



ජාතික විගණන කාර්යාලය

தேசிய கணக்காய்வு அலுவலகம்

NATIONAL AUDIT OFFICE



මගේ අංකය
எனது இல. } CAE/B/SD&CC/01/
My No. } FS/2024/03

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உமது இல. }
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Date }

සභාපති

රාජ්‍ය සංවර්ධන හා නිර්මාණ නීතිගත සංස්ථාව

රාජ්‍ය සංවර්ධන හා නිර්මාණ නීතිගත සංස්ථාවේ 2024 දෙසැම්බර් 31 දිනෙන් අවසන් වර්ෂය සඳහා වූ මූල්‍ය ප්‍රකාශන සහ වෙනත් නෛතික හා නියාමන අවශ්‍යතා පිළිබඳව 2018 අංක 19 දරන ජාතික විගණන පනතේ 12 වන වගන්තිය ප්‍රකාරව විගණකාධිපති වාර්තාව

1. මූල්‍ය ප්‍රකාශන

1.1 මතය විශාලනය

රාජ්‍ය සංවර්ධන හා නිර්මාණ නීතිගත සංස්ථාවේ (“සංස්ථාව”) 2024 දෙසැම්බර් 31 දිනට මූල්‍ය තත්ත්ව ප්‍රකාශනය සහ එදිනෙන් අවසන් වර්ෂය සඳහා වූ මූල්‍ය කාර්යසාධන ප්‍රකාශනය, හිමිකම් වෙනස්වීමේ ප්‍රකාශනය සහ එදිනෙන් අවසන් වර්ෂය සඳහා මුදල් ප්‍රවාහ ප්‍රකාශනය සහ ප්‍රමාණාත්මක ගිණුම්කරණ ප්‍රතිපත්තිවලට අදාළ තොරතුරු ද ඇතුළත් මූල්‍ය ප්‍රකාශනවලට අදාළ සටහන්වලින් සමන්විත 2024 දෙසැම්බර් 31 දිනෙන් අවසන් වර්ෂය සඳහා වූ මූල්‍ය ප්‍රකාශන ශ්‍රී ලංකා ප්‍රජාතාන්ත්‍රික සමාජවාදී ජනරජයේ ආණ්ඩුක්‍රම ව්‍යවස්ථාවේ 154(1) ව්‍යවස්ථාව සමඟ සංයෝජිතව කියවිය යුතු 2018 අංක 19 දරන ජාතික විගණන පනතේ සහ 1971 අංක 38 දරන මුදල් පනතේ විධිවිධාන ප්‍රකාර මාගේ විධානය යටතේ විගණනය කරන ලදී. ආණ්ඩුක්‍රම ව්‍යවස්ථාවේ 154 (6) ව්‍යවස්ථාව ප්‍රකාරව මාගේ වාර්තාව යථා කාලයේදී පාර්ලිමේන්තුවේ සභාගත කරනු ලැබේ.

සංස්ථාවේ මූල්‍ය ප්‍රකාශන පිළිබඳව මම මතයක් ප්‍රකාශ නොකරමි. මතය විශාලනය සඳහා පදනම කොටසේ සාකච්ඡා කර ඇති කරුණුවල වැදගත්කම හේතුවෙන් මෙම මූල්‍ය ප්‍රකාශන සම්බන්ධයෙන් විගණන මතයක් සඳහා පදනමක් සැපයීමට ප්‍රමාණවත් හා උචිත විගණන සාක්ෂි ලබා ගැනීමට මා හට නොහැකි විය.



1.2 මතය වියාවන සඳහා පදනම

- (අ) සංස්ථාවේ සමාලෝචිත වර්ෂය සඳහා ශුද්ධ අලාභය රු.මිලියන 1,411.00 ක් වූ අතර 2024 දෙසැම්බර් 31 දිනට සමුච්චිත අලාභය රු.මිලියන 6,812.52 ක් විය. එසේම වත්කම් ඉක්ම වූ බැරකම්වල වටිනාකම රු.මිලියන 4,562.51 ක් වූ අතර ජංගම වත්කම් ඉක්ම වූ ජංගම බැරකම් ප්‍රමාණය රු.මිලියන 4,161.91 ක් විය. තවද 2024 සැප්තැම්බර් 10 දිනැති අංක අමප/24/1684/608/032-1 දරන අමාත්‍ය මණ්ඩල කීරණය අනුව මෙම සංස්ථාවේ අංශ 03 ක් මාර්ග සංවර්ධන අධිකාරියට ඒකාබද්ධ කිරීමට කීරණය කර තිබුණද මේ දක්වා සංස්ථාව විසින් ඒකාබද්ධ කිරීම සම්බන්ධයෙන් කටයුතු කර නොතිබුණි. ඒ අනුව අඛණ්ඩ පැවැත්මේ අවිනිශ්චිතතාවයක් විගණනයේදී නිරීක්ෂණය වූවද ශ්‍රී ලංකා ගිණුම්කරණ ප්‍රමිති - 01 හි 25 ඡේදයට පටහැනිව අඛණ්ඩ පැවැත්ම පිළිබඳ ප්‍රමාණාත්මක අවිනිශ්චිතතාවයක් නොමැති බව සටහන් අංක 2.1.2 මගින් මූල්‍ය ප්‍රකාශනවල හෙළිදරව් කර තිබුණි.
- (ආ) ශ්‍රී ලංකා ගිණුම්කරණ ප්‍රමිති අංක 1 හි 32 ඡේදය අනුව ශ්‍රී ලංකා මූල්‍ය වාර්තාකරණ ප්‍රමිති මගින් අවසර දී ඇති විටක හැර වත්කම් සහ වගකීම් හෝ ආදායම් සහ වියදම් හිලවී නොකළ යුතු වුවද ඉදිකිරීම් ණයගැතියන් සහ වැඩ ආරම්භ කිරීමේ අත්තිකාරම් පිළිවෙලින් රු. මිලියන 31.86 ක් සහ රු.මිලියන 0.52 ක් වූ වත්කම් වගකීම් ශේෂයන් එකිනෙකට හිලවී කර තිබුණි.
- (ඇ) ඇවර කිරීමට නියමිත පරිපාලිත සමාගමක් වන ඩෙවිකොෂෝවා (පුද්ගලික) සමාගමෙහි ආයෝජන මුදල වූ රු.මිලියන 9.21 ක් හා සමාගමෙන් ලැබිය යුතු රු.මිලියන 25.31ක ණයගැති ශේෂය තහවුරු කර ගැනීම සඳහා ශේෂ තහවුරු කිරීම හෝ කිසිදු විගණන සාක්ෂියක් විගණනයට ඉදිරිපත් නොවීය.
- (ඈ) මූල්‍ය වාර්තාකරණය සඳහා වන සංකල්පනාත්මක රාමුවෙහි ඡේද අංක 4.8 සිට 4.14 ට පටහැනිව භෞතිකව පවතින තොග ශේෂය සහ ගිණුම්කරණ පද්ධතිය තුළ දක්වා ඇති තොග වටිනාකම අතර වෙනස වූ රු. මිලියන 58.25 ක ශේෂයක් තොග ගැලපුම් ගිණුමක ඇතුළත් කර එම වටිනාකම මූල්‍ය ප්‍රකාශනවල අවසන් තොගය තුළ ඇතුළත් වී තිබීම හේතුවෙන් සංස්ථාවේ ජංගම වත්කම් එම ප්‍රමාණයෙන් අධි ගණනය වී තිබුණි.
- (ඉ) මූල්‍ය තත්ත්ව ප්‍රකාශනයේ දැක්වෙන වෙළඳ ණයහිමි, විවිධ ණයහිමි, ගෙවිය යුතු එකතු කළ අගය මත බදු, වැඩ ආරම්භ කිරීමේ අත්තිකාරම්, කොන්ක්‍රීට් අංගන ණයැතියෝ සහ මිල දී ගැනීමේ අත්තිකාරම් ශේෂයන් සහ එහි උපලේඛන සංසන්දනය කිරීමේ දී රු. මිලියන 126.06 ක හඳුනා නොගත් වෙනසක් පැවතුණි.
- (ඊ) මූල්‍ය තත්ත්ව ප්‍රකාශනය අනුව එකතුව රු. මිලියන 845.01 ක් වූ ඉදිකිරීම් ණයගැති, රඳවා ගැනීම්, ණයගැතියෝ (මාර්ග සංඥා), ණයගැතියෝ (කොන්ක්‍රීට් අංගන), හුණු ස්ටේට් කෝපරේෂන්



(පරිපාලිත සමාගම) වෙත සිදු කරන ලද මිල දී ගැනීම් අත්තිකාරම් සහ ඉන්ධන තැන්පතු යනාදියේ නිවැරදිතාවය පරීක්ෂා කිරීමට අවශ්‍ය සාක්ෂි කිසිවක් ඉදිරිපත් නොවුණි.

(උ) සංස්ථාවේ ණයහිමියෙකු වූ 2024 දෙසැම්බර් 31 දිනට පුද්ගලික සමාගමකින් ලැබිය යුතු ශේෂයක් ලෙස රු.මිලියන 27.81 ක් මූල්‍ය ප්‍රකාශනවල දක්වා තිබූ අතර, සංස්ථාව අදාළ සමාගමෙන් සේවාවන් ලබාගෙන වැට් බදු සහිතව ගෙවීම් කර තිබුණ ද එම සමාගම වැට් බදු ලියාපදිංචි ආයතනයක් නොවූ බැවින් වැට් බදු හිලව් කර ගත නොහැකි විය. 2020 වර්ෂයේ සිට අදාළ මුදල ලැබිය යුතු ශේෂයක් ලෙස දක්වා තිබුණි.

ඉහත විස්තර කර ඇති පරිදි, මූල්‍ය තත්ත්ව ප්‍රකාශනයේ, මූල්‍ය කාර්යසාධන, හිමිකම් වෙනස්වීමේ ප්‍රකාශනයේ සහ මුදල් ප්‍රවාහ ප්‍රකාශනයේ ඇතුළත් ප්‍රමාණාත්මක අයිතම විකල්ප ක්‍රම මගින් තහවුරු කිරීමට හෝ සත්‍යාපනය කිරීමට මට නොහැකි විය. මේ හේතුවෙන්, මූල්‍ය තත්ත්ව ප්‍රකාශනය, විස්තීර්ණ ආදායම් ප්‍රකාශනය, මූල්‍ය කාර්යසාධන ප්‍රකාශනය, හිමිකම් වෙනස්වීමේ සහ මුදල් ප්‍රවාහ ප්‍රකාශනය සැකසෙන වටිනාකම් හෝ අයිතමයන්වල වාර්තාගත හෝ වාර්තා නොකළ වටිනාකම් හෝ ගනුදෙනු සම්බන්ධයෙන් කිසියම් ගැලපීමක් කිරීමට අවශ්‍ය දැයි මට නිශ්චය කිරීමට නොහැකි විය.

1.3 මූල්‍ය ප්‍රකාශන පිළිබඳ කළමනාකරණයේ සහ පාලනය කරන පාර්ශවයන්ගේ වගකීම්

මෙම මූල්‍ය ප්‍රකාශන ශ්‍රී ලංකා ගිණුම්කරණ ප්‍රමිතීන්ට අනුකූලව පිළියෙල කිරීම හා සාධාරණ ලෙස ඉදිරිපත් කිරීම සහ වංචා හෝ වැරදි හේතුවෙන් ඇතිවිය හැකි ප්‍රමාණාත්මක සාවද්‍ය ප්‍රකාශයන්ගෙන් තොරව මූල්‍ය ප්‍රකාශන පිළියෙල කිරීමට හැකිවනු පිණිස අවශ්‍ය වන අභ්‍යන්තර පාලනයන් තීරණය කිරීම කළමනාකරණයේ වගකීම වේ.

මූල්‍ය ප්‍රකාශන පිළියෙල කිරීමේදී, සංස්ථාව අඛණ්ඩව පවත්වාගෙන යාමේ හැකියාව තීරණය කිරීම කළමනාකරණයේ වගකීමක් වන අතර, කළමනාකාරිත්වය සංස්ථාව ඇවර කිරීමට අදහස් කරන්නේ නම් හෝ වෙනත් විකල්පයක් නොමැති විටදී මෙහෙයුම් නැවැත්වීමට කටයුතු කරන්නේ නම් හැර අඛණ්ඩ පැවැත්මේ පදනම මත ගිණුම් තැබීම හා සංස්ථාවේ අඛණ්ඩ පැවැත්මට අදාළ කරුණු අනාවරණය කිරීමද කළමනාකරණයේ වගකීමකි.

සංස්ථාවේ මූල්‍ය වාර්තාකරණ ක්‍රියාවලිය සම්බන්ධව පරීක්ෂා කිරීමේ වගකීම, පාලනය කරන පාර්ශවයන් විසින් දරනු ලබයි.

2018 අංක 19 දරන ජාතික විගණන පනතේ 16 (1) උප වගන්තිය ප්‍රකාරව, සංස්ථාවේ වාර්ෂික සහ කාලීන මූල්‍ය ප්‍රකාශන පිළියෙල කිරීමට හැකිවන පරිදි ස්වකීය ආදායම්, වියදම්, වත්කම් හා බැරකම් පිළිබඳ නිසි පරිදි පොත්පත් හා වාර්තා පවත්වාගෙන යා යුතුය.

1.4 මූල්‍ය ප්‍රකාශන විගණනය සම්බන්ධයෙන් විගණකගේ වගකීම

ශ්‍රී ලංකා විගණන ප්‍රමිතිවලට අනුකූලව පවත්වනු ලබන විගණනය මත පදනම්ව සංස්ථාවේ මූල්‍ය ප්‍රකාශන පිළිබඳව විගණකගේ වාර්තාව නිකුත් කිරීම මාගේ වගකීම වේ. කෙසේ වුවද, මතය විශ්වාසය සඳහා පදනම කොටසේ විස්තර කර ඇති කරුණු හේතුවෙන් මෙම මූල්‍ය ප්‍රකාශන සම්බන්ධයෙන් විගණන මතයක් සඳහා පදනමක් සැපයීමට ප්‍රමාණවත් හා උචිත විගණන සාක්ෂි ලබා ගැනීමට මා හට නොහැකි විය.

2. වෙනත් නෛතික හා නියාමන අවශ්‍යතා පිළිබඳ වාර්තාව

2.1 2018 අංක 19 දරන ජාතික විගණන පනතේ පහත සඳහන් අවශ්‍යතාවයන් සම්බන්ධයෙන් විශේෂ ප්‍රතිපාදන ඇතුළත් වේ.

2.1.1 2018 අංක 19 දරන ජාතික විගණන පනතේ 12 (අ) වගන්තියේ සඳහන් අවශ්‍යතාවන් අනුව, විගණනය සඳහා අවශ්‍ය යැයි සැලකෙන සියලු තොරතුරු සහ පැහැදිලි කිරීම් මා ලබාගෙන නොමැති අතර නිසි ගිණුම් වාර්තා සංස්ථාව තබා තිබේ ද යන්න තීරණය කිරීමට මට නොහැකි විය.

2.1.2 2018 අංක 19 දරන ජාතික විගණන පනතේ 6 (1) (ඇ) (iii) වගන්තියේ සඳහන් අවශ්‍යතාවය අනුව සංස්ථාවේ මූල්‍ය ප්‍රකාශන ඉකුත් වර්ෂය සමඟ අනුරූප වේ.

2.1.3 2018 අංක 19 දරන ජාතික විගණන පනතේ 6 (i) (ඇ) (iv) වගන්තියේ සඳහන් අවශ්‍යතාවය අනුව මාගේ වාර්තාවේ මතය විශ්වාසය සඳහා පදනම කොටසේ 1.2 (අ) සහ (ඇ) හි දක්වා ඇති නිරීක්ෂණ හැර ඉකුත් වර්ෂයේදී මා විසින් සිදුකරන ලද නිර්දේශයන් ඉදිරිපත් කරන ලද මූල්‍ය ප්‍රකාශනවල ඇතුළත්ව ඇත.

2.2 අනුගමනය කරන ලද ක්‍රියාමාර්ග සහ ලබා ගන්නා ලද සාක්ෂි මත හා ප්‍රමාණාත්මක කරුණුවලට සීමා කිරීම තුළ, පහත සඳහන් ප්‍රකාශන කිරීමට තරම් කිසිවක් මාගේ අවධානයට ලක් නොවීය.

2.2.1 2018 අංක 19 දරන ජාතික විගණන පනතේ 12 (ඇ) වගන්තියේ සඳහන් අවශ්‍යතාවය අනුව සංස්ථාවේ යම් සාමාජිකයෙකුට සංස්ථාව සම්බන්ධවී යම් ගිවිසුමක් සම්බන්ධයෙන් සෘජුව හෝ අන්‍යාකාරයකින් සාමාන්‍ය ව්‍යාපාරික තත්ත්වයෙන් බැහැරව සම්බන්ධයක් ඇති බව.

