



National Water Supply & Drainage Board



2021 Annual Report



Ministry of Water Supply



National Water Supply & Drainage Board

The supply of potable water was originally the responsibility of the Public Works Department (PWD) which was subsequently transformed to the Department of Water Supply in 1965. Thereafter, the National Water Supply & Drainage Board was formed by Act of Parliament in 1975.

The National Water Supply & Drainage Board currently functions under the Ministry of Water Supply.

Notice of the Report

Hon. Minister of Water Supply,
Ministry of Water Supply,
Lakdiya Medura,
No. 35, Sunil Mawatha,
Pelawatta,
Battaramulla.

Dear Sir,

Annual Report and Financial Statements - 2021
National Water Supply & Drainage Board

In terms of Section 14 (2) of the Finance Act No. 38 of 1971, the members of the Board have the honour to forward herewith the Annual Report and the Financial Statements of the National Water Supply & Drainage Board for the year ending 31st December 2021.

Yours faithfully,



Nishantha Ranatunga
Chairman
National Water Supply & Drainage Board



Vision

To be the most prestigious utility organization in Sri Lanka through technological and service excellence

Mission

Serve the nation by providing sustainable water & sanitation solutions ensuring total user satisfaction

Goals

- Existing Scheme and Ongoing Projects (Service Level Improvement and Service Coverage Enhancement Strategies).
- New Projects (Service Coverage Enhancement).
- Debt Servicing and Additional Revenue Generation
- Tariff Policy and Revenue Enhancement
- Productivity and Efficiency Improvements to the Existing Organizational Structure and Function.
- Organizational Reforms for Business Efficiency

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“No water, No life, No blue, No green.”

- Sylvia Earle



Corporate Governance

It is important to develop climate of trust with the different agents involved and maintain it over time by means of a continuous exercise of transparency to ensure that the value of the organization and the benefits (social or financial) to the citizens through a correct administration and implementation of Internal control systems. To this end, it is vital to adopt corporate governance practices while achieving the National objectives.

The NWSDB is a statutory Board under the Ministry of Water Supply. During the past 47 years of its operations, the NWSDB has considerably expanded its coverage and service level. The National Water Supply and Drainage Board are responsible for the following duties.

- Planning, Design and Construction of Water Supply and Sewerage Projects with local funds and donor assistance.
- Operation and Maintenance of Water Supply and Sewerage Schemes to provide satisfactory service to customers.
- Billing and Collection through affordable tariff setting.
- Technical Assistance to CBO's Local Authorities and Private/ Public Sector Institutions.

Governance Framework

External Regulatory

- National water Supply and Drainage Board Act No 02 of 1974 and National water supply and Drainage Board (Amendment) Act no 13 of 1992

Finance Act

National audit Act No 19 of 2018

Treasury circulars

Guideline for corporate Governance for SOE by the department of public enterprises.

Internal Instruments / Mechanisms

Corporate plan

Recruitment and selection policies

Disciplinary code of conduct

Vehicle policy

Policy on grievance handling

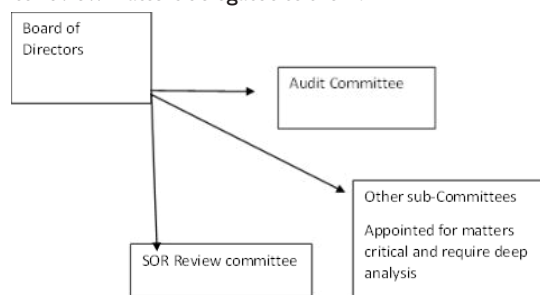
Internal Circulars

Customer Charter

Comprehensive IT system (Commercial, Human Resources, Project Management)

Board of Directors

Audit Management Committee, SOR Review Committee & number of Other Sub Committee has been appointed to review matters delegated to them.



Role and responsibility of the Board

when discharging the official duties all the directors bring in their mix of skills and knowledge complemented with a high sense of integrity and independent judgement on issue of strategy, performance and standard of business conduct. Independent non-executive directors are responsible for providing independent judgement for the proposals made by the chairman and the Board. Such as

- Participate actively at the Board proceedings with all the Board papers read prior to the meeting.
- Provide direction and guidance to the organization in formulation of strategies medium and long term in pursuance of the goals of the organization.
- Review and approve financial, human resources and corporate plan
- Ensuring the operations are carries out within the scope of the organization and provision by the Act
- Monitoring system of governance and compliance
- Make all policy decisions within the approved scope of plan
- Oversee the systems of internal control risk management
- Ensure adequate delegation of authority to the management specially in making the operational decisions facilitating the effective implementation of the strategic directive
- Approving any amendments to the constitutional documents
- Ensure all related party transactions are compliant with statutory obligation
- Adoption of best practices all Directors of the Board are required to notify the Chairman of any interests/ conflict of interest and new declarations is made annually Directors who have an interest in a matter under discussion excuses themselves.

Role of Chairman

The main responsibility of the chairman is to lead and manage the Board and its committees for their effective functioning. he represents the organization externally and is the focal point of contact for stakeholders on all aspects of corporate governance. Financial Acumen the member from the general Treasury is able to offer sound financial guidance through their specialized knowledge on the subject of finance. Access to independent professional advise In order to preserve the independence of the Board and to strengthen decision making the Board seeks independent professional advice when deemed necessary. Accordingly, the Board obtained Independent professional advice and consultancy in the areas of legal, logistic, procurement and IT during the year under review.

Role of the Board secretary

- Guide the Board and individual directors in the proper discharge of their responsibilities and act as a central source of guidance on matters of ethics and governance
- Assis Chairman and the director Board
- Ensure all procedures are followed in compliance with statutory requirements and industry best practices.
- Regular review of entire governance frame work in view of emerging best practices regulatory changes and stake holder interests.
- Ensure that procedures governing Board meetings are followed and guide and advise the Board on responsibilities rules and regulations that impact the operations of the entity
- Ensure that Board papers to be discussed are duly circulated among the BoD at least 5 days before the meeting
- Ensure no Board decision is taken by circulation unless it is a matter of urgency
- Formulate meeting agendas with the Chairman and coordinate with the CEO and the management on Board papers memoranda or presentations for the meeting.
- Convene and attend Board meetings and maintain accurate minutes of Board proceedings in an appropriate manner.
- Function as the secretary to Board sub-Committee
- Make necessary arrangements for the conduct of General Meetings with shareholder or Annual performance Review Meeting (APRM) as applicable
- Coordinate the Publication and distribution of entity's AR, Accounts and interim statements in consultation with

the entity's internal and external advisor in particular when preparing the Directors; report.

The Board meets regularly at not less than monthly interval to discuss matters relevant to the operation and governance of the organization and all minutes and papers of Board meetings are documented by the Board secretary of NWSDB. Certain functions of the Board have been delegated to the Board subcommittee with the board retaining final decisions rights. This enables the detail analysis of the matters under concern and diplomatic approach in resolving matters, debated. The members of the board have been assigned based focusing the area of expertise. In addition, the case specific sub committees were also appointed from time to time for the cases which require in-depth analysis. NWSDB has its own Board audit committee composed of 3 non-executive independent Directors. and minutes of the audit committee were taken as an agenda item of the Board meetings. Typical Board meeting agenda in financial year 2021 contained

Adoption of the minutes

Matters arising of the Minutes

Progress Review

Statutory matters

Questions in Parliament

Policy matters and matters under which Ministry, Treasury or cabinet approvals have to be obtained

Auditor Generals Queries and Report

Personnel matters

Others

Attendance at Board meetings

The Board met every month and also at circumstances when required to have a board meeting. The members who were quarantined during the pandemic period and under the circumstances of movement restrictions the members of the Board joined the meetings via Zoom.

Name of Board of Directors	Designation	Board Meeting		Audit and Management	
		Eligible No. of Meetings	Meetings Attended	Eligible No. of Meetings	Meetings Attended
Mr. Mahantha Ranasinga	Chairman	17	17 of 17	n/s	n/s
Mr. Nimal R. Ranawata	Vice Chairman	17	16 of 17	n/s	n/s
Eng. T.M.R.P. Therasakoon	Board Member	17	15 of 17	7	6 of 7
Eng. Laxman Ranasinghe	Board Member	17	17 of 17	n/s	n/s
Mrs. Nayana Nathavitharana ***	Board Member	4	4 of 4	n/s	n/s
Mrs. A.R. Wickramasinghe	Board Member	17	17 of 17	7	7 of 7
Mr. B.N. Daminda Kumara **	Board Member	12	12 of 12	2	2 of 2
Dr. V.T.S.K. Siriwardane ***	Board Member	12	12 of 12	n/s	n/s
Dr. L.T. Gamlath *	Board Member	3	3 of 3	n/s	n/s
Mr. W.N.R.P. Weerasingha (Observer)	Adcl. Sec. (Adst) Ministry of Water Supply	17	16 of 17	n/s	n/s

- * Dr. L.T. Gamlath retired on 08th February 2021
- ** Mr. B.N. Daminda Kumara resigned on 09th August 2021
- *** Dr. V.T.S.K. Siriwardane was appointed on 12th March 2021
- **** Ms. Nayana Nathavitharana was appointed on 23rd September 2021

Board of Directors



Mr. Nishantha Ranatunga, (Chairman)

Skills and Expertise

MBA from the University of Western Sydney on Business Administration in September 2003.

over 20 years of extensive managerial experience in the Private Sector, Media and

Communication, Public Administration and Business Management

Positions held in Other Organizations:

Director General/ CEO – Sri Lanka Rupavahini Corporation.

Chairman/CEO – Mihin Air (Pvt) Ltd.

Vice President - Asian Institute of Broadcaster Union

Chairman/Director - Sugathadasa National Sports Complex

Marketing Manager – Mobitel (Pvt) Ltd.



Mr. Nimal R. Ranawaka, (Vice - Chairman)

Skills and Expertise

Attorney at Law

Other appointments:

President – Democratic Left Front

Positions held in Other Organizations:

Chairman – Official Language Commission

Labour & Welfare Councilor – Sri Lankan Embassy of Kingdom Saudi Arabia



Dr. Lakshman Gamlath, (Board Member)

Skills and Expertise

Deputy Director General (Env. Health, Occupational Health & Food safety), Ministry of Health

Member Food advisory committee

National Codex contact point for Sri Lanka

National INFOSAN contact point for

Sri Lanka.

