assets as well as the financial cost and the time and assets spent on it. It has also been assumed that there is no quantitative difference between the carrying value and the fair value of the asset.

Also, the Government Valuation Department has informed us that at present the revaluation of Assets for accounting standards is not carried out (according to the Assets Management Circular No. 4/2018 dated 31/12/2018 issued by the Secretary to the Treasury) Upon inquiring the Auditor General's Department as to whether there are other private institutions that can conduct asset revaluations, no proper answers were provided. Also, there is no staff within the Institute that possesses a quantitative understanding on the revaluation of assets in order to carry it out.

All the companies registered under the stock market have such fully depreciated assets and they practically do not revalue each such asset. Thus, although the attempts made by a comparatively smaller company, that does accounting work for small businesses, to comply with asset revaluations, is appreciable in a background where the same revaluations are not conducted on 100% basis by limited public companies governed by a majority of decrees, there is no benefit in the efforts. An explanation of this has already been made in Accounting Standard No. 3.07.d and a further disclosure has been made in Accounting Notes No. 12.3.

- b) In the audit inquiry referred by you, the State share and the license fee have been calculated based on the Manampitiya project. But the balance shown as an expense in the financial statements can be summarized as follows.

In our financial statements, the expenditure related to Manampitiya is Rs.76,659,980/=. The difference here is Rs. 9,692,416/= and the reason for this is the adjustment of the over-allocation we have reserved with regards to the year 2022.

I State share and License Fee (Rs.)

Manampitiya	86,352,369
Over/under allocation in year 2022	<u>(9,692,416)</u>
Manampitiya Total State share and License Fees	76,659,980
Ma Oya Kegalle (License Fee)	127,931
Manampitiya Phase 02 (License Fee)	1,165,455
Kottikambokka (License Fee)	<u>118,983</u>
Total State share and license fee	<u>78,072,349</u>

- c) Instructions were given to conduct a preliminary investigation, based on the investigation report issued on 09.05.2023 regarding the shortage of stock in the Kantale Suriyapura Sand Mining Project, upon the recommendations of the Audit and Management Committee of the ministry held on 18th March 2024 and the recommendations of the 46th Internal Audit and Management

Committee and as per Finance Regulations 103 and 104 .The initial investigation report was submitted to the Chairman.

At the management meeting conducted on 27.05.2024 the Chairman appointed a Technical Committee to carry out future activities according to the preliminary investigation and the said committee was informed by a memo dated 05.06.2024 to continue further investigations.

- d) The value of Rs.1,487,602/= mentioned in the Financial Statements is the Field investigation charges for the months of November and December to be paid in relation to the Manampitiya Project and we do not have to pay the amount of Rs. 26,928,89 to the Bureau as mentioned in the Financial Statements of the Bureau.

2. Report on other Legal and Regulatory Requirements

2.2.2 Reference to Rules / Directive

- a) The amount of gratuity payable to a Geologist who completed his service on January 01, 2023 has been arranged to be paid to this officer.
- b) I. Although the Chief Executive Officer of the administered company has to be appointed on contract basis as per the Circular, the Chief Executive Officer of the Company has been appointed on permanent basis,.

The institution did not have a permanent staff until 09th October 2023 and on the initiative of this officer 39 employees were given permanent appointments on 09.10.2023. However, the Board of Directors has informed that the Scheme of Recruitment (SOR) of the organization should follow the recruitment procedure of the parent organization and Management Services Department henceforth.

II. Administrative and Financial Handbook

Currently, a manual related to Human Resources and Administration Division is being prepared and it is expected to obtain the necessary approval from the board of directors of the institute.