2.2.2 2018 අංක 19 දරන ජාතික විගණන පනතේ 12 (ඊ) වගන්තියේ සඳහන් අවශ්‍යතාවය අනුව පහත සඳහන් නිරීක්ෂණ හැර යම් අදාළ ලිඛිත නීතියකට හෝ සංස්ථාවේ පාලක මණ්ඩලය විසින් නිකුත් කරන ලද වෙනත් පොදු හෝ විශේෂ විධානවලට අනුකූල නොවන ලෙස ක්‍රියා කර ඇති බව.



නීතිරීති / විධානයට යොමුව

අනුකූල නොවීම

- (අ) 2009 අංක 09 දරන ජාතිය ගොඩනැගීමේ බදු පනත 2024 දෙසැම්බර් 31 දිනට ගෙවිය යුතු රු.මිලියන 6.11 ක ජාතිය ගොඩනැගීමේ බදු සහ එම බද්ද නොගෙවීම නිසා ඒ මත පනවා ඇති දඩ මුදල රු.මිලියන 1.06 ක්ද වශයෙන්, මුළු බදු වටිනාකම වූ රු.මිලියන 7.17 ක් දේශීය ආදායම් දෙපාර්තමේන්තුව වෙත ගෙවා නොතිබුණි.
- (ආ) 2015 අංක 13 දරන ආර්ථික සේවා ගාස්තු සංශෝධන පනත 2005 වර්ෂයේ සිට 2020 වර්ෂය දක්වා සංස්ථාව විසින් ගෙවිය යුතු ආර්ථික සේවා ගාස්තුව වූ රු.මිලියන 67.50 ක් දේශීය ආදායම් දෙපාර්තමේන්තුවට නියමිත දිනට ප්‍රේෂණය නොකිරීම හේතුවෙන් ඒ මත පනවා තිබූ දඩ මුදල රු.මිලියන 33.78 ක් ද ඇතුළුව හිඟ බදු මුදල් රු.මිලියන 101.23 ක් විගණිත දින දක්වා ගෙවීම් කර නොතිබුණි.
- (ඇ) 1996 අංක 17 දරන සමාජ ආරක්ෂණ පනත 2024 දෙසැම්බර් 31 දින දක්වා වූ හිඟ සමාජ ආරක්ෂණ බදු මුදල් රු. මිලියන 40.35 ක් ගෙවීමට කටයුතු කර නොතිබුණි.
- (ඈ) 2002 අංක 14 දරන එකතු කළ අගය මත බදු පනත 2024 දෙසැම්බර් 31 දිනට ගෙවිය යුතු එකතු කළ අගය මත බදු රු.මිලියන 1,700.28 ක් හා රු.මිලියන 1,267.34 ක දඩ මුදල් ද වශයෙන් එකතුව රු.මිලියන 2,967.62 ක් විගණිත දින දක්වා ගෙවීම් කර නොතිබුණි.
- (ඉ) 2006 ජනවාරි 25 දිනැති හා අංක 08 දරන ප්‍රසම්පාදන මාර්ගෝපදේශ සංග්‍රහයේ 5.4.4 (iii) වගන්තිය කොන්ත්‍රාත්කරුවෙකු වෙත ගෙවීම් කිරීමේදී ගෙවීම්වලින් සියයට 90ක් සම්පූර්ණ වීමට ප්‍රථම වැඩ ආරම්භ කිරීමේ අත්තිකාරම් මුදල් සම්පූර්ණයෙන්ම අයකර ගනු ලැබිය යුතු වුවත් සම්පූර්ණයෙන්ම වැඩ නිමකළ ව්‍යාපෘති 20 කට අදාළව රු.මිලියන 20.62 ක අත්තිකාරම් ද සියයට 90-100 ක් අතර වැඩ නිමකළ ව්‍යාපෘති 3කට අදාළ රු.මිලියන 23.57 ක් ද මේ දක්වා අය කරගෙන නොතිබුණි.

2.2.3 2018 අංක 19 දරණ ජාතික විගණන පනතේ 12 (උ) වගන්තියේ සඳහන් අවශ්‍යතාවය අනුව සංස්ථාවේ බලතල , කර්තව්‍ය සහ කාර්යයන්ට අනුකූල නොවන ලෙස කටයුතු කර ඇති බව.

2.2.4 2018 අංක 19 දරණ ජාතික විගණන පනතේ 12 (ඌ) වගන්තියේ සඳහන් අවශ්‍යතාවය අනුව සංස්ථාවේ සම්පත් සකසුරුවම් ලෙස, කාර්යක්ෂම ලෙස සහ ඵලදායී ලෙස කාලසීමාවන් තුළ අදාළ නීතිරීතිවලට අනුකූලව ප්‍රසම්පාදනය කර භාවිතා කර නොමැති බව.

2.3. වෙනත් කරුණු

(අ) සිවිල්, යාන්ත්‍රික සහ විදුලිමය ඉංජිනේරු හා අනෙකුත් ඉංජිනේරුමය ව්‍යාපෘති සැලසුම් කිරීම, නිර්මාණය කිරීම හා තැනීම් කටයුතු ආදී සංස්ථාවේ ඉලක්කගත අරමුණු ඉටු කරගැනීම සඳහා ඉදිකිරීම්, කොන්ක්‍රීට් අයිතම නිෂ්පාදනය සහ අලෙවිය හා රථවාහන ආලෝක පද්ධතිය සහ සේවා සැපයීම යන අංශ තුන මගින් කටයුතු කරනු ලබයි. සමාලෝචිත වර්ෂයේ දී සංස්ථාව රු. මිලියන 1,205.7 ක මෙහෙයුම් අලාභයක් ලබා තිබූ අතර දළ ලාභ අනුපාතය සියයට 127 ක සාණ අගයක් වාර්තා කර තිබුණි. ඉදිකිරීම් අංශය සහ කොන්ක්‍රීට් අයිතම නිෂ්පාදනය සහ අලෙවි අංශය මගින් ලද රු. මිලියන 452.71 ක් සහ රු. මිලියන 84.07 ක දළ අලාභයන් සංස්ථාවේ සමස්ත අලාභය සඳහා ප්‍රධාන වශයෙන් හේතු වී තිබුණි.

(ආ) සමාලෝචිත වර්ෂය තුළදී ඉදිකිරීම් අංශයේ ව්‍යාපෘති හයක් පමණක් ක්‍රියාත්මක තත්ත්වයේ පැවති අතර ව්‍යාපෘති තුනක වැඩ අත්හැර දැමූ අතර ව්‍යාපෘති හතක වැඩ අත්හිටුවා තිබුණි. එයින් දැනට ක්‍රියාත්මක ව්‍යාපෘති (ongoing) 2කින් රු.මිලියන 14.38 ක අලාභයක් වාර්තා කර තිබුණු අතර වැඩ අත්හිටුවූ (Suspended) ව්‍යාපෘති 5කින් හා වැඩ අත්හැර දැමූ (Terminated) ව්‍යාපෘති 3කින් පිළිවෙලින් රු.මිලියන 40.63ක් සහ රු.මිලියන 165ක් වශයෙන් අලාභ වාර්තා කර තිබුණි. අමතරව 2024 වර්ෂය සඳහා ග්‍රාමීය පාලම් ඉදිකිරීම් අංශය විසින් ව්‍යාපෘතීන් 12 කට අදාළව රු. මිලියන 81 ක අලාභයක් ද වාර්තා කර තිබුණි.

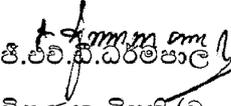
(ඇ) සමාලෝචිත වර්ෂය අවසාන වන විට වැඩ අත්හැර දැමූ ව්‍යාපෘති 5 කට අදාළ රු. මිලියන 16.5 ක වැඩ ආරම්භ කිරීමේ අත්තිකාරම් මුදල් නිරවුල් කිරීමකින් තොරව පැවතුණි.

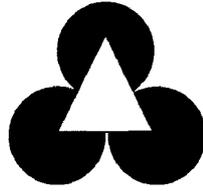
(ඈ) 2024 දෙසැම්බර් 31 දිනට ව්‍යාපෘති 51 කට අදාළව ප්‍රමාද වන්දි ලෙස රු. මිලියන 264.26 ක් අඩු කර ගෙන තිබුණු නමුත් ඉන් රු.මිලියන 176.35 ක් අවුරුදු 5කට වැඩි කාලයක් සිට අයකර ගෙන නොතිබුණි. වසර 02 සිට 05 දක්වා අයකර නොගත් ප්‍රමාද වන්දි ශේෂය රු. මිලියන 38.75 ක් විය.



- (ඉ) ඉදිකිරීම් අංශයේ වැඩ අත්හැර දැමූ, වැඩ සම්පූර්ණ කරන ලද ව්‍යාපෘතිවලට අදාළ රු. මිලියන 4.61 ක මිල දී ගැනීම් අත්තිකාරම් පැවති අතර එම අත්තිකාරම් නිරවුල් වීමකින් තොරව පැවතීමට හේතු විගණනයට ඉදිරිපත් නොවීය.
- (ඊ) සමෘද්ධි සංවර්ධන දෙපාර්තමේන්තුවෙන් හා ඩෙව්කො ෂෝවා ආයතනයෙන් සංස්ථාවට ලැබී ඇති මෝටර් රථ 05 ක් 2025 අගෝස්තු දක්වා සංස්ථාවට පවරා ගැනීමට කටයුතු කර නොතිබුණු අතර සංස්ථාව විසින් දීර්ඝ කාලීනව භාවිතා කරනු ලබන වටිනාකම රු. මිලියන 69.64 ක් වූ ඉඩම් 8 ක්ද සංස්ථාවට පවරා ගැනීමට හෝ දීර්ඝ කාලීනව බදු පදනමට ලබා ගැනීමට මේ දක්වා නොහැකි වී තිබුණි.
- (උ) ලංකා බැංකුව, සම්පත් බැංකුව සහ නිවාස සංවර්ධන මූල්‍ය සංස්ථාවෙන් කාරක ප්‍රාග්ධන අවශ්‍යතා වෙනුවෙන් ලබා ගෙන තිබුණු ණය වෙනුවෙන් සමාලෝචිත වර්ෂය අවසානයට පැවති රු.මිලියන 2,665.58ක හිඟ ණය වාරික සහ හිඟ පොලී වෙනුවෙන් සමාලෝචිත වර්ෂයේදී කිසිදු මුදලක් ගෙවීමට සංස්ථාව විසින් කටයුතු කර නොතිබුණි.
- (ඌ) සංස්ථාව විසින් ඉදිකිරීම් ආරක්ෂණ අරමුදලෙන් රු. මිලියන 100 ක බිල්පත් වට්ටම් කිරීම් යටතේ ලබාගෙන තිබූ ණය මුදලෙන් රු. මිලියන 79.2 ක් පමණක් නැවත අරමුදල වෙත ගෙවා තිබුණ අතර ඉතිරි රු. මිලියන 20.8 ක් (පොලිය රහිත) නැවත ගෙවීම් කර නොතිබුණි.
- (එ) සම්පත් බැංකුවෙන් රු. මිලියන 70 ක අයිරා පහසුකමක් ලබාගෙන තිබුණ අතර එම අයිරා පහසුකම ද ඉක්මවා රු. මිලියන 4.06 ක අයිරා පහසුකමක් ද ලබා ගෙන ඇති අතර අයිරා පොලිය ලෙස රු. මිලියන 9.47 ක මුදලක් සමඟ 2024 දෙසැම්බර් 31 දිනට ගෙවිය යුතු මුළු මුදල රු. මිලියන 83.53 ක් වී තිබුණි.
- (ඒ) සංස්ථාව විසින් වගා ව්‍යාපෘතියක් ආරම්භ කර ක්‍රියාත්මක කර තිබූ අතර එම වගා කටයුතු වලින් කිසිදු ආදායමක් උපයා නොතිබුණු අතර එහි වියදම රු. මිලියන 3.32 ක් විය. තවද මෙම වගා කටයුතු කරගෙන යාමේ දී අවශ්‍ය බීජ, පොහොර හෝ වෙනත් ඒ සම්බන්ධ කිසිදු වියදමක් ඉහත සඳහන් පිරිවැය තුළ ඇතුළත්ව නොමැති අතර, සේවක වැටුප් සහ අතිකාල ප්‍රධාන වශයෙන්ම ඇතුළත්ව තිබුණි.
- (ඔ) 2022 වර්ෂයේදී සංස්ථාව විසින් ක්‍රියාත්මක කරන ලද මැණික් කැනීම් ව්‍යාපෘතිය මගින් සංස්ථාවට රු.මිලියන 6.02 ක ශුද්ධ අලාභයක් සිදු වී තිබුණි. බලපත්‍ර හිමිකමක් නොමැතිව සංස්ථාවේ මුදල් හා ශ්‍රමය භාවිතා කරමින් සිදු කරන ලද ඵලදායී නොවන ව්‍යාපෘතියක් වූ අතර මෙම ව්‍යාපෘතිය අවසන් වී වසර 02 ක් ගත වුවද ජාතික මැණික් හා ස්වර්ණාභරණ අධිකාරියට ගෙවන ලද රු. මිලියන 0.675 ක තැන්පතු මුදල නැවත ලබා ගැනීමට අවශ්‍ය කටයුතු ද සිදුකර නොතිබුණි.

- (ඔ) 2022 වර්ෂයේ දී රු.මිලියන 11.29 ක වියදමක් දරා සංස්ථාව හයිඩ්‍රොලික් පොම්පය සමඟ ජැක් යන්ත්‍රයක් මිල දී ගෙන තිබුණු අතර මෙම යන්ත්‍රය වාර්තාව නිකුත් කරන දිනය දක්වා භාවිතා කිරීමට නොහැකිව අක්‍රීය තත්ත්වයේ පැවතුණි. එබැවින් යන්ත්‍රය මිල දී ගැනීමේ අරමුණ ඉටු කර ගත නොහැකිව තිබුණු අතර ඒ සඳහා දැරූ පිරිවැය නිෂ්කාර්ය වියදමක් වී තිබුණි.
- (ක) සමාලෝචිත වර්ෂය අවසානයට වැඩබිම්වල පවතින සේවාදායකයා වෙත බිල් නොකරන ලද තොගයෙහි (Material at Site) වටිනාකම රු.මිලියන 90.69 ක් වූ අතර වැඩ අත්හිට වූ සහ වැඩ අත්හැර දැමූ ව්‍යාපෘතිවලට අදාළව රු.මිලියන 7.30 ක සහ සම්පූර්ණ කරන ලද (Completed) ව්‍යාපෘතිවලට අදාළව රු. මිලියන 0.55 ක තොග ශේෂයන් ද නිරවුල් කිරීමකින් තොරව පැවතුණි.
- (ග) 2024 දෙසැම්බර් 31 දිනට වෙළඳ ණයහිමි සහ විවිධ ණයහිමි ශේෂය රු.මිලියන 1,130.37 ක් වූ අතර එයින් රු.මිලියන 128.46 ක් අවුරුදු 5කට වැඩි කාලයක සිටද රු.මිලියන 737.40 ක් වසර 02 සිට 05 දක්වා කාලයක් තුළ ද නිරවුල් කර නොතිබුණි.
- (ච) 2024 දෙසැම්බර් 31 දිනට ව්‍යාපෘති 17කට අදාළව හනුදෙනුකරුවන්ට ගෙවිය යුතු රු.මිලියන 329.04 ක ශේෂයක් 2025 ජූලි 24 දිනවන විටත් නිරවුල් කර නොතිබුණු අතර විගණනයට ලබා දුන් තොරතුරු අනුව ව්‍යාපෘති 13 ක්ම වැඩ අත්හිට වූ, වැඩ නිම වූ සහ වැඩ අත්හැර දැමූ තත්ත්වයේ පවතින බව නිරීක්ෂණය විය.
- (ඊ) 2024 දෙසැම්බර් 31 දිනට ඉදිකිරීම් ණයගැතියන්, කොන්ක්‍රීට් අංගන ණයගැතියන් සහ රථවාහන සංඥා පද්ධති ණයගැතියන් පිළිවෙලින් රු. මිලියන 93.79 ක්, රු. මිලියන 63.84 ක් සහ රු.95.77 ක් තුළ පිළිවෙලින් රු.මිලියන 10.49 ක්, රු.මිලියන 37.71 ක් හා රු. මිලියන 6.86 ක් වර්ෂ 5 ඉක්මවූ ණයගැතියන් විය.
- (ඔ) 2024 දෙසැම්බර් 31 දිනට රඳවා ගැනීම් ශේෂය රු. මිලියන 574.13 ක් වූ අතර එයින් රු. මිලියන 275.95 ක් අවුරුදු 5කට වැඩි කාලයක් නිරවුල් කර ගැනීමකින් තොරව පැවතුණි. ජංගම වත්කම් යටතේ පෙන්නවනු ලබන රඳවා ගැනීම් ශේෂයෙන් රු. මිලියන 232.73 ක් වසර 02 සිට 05 දක්වා කාලයක් නිරවුල් කර ගැනීමට කටයුතු කර නොතිබුණි.