Positions held in Other Organizations:

Member, Pesticide advisory committee.

Member, National trade negotiation committee.



Dr. V.T.S.K. Siriwardana, (Board Member)

Skills and Expertise

MBBS (Ruhuna), MSc (Medical administration – Colombo).

Deputy Director General – Acting (Environmental Health, Occupational health and Food Safety) 2021 to 2022

Medical administrator for 16 Years.

Other appointments:

Secretary to the Food Advisory Council.

Chairman, Subcommittees on Health Claims, Regulations, Technical of Food advisory Committee.

Chairman Subcommittee on Public Health Food laboratories.

Council Member of College of Medical administrators.

Positions held in Other Organizations:

Medical Officer of Health, Dehiowita

1989 – 1996.

Senior Medical Officer, Mental Hospital, Angoda 1996-2003.

Director – acting General Hospital, Rathnapura 2004 to 2006.

Regional Director of Health services in Monaragala and Colombo Districts from 2006 to 2014.

Director, Non-Communicable diseases in Ministry of Health 2014 to 2019.

Director, Environmental Health, Occupational health and Food Safety 2019 to 2022.



Mr. B. N. Daminda Kumara, (Board Member)

Skills and Expertise

Masters Degree in Sociology.

Certificate of Public Administration.

Certificate of Microsoft Office Application.

English for Administration purposes.

Other appointments:

Works as Senior Assistant Secretary in the State Ministry of Provincial Councils & Local Government

Positions held in Other Organizations:

Chairman of the Board of Pension Unit - Department of Corporative Development - 2015 - 2016

Member of the Board of Sustainable Energy Authority – 2018 - 2019

Member of Water Board - 2020 – 2021.



Ms. Akalanka Rasujani Wickramasinghe, (Board Member)

Skills and Expertise

Master of Business Administration in Finance (MBA-Fin)

Associated Chartered Management Accountant (ACMA - UK)

Chartered Institute of Management Accountants (CGMA- USA)

Bachelor of Science in Business Administration - B.Sc. (Admin)

Member of Australian Computer Society (ACS)

Policy making for State Owned Enterprises (SOEs)

15 years of experience in supervision and monitoring of the SOEs

Other appointments:

Director (Act.) – Department of Public Enterprises, Ministry of Finance.

Board Director – Center for Excellence in Robotics (Pvt) Ltd.

Positions held in Other Organizations:

Board Director - Sri Lanka Plantation Corporation 2011 - 15.

Board Director - Kahatagaha Graphite Lanka Ltd 2011 - 15.

Board Director - BCC Lanka (Pvt) Ltd 2015 - 19



Ms. Nayana Nathavitharana, (Board Member)

Skills and Expertise

B. Com. (Special), University of Sri Jayawardenapura, Sri Lanka.

Post Graduate Diploma in Devolutions and Government, University of Colombo, Sri Lanka.

Diploma in English (One Year Duration), Sri Lanka Institute of Development Administration, Colombo 7.

Other appointments:

Overall supervision of activities of Administration and Training of the State Ministry of Provincial Councils and Local Government Affairs.

Working as a Member of the National Steering Committee for Foreign Funded Projects implemented by the State Ministry of Provincial Councils and Local Government Affairs.

Coordination work of Parliamentary Consultative Committee and Budget Debate.

Administration works related to Local and foreign training program.

Board Member of Sri Lanka Transport Board.

Board Member of Sri Lanka Sustainable Energy Authority

Positions held in Other Organizations

Assistant Divisional Secretary, Rathnapura District

Assistant Divisional Secretary at Balangoda

Assistant Divisional Secretary at Deraniyagala

Secretary, Cooperative Service Commission, Sabaragamuwa Provincial Council

Assistant Divisional Secretary, Kegalle District (Mawanella, Dehiowita and Daraniyagala)

Assistant Divisional Secretary, Thimbirigasyaya

Assistant Secretary, Ministry of Science & Technology

Director, Children's Secretariat, Ministry of Women Empowerment & Social Welfare

Senior Assistant Secretary, Ministry of Public Administration

Commissioner (Planning, Research, Training & Publication Division), Department of Labour

Director General, Coconut Development Authority

Addl. Secretary, (Admin. & Training) Ministry of Local Government and Provincial Councils.



R.A. Sarath Luxman Ranasinghe, (Board Member)

Skills and Expertise

Chartered Engineer (HMIE, MIIE, FIAE, (SL)) Membership No. IESL (HMIE 6172) , Registration No. of EC 103678

Consultant Mechanical Engineer, Registered Loss Adjuster, Government Authorized Safety Inspection Engineer, ISO 9000/2000 Consultant

Non-Destructive Tester (SM)

NVQ level 5 & 6 Assessor

JP for All Island.

Other appointments:

Consultant Engineer

Position Held in other Organization:

Sri Lanka Insurance Corporation – Assistant General Manager Motor – Technical.

Janatha Fertilizer Enterprises as the Senior Engineer/ Manager.

Mahaweli Authority of Sri Lanka as an Engineer.



Mr. T M R P Thennakoon, (Board Member)

Skills and Expertise

Structural Engineering Design

Project Management in construction

Consultant to building construction.

Other appointments:

Consultant Engineer to the

Project - House of Justice-Phase 2 and Phase 3.

Phase 2- High Courts and District Courts Complex.

Phase 3- Ministry of Justice & Judges' Institute.

Consultant Engineer to Hayley's Pentons.

Position Held in other Organization:

Consulting Engineer – Freelance and Design Advocacy
Pvt. limited

Project Manager- Tudawe Brothers Limited

Site Manager - Tudawe Brothers Limited

Senior Site Engineer - Tudawe Brothers Limited

Resident Engineer - State Engineering Corporation.

Declaration of Directors

For the year ended 31 December 2021.

In accordance with a resolution of the Directors of National Water Supply and Drainage Board, the Directors declare that:

- a. They have not been employed in the National Water Supply and Drainage Board.
- b. They don't have material business relationship with entity, directly or indirectly for the period of 2 years of appointment as directors.
- c. They have not been elected as members of Parliament / Provincial Council / Local Government in the last 5 years.
- d. They are not close family relations of the Line Minister / State Minister / Deputy Minister of which the SOE coming under his or her purview.

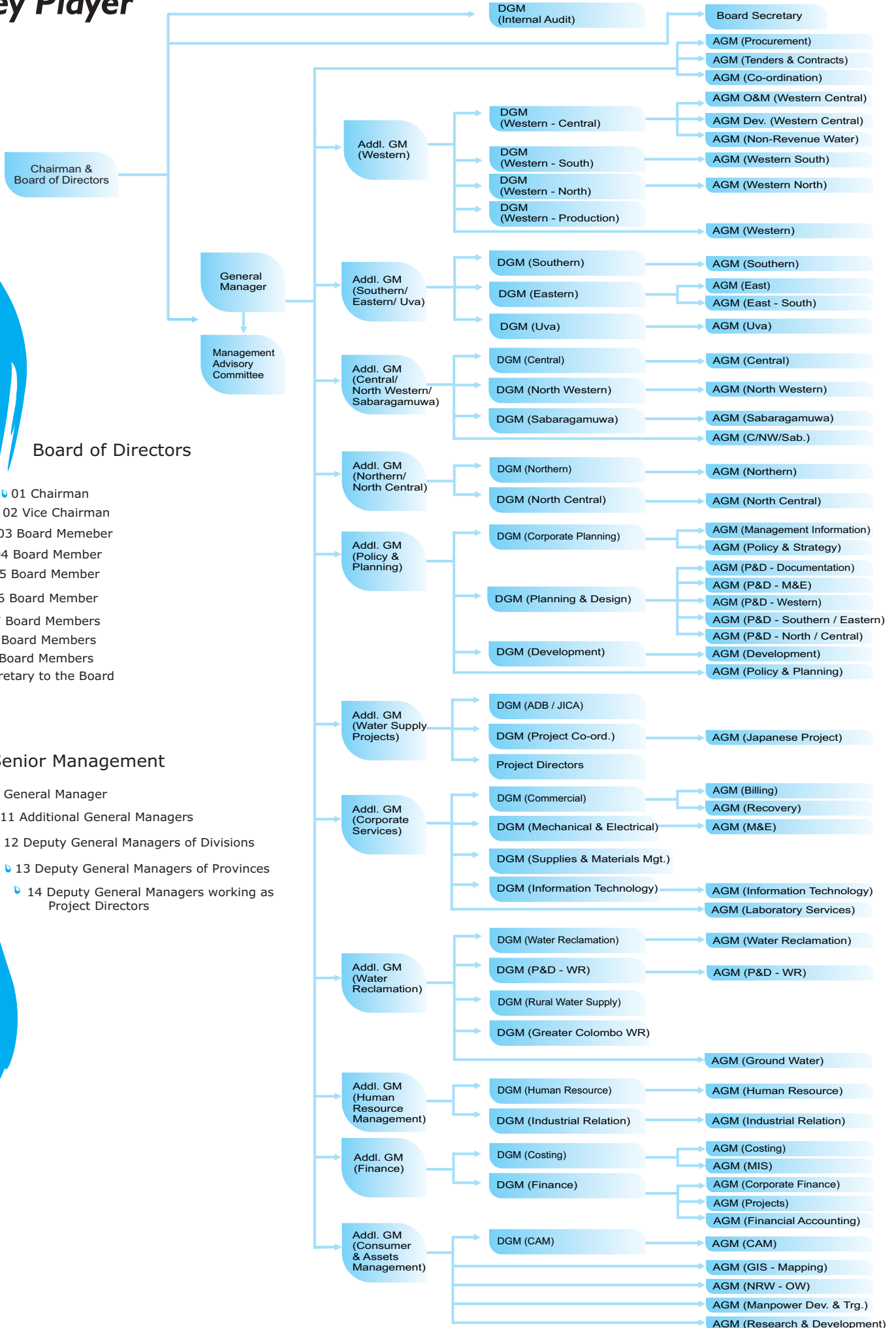
Signed on the behalf of the Board of Directors.