- c) A 63-year-old officer acting as the CEO of the company. Mr. Naseer Ahmed, the Minister of Environment then, has informed Mr. R. Sanjeepan, the then chairman, in a letter to appoint Mr. Ahmad Iqbal Hassan as the Chief Executive Officer. Accordingly, the Chairman has issued this letter of appointment.
However the Chief Executive Officer has resigned from his post from 30.05.2024

3. Other Particulars

- a) Relevant information has been provided to the Legal Division to take necessary legal action to obtain the amount of Rs. 94,843.70 from a Mr. K.R.Anthony and the gratuity of Mr. A.A.N.P Amarasingha is sufficient to recover the amount of Rs. 19,739.92 which is to be recovered from him.

b)

Year	Debtor as at 31/12/2021	Debtor as at 31/12/2022	Debtor as at 31/12/2023	Debtor as at 14/06/2024
2024	-	-	-	13,268,092
2023	-	-	9,575,084	1,373,410
2022	-		432,300	432,300
		12,708,469		
2021	16,071,791	118,554	-	-
2020	3,026,519	2,580,005	2,411,190	2,411,190
2019	7,830,799	7,541,297	4,770,962	4,753,662
2018	4,747,183	4,467,121	4,088,263	4,088,263
Over 2018	19,420,475	18,367,732	10,973,564	10,933,056
Total	51,096,767	45,783,179	32,251,362	37,259,972
GSMB	9,965,067	6,686,025	884,231	884,231
Excluding GSMB	41,131,700	39,097,154	31,367,131	36,375,741

Steps will be taken to settle these balances in financial year 2024 and some balances compared to previous years have been settled in financial year 2023.

c) From the Advance balance of Rs.9,688,220/= remaining during the period of 2010-2023 the advance balance of over 05 years is Rs. 3,000,635.66.

Through the Board Paper bearing No.GSMBTS/185/15 dated 11.01.2024 approval was sought to use the current advances remaining for these 5 years as income, and the Board of Directors had informed to re submit the request to the audit and management committee. Although the audit and management committee had provided instructions and recommendations to use these advances as income during several of their meetings, they had requested to present this in the next committee meeting again.

d) Kantale Sand Mining and River Bank Conservation Project

I. The workers assigned to the said project have been assigned to the ongoing Manampitiya sand mining project, and the costs of the project have been limited to a minimum.

II. The main objective of the Kantale sand mining project, which was created according to a national need, was to construct erosion barriers for flood control and to remove the sand deposits deposited in the area in order to reduce the impact of floods on the area. However, there has been a delay in obtaining the permits for the project due to the delay in getting the necessary permissions from the relevant government agencies.

However, since the company's containers and equipment have been installed on the land allocated for the project, the security of the Civil Defense Department has been obtained for their safety. Several reminders have been submitted to the Sri Lanka Mahaweli Authority requesting to grant the necessary permissions.

After submitting several requests, the Director General of Mahaweli Authority had forwarded a letter bearing number DDG/TS GEN 35 on 09.01.2024 to the department, indicating the importance of this project, and requested necessary permission for the project from the Department of Wildlife.

In response, the project has been granted permission through the letter numbered WL/ 06/01/ 02/819 sent by the Department of Wildlife on 12.02.2024. However, the project has been stopped as the Sri Lanka Mahaweli Authority has not granted permissions for land use.

Year	2019	2020	2021	2022	Overall Percentage
No. of Cubes Mined	22,154.85	24,151.19	0	9839	
No. of Cubes mined as a percentage	21%	23%	0%	9.50%	53.6%
construction of erosion barriers as a percentage	42%	33%	0%		75%

The company has excavated only 53.6% out of the amount of sand requested to be mined, and the construction of erosion barriers has been completed for about 75%. The organization has worked towards completing this project through the completion of its future activities and is looking forward to implementing the project as soon as it receives the necessary permissions from the government agencies.

- e) During the period in which the G. S. M. B. Technical Services (Pvt) company had handed over the Muthur Sand project to subcontractors, there was a large shortage of fuel and an economic crisis in the country and there was a collapse in all the construction sectors of the country during the said period. If three employees of the company were to be fired in order to stop incurring expenses on them and if they were to be rehired the cost could have been higher than this. They could have been employed because the authorities could not come to a conclusion regarding the fuel crisis and the economic crisis in the country. This was a problem in the company as well as in the construction sector of the whole country.