 ඩී.එච්.ඒ.ධර්මපාල
 විගණකාධිපති (වැ. බ)



**State Development &
Construction Corporation**

"Pioneers in Infrastructure Construction"

**FINANCIAL STATEMENTS
FOR THE YEAR - 2024**

Ministry of Transport, Highways, Ports & Civil Aviation



STATE DEVELOPMENT & CONSTRUCTION CORPORATION
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31ST DECEMBER

| <i>(All amounts are in Sri Lanka Rupees)</i> | Note | 2024 | 2023 Restated |
|--|-------|------------------------|------------------------|
| Revenue | 01 | 430,287,055 | 218,615,272 |
| Cost Of Sales | 02 | (976,448,849) | (1,193,507,544) |
| Gross Profit / (Loss) | | (546,161,795) | (974,892,272) |
| Other Income | 03 | 98,371,541 | 105,806,349 |
| Profit / (Loss) Before Operating Expenses | | (447,790,254) | (869,085,923) |
| Administrative Expenses | 04 | (153,975,469) | (209,428,866) |
| Other Expenses | 05 | (603,932,387) | (935,627,307) |
| Results From Operating Activities | | (1,205,698,111) | (2,014,142,097) |
| Financial Income | 06 | 6,423,190 | 154,766,003 |
| Financial Expenses | 06 | (211,731,020) | (386,852,490) |
| Profit Before Tax | | (1,411,005,940) | (2,246,228,583) |
| Tax Expenses | 07 | - | 163,388,607 |
| Profit For The Year | | (1,411,005,940) | (2,082,839,976) |
| Other Comprehensive Income | | | |
| Defined Benefit Plan Actuarial Gain/(Loss) | 17.01 | (85,990,174) | (23,542,523) |
| Revaluation Gain/(Loss) | | - | - |
| Tax On Other Comprehensive Income | | - | - |
| Other Comprehensive Income Net of Tax | | (85,990,174) | (23,542,523) |
| Total Comprehensive Income | | (1,496,996,114) | (2,106,382,499) |

The Significant Accounting Policies and Notes on pages 05 to 38 form an integral part of these Financial Statements.

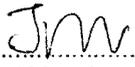


STATE DEVELOPMENT & CONSTRUCTION CORPORATION
STATEMENT OF FINANCIAL POSITION
AS AT 31ST DECEMBER

| | | 2024 | 2023 Restated | 2022 Restated |
|--|-------|------------------------|------------------------|------------------------|
| <i>(All amounts are in Sri Lanka Rupees)</i> | | | | |
| | Note | | | |
| ASSETS | | | | |
| Non - Current Assets | | | | |
| Property, Plant & Equipment | 08 | 1,459,480,466 | 1,560,629,214 | 1,668,197,743 |
| Capital Work in Progress | 08.01 | 97,453 | 6,075,567 | 6,075,566 |
| Investments In Government Owned Companies | 09 | - | - | - |
| Deferred Tax Assets | 11.02 | - | - | 103,612,894 |
| Total Non Current Assets | | 1,459,577,919 | 1,566,704,781 | 1,777,886,203 |
| Current Assets | | | | |
| Inventories | 12 | 513,367,907 | 592,454,299 | 675,836,601 |
| Other Investments, Including Derivatives | 10 | 5,776,817 | 2,050,064 | 98,652,577 |
| Income Tax Assets | 13.01 | - | - | 138,538,712 |
| Trade & Other Receivables | 14 | 1,076,768,816 | 1,392,354,001 | 3,399,690,268 |
| Cash & Cash Equivalents | 15 | 799,300,044 | 185,273,951 | 285,120,536 |
| Total Current Assets | | 2,395,213,584 | 2,172,132,315 | 4,597,838,695 |
| Total Assets | | 3,854,791,503 | 3,738,837,096 | 6,375,724,898 |
| EQUITY & LIABILITIES | | | | |
| Capital & Reserves | | | | |
| Capital | | 16,671,650 | 16,671,650 | 16,671,650 |
| Capital Grant | | 51,140,000 | 51,140,000 | 51,140,000 |
| Capital Reserves | | 6,629,760 | 6,629,760 | 6,629,760 |
| Government Grant | | 118,322,004 | 152,417,502 | 180,519,262 |
| Revaluation Reserve | | 1,145,768,139 | 1,145,768,139 | 1,146,143,425 |
| Treasury Funds for Equity contribution | | 911,480,000 | - | - |
| Retained Earnings | | (6,812,523,943) | (5,315,527,828) | (3,209,145,329) |
| Total Equity | | (4,562,512,390) | (3,942,900,777) | (1,808,041,232) |
| Non - Current Liabilities | | | | |
| Loans & Borrowings | 16 | 1,807,624,907 | 1,808,012,039 | 1,565,734,288 |
| Retirement Benefit Obligation | 17 | 52,557,116 | 66,137,831 | 58,983,584 |
| Deferred Tax Liabilities | 11.01 | - | - | 267,001,501 |
| Total Non Current Liabilities | | 1,860,182,023 | 1,874,149,870 | 1,891,719,374 |
| Current Liabilities | | | | |
| Income Tax Liability | 13.02 | 11,209,644 | 16,209,644 | 17,878,698 |
| Trade & Other Payables | 18 | 6,471,851,478 | 5,717,134,833 | 5,857,801,511 |
| Loans & Borrowings | 16 | - | - | 282,515,292 |
| Bank Overdrafts | 19 | 74,060,748 | 74,243,525 | 133,851,255 |
| Total Current Liabilities | | 6,557,121,870 | 5,807,588,003 | 6,292,046,756 |
| Total Equity & Liabilities | | 3,854,791,503 | 3,738,837,095 | 6,375,724,898 |

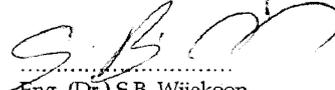
The Significant Accounting Policies and Notes on pages 05 to 38 form an integral part of these Financial Statements.

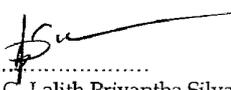
It is certified that the Financial Statements have been prepared in accordance with Sri Lanka Accounting Standards (LKASs and SLFRSs) issued by the Institute of Chartered Accountants of Sri Lanka.


Jayani Mayadunne
Deputy General Manager-Finance
20th June 2025


Eng. W.A.D.R. Shantha Kumara
General Manager
20th June 2025

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


Eng. (Dr.) S.B. Wijekoon
Chairman
20th June 2025


Eng. L.G. Lalith Priyantha Silva
Director
20th June 2025

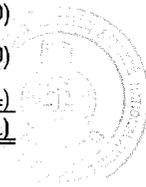

Eng. W.P.S. Aruna
Director
20th June 2025



STATE DEVELOPMENT & CONSTRUCTION CORPORATION
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31ST DECEMBER 2024
(All amounts are in Sri Lanka Rupees)

| | Capital | Capital Grant | Capital Reserve | Revaluation Reserve | Government Grant | Treasury Funds for Equity contribution | Retained Profit / (Loss) | Total Equity |
|---|------------|---------------|-----------------|---------------------|------------------|--|--------------------------|-----------------|
| Balance As At 1st January 2022 - As restated in year 2023 | 16,671,650 | 51,140,000 | 6,629,760 | 656,256,375 | 216,660,477 | - | (2,689,069,831) | (1,741,711,569) |
| Effect Of Prior Year Transactions - Adjusted in year 2024 (Note 26-A) | - | - | - | - | - | - | (677,835,754) | (677,835,754) |
| Balance As At 1st January 2022 - Restated in year 2024 | 16,671,650 | 51,140,000 | 6,629,760 | 656,256,375 | 216,660,477 | - | (3,366,905,585) | (2,419,547,323) |
| Profit For The Year -Restated in year 2024 (Note 26-A) | - | - | - | - | - | - | 139,714,088 | 139,714,088 |
| Revaluation | - | - | - | 489,887,050 | (735,714) | - | - | 489,151,336 |
| Amount Of Government Grant Recognised as Income During The Year - Restated in year 2024 (Note 26-A) | - | - | - | - | (35,405,500) | - | - | (35,405,500) |
| Other Comprehensive Income | - | - | - | - | - | - | 18,046,167 | 18,046,167 |
| Balance As At 31st December 2022 - Restated in year 2024 | 16,671,650 | 51,140,000 | 6,629,760 | 1,146,143,425 | 180,519,262 | - | (3,209,145,329) | (1,808,041,232) |
| Effect Of Prior Year Transactions - Adjusted in year 2024 (Note 27-B) | - | - | - | - | - | - | - | - |
| Profit For The Year - Restated in year 2024 (Note 27-B) | - | - | - | - | - | - | (2,082,839,976) | (2,082,839,976) |
| Received during the year | - | - | - | - | 7,000,000 | - | - | 7,000,000 |
| Revaluation Adjustment | - | - | - | (375,287) | - | - | - | (375,287) |
| Amount of Government Grant Recognised as Income During The Year -Restated in year 2024 (Note 26-B) | - | - | - | - | (35,101,760) | - | - | (35,101,760) |
| Other Comprehensive Income | - | - | - | - | - | - | (23,542,523) | (23,542,523) |
| Balance As At 31st December 2023 - Restated in year 2024 | 16,671,650 | 51,140,000 | 6,629,760 | 1,145,768,139 | 152,417,502 | - | (5,315,527,828) | (3,942,900,777) |
| Balance As At 31st December 2023 as previously stated | 16,671,650 | 51,140,000 | 6,629,760 | 1,145,768,139 | 189,474,257 | - | (4,671,354,410) | (3,261,670,605) |
| Effect Of Prior Year Transactions - Adjusted in year 2024 (Note 26) | - | - | - | - | (37,056,754) | - | (644,173,418) | (681,230,172) |
| Balance As At 31st December 2023 - Restated in year 2024 | 16,671,650 | 51,140,000 | 6,629,760 | 1,145,768,139 | 152,417,503 | - | (5,315,527,828) | (3,942,900,777) |
| Treasury Funds for Equity contribution | - | - | - | - | - | 911,480,000 | - | 911,480,000 |
| Profit For The Year | - | - | - | - | - | - | (1,411,005,940) | (1,411,005,940) |
| Amount of Government Grant Recognised as Income During The Year | - | - | - | - | (34,095,500) | - | - | (34,095,500) |
| Other Comprehensive Income | - | - | - | - | - | - | (85,990,174) | (85,990,174) |
| Balance As At 31st December 2024 | 16,671,650 | 51,140,000 | 6,629,760 | 1,145,768,139 | 118,322,003 | 911,480,000 | (6,812,523,943) | (4,562,512,391) |

The Significant Accounting Policies and Notes on pages 05 to 38 form an integral part of these Financial Statements.



STATE DEVELOPMENT & CONSTRUCTION CORPORATION
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER

| | 2024 | 2023 | 2022 |
|--|------------------------|------------------------|---------------------|
| | | Restated | Restated |
| <i>(All amounts are in Sri Lanka Rupees)</i> | | | |
| | Note | | |
| Cash Flow From Operating Activities | | | |
| Profit / (Loss) Before Tax | (1,411,005,940) | (2,246,228,583) | 41,618,436 |
| Adjustments For ; | | | |
| Depreciation | 104,528,807 | 111,076,890 | 110,285,049 |
| Staff Pre Paid Cost | - | - | - |
| Provision For Defined Benefit Plan | 6,768,979 | 9,232,283 | 47,060,571 |
| Capital WIP transferred th P&L | 443,403 | - | - |
| (Gain)/Loss On Disposal Of Property, Plant & Equipment | (1,166,278) | (15,863,459) | (9,063,963) |
| (Gain)/Loss On Translation Of Foreign Currency Loans | - | - | (68,669,722) |
| Impairment Loss On Trade & Other Receivables | 84,150,083 | 758,804,008 | 86,781,117 |
| Interest In Suspense | - | - | - |
| ESC Written Off Expense | - | - | - |
| Finance Expenses | 211,731,020 | 386,852,490 | 122,150,767 |
| Deferred Income | (34,095,500) | (35,101,760) | (17,375,337) |
| Provision For Slow & Non Moving Stock | (973,911) | (912,193) | (359,238) |
| Government Grant Received | - | - | - |
| Finance Income | (6,423,190) | (154,766,003) | (8,018,943) |
| Operating Profit/ (Loss) Before Working Capital Changes | (1,046,042,527) | (1,186,906,328) | 304,408,737 |
| (Increase) / Decrease In Inventory | 80,060,303 | 93,423,654 | (228,304,052) |
| (Increase) / Decrease In Trade & Other Receivables | 224,194,864 | 1,184,228,292 | (118,033,574) |
| (Increase) / Decrease In Purchases & Sub Contract Advances | 7,588,958 | 192,797,221 | 130,344,241 |
| Increase / (Decrease) In Advances & Retention | (82,734,727) | (255,860,790) | (365,430,236) |
| Increase / (Decrease) In Trade & Other Payables | 535,233,767 | (125,853,920) | 548,059,801 |
| Cash Generated From/ (Used In) Operations | (281,699,362) | (98,171,871) | 271,044,917 |
| Finance Cost Paid | 1,714,042 | (163,373,381) | (140,935,703) |
| Gratuity Paid | (17,567,326) | (8,051,636) | (21,787,932) |
| Tax Paid | (5,283,756) | (2,788,422) | - |
| Net Cash Flow From/ (Used In) Operating Activities | (302,836,401) | (272,385,310) | 108,321,282 |
| Cash Flows From / (Used In) Investing Activities | | | |
| Acquisition Of Property, Plant & Equipment | (1,433,359) | (5,942,149) | (46,277,850) |
| Proceeds From Disposal Of Property, Plant & Equipment | 4,754,290 | 15,792,804 | 20,384,242 |
| Withdrawal/(Investment) In Fixed Deposits | (3,726,753) | 96,602,513 | (68,652,577) |
| Finance Income Received | 6,358,225 | 165,930,829 | 3,475,835 |
| Net Cash Flow From/ (Used In) Investing Activities | 5,952,403 | 272,383,997 | (91,070,351) |
| Cash Flows From / (Used In) Financing Activities | | | |
| Repayment Of Loans & Borrowings | (387,131) | (40,237,542) | (46,917,100) |
| Proceeds From Borrowings | - | - | 50,329,828 |
| Government Grant Received | 911,480,000 | - | - |
| Repayment Of Finance Leases | - | - | - |
| Net Cash Flow From/ (Used In) Financing Activities | 911,092,869 | (40,237,542) | 3,412,728 |
| Net Increase/ (Decrease) In Cash & Cash Equivalents | 614,208,870 | (40,238,854) | 20,663,659 |
| Cash & Cash Equivalents At The Beginning Of The Year | 111,030,426 | 151,269,281 | 130,605,622 |
| Cash & Cash Equivalents At The End Of The Year | 725,239,296 | 111,030,426 | 151,269,281 |

15

The Significant Accounting Policies and Notes on pages 05 to 38 form an integral part of these Financial Statements.





CORPORATE INFORMATION

1.1 General

State Development & Construction Corporation is incorporated under the Industrial Corporation Act No. 49 of 1957 and domiciled in Sri Lanka. The registered office and the principal place of business of the Corporation are located at No. 07, Borupana Road, Rathmalana. The principal construction activities of the Corporation have been decentralized regionalize Precast Concrete Production & Sales Centers located in Ratmalana, Bopitiya, Weragantota, Lunugamwehera & Madawachchiya.

1.2 Comparative Information

The accounting policies adopted are consistent with those used in previous financial year. Certain prior year figures and phrases have been rearranged whenever necessary to conform to the current year presentation.

1.3 Principal Business Activities

The principal business activities of the Corporation are construction contracts, manufacturing of precast concrete products for construction requirements and undertaking of contracts for precast concrete products, sale of concrete, products installation and maintenance of traffic light signal systems.

1.4 Number of Employees

The number of employees at the end of the year was 459. On 31st December 2024 206nos Permanent staff retired through a Voluntary Retirement Scheme (VRS).

1.5 Date of Authorization for Issue

The Financial Statements were authorised for issue by the Board of Directors on 20th June 2025.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 General Accounting Policies

2.1.1 Basis of Preparation

The Financial Statements of State Development & Construction Corporation comprises Statement of Financial Position, Statement of Comprehensive Income, Cash Flow Statement and Statement of Changes in Equity, Accounting Policies and Notes to the Financial Statements. These financial statements are prepared in accordance with the Sri Lanka Accounting Standards (SLFRS /LKAS) and Interpretations laid down by the Institute of Chartered Accountants of Sri Lanka.

The effect of the transition to SLFRS/LKAS on previously reported financial positions, financial performances and cash flows of the Corporation is given in the notes to the financial statements.



The principal accounting policies adopted in the preparation of the financial statements are set out below. The policies have been consistently applied to all the years presented, unless otherwise stated.

2.1.2 Going Concern

Due to the economic crisis faced by the country in early 2022, construction industry was badly affected mostly in the form of contract postponement or cancellation. The significant devaluation of the national currency versus the US dollar had a detrimental impact on the sector since it has created an additional expense.