Full Name : Nishantha Ranatunga
Designation : Chairman

Signature : 

Date : 2022.05.27

Key Player



Board of Directors

- 01 Chairman
- 02 Vice Chairman
- 03 Board Member
- 04 Board Member
- 05 Board Member
- 06 Board Member
- 07 Board Members
- 08 Board Members
- 09 Board Members
- Secretary to the Board

Senior Management

- 10 General Manager
- 11 Additional General Managers
- 12 Deputy General Managers of Divisions
- 13 Deputy General Managers of Provinces
- 14 Deputy General Managers working as Project Directors

Senior Management

General Manager - (as at 31st December 2021)

Eng. T. S. Wijethunga (15.10.2020 to Date)

B.Sc. Eng., MBA, M.Sc. (Planning), MA. (Financial Economics), MIM (SL), PG. Dip. (Finance) – ICA (SL), Dip (Mgt.)-DK, C. Eng., FIE (SL)

Additional General Managers -

(as at 31st December 2021)

01. Eng. C. C. H. S. Fernando (Western) -

(20.06.2019 to Date)
B.Sc.Eng., MPM, PG Dip. (OSLO University)
C. Eng., FIE (SL), MIM (SL)

02. Eng. Dr. (Mrs.) I.M.W.K. Illangasinghe (Policy & Planning) - (15.10.2020 to Date)

B.Sc. (Eng.), M. Eng. (Japan), Phd . C.Eng. MIE (SL).

03. Eng. S. G. G. Rajkumar (Corporate Services) -

(07.09.2020 to Date)
B.Sc. Eng. (Hons), M.Sc.(Denmark), MBA (PIM-US), M.Eng (Moratuwa), C. Eng., FIE(SL)

04. Eng. K. D. P. F. Siriwardene (Central/North

Western/Sabaragamuwa) - (15.10.2020 to Date)
M.Sc. (Environ. Eng.) Denmark, PG Dip (Const. Mgt)
Moratuwa, C. Eng., FIE (SL)

05. Eng. T. W. S. Perera (Water Supply Projects)

-(12.02.2019 to 22.09.2021)
B. Sc. Eng. (Hons), Msc (Development Science), C. Eng., MIE (SL)

Eng. K.P.R.S. Samarasinghe (Water Supply

Projects) - (13.01.2021 to Date)
M.Sc (WSP Eng.), Netherland. M.Sc (Eng.) Moratuwa, C.Eng. FLE (SL), AM (OACETT) Canada

06. Eng.M.K.D.J.H. Meegoda (North/North

Central) - (23.09.2021 to Date)
B.Sc. Eng., M.Sc. (Water Management), C.Eng., FIE(SL)

07. Eng. R.A.A. Ranawaka (Southern /Eastern) -

(18.08.2020 to 12.01.2021)
B.Sc.(Eng).Hons, PG Dip. (Env. Eng & Mgt) ,C.Eng. FIE (SL)

Eng. R.S. Liyanage (Southern/Uva/Eastern) -

(27.07.2021 to Date)
B.Sc. Eng., PGD (Management), M.Sc. (Water & Environmental Resources Mgt), MBA, M.Sc. (Water Resources Management) Holland, C.Eng. FIE (SL), MIM.

08. Eng. Ranjith Kulanatha (Sewerage) –

(2017.04.10 – 2021.02.26)
B. Sc. Eng., PG Dip (Const. Management), PG Dip (Environ. Engineering), C. Eng. FIE (SL)

Eng. I.V.W. Ediriweera (Water Reclamation) -

(27.02.2021 to Date)
B.Sc. Eng. M.Sc.(Water Resources Mgt),M.Sc. (Development Studies), C. Eng., FIE (SL), MIWA(UK)

09. Eng. S.A. Rasheed (Consumer & Asst

Management) - (10.05.2021 to Date)
B.Sc.Eng. M.Sc. (Sanitary Eng.) Netherlands, PG.Dip. (Structural Engineering Design - SL), C.Eng. MIE (SL)

10. Mr. G. K. Iddamaloda (Human Resource

Management) - (23.07.2013 to Date)
B.Sc. (B. Admin), Dip. in Per. Mgt.,
MA (Mgt. & Admin) London

11. Mr. R. A. M. S. Weerasena (Finance) -

(24.01.2019 to Date)
B.Com (Sp.), PGDBM (Col.), ACA

Deputy General Managers of Head Office (as at 31st

December 2021)

01. Mrs. N. Y. S. Abeygunawardena (Industrial

Relations)
BA, P.G. Dip. in Management (PIM), Member (IMSL)

02. Mr. R. M. A. Bandara (Supplies & Material

Management)
B.Sc., (Business Administration - Spl.) Dip. in (Purchasing and Materials Mgt.)

03. Mrs. M. M. S. Peiris (Finance)

B.Sc. (Accountancy & Finance Mgt.), ACA (SL)

04. Mr. A. G. S. Kumara (Costing)

B. Com. (Sp.), M. Sc. (Management), FCA

05. Mr. G.A.P. Pathmanatha (Commercial)

B.Sc (P. Administration - Spl.), MBA, MSLIM, Fellow (IMSL), Member (IMSL), Asso. Member (IPFDA)

06. Eng. J. Chandradasa

(Information Technology)
B.Sc. Eng., PG Diploma (eGov), M.Sc. (GIS/RS), MPA (eGov)
C.Eng. MIE (SL), MBSC, MIEEE

07. Mr. M.A.S.S.K. Chandrasiri

(Human Resources)
BBM (HR), MBA, Final Part I - ICA, Adv. Mgt, HR Mgt, Ceti. Course in com. Literary

08. Mr. U.J. Samarasinghe (Internal Audit)

B.Sc. (Acc. & F. Mgt), M.Sc. (Service Mgt), Fellow (ICA), Member (CIMA)

09. Eng. J. L. Seekkuge (ADB Projects) - WSP

B.Sc.Eng. (Hons), MBA (PIM- SRJ), PG Diploma (Const. Mgt), PG Diploma in Drinking Water Mgt. (Germany)
C. Eng., MIE (SL)

10. Eng. Dhanesh Gunethilake

(Water Reclamation)
B.Sc. Eng.(Hons), PG.Dip. Env. Eng & Mgt (Moratuwa), M.Sc. Sanitary Eng. (UNESCO-IHE, Delf), C.Eng. Intl.P Eng., FIE (SL) MCIWEM (UK)

11. Eng. (Mrs.) M.K.A.J.M. Wijesinghe

(Corporate Planning)
B.Sc.Eng, M.Sc. Sanitary Eng. (UNESCO-IHE, Delf), C.Eng. (IESL)

12. Eng. A. Munasinghe (Planning & Designs)

B.Sc. Eng. (Hons), M. Eng., H&WR (Netherlands), C. Eng., MIE (SL)

13. Eng. (Mrs.) M.A.C. Hemachandra (ST/RWS)

B.Sc. Eng., PG.Dip. (Env. & Mgt), PG. Dip. (Stra. Eng), MIE (SL)

14. Eng. J.A.A.P. Jayasinghe (Development) -

Covering Up DGM

B.Sc. Eng., PG. Dip (Con. Project Mgt), C.Eng. (IESL)

15. Eng. V.G.U. Ranjith (M&E)

B.Sc. Eng., IESL (Part III), MBA, PG.Dip (W.S.D.W.W.T), C.Eng. (IESL)

Deputy General Managers of Provinces

(as at 31st December 2021)

01. Eng. G.V. Wijerathne (Central)

B.Sc.(Eng), M.Sc(Water Resource Engineering & Management), PG. Dip (Management), C.Eng., MIE (SL)

02. Eng. Sudeshan (East)

B.Sc. Eng., M.sc (Const. Mgt), M.Sc (Structural Engineering Designs), C.Eng. Intl. PEng., FIE (SL)

03. Eng. W. G. C. L. Weerasekara (Sabaragamuwa)

B. Sc. Eng., MBA, PG Dip. (Const. Mgt), M.Sc (Structural Engineering Designs), C. Eng. Intl.PEng, FIE (SL)

04. Eng. M. T. M. Razil (Western South)

B. Sc. Eng.(Hon), PG Dip (Structural Engineering Design), PG Dip (Construction Mgt.), PG Dip (Project Mgt.), C. Eng. MIE (SL)

05. Eng. A.K. Kapuruge (Western Central)

B.Sc. Eng., M.sc. Eng. C. Eng. (IESL)

06. Eng. N.U.K. Ranathunaga (Western North)

B.Sc. Eng., PG.Dip. (Env. Eng), Master in Dev. Studies, FIE (SL)

07. Eng. L.P.A.P. Perera (Production) -

Covering Up DGM

B.Sc. Eng., M. Eng. (P. Mgt), PG Dip (Bus. Mgt), C. Eng. MIE (SL)

08. Eng. M.M.M. Nazeel (Uva)

B.Sc. Eng., M.Eng.(W&E. R. Mgt), PG Dip (Env.W. Resource), C.Eng. (IESL)

09. Eng. A. Mahathanthila (Southern)

B.Sc. Eng. C. Eng. (IESL), PG Dip (Env. Eng. & Mgt), Prof. Dip (UNESCO - IHE)

10. Eng. A.M.A. Rafeek (North)

B.Sc. Eng. C. Eng. (IESL), M.Eng. (W.R. Mgt)

11. Eng. D.V. Medawatte (North/Western)

B.Sc. Eng, PG Dip (W.& W.W& Eng. Eng), C.Eng. (IESL), Fellow (IESL), MBA

12. Eng. (Mrs.) T.M.M.H. Tennakoon (North/Central) & PD (Deduruoya Water Supply Project)

B.Sc.Eng, PG. Dip. (Cont. Mgt), M.Sc. (W.R. Mgt), MBA, C.Eng. (IESL)

Deputy General Managers working as Project Directors

(as at 31st December 2021)

01. Eng. N. H. D. P. Dharmapala (Gampaha Attanagalla Water Supply Project)

B.Sc. (Eng.), M. Sc. (Constr. Project Mgt.), PG Dip. (Enviro. Eng. & Mgt.), C. Eng., FIE (SL)

02. Eng. T. Barathidasan (Jaffna Kilinochchi Water Supply Project)

B. Eng. (India), M. Eng. (Moratuwa), M. Sc. Eng. (UNESCO-IHE), PGD (Rajarata), C. Eng., MIE (SL)

03. Eng. N.A.S. Shantha (Kalani Right Bank Water Supply Project)

B.Sc.Eng, PG. Dip. (Stru. Desinge), C. Eng. (IESL)