It can be concluded that the said costs have been incurred on the Muthur sand project, and if this project was continued for at least a period of 03 months after the end of the economic crisis in the country, the above loss would have been recovered and the current amount to be paid for a sand cube should could have been recovered, in accordance with the agreement with the contractors.

f) Kotikambokka Quartz Deposit Mining Project

1. It was recommended to prepare an initial environmental assessment report for the maintenance of the Kotikum Bay mining project, thus the initial environmental assessment reports were prepared and submitted in 2018, and a number of amendments had to be made on the recommendations of the government agencies. Thus, finally, the preliminary environmental assessment report submitted in the year 2022 was approved on 20.10.2022, and in relation to that, the company has focused its attention on the future activities of the project.

Various institutions have given various recommendations regarding the maintenance of this Quartz Deposit which is located in a very environmentally sensitive area, as a sustainable project, Even though the G.S. M. B. Technical Services Institute had to comply with all those recommendations, by now the project activities has been expedited.

On 2023.09.27 the recommendation for land use and mining was obtained by the Department of Wildlife Conservation.

Activities related to mining licenses have been initiated together with the institutions related to the project, and the following progress has been achieved in its activities.

On 13.10.2023, the Bureau of Geological Survey and Mines has applied for the mining license , and the said agency has referred the said request to the to the Urban Development Authority, the Department of Wildlife Conservation, the Department of Archeology and the Central Environmental Authority in order to provide the relevant recommendations. In connection with those institutions following comments are made on these recommendations.

- Department of Archeology:- It has been informed that the area proposed to be mined bears no archaeological value and the relevant approval can be provided.
- Central Environment Authority:- Relevant recommendations have been given, based on the initial environmental assessment report,
- Urban Development Authority :- The relevant recommendation has been received.

During the progress review meeting attended by the Secretary of the Ministry of Environment, it was confirmed that since the approval for land use has already been received by the head office of Department of Wildlife Conservation, Permits can be issued. Accordingly, the Geological Survey and Mining Bureau agreed to issue the permits promptly.

- g)** Due to practical problems in this calcite Project, initiating expenses with regards to this project has been completely stopped, and a committee was appointed to look into the idle costs of the project and give further recommendations. The recommendations of the said committee has been received and after presenting the said report of the committee to the Board of Directors, necessary actions will be taken to conduct the future activities of the project in accordance with the decisions of the Board of Directors.
- h)** A discussion had been conducted during the Meeting of the Board of Directors conducted on 29/05/2023 with regards to implementing the recommendations provided by the Minister on 01/08/2023 on the Commencement of Kantale and Batticaloa projects, from among the Sand Sale Centers proposed to be implemented by the GSMBTS, according to the recommendations of the Presidential Task Force. Instructions have been provided to implement the operations as per the instructions of the Minister.

The board of directors had issued instructions to stop the project activities after being reported on 26/01/2024 that the project could not be implemented due to the delay in the preparation of the necessary legal background for the project.

- i) A reminder was forwarded to the former Chairman on 07.05.2024 under the signature of the former Chief Executive Officer notifying to reimburse the amount paid for the Passport with copies to the Chairman and the Director General of Geological Survey and Mines Bureau, Senior Director (Geology)) and the Director – Finance, but the amount of Rs. 14,884,231/= paid for the said passport has not yet been repaid.

j) Action Plan and performance

- I) The action plan of the Institution is prepared according to the format forwarded by the Ministry. and the said format only includes income generating sectors . In the future, steps will be taken to include relevant functions related to the above-mentioned sectors in the action plan.