As a consequence of the financial crisis, the Corporation was adversely impacted and generated a net loss of Rs.2,082 Mn during the year 2023 and Rs. 1,411 Mn. Thereby the accumulated loss of the Corporation has amounted to Rs.6,812 Mn as at 31st December 2024 resulting a serious loss of capital of the corporation.

The Board further notes that this loss is mainly due to the following:

- ✓ All SD&CC clients are government, hence, the bills have to be funded through the General Treasury of Sri Lanka. Due to the financial crisis in year 2022, release of funds for the construction work has been curtailed heavily, with the issue of National Budget Circulars 03/2022, 09/2022 and hence, SD&CC's financial situation has deteriorated drastically.
- ✓ Due to this reason 195 rural bridge projects and 34 construction projects, which were awarded to SD&CC are temporally on hold or suspended. In addition, 119 rural bridge projects which were to be awarded to SD&CC was suspended. The total amount of work lost is Rs. 7,855.63 million.

Though the construction industry is slowly reviving in Sri Lanka, it has not reached to a satisfactory level up to now. Projects currently awarded to SD&CC are not sufficient to sustain financially and earn profits. As a result of this, SD&CC has not been able to acquire projects on a competitive basis.

However, considering the positive developments taken place and the support of the Government, the Board of Directors believe that there is no material uncertainty related to the events or conditions that may cast significant doubt on the Corporation's ability to continue as a going concern. The financial statements for the year ended 31st December 2024, have been prepared on a going concern basis.

Amidst this, Cabinet paper no 24/1684/608/032-I, a Memorandum dated 2024-08-21 by the Ministry of Transport & Highways on "Amalgamation of SD&CC with Road Development Authority (RDA)" was approved by the Cabinet of Ministers on 2024-09-02. However, no action has been taken for this amalgamation up to now.



2.1.3 Foreign Currency Translation

All foreign exchange transactions are converted in to Sri Lanka Rupees, which is the reporting currency, at the rate of exchange prevailing at the time the transaction was affected. Monetary assets and liabilities denominated in foreign currencies are translated to Sri Lanka Rupee equivalents using year-end spot foreign exchange rates. Non-monetary assets and liabilities are translated using exchange rates that existed when the values were determined. Exchange differences arising on the retranslation of unsettled monetary assets and liabilities are recognized immediately in profit or loss, except for foreign currency borrowings qualifying as a hedge of a net investment in a foreign operation, in which case exchange differences are recognized in other comprehensive income and accumulated in the foreign exchange reserve along with the exchange differences arising on the retranslation of the foreign operation.

2.1.4 Related Party Relationships

The Corporation has a subsidiary relationship with Fujima State Corporation (Pvt.) Ltd, in the past. Consolidated accounts are not prepared and investment in the subsidiary company is recorded at cost due to practical difficulties in preparing consolidated accounts.

2.1.5 Taxation

(a) Current Tax

The provision for income tax is based on the elements of income and expenditure as reported in the financial statements and computed in accordance with the provisions of the Inland Revenue Act No.10 of 2006 and amendments thereto.

(b) Deferred Tax

Deferred Tax is provided using the liability method, providing for temporary differences between the carrying amounts of assets & liabilities for the financial reporting purpose and amounts used for tax purpose. Deferred tax is measured at the tax rate that is expected to apply to temporary differences when they are reversed the liability is settled, based on the laws that have been enacted by the reporting date.

Deferred tax assets are recognized to the extent that is probable that future taxable profits will be available against which such timing difference can be utilized. Deferred tax assets are reviewed at each reporting date and reduced to the extent that is no longer probable that the related tax benefit will be realized.

Deferred tax is separately calculated for the construction activities and other activities of the Corporation due to different tax rates applicable on those activities.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to setoff current tax assets against current tax liabilities and when the deferred taxes relate to the same taxable entity and the same taxation authority.



2.1.6 Borrowing Costs

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

2.2 Valuation of Assets & Liabilities and Their Bases of Measurement

2.2.1 Property, Plant and Equipment

Cost and Valuation

All items of property, plant and equipment are initially recorded at cost. The cost of property, plant and equipment is the cost of acquisition or construction together with any expenses incurred in bringing the asset to its working condition for its intended use. Subsequent to the initial recognition as an asset at cost, revalued assets are carried at revalued amounts less any subsequent depreciation thereon. All other property, plant and equipment are stated at cost less accumulated depreciation and/or accumulated impairment losses. Where an item of property, plant and equipment comprises major components having different useful lives, they are accounted for as separate items of property, plant and equipment.

Subsequent Expenditure

Expenditure incurred to replace a component of an item of property, plant & equipment that is accounted for separately, including major inspection and overhaul expenditure, is capitalized. Other subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the item of property, plant and equipment. All other expenditure incurred on repairs or maintenance of property, plant and equipment in order to restore or maintain the future economic benefits expected from the originally assessed standard of performance, is recognised as an expense when incurred.

Revaluation

Where items of property, plant and equipment are subsequently revalued, the entire classes of such assets are revalued at fair value. Revaluations are done with sufficient regularity. When an asset is revalued, any revaluation surplus is recognized in other comprehensive income and accumulated in equity in the asset revaluation reserve, except to the extent that it reverses a revaluation decrease of the same asset previously recognized in the statement of comprehensive income, in which case the increase is recognized in the statement of comprehensive income. Any revaluation deficit that offsets a previous surplus in the same asset is directly offset against the surplus in the revaluation reserve and any excess recognized as an expense. Accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Upon disposal, any revaluation reserve relating to the asset sold is transferred to retained earnings.



Impairment

The carrying value of property, plant & equipment are reviewed for impairment annually or when events or changes in the circumstances indicate the carrying value may not be recoverable. If any such indications exist and where the carrying values exceeds the estimated recoverable amount, the assets are written down to the recoverable amount. Impairment losses are recognized in the statement of comprehensive income unless it reverses a previous revaluation surplus for the same asset.

Depreciation

Provision for depreciation is calculated by using 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 estimated useful economic lives of such assets. The estimated useful lives of assets are as follows:

| Type of Asset | Years |
|-------------------------|-----------------------|
| Land | Over Prolonged Period |
| Buildings | Over 20 Years |
| Office Equipment | Over 10 Years |
| Plant & Machinery | Over 10 Years |
| Motor Vehicles | Over 05 Years |
| Computers & Accessories | Over 10 Years |
| Other Assets | Over 10 Year |

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of an asset, the depreciation of that asset is revised prospectively to reflect the new expectations.

Derecognition

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

2.2.2 Leases

a) Finance Leases

Property, plant and equipment on finance leases, which effectively transfer to the Corporation substantially all the risks and benefits incidental to ownership of the leased items, are capitalized and disclosed as finance leases at their cash price and depreciated over the period the Corporation is expected to benefit from the use of the leased assets. The corresponding principal amount payable to the lessor is shown as a liability. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the outstanding balance of the liability. The interest payable over the period of the lease is transferred to an interest in suspense account. The interest element of the rental obligations pertaining to each financial year is charged to the statement of comprehensive income over the period of lease.



The interest applicable for the year calculated using Internal Rate of Return (IRR) method has been charged to statement of comprehensive income.

The cost of improvements on leasehold property is capitalized if the criteria are met, disclosed as leasehold improvement under property plant and equipment, and depreciated over the estimated useful lives of the improvements.

b) Operating Leases

Leases where the less or effectively retains substantially all the risks and benefits of ownership over the leased term are classified as operating leases.

Rentals paid under operating leases are recognized as an expense in the statement of comprehensive income on a straight-line basis over the lease term.

2.2.3 Financial Instruments

1. Financial Assets

Initial Recognition and Measurement

Financial assets within the scope of SLFRS 9 are classified as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets, as appropriate and determine the classification of its financial assets at initial recognition.

All financial assets are recognised initially at fair value plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs.

The financial assets include cash and short-term deposits, trade receivables and other financial assets.

Subsequent Measurement

The subsequent measurement of financial assets depends on their classification as follows:

a) Financial Assets at Fair Value Through Profit or Loss

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term.

Financial assets at fair value through profit and loss are carried in the statement of financial position at fair value with changes in fair value recognised in the statement of comprehensive income. Net gains or net losses on financial assets at fair value through profit or loss include exchange differences, interest and dividend income.



b) Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate method (EIR), less impairment loss. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of comprehensive income. The losses arising from impairment are recognised in the statement of comprehensive income. Short term receivables are measured at cost.

Staff Loans

Staff loans are considered as financial assets under the loans and receivables in the statement of financial position of the Corporation. Staff Loans are measured at fair value using market interest rates that prevailed at the grant date. The difference between the fair value and loan amount is amortized over the term of the loan. Interest income is accrued using market interest rate.

Trade Receivables

Trade receivables of the corporation includes construction debtors, retentions, liquidated damage receivables and concrete yard debtors which fall under the category of 'Loans and Receivables' under SLFRS 15 are recorded at the transaction price, which is the amount of consideration given or received. Impairment provision on debtors is calculated at the end of each reporting period based on the past cash settlement patterns of the debtors and default probability ratio, impairment loss/(reverse) recognized in statement of comprehensive income.

Held-To-Maturity Investments

Non-derivative financial assets with fixed or determinable payments and fixed maturity are classified as held-to-maturity when the Corporation has the positive intention and ability to hold the investment to maturity. Subsequent to initial recognition, held-to-maturity investments are measured at amortised cost using the Effective Interest Rate method less impairment. Gains and losses are recognised in the statement of comprehensive income when the held-to-maturity investments are derecognised or impaired.

c) Available-For-Sale Financial Investments

Available-for-sale financial assets include equity and debt securities. Equity investments classified as available-for-sale are those which are neither classified as held for trading nor designated at fair value through profit or loss. Debt securities in this category are those which are intended to be held for an indefinite period of time and which may be sold in response to needs for liquidity or in response to changes in the market conditions.

After initial recognition, available-for-sale financial assets are measured at fair value. Any gains or losses from changes in fair value of the financial asset are recognised initially in other comprehensive income and accumulated under available for sale reserve in equity,



except that impairment losses, foreign exchange gains and losses on monetary instruments and interest calculated using the effective interest rate method are recognised in the statement of comprehensive income. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to the statement of comprehensive income when the financial asset is derecognised.

Derecognition

The Corporation derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Corporation is recognised as a separate asset or liability.

Impairment of Financial Assets

The Corporation assesses at each reporting date whether there is any objective evidence that a financial asset is impaired. A financial asset is deemed to be impaired if, and only if, there is an objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset and that loss event has an impact on the estimated future cash flows of the financial asset that can be reliably estimated. The impairment loss is identified in the statement of comprehensive income.

2. Financial Liabilities

Initial Recognition and Measurement

Financial liabilities within the scope of SLFRS 9 are recognised when, and only when, the Corporation becomes a party to the contractual provisions of the financial instrument.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, and other financial liabilities carried at amortised cost. This includes directly attributable transaction costs.

Financial liabilities of the Corporation include trade and other payables, loans & borrowings, bank overdrafts.

Subsequent Measurement

The measurement of financial liabilities depends on their classification as follows;

Financial Liabilities at Fair Value through Profit or Loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term and gains or losses are recognised in the statement of comprehensive income.



Loans and Borrowings and Other Financial Liabilities

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in the statement of comprehensive income when the liabilities are derecognized as well as through the effective interest rate method (EIR) amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the statement of comprehensive income.

Short term liabilities of the Corporation such as trade and other payables, advances & deposits and accruals are measured at cost.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the statement of comprehensive income.

3. Fair Value of Financial Instruments

The fair value of financial instruments that are traded in active markets at each reporting date is determined by reference to quoted market prices or dealer price quotations. For financial instruments not traded in an active market, the fair value is determined using appropriate valuation techniques. Such techniques may include using recent arm's length market transactions; reference to the current fair value of another instrument that is substantially the same; a discounted cash flow analysis or other valuation models.

2.2.4 Impairment of Assets

At each reporting date property plant & equipment, other assets and investments are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in statement of comprehensive income. Similarly, at each reporting date inventories are assessed for impairment by comparing the carrying amount of each item of inventory with its selling price less costs to complete and sell. If an item of inventory is impaired, its carrying amount is reduced to selling price less costs to complete and sell, and an impairment loss is recognised immediately in statement of comprehensive income.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior



years. A reversal of an impairment loss is recognised immediately in statement of comprehensive income

2.2.5 Investments

a) Current Investments

Current investments are stated at cost, it includes cost of acquisition, brokerages fees, duties and bank fees.

Unrealized gains and losses on current investments carried at market value i.e. reduction to market value and reversals of such reductions required to reflect current investments at the lower of cost and market value, are credited or charged to statement of comprehensive income.

b) Associate Company Investments

Investments in associate companies are accounted for on the equity method, whereby the share of profit of the associates attributable to the company is accounted for as income and the value of the investment (which was initially recognized at cost) adjusted by a like amount.

2.2.6 Inventories

Corporation recognized inventory once significant risks and rewards of ownership on goods obtained by the entity. Inventories are valued at lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of the business, less the estimated selling expenses. The cost of inventory is based on the specific identification basis and includes expenditures incurred in acquiring inventories and bringing them to their existing location and condition.

| | |
|-----------------------------------|---|
| Raw Materials | - At actual cost on first-in first-out basis. |
| Finished Goods –Concrete Products | - At actual cost |
| Work-in-progress | - At the cost of direct materials, direct labours and an appropriate proportion of fixed production overheads based on normal operating capacity. |
| Consumables & Spares | - At actual cost on First in First out basis |

2.2.7 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 bank overdrafts. Investments with short



maturity, i.e. three months or less from the date of acquisition are also treated as cash equivalents.

2.2.8 Recognition of Due from Customer and Due to Customer

The gross amount due from customers for contract work is the net amount of;

- a) Costs incurred plus recognized profit: less
- b) The sum of recognized losses and progress billings

For all contracts in progress for which costs incurred plus recognized profits (less recognized losses) exceed progress billings.

The gross amount due from customers for contract work is the net amount of;

- a) Costs incurred plus recognized profit: less
- b) The sum of recognized losses and progress billings

For all contracts in progress for which progress billings exceed costs incurred plus recognized profit.

2.2.9 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, 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.

All contingent liabilities are disclosed as a note to the financial statements unless the outflow of resources is remote. Contingent assets are disclosed, where inflow of economic benefit is probable.

2.3 Liabilities and Provisions

Liabilities are recognized in the statement of financial position when there is a present obligation arising from a past event, the settlement of which is expected to result in an outflow of resources embodying economic benefits. Obligations payable at the demand of the creditor or within one year of the reporting date are treated as current liabilities in the statement of financial position. Liabilities payable after one year from the reporting date are treated as non-current liabilities in the statement of financial position.

A provision is recognized in the statement of financial position when the Corporation has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits for which a reliable estimate could be made is required to settle the obligation.



2.3.1 Retirement Benefit Obligations

a) Defined Benefit Plan - Gratuity

Gratuity is a Defined Benefit Plan. The Corporation is liable to pay gratuity in terms of the relevant statute. In order to meet this liability, a provision is carried forward in the statement of financial position, equivalent to an amount calculated using formula method prescribed in LKAS 19.

b) Defined Contribution Plan - Employees' Provident Fund & Employees' Trust Fund

Employees are eligible for Employees' Provident Fund contributions and Employees' Trust Fund contributions in line with respective statutes and regulation.

2.4. Revenue

2.4.1 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Corporation, the revenue and associated costs incurred or to be incurred can be reliably measured and after transferring significant risks and rewards of ownership of the services provided or goods have been transferred to the customers and there is no effective control over the output. Revenue is measured at the fair value of the consideration received or receivable net of trade discounts and sales taxes. The following specific criteria are used for the purpose of recognition of revenue.

a) Construction Revenue

The revenue from construction contract is recognized on a percentage completion method as per SLFRS 15.

The stage of completion of a contract has been determined by the proportion of the contract costs incurred for the work performed to date bear the estimated total contract costs.

b) Sale of Goods

Revenue from sale of goods are recognized when the significant risks and rewards of ownership of the goods have passed to the buyer with the Corporation retaining neither a continuing managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold.

c) Interest

Interest income is recognized on a time apportioned basis.

d) Rental and Other Income

Rental income is recognized on accrual basis.

e) Gains & Losses

Net gains and losses of a revenue nature arising from the disposal of property, plant and equipment and other non-current assets, including investments, are accounted for in the statement of comprehensive income, after deducting from the proceeds on disposal, the



carrying amount of such assets and the related selling expenses. Gains and losses are arising from activities incidental to the 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. Any losses arising from guaranteed rentals are accounted for in the year of incurring the same. A provision is recognized if the best estimate indicates a loss.

2.5 Expenditure Recognition

Expenses are recognized in the statement of comprehensive income on the basis of a direct association between the costs incurred and the earnings of specific items of income. All expenditure incurred in the running of the business and in maintaining the property, plant and equipment in a state of efficiency have been charged to the statement of comprehensive income. For the purpose of presentation of the statement of comprehensive income, the "function of expenses" method has been adopted, on the basis that it presents fairly the elements of the Corporation's performance.