04. Eng. T.R.J. Fernando (Kaluganga Water Supply Project)

B.Sc.Eng, C. Eng. (IESL), Member CCP enf. MIE - Australia, Member (M. ASCE), PG. Dip - (IR) - IRBCIS, PG. Dip (Con. Mgr) - OUSL

05. Eng. G.M. Thilakaratne (Polgahawela Pothuhera & Alawwa Integrated Water Supply Project)

B.Sc.Eng, MBA, Msc. (Eng), PG Dip (Env. Eng. & Mgt), FIE (SL), M.Sc. (Eng), C. Eng. (IESL)

06. Eng. (Mrs.) A. P. Gunawardhana (Anamaduwa Integrated Water Supply Project)

B.Sc.Eng, MBA, C. Eng. (IESL)

► Message from the Secretary, Ministry of Water Supply



While all day-to-day activities of National Water Supply & Drainage Board (NWSDB) are naturally oriented towards the realization of Sustainable Development Goal 6: “Ensure availability and Sustainable Management of Water and Sanitation for all”, NWSDB actively engaged in the National level activities for implementing Sustainable Development Goals in Sri Lanka. Transforming from the “Providing safe Water for All” was recognized in the country's National Policy Framework, “Vistas of Prosperity and Splendor” to Sustainable Goals, the NWSDB under the guidance of the Ministry of Water Supply was engaged in developing national indicators and setting targets in order to monitor and report the achievements related to the above sub-goals (Goal 6.1; achieve universal and equitable access to safe and affordable drinking water for all and Goal 6.2; achieve access to adequate and equitable sanitation and hygiene for all and end open defecation, paying special attention to the needs of women and girls and those in vulnerable situations by 2030).

The Ministry is working closely with NWSDB to achieve the targets already set for making 55.8% of the population available with pipe borne water and 2.08% of the population available with piped sewerage by 2021.

The Ministry is working closely with NWSDB for improving its business efficiency aspects. In addition to restructuring of the organization, cost reductions through efficient resource utilization, reducing non-revenue water, efficient stock management and enhancement of productivity through modern working techniques etc. are being critically looked at currently.

The Ministry is grateful to our many funding partners who supported us in the water supply and sanitation sector development endeavor. I would take this

opportunity to express my sincere gratitude to His Excellency the President and the Hon. Prime Minister & Hon. Minister of Water Supply for their leadership and guidance in implementing government policy on Water Supply and sanitation. I thank the Hon. State Minister of Water supply for the guidance extended to all of us. I also thank the Secretary and the Heads of Departments of the Treasury for their continuous support extended in carrying out all our activities.

I wish all success to the endeavors of the NWSDB to provide the public with high quality and efficient water supply and sewerage services and for implementation of several development programmes that have been lined up for 2021 and beyond for achieving their water supply and sanitation targets.



Dr. (Eng.) Priyath Bandu Wickrama
Secretary
Ministry of Water Supply



Chairman's Statement



“Increasing the number of new water connections was a key challenge in this regard. In the last ten years, the number of new water connections per annum did not exceed 138,000. We were able to increase this to 192,087 in 2021”



A tiny virus can bring an entire world to its knees, that was the lesson Covid-19 taught us. Not just economic growth, but civilization itself can become endangered when a population's health is compromised. Clean water and sanitation are key ingredients in the health of a nation. They form essential pillars of a liveable life and a meaningful development.

The National Water Supply and Drainage Board was set up to ensure that Lankan people have access to clean water and sanitation. During my tenure as chairman of this institution, my focus has been the fulfilment of goals and objectives set out by the NWSDB's Corporate Plan for 2020-2025.

Increasing the number of new water connections was a key challenge in this regard. In the last ten years, the number of new water connections per annum did not exceed 138,000. We were able to increase this to 192,087 in 2021, despite the constant breakdown of normalcy due to the pandemic. This brought the total number of service connections to 2.75 million amounting to 45.8% of the population.

Despite adverse national conditions, we were also able to provide 3471 pipe sewage connections in 2021. Our wastewater treatment plants reached a total treatment capacity of 90,500 cubic meters per day by the end of 2021.

During this year, funds were obtained and allocated for 23 large scale water supply projects, 3 sewerage projects, 11 local bank funded water supply projects, 3 small and medium water supply projects, and 1 water sector community facilitation and 5 rural and divisional drinking water supply projects. Of these, we were able to complete 1 large scale water supply project and 02 local bank funded water supply projects within the year itself.

Providing safe drinking water for people living in areas affected by Chronic Kidney Disease (CKDu) was another priority in the last year. More than 222 million rupees have been spent for this purpose.

As per WHO guidelines, Water Safety Plans were developed in 288 urban water supply schemes. In addition, NWSDB also continued to regularly test water samples through its central laboratory and regional laboratories. According to analytical data for 2021, 98.8% of microbiological testing was satisfactory.

As part of improving the business efficiency, NWSDB continued with its endeavour to reduce Non-Revenue Water (NRW) by carrying out many short-term and long-term measures at regional level as well as by implementing large scale foreign funded projects in Colombo. Consequently, the island wide NRW rate has fallen to 25.82% by the end 2021. NWSDB also continued its focus on Information Technology throughout 2021 as a means of improving its business efficiency.

The Ministry of Water Supply and the Ministry of Finance have been steadfast in their support and guided NWSDB in achieving its Corporate and National Goals. The Finance Ministry's support was pivotal in ensuring the financial sustainability of NWSDB via debt service restructuring. It should be mentioned that NWSDB took great strides forward in these troubled time without a tariff increase.

In 2021, NWSDB made many changes in its organization structural and introduced new cadre positions to improve productivity, efficiency, and customer service. These included the formation of Customer and Asset Management section. Centre of Excellence for Water and Sanitation, the strategic business unit of NWSDB consisting of 3 key divisions; Knowledge- training and Manpower Development, Innovation- Research and Development and Quality- Laboratory Services were partially established on 19th November 2021. The Research and Development arm and, Centre of Innovation was also sited at the Joint Research Development Center (JRDC) building.

In 2022, a key focus will be to convert the massive investments of the last five years to revenue by launching a connection drive. Existing schemes will be put to maximum utilization through production and capacity enhancements and distribution infilling and extension programmes. This would require an increase in water tariffs – which have remained unchanged since 2012. Low-consumption customers will not be affected by any future tariff increase.

NWSDB, aided by its dedicated and efficient staff, will redouble its efforts in 2022 to get closer to our ultimate goal of providing clean water and sanitation to all Lankan people.



Nishantha Ranatunga

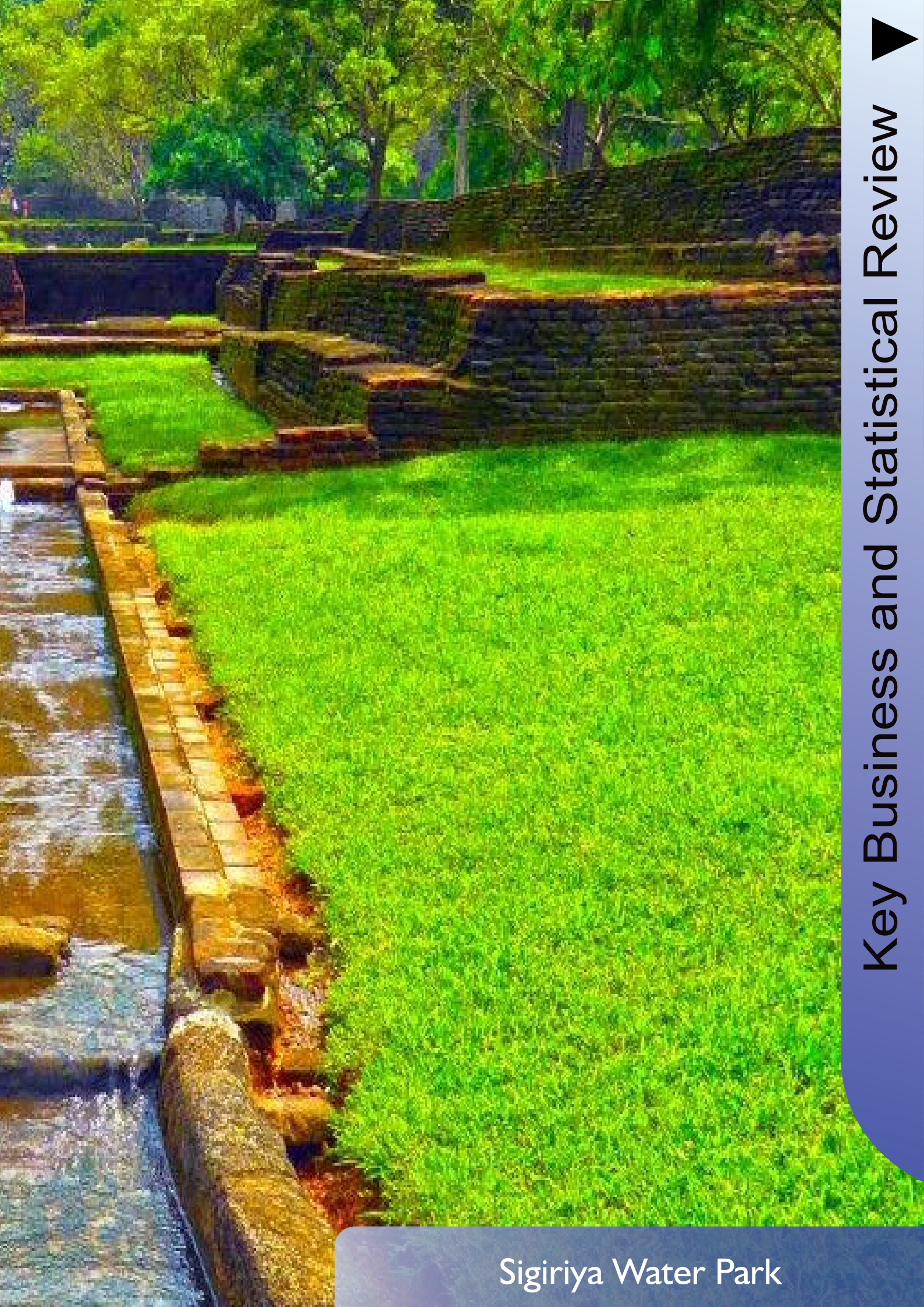
Chairman

National Water Supply & Drainage Board



“When the well’s dry, we know the worth of water.”