II)

- The Kegalle Sand Sales Center was expected to reach a target of Rs. 71.44 Million which was the expected income according to the action plan and as the Sand Sales Center was loss making due to the economic crisis, is was closed down. The income received by the Sand Sales Center then Rs. 0.38 Million.
- The Yakkala Sand Sales Center was loss making due to the economic crisis and could not reach the expected sales capacity of Rs. 177.11 million. In Year 2023, only Rs. 5.12 Million could be achieved through this Sand Sales Center
- Owing to the decision of the Board of Directors, the Ambatale Sand Sales Center was closed down on 31.07.2023, therefore the expected sales capacity could not be reached.
- The following factors have contributed to the inability to earn the expected income from the Sand Sales Centers of Hingurakgoda, Medirigiriya, Habarana and Minneriya in the year 2023

01. Due to the increase in the price of fuel and construction materials (cement and wire), it had been difficult to carry out the expected sales of sand in the Sand Sales Center

02. Due to the granting of licenses to private Sand Sales Centers situated around the Sand Sales Center of the Bureau, and as those Private Sand Sales Centers started to sell sand at a price lower to the amount agreed upon by the Institution, it was difficult to carry out the desired sand selling activities in the above Sand Sales Centers.

Taking into consideration the above facts, the management of the company stopped the sales activities of these Sand Sales Centers from 30.06.2023.

Although it was expected to earn an income of Rs. 76.76 million through the projects of the mining sector in the year 2023, the mining sector managed to earn only an income of Rs. 51.77 million in the year 2023 due to the fuel shortage and the economic instability in the country. In the year 2023, the mining sector has managed to move towards a profit by reducing the expenses in comparison to the expected income.

The action plan of the geology division of the year 2023, aimed at achieving an amount of Rs.83.01 million rupees through the implementation of Projects, but the geology division could only achieve an amount of Rs 11.02 million during the said year.

The action plan prepared for the year under review was prepared by estimating the project opportunities available for the coming year, the Geology Division does not have any permanent project opportunities.

The Geology Division Could not implement the estimated Projects and achieve the expected income as the economic crisis in the country did not end during the above year under review, as new projects were not implemented due to the increase in VAT, as projects that were stopped due to the economic crisis did not resume and as foreign investors did not visit the country due to the economic instability of the country

As the geology division, we only provide consulting services and do not engage in marketing related activities , therefore we do not identify strategies and prepare plans to increase the revenue of the Institution.

- k)** The Board of directors has decided on 26/01/2024 to sell the loader after a long-term study by the board of directors on the most economically advantageous decision from the two options of disposing the loader or repairing and using it. According to the instructions provided by the Board of Directors, the assessment of the value of the loader is being carried out by the Human Resources and Administration Department.

- l)** In relation to the misplacement of a motorcycle and a container.

An internal committee has been appointed in this regard and is currently working on it.

- m)** An Advertisement has been published announcing the vacancies for the posts of Human Resources and Administration Manager and Legal Manager along with the Marketing and Planning Manager, and two managers have been appointed for the other two positions except for the Post of the Marketing and Planning Manager.

The position of Marketing and Planning Manager is currently identified as a position required for the organization. However, even though a lady Officer currently working in the marketing department was provided a permanent appointment as a Planning / Coordination officer, the board of directors of the company has instructed the Human Resources Department to call for internal applications for that position as there is a concern about the validity of the above appointment. It is hereby informed that applications have been accordingly called for and that it is expected the related interviews will be conducted promptly.

The reason for not calling applications for this post previously was due to the instructions of the Board of Directors informing to delay recruitments to this post and also due to the circular issued on Controlling Public Expenditure.

- n)** The company had made permanent a staff of 35 persons with effect from 09th October 2023.

1. The department heads of the company have been informed to conduct an evaluation and submit an evaluation form of the employees working in their particular department through a

Google Form. This Google Form does not consider the qualifications of employees related to their work experience or their positions.

Since there is a problematic situation regarding the confirmation of employees, during the Audit and Management Committee meeting of the Ministry held on 18.03.2024, the committee has informed the chairman of the institution to conduct an investigation in this regard and is currently working on it.

11. An inquiry is being conducted by a committee in this regard.