2.6 Comparatives

Where necessary, comparative figures have been adjusted to conform with the changes in presentation in the current year.

2.7 Events Occurring After the Reporting Date

All material events after reporting date have been considered, disclosed and adjusted where appropriate.

2.8 Segment Information

The Corporation identifies its segments based on the criteria, given in the SLFRS 8 and relevant disclosures are made in the financial statement notes. Construction, Concrete Yard and Mechanical & Others are segments identified by the Corporation.

2.9 Government Grant

Government Grants including non-monetary grants at fair value shall not be recognized until there is reasonable assurance that:

- (a) The entity will comply with the conditions attached to them &
- (a) The grants will be received

Grants are recognised as Deferred Income and is recognised in profit or loss on a systematic basis over the useful life of the asset.

2.10 Treasury Funds for Equity contribution

Equity contribution given by the General Treasury for the Compensation and Gratuity payment of employees who retired through the Voluntary Retirement Scheme (VRS) of Rs. 683 Mn, unpaid EPF with Surcharge of Rs. 111 Mn and Salary payment during October - December 2024 of Rs. 117.48 Mn.

STATE DEVELOPMENT & CONSTRUCTION CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER
(All amounts are in Sri Lanka Rupees)

| | Note | 2024 | 2023 Restated |
|--|------|--------------------|--------------------|
| NOTE 01 - REVENUE | | | |
| Construction Income | | 70,412,666 | (298,608,357) |
| External Sales - Concrete Yards | | 105,930,642 | 197,145,186 |
| Internal Sales - Concrete Yards | | 4,121,050 | 71,149,795 |
| Traffic Light Systems & Work Services | | 230,677,279 | 248,928,647 |
| Vehicle Maintenance & Service by Work Shop | | 19,145,418 | - |
| Total | | 430,287,055 | 218,615,272 |

NOTE 02 - COST OF SALES

Operating Expenses

| | | | |
|---|-------|-------------|-------------|
| Employee Benefits | 04.01 | 395,418,787 | 374,925,033 |
| Cement | | 15,528,306 | 25,205,165 |
| Sand | | 4,441,928 | 6,921,500 |
| Metal | | 13,376,083 | 12,408,268 |
| Steel | | 80,103,560 | 51,050,794 |
| Timber | | 4,727,308 | 2,924,181 |
| Fuel & Lubricants | | 43,404,642 | 56,370,886 |
| Explosive & Blasting Materials | | - | 4,045 |
| Ready Mix Concrete | | 27,837,713 | 25,402,241 |
| Concrete Products | | 6,495,762 | 71,789,293 |
| Machinery & Vehicle Spare Parts | | 13,907,521 | 11,964,290 |
| Stationery Consumption | | 1,092,701 | 1,107,372 |
| Tar Consumption | | 1,484,640 | 2,387,828 |
| Electrical Spare Parts Consumption | | 61,518,699 | 52,495,496 |
| Pipes & Drainages Items Consumption | | 1,163,394 | 1,671,879 |
| Other Stocks | | 61,549,586 | 54,998,499 |
| Earth Gravel | | 1,811,950 | 2,908,900 |
| Works Services | | 206,210 | 59,525 |
| Capital Item Expenditure - RDA | | - | 373,852 |
| Legal Charges | | - | 17,250 |
| Hire Charges | | 9,720,420 | 24,542,422 |
| Transport Charges (Material) | | 102,497 | 581,720 |
| Transport Charges (Others) | | 168,605 | 459,795 |
| Storage Charges | | 3,000 | 8,500 |
| Vehicle Insurance | | 519,571 | 1,030,752 |
| Depreciation On Plant, Machinery & Equipment | | 54,295,219 | 54,457,393 |
| Depreciation On Motor Vehicles | | 23,369,415 | 22,882,108 |
| Depreciation On Computers, Accessories & Software | | 1,193,474 | 1,509,277 |
| Repairs & Maintenance -Plant, Machinery & Equipment | | 504,905 | 523,490 |
| Repairs & Maintenance - Vehicles (Work Shop) | | 3,101,903 | 2,619,482 |
| Repairs & Maintenance -Plant, Machinery & Equipment (Transport) | | - | - |
| Repairs & Maintenance -Plant, Machinery & Equipment (Other) | | 4,230,162 | 3,056,668 |
| Registration & Licence Fees | | 660,161 | 843,494 |
| Sub Contracts | | 94,744,993 | 156,207,741 |
| Liquidation Damages | | 4,325,715 | 1,427,255 |
| Assignments | | 11,582,567 | 16,356,737 |
| Charges For Bonds | | 9,779,992 | 10,699,099 |
| Claimed Bond Charges | | 6,898,212 | - |
| Telephone - Sites | | 818,788 | 1,531,994 |
| Postage & Telex - Sites | | 77,475 | 114,628 |

STATE DEVELOPMENT & CONSTRUCTION CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER

(All amounts are in Sri Lanka Rupees)

| | 2024 | 2023 |
|--|--------------------|----------------------|
| Note | | Restated |
| Printing & Stationery - Sites | 312,374 | 505,114 |
| Travelling - Sites | 6,445,735 | 5,530,815 |
| Entertainment | 764,093 | 675,005 |
| Stamp Fees - Sites | 3,210 | 4,359 |
| Rent - Sites | 7,230,620 | 11,363,016 |
| Electricity - Sites | 9,180,734 | 12,109,913 |
| Computer | 80,510 | 4,500 |
| Water - Sites | 3,342,645 | 1,866,784 |
| Tender Fees -Sites | 152,164 | 161,564 |
| Security Expenses - Sites | - | 261,000 |
| Welfare & Recreation - Sites | 23,826 | 314,775 |
| Liquidation Damages - Construction | - | 7,165 |
| Insurance All Risk Policy - Sites | 42,800 | 953,344 |
| Newspapers & Periodicals - Sites | 37,940 | 40,075 |
| Sundry Expenses- Sites | 1,404,814 | 2,597,247 |
| Consultancy & Professional Fees | 235,395 | 446,815 |
| Building Repairs -Sites | 434,365 | - |
| Service Charges - Sites | 1,459,911 | 3,575,368 |
| Testing Charges -Sites | 1,352,601 | 1,303,951 |
| Advertisements | - | - |
| Repairs & Maintenance - Office Equipment | 108,600 | 24,500 |
| Rates & Taxes | 860,383 | 2,417,770 |
| Impairment provision for Slow & Non Moving Stock | (973,911) | (912,193) |
| Personal Accident Insurance | 40,973 | 32,144 |
| Sub Total | 992,705,645 | 1,097,121,883 |
| Add - Opening Stock | 192,942,766 | 289,328,427 |
| Less - Closing Stock | (209,199,562) | (192,942,766) |
| Cost Of Sales | 976,448,849 | 1,193,507,544 |

NOTE 03 - OTHER INCOME

| | | |
|---|-------------------|--------------------|
| Transport Hire Charges | 14,937,160 | 31,650,608 |
| Machinery Hire Charges | - | 364,900 |
| Deferred Income | 34,095,500 | 35,101,760 |
| Consultancy Fee | 4,617,590 | 5,462,386 |
| Sundry Income | 14,118,473 | 32,860,209 |
| Income from Knowledge Enhancing Programmes | - | 11,739 |
| Government Grant Received For Salaries | - | - |
| Insurance Income | 587,089 | 289,900 |
| Income On Rent | 28,842,250 | 13,500 |
| Training Income | 7,200 | 1,473,000 |
| Foreign Exchange Gain/ (Loss) | - | (17,285,112) |
| Profit On Disposal Of Property, Plant & Equipment | 1,166,278 | 15,863,459 |
| Total | 98,371,541 | 105,806,349 |

STATE DEVELOPMENT & CONSTRUCTION CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER

| <i>(All amounts are in Sri Lanka Rupees)</i> | Note | 2024 | 2023 Restated |
|--|-------|--------------------|--------------------|
| NOTE 04 - ADMINISTRATIVE EXPENSES | | | |
| Employee Benefits | 04.01 | 107,679,221 | 147,770,871 |
| Telephone | | 1,098,045 | 1,615,664 |
| Postage & Telex | | 135,258 | 78,510 |
| Printing & Stationery | | 445,535 | 4,182 |
| Travelling & Subsistence | | 431,038 | 458,219 |
| Entertainment | | 632,266 | 603,390 |
| Advertising | | 546,093 | 136,080 |
| Legal Charges | | 417,089 | 785,001 |
| Audit Fees | | 789,537 | 900,000 |
| Rate & Taxes | | 582,669 | 177,888 |
| Electricity | | 988,828 | 901,435 |
| Computer Expenses | | 180,719 | 243,808 |
| Rental - GPS Tracking | | - | - |
| Establishment Expenses | | - | 2,300 |
| Depreciation - Land & Buildings | | 7,889,594 | 7,612,859 |
| Depreciation - Furniture & Fixture, Office & Welfare | | 6,832,539 | 9,426,049 |
| Depreciation - Computer Accessories & Software | | 795,649 | 1,012,708 |
| Depreciation - Other Assets | | 10,152,917 | 14,176,496 |
| Water | | 353,260 | 1,106,383 |
| Non Refundable Tender Fees | | - | 209,000 |
| Service Charges | | 63,450 | 251,820 |
| Sundry Expenses | | 2,852,227 | 4,735,445 |
| Consultancy & Professional Fees | | 192,075 | - |
| Welfare & Recreation Expenses | | - | 151,250 |
| Repairs & Maintenance - Land & Buildings | | 64,837 | 1,258,647 |
| Repairs & Maintenance - Furniture & Fixtures | | 99,450 | - |
| Repairs & Maintenance - Other Assets | | 43,150 | 142,862 |
| Insurance Contractors All Risk Policy | | - | 8,000 |
| Newspapers & Periodicals | | 5,440 | 185,420 |
| Steel Consumption | | - | - |
| Timber Consumption | | - | - |
| Fuel Consumption | | 2,847,206 | 4,368,312 |
| Stationery | | 1,727,995 | 2,765,093 |
| Electrical Items Consumption | | 242,740 | 214,081 |
| Water Supply Items | | 66,939 | 47,118 |
| Other Stocks Consumption | | 1,667,041 | 2,279,725 |
| Sub Contract Labour | | 2,935,217 | 4,094,766 |
| Repairs - Light Vehicles | | 271,166 | 108,250 |
| Fixed Assets Revaluation Charges | | - | 246,600 |
| Bond Charges - Head Office | | - | 96,154 |
| Assignment - Head Office | | 933,279 | 1,184,016 |
| Training & Development - Head Office | | 3,000 | 70,466 |
| Revaluation Loss | | - | - |
| Donation | | 10,000 | - |
| Total | | 153,975,469 | 209,428,866 |

STATE DEVELOPMENT & CONSTRUCTION CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER

(All amounts are in Sri Lanka Rupees)

| | Note | 2024 | 2023 Restated |
|---|-------|--------------------|--------------------|
| NOTE 04 . 01 - EMPLOYEE BENEFIT EXPENSES | | | |
| <u>Operating Expenses</u> | | | |
| Salaries & Wages -Permanent | | 249,750,676 | 217,893,718 |
| Overtimes -Permanent | | 26,053,762 | 27,166,399 |
| Employees' Provident Fund - Permanent Staff | | 22,722,327 | 20,012,647 |
| Employees' Trust Fund -Permanent Staff | | 5,680,582 | 5,003,162 |
| Salaries & Wages -Casual Staff | | 25,059,276 | 1,436,455 |
| Overtime -Casual staff | | - | 117,136 |
| Employees' Provident Fund -Casual Staff | | 2,198,760 | 131,061 |
| Employees' Trust Fund -Casual Staff | | 549,690 | 32,765 |
| Sub Contract Labour | | 48,002,313 | 43,310,721 |
| Salaries Training | | - | - |
| Workmen Compensation | | 3,897,736 | 4,755,710 |
| Encashment Of Leave | | - | 308,992 |
| Bonus Payment | | - | - |
| Incentive Payments | | 132,715 | 194,511 |
| Professional Subscription | | 6,292 | 31,872 |
| Salaries - Contract | | 9,981,711 | 47,940,576 |
| Overtime - Contract | | 290,716 | 1,211,650 |
| Employees' Provident Fund - Contract | | 873,784 | 4,302,127 |
| Employees' Trust Fund - Contract | | 218,446 | 1,075,532 |
| Sub Total | | 395,418,787 | 374,925,033 |
| <u>Administrative Expenses</u> | | | |
| Defined Benefit Pension Cost | 17.01 | 6,768,979 | 9,232,283 |
| Directors Fees | 21.02 | 406,400 | 479,850 |
| Chairman's Remuneration | 21.02 | 900,000 | 1,200,000 |
| Salaries & Wages | | 83,320,898 | 78,362,415 |
| Overtime | | 5,641,355 | 6,753,793 |
| Employees' Provident Fund | | 7,986,377 | 7,440,867 |
| Employees' Trust Fund | | 1,978,469 | 1,858,458 |
| EPF Surcharges | | 162,750 | 42,343,205 |
| ETF Surcharges | | 117,247 | - |
| Professional Subscription | | 296,746 | - |
| Gratuity Surcharges | | - | - |
| Death Donation | | 100,000 | 100,000 |
| Bonus Payment | | - | - |
| Sub Total | | 107,679,221 | 147,770,871 |
| Total Employee Benefit Expenses | | 503,098,008 | 522,695,904 |

STATE DEVELOPMENT & CONSTRUCTION CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER

(All amounts are in Sri Lanka Rupees)

| | Note | 2024 | 2023 Restated |
|--|------|--------------------|----------------------|
| NOTE 05 - OTHER EXPENSES | | | |
| Impairment Loss On Trade Receivables | | 84,150,083 | 758,804,008 |
| VAT Penelty | | 66,235,378 | 161,626,428 |
| SSCL Penelty Charges | | 298,685 | - |
| SSCL Expenditure | | 3,543,360 | 12,918,647 |
| Compensation on VRS | | 447,788,302 | - |
| Bank Charges | | 1,916,580 | 2,278,226 |
| Total | | 603,932,387 | 935,627,307 |
| NOTE 06 - FINANCIAL INCOME & FINANCIAL EXPENSES | | | |
| <u>Financial Income</u> | | | |
| Interest Income On Treasury Bonds | | - | 143,183,051 |
| Interest Income On Available-For-Sale Financial Assets | | 2,693,191 | 2,364,911 |
| Interest Income On Held - To - Maturity Investments | | 3,047,041 | 8,860,464 |
| Interest Income On Loans & Receivables | | 682,958 | 357,576 |
| Total Finance Income Recognized In Profit Or Loss | | 6,423,190 | 154,766,003 |
| <u>Financial Expenses</u> | | | |
| Interest On Bank Overdrafts | | 9,474,689 | 22,823,699 |
| Interest Expense on Financial Liabilities Measured At Amortized Cost | | 202,256,331 | 359,295,447 |
| Other Financial Expenses | | - | 4,733,344 |
| Total Financial Expenses Recognized In Profit Or Loss | | 211,731,020 | 386,852,490 |
| NOTE 07 - TAX EXPENSES | | | |
| <u>Current Tax Expense</u> | | | |
| Current Tax On Profits For The Year | | | |
| Adjustment For Under Provision In Prior Periods | | | |
| Total Current Tax | | - | - |
| <u>Deferred Tax Expense</u> | | | |
| Change In Recognized Taxable Temporary Differences | | - | (163,388,607) |
| Change In Recognized Deductible Temporary Differences | 11 | - | - |
| Total Tax Expenses On Continuing Operations | | - | (163,388,607) |

STATE DEVELOPMENT & CONSTRUCTION CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
AS AT 31ST DECEMBER 2024
(All amounts are in Sri Lanka Rupees)

NOTE 08 - PROPERTY, PLANT AND EQUIPMENT
Cost or Valuation

| Description | Note | Land | Buildings | Office Equipment | Computers, Accessories & Software | Plant & Machineries | Motor Vehicles | Other Assets | Total |
|--|------|-------------|-------------|------------------|-----------------------------------|---------------------|----------------|--------------|---------------|
| Balance as at 1 st January 2023 | | 654,812,513 | 152,257,174 | 42,238,778 | 17,479,850 | 618,443,845 | 283,370,000 | 107,909,239 | 1,876,511,399 |
| Additions | | | | 486,349 | 61,100 | | 11,200,000 | 1,194,700 | 12,942,149 |
| Disposals | | | | (7,000) | | (380,000) | | | (387,000) |
| Adjustment | | | | (79,583) | | | | (9,072,481) | (9,152,064) |
| Balance as at 31 st December 2023 | | 654,812,513 | 152,257,174 | 42,638,544 | 17,540,950 | 618,063,845 | 294,570,000 | 100,031,458 | 1,879,914,484 |
| Additions | | | 5,534,712 | 412,188 | 120,000 | 36,764 | - | 864,407 | 6,968,072 |
| Disposals | | | - | (42,000) | - | (4,830,000) | (650,000) | - | (5,522,000) |
| Adjustment | | | - | - | (102,000) | - | - | - | (102,000) |
| Balance as at 31 st December 2024 | | 654,812,513 | 157,791,886 | 43,008,732 | 17,558,950 | 613,270,609 | 293,920,000 | 100,895,865 | 1,881,258,556 |

812,701,851.38

Accumulated Depreciation

| Description | Note | Land | Buildings | Office Equipment | Computers, Accessories & Software | Plant & Machineries | Motor Vehicles | Other Assets | Total |
|--|------|------|-------------|------------------|-----------------------------------|---------------------|----------------|--------------|-------------|
| Balance as at 1 st January 2023 | | | 105,500,987 | 9,378,091 | 2,505,009 | 54,450,001 | 22,682,128 | 13,797,439 | 208,313,655 |
| Depreciation charge for the year | | | 7,612,859 | 9,426,049 | 2,521,985 | 54,457,393 | 22,882,108 | 14,176,496 | 111,076,890 |
| Disposals | | | | | | (82,369) | | | (82,369) |
| Adjustment | | | | (16,066) | | | | (6,840) | (22,906) |
| Balance as at 31 st December 2023 | | - | 113,113,846 | 18,788,074 | 5,026,994 | 108,825,025 | 45,564,236 | 27,967,095 | 319,285,270 |
| Depreciation charge for the year | | | 7,889,595 | 6,832,539 | 1,989,123 | 54,295,219 | 23,369,415 | 10,152,917 | 104,528,807 |
| Disposals | | | - | (19,366) | - | (1,818,644) | (160,451) | - | (1,998,462) |
| Adjustment | | | - | - | (37,525) | - | - | - | (37,525) |
| Balance as at 31 st December 2024 | | - | 121,003,441 | 25,601,246 | 6,978,592 | 161,301,599 | 68,773,200 | 38,120,012 | 421,778,090 |

| Description | Note | Land | Buildings | Office Equipment | Computers, Accessories & Software | Plant & Machineries | Motor Vehicles | Other Assets | Total |
|--|------|-------------|------------|------------------|-----------------------------------|---------------------|----------------|--------------|---------------|
| Balance as at 31 st December 2023 | | 654,812,513 | 39,143,328 | 23,850,470 | 12,513,956 | 509,238,820 | 249,005,764 | 72,064,363 | 1,560,629,214 |
| Balance as at 31 st December 2024 | | 654,812,513 | 36,788,446 | 17,407,486 | 10,580,358 | 451,969,010 | 225,146,800 | 62,775,854 | 1,459,480,466 |

(Contd...)