- Benjamin Franklin

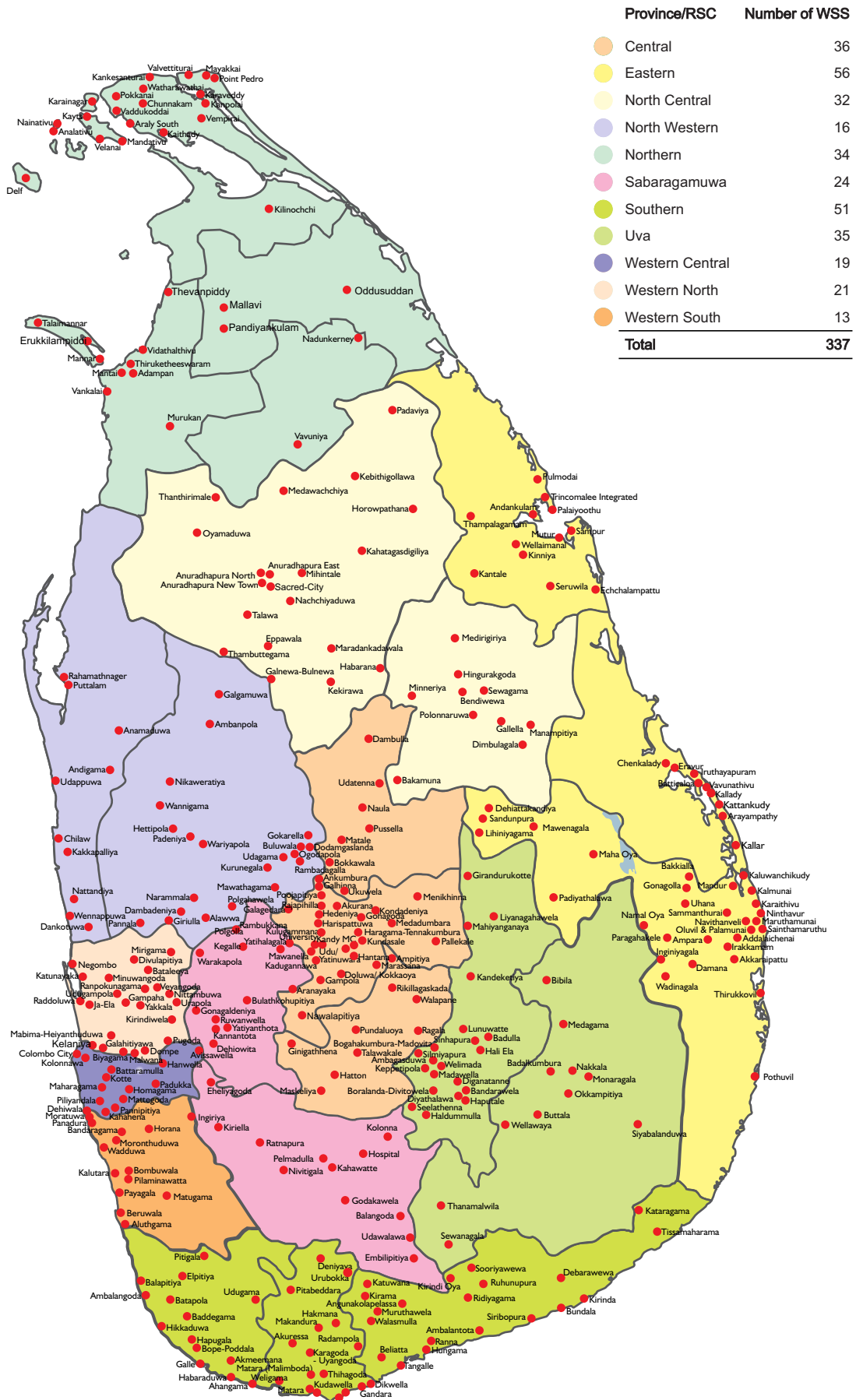


Key Business and Statistical Review ▼

Sigiriya Water Park



Existing Water Supply Schemes



Corporate Planning

“Activities towards the goal on water supply and sanitation coverage were carried out throughout the country.”

Implementation Status of the Corporate Plan 2020 - 2025

The year under review was the first year of the Corporate Plan 2021 - 2025. The NWSDB continued working towards the achievement of the goals and objectives set out by the Corporate Plan during the year.

Activities towards the goal on water supply and sanitation coverage were carried out throughout the country by Water Supply and Water Reclamation Project Divisions and all RSCs. Around 94.3 % of the population have access to the safe drinking water of which 54.2% is through piped water supply systems throughout the country. 2.08% of the population is provided with piped sewerage facilities. In achieving the goal of improving business efficiency, special efforts taken to reduce NRW and power cost during 2021 are noteworthy while customer service improvement was also given priority. Initiatives on IT improvements, R&D activities, institutional development, and staff training also contributed towards this goal. On achievement of the Goal “Organizational reforms for Business efficiency”, both the Internal Audit Division and the Government Audit Branch worked on the accountability and transparency issues. With regards to the goal on social responsibility of improving drinking water and sanitation status of the population other than the NWSDB customers, the CKDu affected areas and the rural community without safe water supply facilities were given priority with the available resources. Technical assistance were provided to CBO managed schemes through the RSCs.

Water Safety Plan (WSP) implementation in Sri Lanka continued in 2021. NWSDB strive to make sure that all the water consumed by the community is safe. Under this context Water Safety Plans (WSPs) are being developed to be implemented. As at end 2021 there were 288 urban Water Safety Plans developed Island – wide in various stages by the DGMs of RSCs with assistance of WSP advisory unit.

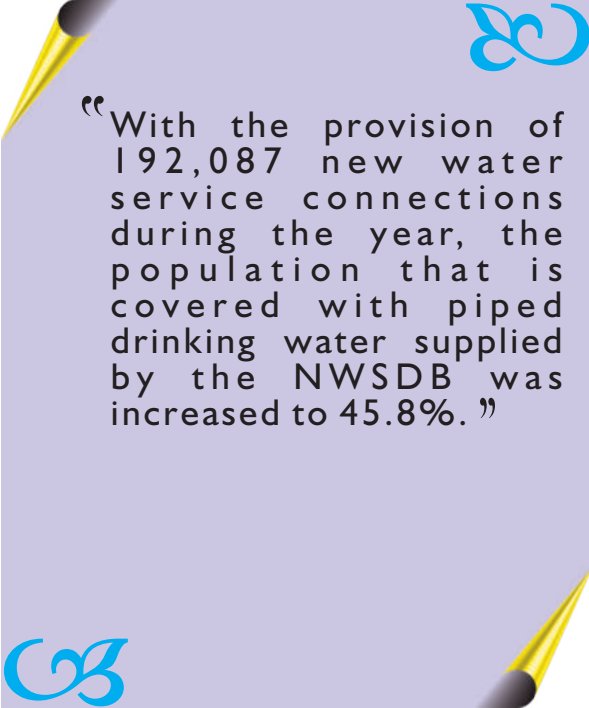
It was considered as important to have timely review for the successful achievement of the goals, objectives against the targets set. Progress of development and business efficiency through Management Information Report as well as Key Performance Indicators were reviewed by the Members of the Board at Board meetings held in 2021.

Progress Towards Stated Goals

Goal	Key Objectives	Target end 2021	Achievement end 2021
1 & 2. Service Level Improvements and Service Coverage Enhancement.	1 Total Pipe-borne water supply coverage	59.5%	54.2%
	2 Piped sewerage coverage	2.12%	2.08%
	3 Access to safe drinking water supply coverage	99.6%	94.3%
3. Debt Service and Additional Revenue Generation.	4 NRW (island-wide)	23.09%	25.82%
	5 Total staff for 1,000 connections	3.28	3.38
	6 Expenditure on power to total recurrent cost	15.89%	13.45%
4. Tariff Policy and Revenue Enhancement	7 Maintenance expenses to total recurrent cost	6.48%	5.89%
	8 Establishment expenses to total recurrent cost	4.51%	3.78%
5. Productivity and Efficiency Improvements to the Existing Organizational Structure and Function.	9 Estimated bills to total number of bills	1.0%	3.2%
	10 Collection efficiency	100%	108%
	11 Accounts receivable period	30days	29days
6. Organizational Reforms for Business Efficiency.	12 Promote Human Resource Development		
	(a) In-house training (nrs. of participants)	9,120	2,462
	(b) In-country external training (nrs. of persons)	284	212
	(c) Overseas training (nrs. of persons)		48
	13 Improve service to customers and promptly attend to public complains Public awareness programs to be carried out all island (school/other)	100.	**
	14 Annual savings from energy efficient projects.	42 million	45 million
	15 Research and Development Division of the NWSDB is continuing systematic, investigative and experimental activities that are performed for the purpose of acquiring new knowledge to efficient business and O&M activities.		
	16 The NWSDB invested on improving the customer and corporate relationship, which will have a web-portal as a platform for improving its business to implement comprehensive ICT development activities..		
	17 Initiatives were taken to develop a whole range of management and business tools on human resource development, management information system and business plan.		
	<ul style="list-style-type: none"> • Delegation of financial authority • Training on budgetary control & financial regulations • Valuation of assets • Improved Management Information and Coordination 		
	• Audits on commercial operations	55 nrs.	57 nrs.
	• Audits on stores and supplies	62 nrs.	78 nrs.
	• Audits on reduction of Non Revenue Water	26 nrs.	22 nrs.
	• Audits on construction contracts	42 nrs.	39 nrs.
	• Total Audits conducted in 18 fields	516 nrs.	550 nrs.

** No progress due to pandemic situation of the country.

Key Performance in Water Supply & Water Reclamation



“With the provision of 192,087 new water service connections during the year, the population that is covered with piped drinking water supplied by the NWSDB was increased to 45.8%.”

There are 337 major, medium and small water supply and 14 numbers of waste water management schemes in operation under the NWSDB's purview.

With the provision of 192,087 new water service connections during the year, the population that is covered with piped drinking water supplied by the NWSDB was increased to 45.8%. With the achievement of target of 100% piped water coverage by NWSDB during the year, altogether 54.2% of total population is served with piped drinking water supply, island wide.

NWSDB implemented 15 large scale foreign funded water supply projects ongoing of which the loans have been borrowed by the Treasury, during the year; while 8 other large scale foreign funded projects (ongoing) with the loans directly borrowed by NWSDB from Foreign/ Local Banks. In addition, 11 Local Bank Funded water supply projects, 03 Small & Medium water supply projects, 05 Development of Rural and Divisional Drinking Water Supply projects and 01 Water Sector Community Facilitation projects were implemented during the year to increase the pipe borne water supply coverage of the country. Of these, 01 Large Scale Foreign Funded project, 02 Local Bank Funded water supply projects and Water Sector Community Facilitation Project in different parts of the country were completed during the year, enabling to provide new service connections and to improve service level of existing consumers.

Further, 03 Foreign Funded water reclamation projects were implemented during the year to increase piped sewerage coverage and to improve the sanitation facilities.

To assure the water safety, operational monitoring and verification monitoring is done by the central laboratory with the cooperation of the regional laboratories in the NWSDB. Analytical data in year 2021 revealed that out of the total test samples, 98.8% was satisfactory in bacteriological testing.

Several NRW reduction activities were conducted during the year. Within Colombo city, critical areas were selected and area inflow measurements were taken after establishment of closed boundaries. Night survey, culvert survey and house to house survey were carried out to identify visible leaks and action were taken to rectify them. The NRW of Colombo City and Island wide were noted as 34.75 % and 25.82 % respectively, by end of the year.

The water tariff revision has not been revised in line with the increase in the operational expenses from the year 2012. Hence the Board has experienced difficulties in managing its' cash flow during the recent years. Despite the policy decision taken in the year 2014 by the General Treasury to convert the total outstanding debt into equity to strengthen the Balance Sheet, it had not been successful as planned due to the debt commitment of the new loans.

NWSDB has recorded LKR. 3,135,546,998 loss for the year 2021; though there was a profit for year 2020 amounting LKR 508,913,642.

	2020	2021	Variance (%)
KEY STATISTICS: WATER SUPPLY			
No. of Water Supply Systems	331	337	1.81
Piped Water Production (million cu.m.)	782	815	4.22
Piped Water Consumption (million cu.m.)	589	605	2.72
Domestic Connections (Nrs.)			
(a) Western Province	1,005,424	1,068,600	6.28
(b) Other Provinces	1,349,127	1,464,762	8.57
Total Domestic Connections	2,354,551	2,533,362	7.59
Public Stand Posts (Nrs.)			
(a) Western Province	471	468	0.64
(b) Other Provinces	752	730	2.93
Total Public Stand Posts	1,223	1,198	2.04
Non-Domestic Connections (Nrs.)			
(a) Western Province	97,920	103,208	5.40
(b) Other Provinces	107,766	115,754	7.41
Total Non-Domestic Connections	205,686	218,962	6.45
(Including total public stand posts)			
Total No. of Service Connections	2,560,237	2,752,324	7.50
Average Monthly Household Consumption			
(cu.m. per house connection)			
(a) Western Province	18.52	17.49	-
(b) Other Provinces	14.26	13.73	-
Average Recurrent Cost of Water Production (LKR/ cu.m.)	38.64	42.58	-
Average Total Cost/ Unit Sold (LKR/ cu.m.)	49.06	57.37	-
Average Unit Revenue (Billing*/ Consumption) (LKR/ cu.m.)	42.78	47.82	-
Average Household Bill Value per Month (LKR)			
(a) Western Province	862.17	781.97	9.30
(b) Other Provinces	524.93	485.68	7.48
Collection Efficiency	0.93	1.08	16.13
Deep Wells (Nrs.)			
(a) Drilled	150	200	33.33
(b) Successful	134	166	23.88
Non-Revenue Water (%)			
(a) Western Province	25.86	27.06	(4.64)
(b) Other Provinces	23.31	24.50	(5.11)
(c) Island-wide	24.63	25.82	(4.83)
KEY STATISTICS: SEWERAGE			
Domestic Connections			
Western Province	17,104	17,203	0.58
Other Provinces	859	3,520	309.77
Non-Domestic Connections			
Western Province	1,300	1,410	8.46
Other Provinces	249	850	241.37
Housing Scheme Connection(Bulk)			
Western Province	3,666	3,666	-
Other Provinces	-	-	-
Total Sewerage Connections			
All Island	23,178	26,649	14.98
Western Province	22,070	22,279	0.95
Other Provinces	1,108	4,370	294.40

Note : “ * “ - Without VAT

+ (Ve) Variance reflects a favorable result.

	2020	2021	Variance (%)
OTHER KEY STATISTICS			
Total Revenue (LKR million - without VAT)	27,762	25,657	(7.58)
Total Recurrent Expenditure (LKR million)	30,286	36,559	(20.71)
Total Staff/ 1,000 Connections	3.66	3.38	7.65
Total Development Expenditure (LKR billion)	100.86	92.90	(7.89)

Note : “ * “ - Without VAT

+ (Ve) Variance reflects a favorable result.

Summary of Operations

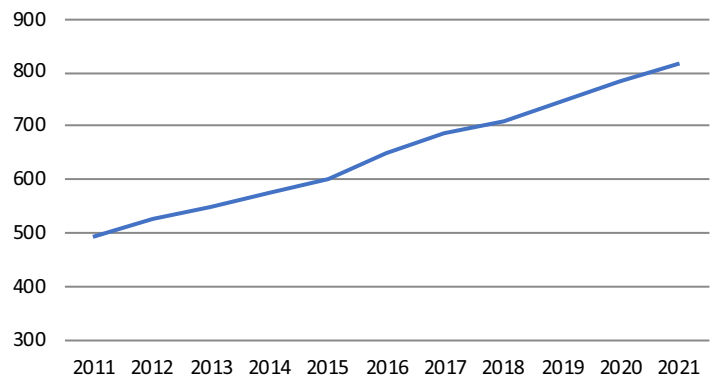
“With a 4.22 % increase compared to the production in 2020, the total quantity of drinking water produced by NWSDB during the year 2021 was 815 million cu.m.”

WATER SUPPLY

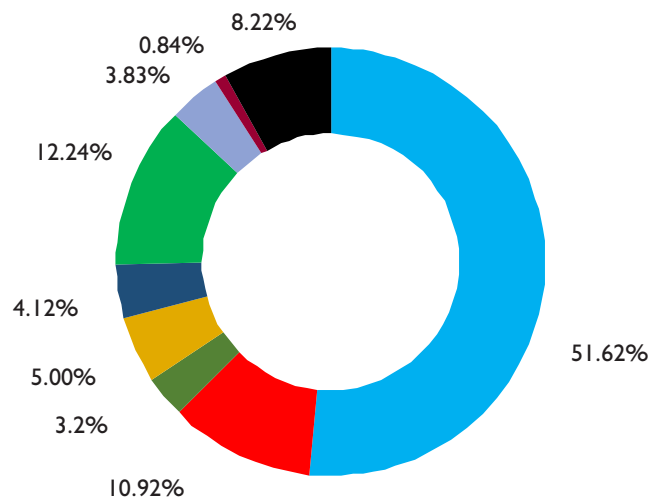
Drinking Water Production

With a 4.22 % increase compared to the production in 2020, the total quantity of drinking water produced by NWSDB during the year 2021 was 815 million cu.m. The trend in drinking water production during the last 10 years is given in the graph. The Western Province water supply system claims the major share of production mainly through the centers at Ambatale, Labugama, Kalutuwawa, Biyagama, Bambukuliya, Kandana and Kethhena amounting to 51.62% of the total water production of the NWSDB during the year.

million cu.m



Water Production by Provinces during 2021

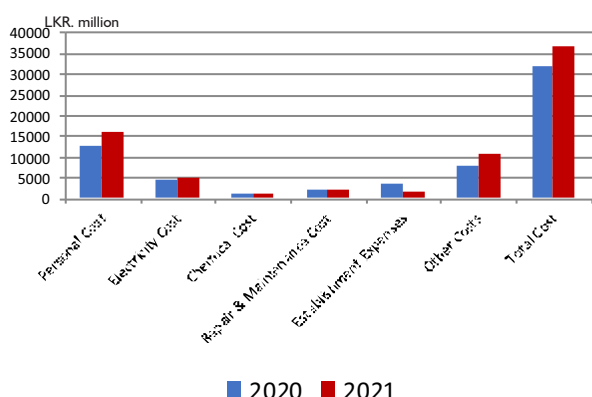


- Western
- Central
- NW
- NC
- Sabaragamuwa
- Southern
- Uva
- Northern
- Eastern

Cost of Production

Breakdown of the total production cost (LKR. million) in comparison with 2020 is shown below:

Cost of Production



Cost of Production LKR. /cu.m.

2020
49.06

2021
57.37

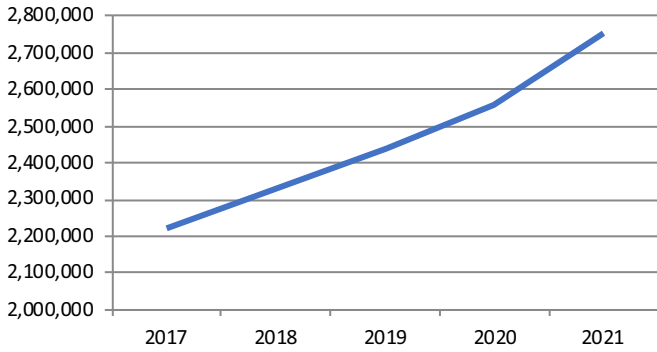
Cost of Production = Total Cost / Units Sold