STATE DEVELOPMENT & CONSTRUCTION CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
AS AT 31ST DECEMBER 2024

(All amounts are in Sri Lanka Rupees)

NOTE 08.01 - CAPITAL WORKING PROGRESS

| Description | CONSTRUCTION OF MOULD HOUSE 812 | TOTAL |
|--|---------------------------------|---------------|
| Cost | | |
| Balance As at 1 st January 2024 | 97,452 | 97,452 |
| Additions | - | - |
| Transfers to Building | - | - |
| Transferred to Building Maintenance | - | - |
| Total | 97,452 | 97,452 |
| Accumulated Depreciation | | |
| Depreciation 1st January 2024 | - | - |
| Depreciation charge for the year | - | - |
| Depreciation for Transfers | - | - |
| Total | - | - |
| Balance As at 31st December 2024 | 97,452 | 97,452 |

| Carrying Amounts | Capital Work in Progress | Land | Buildings | Office Equipment | Computers, Accessories & Software | Plant & Machineries | Motor Vehicles | Other Assets | Total |
|-----------------------------------|--------------------------|-------------|------------|------------------|-----------------------------------|---------------------|----------------|--------------|---------------|
| At 31 st December 2023 | 6,075,567 | 654,812,513 | 39,143,328 | 23,850,470 | 12,513,956 | 509,238,820 | 249,005,764 | 72,064,363 | 1,566,704,781 |
| At 31 st December 2024 | 97,452 | 654,812,513 | 36,788,446 | 17,407,486 | 10,580,358 | 451,969,010 | 225,146,800 | 62,775,854 | 1,459,577,918 |

STATE DEVELOPMENT & CONSTRUCTION CORPORATION
NOTES TO THE FINANCIAL STATEMENTS

AS AT 31ST DECEMBER 2024

(All amounts are in Sri Lanka Rupees)

NOTE 8.02 - REVALUATION OF LANDS AND BUILDINGS

The Land & Buildings at No. 07, Hector Kobekaduwa Mawatha, Colombo 07 were revalued for Rs. 317.54 Mn and Rs. 37.99 Mn respectively based on the valuation method of Contractor's Principal on 28.03.2005 by an Incorporated Valuer. The effect of this revaluation has been incorporated in to the accounts as at 31.12.2005.

New Values of Land & Buildings as at 19.05.2025.

| Location | Year of Valuation | Valuation Amount (Rs. Mn) | Extent | Expected Market Value (Rs. Mn) | Remarks |
|-------------------|-------------------|---------------------------|---------|--------------------------------|---|
| Ratmalana Complex | 2004 | 308.13 | 1679.3p | 9,236 | Valuation is based on market rate for year 2024 * |
| Gregory Avenue | 2005 | 317.54 | 140.12p | 3,222 | |
| Bopitiya Yard | 2004 | 9.64 | 1600.0p | 1,360 | |
| Peliyagoda | 2018 | 19.5 | 79.27p | 277 | |
| Total | | 654.91 | | 14,095 | |

* Values are approximately and valuation to be done through Government Valuer.

NOTE 8.03 - REVALUATION OF MOTOR VEHICLE

Values of Office Equipment, Plant & Machinery, Motor Vehicles, Computer Accessories & Software and Other Assets were revalued at Rs. 41,099,500, Rs. 601,549,000 , Rs. 282,575,000 , Rs. 16,889,000 and Rs. 86,114,000 respectively as at 01.01.2022.

NOTE 8.04 - FIXED ASSETS NOT INCLUDED IN THE ACCOUNTS

The following properties have not been taken into the books of accounts as at 31st December 2024, since SD&CC does not have the ownership of the properties.

| Location | Land Area | Buildings | Value (Rs.) |
|----------------------|--------------------------|-----------|-------------------|
| Weragantota | 4 Acres & 8 perches | 8 | 11,850,463 |
| Peradeniya | Block 01 89.5 perches | 2 | |
| Peradeniya | Block 02 12.7 perches | 1 | 13,990,875 |
| Medawachchiya | 1 Acre & 32perches | 8 | 11,024,473 |
| Polwatta - Ratmalana | 113.5 perches | 1 | 29,000,000 |
| Lunugamwehera | 5 Acres | 2 | 2,674,988 |
| Kalahagala | 2 Acres | - | - |
| Medawachchiya | 1 Acre & 112 perches | 3 | 1,100,000 |
| Weeravila | 132.2 perches | - | - |
| Total | | | 69,640,799 |

Peliyagoda land has been taken for Colombo - Katunayaka Expressway "Golden Gate Kalani Bridge" at Peliyagoda.

STATE DEVELOPMENT & CONSTRUCTION CORPORATION
 NOTES TO THE FINANCIAL STATEMENTS
 AS AT 31ST DECEMBER

| <i>(All amounts are in Sri Lanka Rupees)</i> | Note | 2024 | 2023 Restated | 2022 Restated |
|---|------|--------------------|--------------------|----------------------|
| NOTE 9 - INVESTMENTS IN GOVERNMENT OWNED COMPANIES | | | | |
| Devcoshowa (Pvt) Ltd | 20 | 9,210,740.00 | 9,210,740 | 9,210,740 |
| Sub Total | | <u>9,210,740</u> | <u>9,210,740</u> | <u>9,210,740</u> |
| Provision For Investments | | <u>(9,210,740)</u> | <u>(9,210,740)</u> | <u>(9,210,740)</u> |
| Total | | <u>-</u> | <u>-</u> | <u>-</u> |
| NOTE 10 - OTHER INVESTMENTS | | | | |
| <u>Non - Current Investments</u> | | | | |
| Total | | <u>-</u> | <u>-</u> | <u>-</u> |
| <u>Current Investments</u> | | | | |
| Fixed Deposits | | 5,776,817 | 2,050,064 | 98,652,577 |
| Total | | <u>5,776,817</u> | <u>2,050,064</u> | <u>98,652,577</u> |
| Total Investment | | <u>5,776,817</u> | <u>2,050,064</u> | <u>98,652,577</u> |
| NOTE 11 - DEFERRED TAX ASSETS & LIABILITIES | | | | |
| At The Beginning Of The Year | | - | (163,388,607) | (25,032,718) |
| Transfer To / (From) Income Statements | | - | 163,388,607 | (138,355,889) |
| At The End Of The Year | | <u>-</u> | <u>-</u> | <u>(163,388,607)</u> |
| NOTE 11.01 - DEFERRED TAX LIABILITIES | | | | |
| Capital Allowances For Tax Purpose | | - | - | 267,001,501 |
| Retirement Benefit Obligation | | - | - | - |
| Total | | <u>-</u> | <u>-</u> | <u>267,001,501</u> |
| NOTE 11.02 - DEFERRED TAX ASSETS | | | | |
| Capital Allowances For Tax Purpose | | - | - | 103,612,894 |
| Retirement Benefit Obligation | | - | - | - |
| Total | | <u>-</u> | <u>-</u> | <u>103,612,894</u> |
| Net Tax Assets / (Liabilities) | | <u>-</u> | <u>-</u> | <u>(163,388,607)</u> |

SD&CC determines that there will be no future taxable profit to recover the Deferred Tax Asset / (Deferred Tax Liability), hence deferred tax asset/ (liability) is not recognized, due to their non recoverability, which has arisen as a result of expected future taxable losses.

STATE DEVELOPMENT & CONSTRUCTION CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
AS AT 31ST DECEMBER

(All amounts are in Sri Lanka Rupees)

| | 2024 | 2023 | 2022 |
|---------------------------------------|--------------------|--------------------|--------------------|
| Note | | Restated | Restated |
| NOTE 12 - INVENTORIES | | | |
| Cement | 785,291 | 1,049,333 | 3,081,591 |
| Sand | 590,786 | 1,817,248 | 1,451,394 |
| Metal | 3,318,634 | 13,600,812 | 16,221,567 |
| Steel | 50,524,981 | 87,691,294 | 128,824,131 |
| Timber | 1,335,526 | 4,244,805 | 5,482,359 |
| Fuel & Lubricants | 1,118,033 | 3,106,090 | 2,953,256 |
| Explosive & Blasting Materials | 221,795 | 221,795 | 233,339 |
| Concrete Items | 11,097,766 | 13,376,116 | 16,120,152 |
| Vehicle Spare Parts | 10,796,731 | 15,534,483 | 13,881,691 |
| Stationery | 1,666,697 | 1,824,886 | 2,001,047 |
| Tar | 1,984,915 | 3,916,376 | 4,416,140 |
| Electrical Goods | 20,936,749 | 26,698,675 | 31,163,453 |
| Pipes & Drainage Items | 2,265,095 | 3,602,674 | 4,229,646 |
| Other Stock Items | 139,955,979 | 153,689,288 | 143,212,914 |
| Earth Gravel Stock | 1,044,000 | 2,262,399 | 3,724,449 |
| Fabrication | 653,500 | 1,630,100 | 1,630,100 |
| Finished Goods - Concrete Items | 202,699,834 | 188,404,084 | 278,113,510 |
| Finished Goods - Metal Products | 6,499,728 | 4,389,709 | 11,065,944 |
| Steel RDA | 615 | - | 552,461 |
| Stock Adjustments | 58,247,704 | 68,744,494 | 11,740,011 |
| | 515,744,358 | 595,804,661 | 680,099,156 |
| Provision for Slow & Non Moving stock | (2,376,451) | (3,350,362) | (4,262,555) |
| Total | 513,367,907 | 592,454,299 | 675,836,601 |

NOTE 13 - INCOME TAX ASSETS & LIABILITIES

NOTE 13.01 - INCOME TAX ASSETS

| | | | |
|------------------------------|--------------------|-----------------------|--------------------|
| With Holding Tax On Projects | 128,336,127 | 128,336,127.28 | 128,336,127 |
| With Holding Tax On Interest | 8,483,798 | 8,200,041.97 | 7,080,674 |
| With Holding Tax On Rent | 3,121,911 | 3,121,910.88 | 3,121,911 |
| Total | 139,941,837 | 139,658,080.13 | 138,538,712 |
| Provision for WHT | (139,941,837) | (139,658,080) | |
| Total | - | - | 138,538,712 |

NOTE 13.02 - INCOME TAX LIABILITIES

| | | | |
|-------------------|-------------------|-------------------|-------------------|
| Provision For Tax | 11,209,644 | 16,209,644 | 17,878,698 |
| Total | 11,209,644 | 16,209,644 | 17,878,698 |

STATE DEVELOPMENT & CONSTRUCTION CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
AS AT 31ST DECEMBER

| <i>(All amounts are in Sri Lanka Rupees)</i> | Note | 2024 | 2023 Restated | 2022 Restated |
|--|-------|----------------------|----------------------|----------------------|
| NOTE 14 - TRADE & OTHER RECEIVABLES | | | | |
| Trade Debtors | 14.01 | 643,839,212 | 848,378,172 | 2,588,062,420 |
| Retention | 14.02 | 360,076,469 | 461,499,927 | 548,160,657 |
| Sundry Debtors | 14.03 | 32,103,069 | 31,211,388 | 16,252,297 |
| Loans & Advances | 14.04 | 652,635 | 2,505,745 | 2,132,419 |
| Advances On Purchases & Sub Contracts | 14.05 | 22,429,419 | 24,541,616 | 218,429,116 |
| Other Advances & Deposits | 14.06 | 17,668,013 | 24,217,153 | 26,653,359 |
| Total | | 1,076,768,816 | 1,392,354,001 | 3,399,690,268 |
| Non Current Trade & Other Receivables | | | | |
| Current Trade & Other Receivables | | 1,076,768,816 | 1,392,354,001 | 3,399,690,268 |
| Total | | 1,076,768,816 | 1,392,354,001 | 3,399,690,268 |
| NOTE 14.01 - TRADE DEBTORS | | | | |
| Construction Debtors | | 93,790,720 | 141,085,437 | 489,000,342 |
| Concrete Yard Debtors | | 63,838,861 | 69,341,348 | 52,635,175 |
| Traffic Light System Debtors | | 95,772,318 | 88,988,211 | 34,884,101 |
| Asphalt Debtors | | 54,600.00 | 54,600 | 1,622,511 |
| Provision for Doubtful Debtors | 23 | (72,477,461.54) | (59,815,047) | (97,062,624) |
| Due From Customers | | 1,026,563,264.56 | 1,167,538,886 | 2,100,741,098 |
| Provision for Due From Customers | 23 | (577,439,100.08) | (572,581,372) | (7,470,670) |
| Trade Creditors - Debit balances | | 13,736,010 | 13,766,110 | 13,712,487 |
| Total | | 643,839,212 | 848,378,172 | 2,588,062,420 |
| NOTE 14.02 - RETENTION | | | | |
| Retention - Construction | | 574,128,774 | 644,309,109 | 643,090,355 |
| Provision for Retention - Construction | 23 | (297,296,098) | (234,517,679) | (171,357,072) |
| Liquidated Damages Receivables | | 264,262,681 | 227,897,971 | 224,491,761 |
| Provision for Liquidated Damages Receivables | 23 | (181,018,888) | (176,189,474) | (148,064,387) |
| Total | | 360,076,469 | 461,499,927 | 548,160,657 |
| NOTE 14.03 - SUNDRY DEBTORS | | | | |
| Security Deposits Of Employees | | 978,856 | 967,185 | 925,434 |
| Salaries & Wages Control Account | | - | - | - |
| Interest Receivable | | 88,618 | 23,653 | 11,188,478 |
| Rent Receivable | | 4,245,500 | 4,245,500 | 4,295,500 |
| Sundry Debtors | | 393,520 | 433,520 | 351,521 |
| Sundry Creditors - Debit balances | | 31,108,991 | 29,152,139 | 2,058,023 |
| Provision For Sundry Debtors | 23 | (4,712,416) | (3,610,610) | (2,566,659) |
| Ready Mixed Debtors (Devcoshowa) | 20 | 25,313,897 | 30,602,842 | 34,802,842 |
| Provision For Ready Mixed Debtors | 23 | (25,313,897) | (30,602,842) | (34,802,842) |
| Total | | 32,103,069 | 31,211,388 | 16,252,297 |