Comparison of Service Connections

Province/ RSC	No. of Connections Province/ RSC-wise			NWSD Region	No. of Connections NWSD Region-wise		
	As at end December 2020	As at end December 2021	Change %		As at end December 2020	As at end December 2021	Change %
Western - Central	515,176	543,011	6.37	Priority*	1,885	1,896	0.58
				Colombo City**	145,130	145,712	0.40
				Kotte	181,270	185,605	2.39
				Maharagama	186,891	209,798	12.26
Western - North	305,299	332,861	9.03	Kelaniya	220,646	236,010	6.96
				Gampaha	84,653	96,851	14.41
Western - South	282,869	295,936	4.62	Dehiwala	112,796	114,425	1.44
				Kalutara	74,324	76,608	3.07
				Panadura	95,749	104,903	9.56
Central	291,357	307,592	5.57	Kandy North	112,070	120,332	3.37
				Kandy South	94,122	97,488	3.58
				Kandy East	85,165	89,772	5.41
North Western	95,308	108,403	13.74	Kurunegala	95,308	108,403	13.74
North Central	144,495	160,011	10.74	Anuradhapuraya	144,495	160,011	10.74
Sabaragamuwa	127,668	137,450	7.66	Ratnapura	66,587	73,523	10.42
				Kegalle	61,081	63,927	4.66
Southern	343,093	360,999	5.22	Hambantota	118,673	125,047	5.37
				Matara	103,645	107,377	3.60
				Galle	120,773	128,575	6.46
Uva	120,006	131,191	13.49	Bandarawela	70,432	79,628	13.06
				Monaragala	49,574	56,563	14.10
Northern	31,575	37,090	17.47	Jaffna			
				Mannar	31,575	37,090	17.47
				Vavunia			
Eastern	303,391	332,780	9.69	Ampara	71,714	79,888	11.40
				Trincomalee	84,768	93,636	10.46
				Akkaipattu	86,836	93,224	7.36
				Batticaloa	60,073	66,032	9.95
Total	2,560,237	2,752,324	7.50	Total	2,560,237	2,752,324	7.50

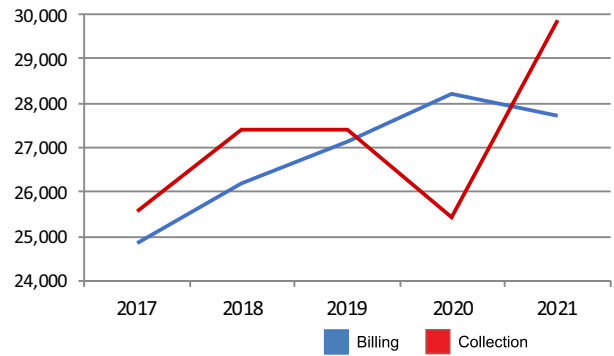
Growth of Connections

No. of connections

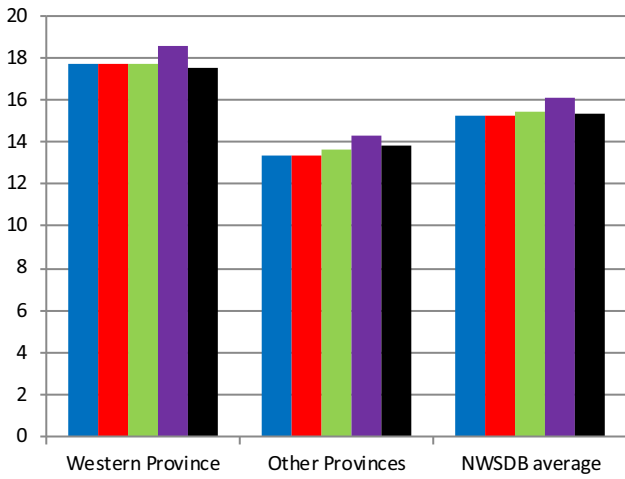


Comparison of Annual Billing and Collection (with VAT)

LKR. million



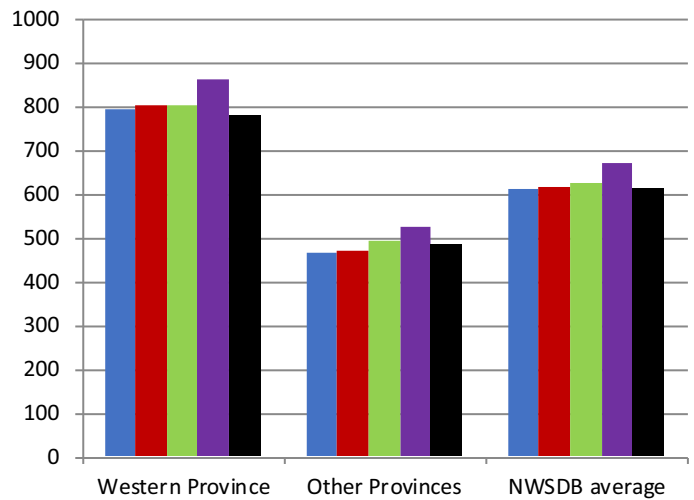
Average Household Monthly Consumption (cu.m per Connection)



2017 2018 2019
2020 2021

Average Household Monthly Bill

LKR.



2017 2018 2019
2020 2021

Billing Statistics

Description	2020 (LKR.million)	2021 (LKR.million)
Billing Target (without VAT)	25,056	29,043
Actual Billing (without VAT)	25,218	25,657
Collection Target (with VAT)	28,211	35,305
Actual Collection (with VAT)	25,424	29,872

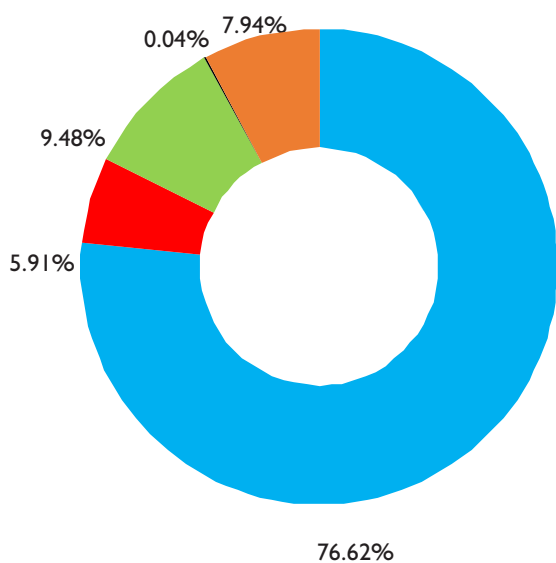
Quantity of Water Sold and Revenue by Consumer Categories (2021)

Consumer Category	Quantity sold		Revenue	
	cu.m '000s	%	LKR million	%
Direct billing #	463,378	76.72	18,461	65.30
Schools	4,832	0.80	108	0.38
Tenement gardens	2,255	0.37	103	0.37
Public stand-post supply	266	0.04	5	0.02
Government institutions, NWSDB premises	35,651	5.91	2,373	8.39
Commercial and industrial	57,347	9.48	5,571	19.71
Tourist hotels	2,268	0.37	206	0.73
Shipping	147	0.02	75	0.27
Board of Investment	4,180	1.85	748	2.64
Religious premises	5,518	0.91	125	0.44
Subtotal	582,840	96.37	27,775	98.25
Bulk billing	18,276	3.02	320	1.13
Others*	3,666	0.61	175	0.62
Grand Total	604,782	100.00	28,270	100.00

Domestic, NWSDB Quarters, Government Quarters, Condominium, Domestic Non-Vat, Domestic Samurdi & Tenement Samurdi

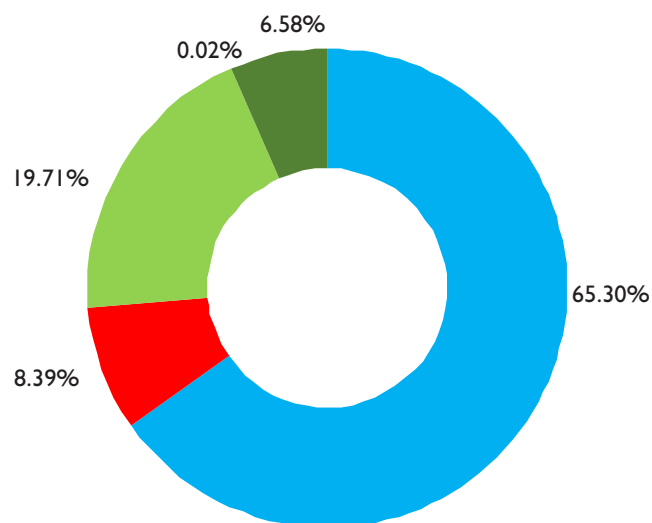
* All other billing categories which are not under "Direct Billing" or not specified as above have been grouped under 'Others'. Setting-off rebates have also been included in this category.

Percentage Quantity of Water Used by Consumer Categories



■ Domestic ■ Government Institution
■ Commercial/ Industrial ■ Stand Post
■ Others

Percentage Revenue by Consumer Categories



■ Domestic ■ Government Institution
■ Commercial/ Industrial ■ Stand Post
■ Others

Summary of Investments

Financial Sources

“These financing strategies together enabled the NWSDB to carry out LKR.92.9 billion worth of investments during the year 2021 on development activities in water supply and sewerage sector.”

National Water Supply and Drainage Board continued its development activities and initiated new projects under Water for All Programme in order to the achieve Vistas of Prosperity and Splendor under National Policy framework during the year 2021.

The NWSDB was allocated 93.57 billion through Treasury Funds by GOSL. The Treasury Allocation was provided through LKR 37.58 billion Domestic Funds, LKR 48.95 billion Foreign Loans, LKR 0.57 billion Foreign Grants and LKR 6.47 billion Foreign Financing related Domestic component. Above Treasury Funds were allocated as 51.72 billion for large scale water supply projects and 6.17 billion for Large Scale Sewerage projects. For implementation of water supply projects in every RSCs Island-Wide, LKR 29.81 billion was allocated under the “Water For All programme”. Under emerging small township (small & medium) water supply LKR 3.88 billion Domestic Funds was provided for implementing the 3 small & medium scale water supply project utility shifting work and acquiring lands. For implementing the project under Water Sector Community Facilitation, LKR 2.91 million of Domestic Funds and LKR 40.0 million of Foreign Grants were provided. LKR 0.98 billion for Development of Rural and Divisional Drinking water supply projects & LKR 0.96 billion for board borrowed large scale water supply projects were also provided.

From the above allocation, LKR 48.21 billion worth treasury funds has been utilized to implement action plan throughout the year 2021. LKR 35.10 billion for large scale water supply ongoing projects, LKR 7.58 billion for the projects of “Water For All” Programme, LKR 4.65 billion for large Scale Sewerage projects, LKR 0.15 billion for Emerging Small Townships, LKR 0.44 billion for Development of Rural and Divisional Drinking Water Supply, LKR 2.92 million for Water sector community facilitation projects and LKR 0.29 billion for NWSDB borrowed large scale water supply ongoing projects have been incurred during the year 2021.