STATE DEVELOPMENT & CONSTRUCTION CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
AS AT 31ST DECEMBER

(All amounts are in Sri Lanka Rupees)

| | Note | 2024 | 2023 Restated | 2022 Restated |
|---|------|-------------------|-------------------|--------------------|
| NOTE 14.04 - LOANS AND ADVANCES | | | | |
| Prepaid Cost On Distress Loans | | - | - | - |
| Salaries & Wages Advances | | 83,200 | 482,469 | 605,664 |
| Festival Advances | | - | 91,250 | 118,000 |
| Travelling Advances | | 420,181 | 512,031 | 313,735 |
| Distress Loans | | 2,649,997 | 5,947,189 | 4,361,321 |
| Bicycle Loan | | - | - | - |
| Special Advance | | 100,000 | - | 330,000 |
| Salary Advance - Casual Employees | | (10,000) | - | - |
| Salary Advances - Contract Employees | | 69,014 | 69,014 | 49,014 |
| Medical Insurance | | (1,381,876) | (3,376,242) | (2,537,120) |
| Provision For Loans & Advances | 23 | (1,277,880) | (1,219,965) | (1,108,194) |
| Total | | 652,635 | 2,505,745 | 2,132,419 |
| NOTE 14.05 - ADVANCES ON PURCHASES & SUB CONTRACTS | | | | |
| Letter Of Credit Margin Account | | 11,289,519 | 11,289,519 | 11,289,519 |
| Purchase Advances - Head Office | | 561,202 | 240,317 | 1,043,265 |
| Purchase Advances - Sites | | 23,590,197 | 21,652,757 | 183,997,651 |
| Purchase Advances - Construction | | - | - | 3,802,323 |
| Purchase Advances - Concrete Yard | | 7,040,351 | 9,224,652 | 10,565,361 |
| Sundry Advances | | 12,813,656 | 12,816,958 | 16,841,287 |
| MPCS Polonnaruwa | | - | - | - |
| Service Advance | | - | - | 76,806 |
| Purchase Advances - Peliyagoda (CE) | | 2,170,000 | 2,170,000 | 21,484,694 |
| Sub Contract Advances | | 15,299,042 | 15,299,042 | 15,299,042 |
| Advances Control Account | | - | - | - |
| Provision For Advances on Purchase & Sub Contract | 23 | (50,334,547) | (48,151,628) | (45,970,831) |
| Total | | 22,429,419 | 24,541,616 | 218,429,116 |
| NOTE 14.06 - OTHER ADVANCES AND DEPOSITS | | | | |
| Tender Deposits (Refundable) | | 199,875 | 199,875 | 199,875 |
| Other Deposit | | 2,484,958 | 2,484,958 | 2,484,958 |
| Fuel Deposit - Amithirigala 992 | | 2,350,000 | 2,400,000 | 2,400,000 |
| Telephone Deposits | | 8,000 | 8,000 | 8,000 |
| Electricity Board Deposits | | 2,876,640 | 3,031,290 | 3,131,750 |
| Deposit-Construction Project | | 240,000 | 240,000 | 240,000 |
| Water Deposit | | 870,554 | 725,661 | 740,661 |
| Deposit - Land - UDA | | 70,000 | 70,000 | 70,000 |
| House Rent Deposit | | 762,400 | 802,400 | 928,000 |
| Fuel Deposit - Weeragantota | | 90,000 | 90,000 | 90,000 |
| Fuel Deposit - Rattanapitiya | | - | - | - |
| Fuel Deposit - Head Office - Transport | | 300,100 | 300,100 | 300,100 |
| Fuel Deposit - CME | | 415,000 | 415,000 | 415,000 |
| Fuel Deposit - Katugastota WP - | | 4,421 | 4,421 | 4,421 |
| Fuel Deposit Control A/C | | 5,884,010 | 11,648,739 | 13,067,868 |
| Fuel Deposit - Mawanella Aranayake Road | | 400,000 | 400,000 | 400,000 |
| Fuel Deposit - Kegalle - Rambukkana Road | | 300,000 | 300,000 | 300,000 |
| Fuel Deposit - Negombo General Hospital | | 300,000 | 300,000 | 300,000 |
| Fuel Deposit - Sengaloya | | 300,000 | 300,000 | 300,000 |
| Fuel Deposit - Pannegamuwa Weekly fair | | 50,000 | 50,000 | 50,000 |
| Fuel Deposit - Yatiyantota Deraniyagala Road | | 1,300,000 | 1,300,000 | 1,300,000 |
| Fuel Deposit - Medawachchiya | | 150,000 | 150,000 | 150,000 |

STATE DEVELOPMENT & CONSTRUCTION CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31ST DECEMBER

(All amounts are in Sri Lanka Rupees)

| | Note | 2024 | 2023 Restated | 2022 Restated |
|--|------|-------------------|-------------------|-------------------|
| Fuel Deposit - Polonnaruwa | | 1,000,000 | 1,000,000 | 1,000,000 |
| Fuel Deposit - 980 | | 400,000 | 400,000 | 400,000 |
| Fuel Deposit - Galpottagama & Thanthirimale- | | 49,993 | 49,993 | 49,993 |
| Fuel Deposit - Manick Farm -Chettikulam | | 200,000 | 200,000 | 200,000 |
| Other Deposit - Rathkinda | | 10,000 | 10,000 | 10,000 |
| Fuel Deposit - Road close to Talaimannar | | 134,051 | 134,051 | 134,051 |
| Fuel Deposit - Bopitiya Quarry Crusher - | | 655,000 | 655,000 | 655,000 |
| Fuel Deposit - Monaragala | | 7,726 | 7,726 | 7,726 |
| MPCS - Moratuwa | | 250,000 | 250,000 | 250,000 |
| Fuel Deposit - Ulapane | | 600,000 | 600,000 | 600,000 |
| Fuel Deposit - Blumendhal | | 11,534 | 11,534 | 11,534 |
| Fuel Deposit - Lunugamwehera Concrete Yard | | 100,000 | 100,000 | 60,000 |
| Fuel Deposit - Muwagama | | 3,000 | 3,000 | 3,000 |
| Fuel Deposit - Hekitta | | 44,573 | 44,573 | - |
| Provision For Other Advances And Deposits | 23 | (5,153,824) | (4,469,169) | (3,608,579) |
| Total | | 17,668,013 | 24,217,153 | 26,653,359 |

NOTE 15 - CASH & CASH EQUIVALENTS

Cash at Bank

| | | | |
|--|------------|------------|-------------|
| Bank Of Ceylon - 80524651 (651) | - | - | 153,277,878 |
| Bank Of Ceylon - 84446216-(216) | - | - | 110,268 |
| People's Bank - Ratmalana - 080101091101178 (91) | - | - | 3,820,790 |
| Bank Of Ceylon - 84446221(221) | - | - | 11,286 |
| Bank Of Ceylon - 82786331 (331) | - | - | 17,065 |
| Sampath Bank 1860000985 (985) | - | - | 4,511 |
| Bank Of Ceylon - 682972 | 4,207,745 | 1,216,978 | 520,075 |
| Bank Of Ceylon - -9826701 | - | - | - |
| Margin Account - Sampath Bank | - | - | - |
| Bank Of Ceylon Peradeniya - 1274460 | - | - | - |
| Bank Of Ceylon - 683202 (202) | 76,786,654 | 42,958,828 | 409,002 |
| People's Bank - Ratmalana - 080100381101178 (38) | - | 2,658,683 | 1,307,275 |
| People's Bank - Ratmalana - 080100471101178 (47) | - | - | 1,646,941 |
| People's Bank - Ratmalana - 080100291101178 (29) | - | - | 260,462 |
| Bank Of Ceylon - 0080490546 (546) | - | - | 15,341 |
| Bank Transfer HO | - | - | - |
| Bank Transfer Site | - | - | - |
| Bank Of Ceylon - 6510876 | 5,479 | 64,293 | 21,668 |
| Bank Of Ceylon - 86654175 (175) | 43,688,535 | 10,100 | 19,718 |
| People's Bank - Ratmalana 080101361101178 (136) | - | 141,064 | 1,827,580 |
| People's Bank - Ratmalana 080101181101178 (118) | - | 1,601,056 | 2,097,468 |
| Pan Asia Bank - 101100630 | - | 19,241 | 1,971 |
| Bank Of Ceylon -87643673 (673) | - | - | 24,148 |
| Bank Of Ceylon -87643690 (690) | - | - | 21,458 |
| Bank Of Ceylon - 82786425 (425) | 15,000 | 15,000 | 49,007 |
| Bank Of Ceylon -87643685 (685) | - | - | 109,119 |
| People's Bank - 080101271101178 (127) | - | 153,302 | 23,778,893 |
| Sampath Bank - 1860000365 | - | - | - |
| Sampath Bank - 001860000 349 (349) | 925 | 4,127 | 26,848 |
| Bank of Ceylon - 683116(116) | - | - | - |
| Bank Of Ceylon -0087159349 (9349) | - | - | 176,088 |
| Bank Of Ceylon -0087159466 (9466) | - | - | 191,003 |
| Bank Of Ceylon - 87948734 | 15,000 | 15,000 | 15,000 |
| Bank Of Ceylon - 87948785 | 29,983 | 29,983 | 29,983 |

STATE DEVELOPMENT & CONSTRUCTION CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31ST DECEMBER

(All amounts are in Sri Lanka Rupees)

| | Note | 2024 | 2023 Restated | 2022 Restated |
|---|------|----------------------|----------------------|----------------------|
| Bank Of Ceylon - 87948798 | | 15,000 | 15,000 | 19,000 |
| Bank Of Ceylon - 683116 (116) | | 15,000 | 15,000 | 25,135 |
| Bank Of Ceylon - 683114 (114) | | 66,565 | 2,134,933 | - |
| People's Bank - 080101721101178 (72) | | - | 832,828 | 33,810 |
| People's Bank - 080101811101178 (181) | | - | 512,999 | - |
| People's Bank - 080101541101178 (54) | | - | 777,087 | 156,763 |
| People's Bank - 080101451101178 (45) | | 188,449 | 563,537 | 1,305,045 |
| People's Bank - 080101901101178 (90) | | - | 700,920 | 74,295 |
| People's Bank - 080101631101178 (63) | | - | 451,967 | 50,000 |
| Bank Of Ceylon - 88497527 (7527) | | - | - | 15,503 |
| Bank Of Ceylon - 88497541 (7541) | | - | - | 15,000 |
| Bank of Ceylon 92246693(693) | | 501,059,045 | - | - |
| Saving Deposits | | 161,095,108 | 120,505,533 | 87,574,689 |
| Sub Total | | 787,188,489 | 175,397,459 | 279,060,087 |
| Cash in Hand - Petty Cash | | | | |
| Rathmalana C\Y - Petty Cash | | 425,950 | 39,135 | 217,184 |
| Construction & Head Office | | 11,677,535 | 9,830,304 | 5,838,247 |
| Peradeniya Sales Centre | | - | 3,801 | 3,801 |
| Mechanical Division | | 8,070 | 3,252 | 1,217 |
| Sub Total | | 12,111,555 | 9,876,492 | 6,060,449 |
| Total | | 799,300,044 | 185,273,951 | 285,120,536 |
| Unfavourable Cash & Cash Equivalents | 19 | (74,060,748) | (74,243,525) | (133,851,255) |
| Total Cash & Cash Equivalents for the purpose of Cash Flow Statement | | 725,239,296 | 111,030,426 | 151,269,281 |
| NOTE 16 - LOANS & BORROWINGS | | | | |
| Balance As At The Beginning Of The Year | | 1,808,012,039 | 1,848,249,580 | 1,844,836,852 |
| Borrowings During The Year | | - | - | 50,329,828 |
| Total | | 1,808,012,039 | 1,848,249,580 | 1,895,166,680 |
| Repaid During The Year | | 387,131 | 40,237,542 | 46,917,100 |
| Net | | 1,807,624,907 | 1,808,012,039 | 1,848,249,580 |
| Repayable Within One Year | | - | - | 282,515,292 |
| Repayable After One Year | | 1,807,624,907.41 | 1,808,012,039 | 1,565,734,288 |
| Total Loans & Borrowings | | 1,807,624,907 | 1,808,012,039 | 1,848,249,580 |

No installment have been paid for the loan facilities deffered. The corresponding interest expenses have been recognised in the financial statements.

STATE DEVELOPMENT & CONSTRUCTION CORPORATION
NOTES TO THE FINANCIAL STATEMENTS

AS AT 31ST DECEMBER

(All amounts are in Sri Lanka Rupees)

| | 2024 | 2023 | 2022 |
|------|------|----------|----------|
| Note | | Restated | Restated |

NOTE 16.01 - ASSETS PLEDGED

Property Indicated In Note. 08

Land at Colombo 7 - Land has been pledged against a loan facility (Rs. 186 Mn & Rs.90 Mn), a bond & guarantee facility (Rs. 200 Mn) and an overdraft facility (Rs. 70 Mn) in Sampath Bank.

Land at Rathmalana - Land has been pledged against loan facility (Rs. 528.416 Mn) & bond guarantee facility (Rs. 1,050 Mn) in Bank of Ceylon.

Land at Peliyagoda - Land has been pledged against loan facilities (Rs. 84 Mn) in Housing Development Finance Corporation (HDFC).

NOTE 16.02 - LOAN MORTGAGE DETAILS

| Bank Name | Loan Balance | Security |
|--|----------------------|-------------------|
| Sampath Bank | 247,636,750 | Colombo 7 Land |
| Bank of Ceylon (BOC) | 518,603,745 | Ratmalana Land |
| Bank of Ceylon (BOC) | 990,611,019 | Treasury Gurantee |
| Housing Development Finance Corporation (HDFC) | 29,973,393 | Peliyagoda Land |
| Construction Guarantee Fund (CGF) | 20,800,000 | |
| | 1,807,624,907 | |

NOTE 17 - RETIREMENT BENEFIT OBLIGATIONS

| | | | |
|--|-------------------|-------------------|-------------------|
| Balance As At The Beginning Of The Year | 66,137,831 | 58,983,584 | 59,408,198 |
| Opening Balance Correction | - | (82,986) | - |
| Cancel Payment | - | - | 82,985 |
| Charges To / (Reverse From) Income Statement 17.01 | 92,759,154 | 32,774,806 | 21,280,333 |
| Payment/payables During The Year | (106,339,869) | (25,537,573) | (21,787,932) |
| Balance As At End Of The Year | 52,557,116 | 66,137,831 | 58,983,584 |

NOTE 17.01 - PROVISION MADE DURING THE YEAR

| | | | |
|--|-------------------|-------------------|-------------------|
| Interest Cost | 3,312,244 | 5,201,056 | 22,701,861 |
| Current Service Costs | 3,456,735 | 4,031,227 | 24,358,710 |
| Sub Total | 6,768,979 | 9,232,283 | 47,060,571 |
| Net Actuarial (Gain) / Loss Recognized Immediately | 85,990,174 | 23,542,523 | (25,780,239) |
| Total | 92,759,154 | 32,774,806 | 21,280,332 |

NOTE 18 - TRADE & OTHER PAYABLES

| | | | | |
|----------------------------------|-------|----------------------|----------------------|----------------------|
| Trade Payables | 18.01 | 2,041,866,029 | 1,749,640,211 | 1,642,652,957 |
| Value Added Tax | 18.02 | 1,700,283,254 | 1,628,991,174 | 1,523,812,767 |
| Sundry Payables | 18.03 | 1,993,244,271 | 1,514,612,427 | 1,662,505,857 |
| Employee Benefit Payables | 18.04 | 174,503,679 | 181,587,749 | 130,679,906 |
| Refundable Advances & Retentions | 18.05 | 558,451,345 | 641,186,072 | 897,046,862 |
| Refundable Deposits | 18.06 | 3,502,901 | 1,117,200 | 1,103,162 |
| Total | | 6,471,851,478 | 5,717,134,833 | 5,857,801,511 |

Non Current Trade & Other Payables

| | | | | |
|--------------------------------|--|----------------------|----------------------|----------------------|
| Current Trade & Other Payables | | 6,471,851,478 | 5,717,134,833 | 5,857,801,511 |
| Total | | 6,471,851,478 | 5,717,134,833 | 5,857,801,511 |

STATE DEVELOPMENT & CONSTRUCTION CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31ST DECEMBER

(All amounts are in Sri Lanka Rupees)

| | 2024 | 2023 | 2022 |
|---|----------------------|----------------------|----------------------|
| | Note | Restated | Restated |
| NOTE 18.01 - TRADE PAYABLES | | | |
| Trade Creditors | 205,787,109 | 197,313,235 | 329,758,500 |
| ESC Control AC | - | - | - |
| ESC Payable | 67,498,764 | 67,498,764 | 101,228,248 |
| SSCL Payable | 40,354,626 | 28,018,377 | 5,526,209 |
| ESC Penelty Payable | 33,729,484 | 33,729,484 | - |
| NBT Penelty Payable | 1,057,254 | 1,057,254 | 806,722 |
| VAT Penelty Payable | 1,267,343,861 | 1,201,108,483 | 1,015,287,355 |
| SSCL Penelty payable | 298,685 | - | - |
| Nation Building Tax | 6,105,229 | 6,091,713 | 6,342,105 |
| Payment Received Material - Sites | 90,648,218 | 148,299,668 | 152,315,384 |
| Unfavourable Debtor Balances | - | 1,000,000 | - |
| Dues to Customers | 329,042,799 | 65,523,233 | 31,388,434 |
| Total | 2,041,866,029 | 1,749,640,211 | 1,642,652,957 |
| NOTE 18.02 - VALUE ADDED TAX | | | |
| Value Added Tax Control Account | 1,700,283,254 | 1,628,991,174 | 1,523,812,767 |
| Total | 1,700,283,254 | 1,628,991,174 | 1,523,812,767 |
| NOTE 18.03 - SUNDRY PAYABLES | | | |
| Sundry Creditors | 950,285,893 | 898,724,046 | 901,647,315 |
| Refundable Deposits | 3,943,770 | 4,091,210 | 9,668,304 |
| Loan Interest Payable | 804,641,871 | 591,196,809 | 367,717,701 |
| Loan Capital Areas Payable | - | - | - |
| Bill Discounting | - | - | 322,347,178 |
| Audit Fee Payable | 14,178,978 | 13,389,441 | 12,489,441 |
| Letter of Credit | - | - | 40,598,604 |
| SSCL | - | - | 504,795 |
| Government Valuation Department | 7,210,920 | 7,210,920 | 7,532,520 |
| Refundable Loan | - | - | - |
| VRS Payable | 212,982,839 | - | - |
| Total | 1,993,244,271 | 1,514,612,427 | 1,662,505,857 |
| NOTE 18.04 - EMPLOYEE BENEFIT PAYABLES | | | |
| Salaries & Wages Payable - Permanent | 6,681,808 | 6,236,150 | 316,927 |
| Salaries & Wages Payable - Contract | 1,309,039 | 1,108,573 | 6,865,902 |
| Salaries & Wages Payable - Casual | 2,883,757 | - | 191,871 |
| Gratuity Payable | 106,341,467 | 17,568,923 | - |
| PAYE Payable | 469,726 | 133,925 | 47,305 |
| Stamp fees Payable | 30,350 | 30,350 | - |
| Cash Abatements -Control Account | 462,340 | 5,780 | 2,253,055 |
| Flood Relief Advance | - | - | - |
| EPF Surcharge Payable | 49,528,746 | 49,528,746 | 11,410,428 |
| Employees' Provident Fund | 5,587,247 | 105,960,573 | 107,548,404 |
| Employees' Trust Fund | 761,897 | 567,426 | 1,598,712 |
| Medical Insurance | 447,303 | 447,303 | 447,303 |
| Total | 174,503,679 | 181,587,749 | 130,679,906 |

STATE DEVELOPMENT & CONSTRUCTION CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31ST DECEMBER

(All amounts are in Sri Lanka Rupees)

| | 2024 | 2023 | 2022 |
|--|--------------------|--------------------|--------------------|
| Note | | Restated | Restated |
| NOTE 18.05 - REFUNDABLE ADVANCES & RETENTIONS | | | |
| Mobilization Advances From Clients | 488,376,522 | 615,820,256 | 839,075,420 |
| On Account Payments | 1,058,351 | 1,058,351 | 8,684,946 |
| Advances Against Orders -Concrete Yards | 50,056,471 | 24,307,465 | 49,149,606 |
| Advances Against Orders -Asphalt Plant | - | - | 136,890 |
| Rent Received in Advance - Gregory's office | 18,960,000 | - | - |
| Total | 558,451,345 | 641,186,072 | 897,046,862 |
| NOTE 18.06 - REFUNDABLE DEPOSITS | | | |
| Security Deposits - Employees | 973,472 | 967,200 | 953,162 |
| Refundable Deposit - Welfare Building | 370,000 | 150,000 | 150,000 |
| Tender Deposits payable | 2,159,429 | - | - |
| Total | 3,502,901 | 1,117,200 | 1,103,162 |
| NOTE 19 - BANK OVERDRAFTS | | | |
| Bank Of Ceylon - 82410946 | - | - | 24,965,503 |
| Bank Of Ceylon - 82786425 | - | - | - |
| Bank Of Ceylon - 75416320 | - | - | 21,286,918 |
| Bank Of Ceylon - 683114 (114) | - | - | 26,429 |
| Sampath Bank - 1860000195 (195) | - | - | 1,816,892 |
| Sampath Bank - 1860000241 | 74,060,748 | 74,243,525 | 69,860,914 |
| Pan Asia Bank - 101100630 | - | - | - |
| Bank Of Ceylon -87643682 (682) | - | - | 12,198,332 |
| People's Bank 080101271101178 (1012) | - | - | 33,500 |
| People's Bank - 080101811101178 (181) | - | - | 3,662,766 |
| Bank Of Ceylon - 84446216-(216) | - | - | - |
| Total | 74,060,748 | 74,243,525 | 133,851,255 |

STATE DEVELOPMENT & CONSTRUCTION CORPORATION
NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER

(All amounts are in Sri Lanka Rupees)

2024

2023

2022

Note

Restated

Restated

NOTE 20 - RELATED PARTIES

Corporation has entered into a Joint Venture agreement with Mass Trust Holdings (Pvt) Ltd. to form a Company, Fujima State Corporation (Pvt) Ltd. SD&CC owns 51% of the authorized share capital of this Company and Mass Trust Holdings (Pvt) Ltd. 49%. Mr. A.V.P.V. Pandithasekara, Chairman of SD&CC as at the reporting date is a Director of Fujima Sate Corporation (Pvt) Ltd.

Devcoshowa (Pvt) Ltd. is a fully owned subsidiary of the Sate Development and Construction Corporation. However, Board of Directors independent from SD&CC had being managing the company's affairs since the year 1997. Currently, the entire operation of the Company has been closed down and in the process of liquidation

Related Party Balances In Statement Of Financial Position

| | | | | |
|------------------------------------|------|------------|------------|------------|
| Investment In Devcoshowa (Pvt) Ltd | 9 | 9,210,740 | 9,210,740 | 9,210,740 |
| Ready Mixed Debtors (Devcoshowa) | 14.3 | 25,313,897 | 30,602,842 | 34,802,842 |

NOTE 21 - TRANSACTIONS WITH RELATED PARTIES

NOTE 21.01 - TRANSACTIONS WITH PARENT / SUBSIDIARIES/ASSOCIATES

| <u>Company</u> | <u>Transactions</u> | | | |
|----------------|---------------------|----------|----------|----------|
| Devcoshowa | Cash Receipts | - | - | - |
| (Pvt) Ltd | Cash Payments | - | - | - |
| | Total | <u>-</u> | <u>-</u> | <u>-</u> |

NOTE 21.02 - TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL

| | | | | |
|--------------------------------------|------|------------------|------------------|------------------|
| Salaries To Key Management Personnel | 4.01 | 1,306,400 | 1,679,850 | 2,041,248 |
| Total | | <u>1,306,400</u> | <u>1,679,850</u> | <u>2,041,248</u> |

NOTE 22 - BANK GUARANTEES

SD&CC has obtained Bank Guarantees through BOC, for project work, by providing non-cash securities.

| <u>Bank Guarantee Security</u> | <u>Value as at 2024.12.31 (Rs.)</u> |
|--------------------------------|-------------------------------------|
| Ratmalana land | 318,475,047 |
| Directors Indemnity | 363,590,801 |
| Total | <u>682,065,847</u> |

SD&CC has no previous experience of these bank guarantees being encashed by the clients. Hence, no provision was made for he same.

NOTE 23 - PROVISION FOR DEBTORS & OTHER RECEIVABLES

Provision has been made for Note 14.1 trade/ doubtful debtors (except due from customers), Note 14.2 retention and liquidated damages based on the age analysis.

Provision has been made for 'Due from customers', for the closed sites balance of Rs: 527,536,415.13 at a rate of 100% and for the on going sites at a rate of 10% for the current year.

Provision of 3% has been made for all other receivables in Note 14.3, 14.4, 14.5, & 14.6.

STATE DEVELOPMENT & CONSTRUCTION CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2024
(All amounts are in Sri Lanka Rupees)

NOTE 24 - EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

There were no material events occurring after the reporting date that require adjustments to or disclosure in the financial statements.

NOTE 25 - CONTINGENT LIABILITIES

The following cases instituted against the Corporation are currently being adjudicated before court.

(a) Appeal court Case No. 736/ 2023. The Plaintiffs instituted this action against the Corporation, claiming to lift up the mandatory retirement scheme in age 55. An appeal was preferred to Appeal Court by the Plaintiffs and currently being adjudicated before court.

(b) Rathmalana Labor Tribunal Case No. 32/RM/18-28/2023. The outsourced labourers of Traffic Light systems instituted the above action against the Corporation claiming compensations for stop the service and have suggest to accept a reasonable compensations offer by the Corporation. Case is currently being adjudicated before court. Attorney General advice is pending for the case.

(c) Walasmulla magistrate court labour cases 06 Nos. 8973, 88974, 88975, 88976, 88977, 88978 to be paid Rs. 1,731,870.00 of labour salaries.

(d) District court of Mt.Lavinia Case No. 1617/2024/SPL. The plaintiff Sathuta Industry (Pvt) Ltd claims that money is due from the SD&CC for the Construction work done that amount is Rs. 14,211,398.28. Case is currently being adjudicated before court.

(e) Distric Court of Mt.lavinia case No. 8729/24/M. The plaintiff Bitulink Emulsion (Pvt) Ltd claims the money is due from the SD&CC for purchasing material that amounting is Rs. 20,000,000.00. Case is currently being adjudicated before court.

(f) Labour Department matter – labour commissioner General has noticed to pay the amount of Rs. 3,663,934.62 as EPF contribution with surcharges of period 2012/04- 2013/08 for labours under contract also Rathranapura Concrete Yard.

NOTE 26 - PRIOR YEAR ADJUSTMENT & RESTATEMENT OF FINANCIAL STATEMENT AS AT 31.12.2023

| Period | Government Grants (Rs.) | Retained Profit (Rs.) |
|--------------------|-------------------------|-----------------------|
| Year 2021 & before | - | (677,835,754) |
| Year 2022 | (18,765,877) | 18,765,877 |
| Year 2023 | (18,290,877) | 14,896,459 |
| Total | (37,056,754) | (644,173,418) |

STATE DEVELOPMENT & CONSTRUCTION CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2024
(All amounts are in Sri Lanka Rupees)

NOTE 26 -A

i) Prior year adjustment amounting to Rs. 677,835,754 under the Retained Profit/ (Loss) of the Statement of Changes in Equity, includes the effect of following adjustments with respect to the years prior to year 2022.

| | (Net) Adjustment (Rs.) | Adjustment |
|--|---------------------------|------------|
| Recognition of unrecognised liabilities and receivables due to omission / disallowed VAT input taxes / issue of assessments by IRD etc | | |
| <u>Trade & Other Payable</u> | | |
| VAT Control A/c | 276,126,550 | Debit |
| VAT Penelty | 110,499,027 | Debit |
| Mobilization Advances From Clients | (10,943,092) | Credit |
| Loan Interest Payable | 367,717,701 | Debit |
| <u>Trade & Other Receivable</u> | | |
| Retention - Construction | (7,547,563) | Credit |
| Liquidated Damages | 5,311,000 | Debit |
| Provision for Impairment- Retention - Construction | 1,630,715 | Debit |
| Provision for Impairment- Liquidated Damages Receivables | (203,942) | Credit |
| <u>Income Tax Liabilities</u> | | |
| Provision For Tax | (64,754,641) | Credit |
| Total | <u>677,835,754</u> | |

ii) **Government Grants and the Profit For the Year -2022** restated by the recognition of Government Grant amount of Rs. 18,765,877 , which has not been recognised as income during the Year 2022 due to an oversight. As a result, the profit of Rs. 120,948,211 of year 2022 was restated to Rs.139,714,088.

NOTE 26 -B

Government Grants and the Profit For the Year - 2023 restated by the recognition of Government Grant amount of Rs. 18,290,877 , which has not been recognised as income during the Year 2023 due to an oversight. Further, VAT Penelty payable amounted to Rs. 3,394,418 due to issue of assesment by IRD has been recognised as expense by restating the loss of the year 2023. As a result, the loss of Rs. 2,097,736,435 of year 2023 was restated to Rs.2,082,839,976.

STATE DEVELOPMENT & CONSTRUCTION CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER
(All amounts are in Sri Lanka Rupees)

2024

2023

NOTE 28 - SEGMENT INFORMATION

| | Note | 2024 | | | | 2023 | | | | | |
|---|------|----------------------|---------------------|---------------------------------------|----------------------|------------------------|------------------------|---------------------|---------------------------------------|------------------------|-------|
| | | Construction | Concrete Yard | Traffic Light Systems & Work Services | Other | Total | Construction | Concrete Yard | Traffic Light Systems & Work Services | Other | Total |
| Segment Income and Expenses | | | | | | | | | | | |
| Revenue | 1 | 70,412,666 | 110,051,692 | 249,822,697 | - | 430,287,055 | (298,608,357) | 268,294,981 | 248,928,647 | 218,615,272 | |
| Cost Of Sales | 2 | (523,122,227) | (194,129,360) | (116,632,505) | (142,564,757) | (976,448,849) | (629,667,273) | (306,485,055) | (127,358,454) | (1,193,507,544) | |
| Gross Profit | | (452,709,561) | (84,077,668) | 133,190,192 | (142,564,757) | (546,161,794) | (928,275,630) | (38,190,074) | 121,570,193 | (974,892,272) | |
| Other Income | 3 | 11,080,811 | 35,605,373 | 711,891 | 50,973,465 | 98,371,541 | 28,533,567 | 32,676,593 | 2,294,668 | 105,806,349 | |
| Administrative Expenses | 4 | (9,163,817) | (4,900,998) | (757,203) | (139,153,451) | (153,975,469) | (10,811,863) | (6,119,919) | (2,315,848) | (209,428,866) | |
| Other Expenses | 5 | (80,395,560) | (2,638,545) | (2,093,727) | (518,804,555) | (603,932,387) | (596,703,506) | (1,983,124) | (20,462,188) | (935,627,307) | |
| Financial Income | 6 | - | - | - | 6,423,190 | 6,423,190 | (75,950,918) | - | 86,169 | 154,766,003 | |
| Financial Expenses | 6 | - | - | - | (211,731,020) | (211,731,020) | (75,950,918) | (20,280) | - | (386,852,490) | |
| Profit Before Tax | | (531,188,127) | (56,011,839) | 131,051,153 | (954,857,128) | (1,411,005,940) | (1,583,208,350) | (13,636,804) | 101,172,994 | (2,246,228,583) | |
| Segment Assets | | | | | | | | | | | |
| Non-Current Assets | | | | | | | | | | | |
| Property, Plant & Equipment | 8 | - | - | - | 1,459,577,918 | 1,459,577,918 | - | - | - | 1,566,704,781 | |
| Investments In Government Owned Companies | 9 | - | - | - | - | - | - | - | - | - | |
| Deferred Tax Assets | 11.2 | - | - | - | - | - | - | - | - | - | |
| Current Assets | | | | | | | | | | | |
| Inventories | 12 | 173,783,039 | 251,461,154 | 64,214,871 | 23,908,843 | 513,367,907 | 250,790,871 | 252,246,061 | 59,869,316 | 592,454,299 | |
| Other Investments, Including Derivatives | 10 | - | - | - | 5,776,817 | 5,776,817 | - | - | - | 2,050,064 | |
| Income Tax Assets | 13.1 | - | - | - | - | - | - | - | - | - | |
| Trade & Other Receivables | 14 | 904,590,337 | 40,703,616 | 83,174,302 | 48,300,563 | 1,076,768,817 | 1,200,307,309 | 69,341,348 | 88,988,211 | 1,392,354,001 | |
| Cash & Cash Equivalents | 15 | 11,834,083 | 4,634,619 | 5,479 | 782,825,863 | 799,300,044 | 2,217,153 | 5,519,979 | 64,293 | 185,273,951 | |
| Total Assets | | 1,090,207,459 | 296,799,389 | 147,394,651 | 2,320,390,004 | 3,854,791,503 | 1,453,315,333 | 327,107,388 | 148,921,820 | 3,738,837,096 | |
| Segment Liabilities | | | | | | | | | | | |
| Non-Current Liabilities | | | | | | | | | | | |
| Loans & Borrowings | 16 | - | - | - | 1,807,624,907 | 1,807,624,907 | - | - | - | 1,808,012,039 | |
| Retirement Benefit Obligation | 17 | - | - | - | 52,557,116 | 52,557,116 | - | - | - | 66,137,831 | |
| Deferred Tax Liabilities | 11.1 | - | - | - | - | - | - | - | - | - | |
| Current Liabilities | | | | | | | | | | | |
| Trade & Other Payables | 18 | 2,041,866,029 | - | - | (121,317,296) | 1,920,548,733 | 5,717,134,834 | - | - | 1,790,443,701 | |
| Loans & Borrowings | 16 | - | - | - | - | - | - | - | - | - | |
| Bank Overdrafts | 19 | - | - | - | 74,060,748 | 74,060,748 | - | - | - | 74,243,525 | |
| Total Liabilities | | 2,041,866,029 | - | - | 1,812,925,475 | 3,854,791,504 | 5,717,134,834 | - | - | 3,738,837,096 | |