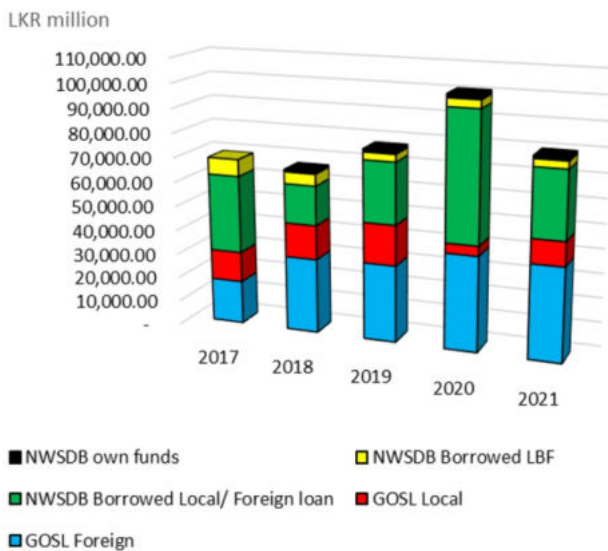
Further to the expenditure of LKR 48.22 billion LKR 343.21 million of NSB loan services by Treasury and LKR 633 million of NWSDB own funds were utilized for the Treasury Funded Projects.

Further to direct allocations by the GOSL, LKR 27.64 billion was expended on water supply projects through the finances obtained from the loans borrowed from foreign / local banks directly by the NWSDB with the Guarantee of GOSL. In addition, the NWSDB implemented 11 Local Bank Funded (LBF) water supply projects by borrowing LKR 3.08 billion from Local Banks during 2021.

Apart from that, LKR 13.04 billion has been utilized for debt service payment by the NSB loan serviced by the treasury.

These financing strategies together enabled the NWSDB to carry out LKR 92.9 billion worth of investment during the year 2021 on development activities in water supply & sewerage sector and LKR 1.62 billion to improve its Business Efficiency through NRW reduction and rehabilitation activities; total amounting to LKR 94.52 billion worth investments.

Total Investment on Water Supply and Sewerage Sector in 2017 -2021



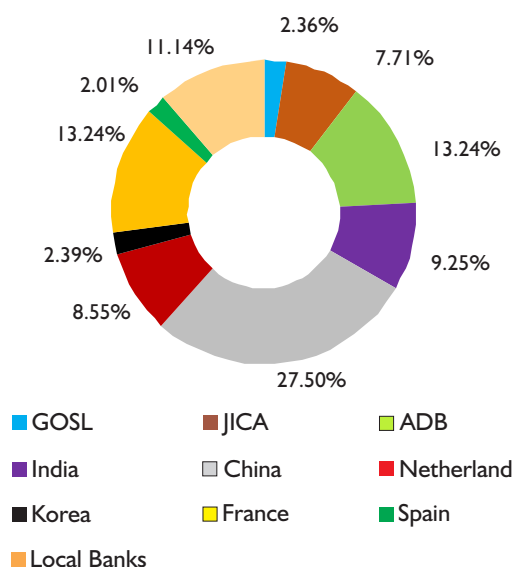
Utilization of Capital Funds received under Capital Budget 2020/2021

Description	2020		2021	
Foreign Component (LKR million)	39,005	62%	38,338	77%
Foreign Aid Related Domestic Component (LKR million)	2,640	50%	1,703	18%
Consolidated Funds for Local Projects (LKR million)	1,387	50%	8,174	24%
Debt Service Payment				
Total	40,033	61%	48,216	52%

During the year NWSDB has invested LKR 1,289.59 million for rehabilitation activities, LKR 312.88 million for reduction of NRW, LKR 130.08 million for energy saving activities, LKR 66.00 million for purchase of capital items and LKR 17.0 million for maintaining sewerage schemes. Those activities have been mainly carried out from the revenue earned from the investments made by the government over the period until 2021. Further, under the Rehabilitation activities, priority was given to the schemes where there was no donor assistance or special funds being allocated for the improvement of schemes.

Unplanned issues faced due to Covid 19 situation was another major reason for low utilization of allocated capital funds.

Foreign Aid Contribution by Funding Agencies and Related GOSL Funds



Details of Projects Completed during the year 2021

RSC	Project Name	Agent	TEC LKR Million	Beneficiaries
Western	Katana Water Supply Project	EDFC - Korea	11,795.00	156,753
North Western	Deduru Oya Water Supply Project	Exim Bank	10,227.00	90,700
North Central	Medirigiriya WSP - Distribution Phase II	GOSL	1,500.00	35,000
Uva	Ettampitiya Water Supply Project	GOSL	2,244.00	160,000
	Bandarawela Water Supply Scheme	GOSL	225.00	40,000
Southern	Andaragasyaya Water Supply Scheme	GOSL	214.00	13,500
Western South	Project Enhancement Operational Efficiency and Assets Management Capacity of RSC (WS)	GOSL	567.00	-

Employees

“The NWSDB was able to reduce the ratio of staff per thousand service connections to 3.38 in the year 2021 from 3.66 in 2020.”

Staff Strength

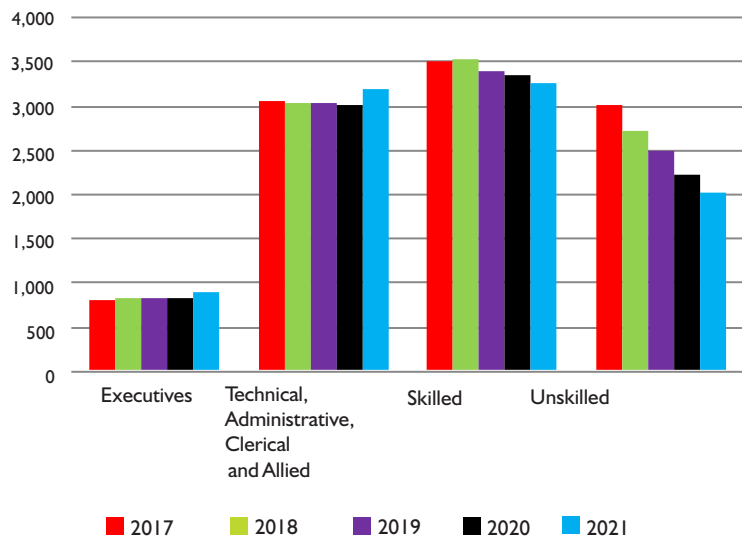
Staff	2020	2021
(a) Permanent	9,227	9,063
(b) Casual	0	0
(c) Contract	132	207
(d) Plant Technician Apprentice & GT	24	26
Total	9,383	9,296

At the end of 2021 there were 9,063 permanent staff, 207 contract and 26 Plant Technician Apprentice & Graduate trainees. Most of the contract employees were recruited to work for foreign funded projects.

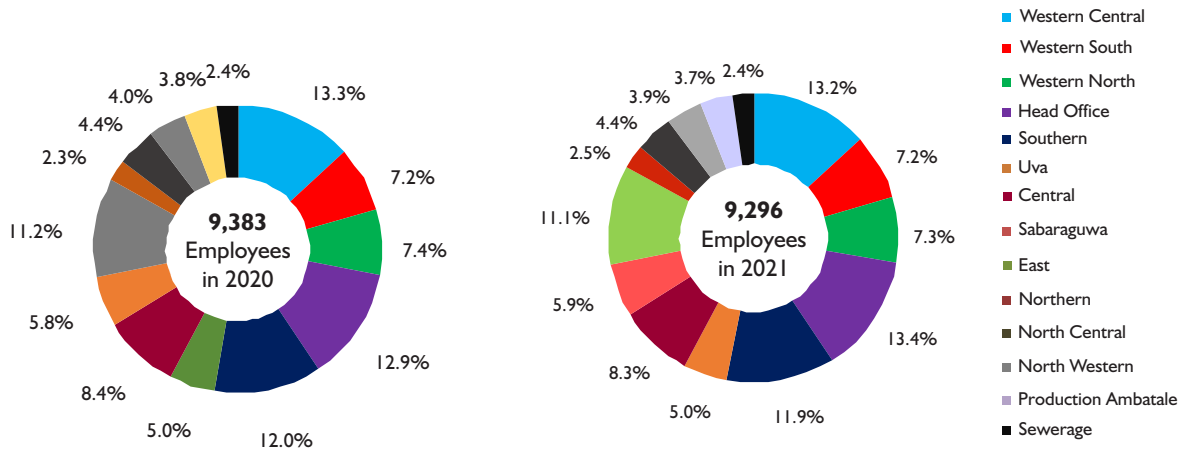
As a result of employee retirements, resignations, vacated posts and deaths in different categories of staff decrease of total staff by 87 compared to December 2020.

The NWSDB was able to reduce the ratio of staff per thousand service connections to 3.38 in the year 2021 from 3.66 in 2020.

Distribution by Key Job Function



Staff Distribution by Location



STAFF BENEFITS

- An Annual Bonus of LKR 42,000.00 including productivity incentive was paid during the year.
- Action were taken for Encashment of unutilized medical leave as in the previous years.
- Transport facilities were made available to the staff at a concessionaire rate.
- Death donations were granted in respect of the permanent employees who had died whilst in service.
- Local/ foreign training facilities were provided to the employees.
- LKR 650 was granted monthly as a tea allowance for the employees.
- LKR 833.33 was granted monthly as an OPD treatment allowance to the employees.
- Loan facilities were provided via Government Banks (Housing loan and vehicle loan through the Peoples Bank and the Bank of Ceylon respectively).
- In addition to that Ten-months loan & One year loan facilities were provided by NWSDB (Interest 4.2%).
- Festival Advance of LKR 10,000/= per employee was paid to the employees.
- LKR 59,942,034.00 among 139 employees as 12-months loan and LKR, 673,467,399.00 among 1,897 employees as 10-months loan have been distributed at a concessionary rate during the year 2021.
- LKR 119 million (approx.) was incurred for the reimbursement of medical expenses of employees (including family members), in addition to medical expenses incurred for critical illnesses.

STAFF REMUNERATION AND BENEFITS

Comparison of Staff Remuneration in 2020 and 2021

Description	2020 LKR million	2021 LKR million
Salaries	11,522	15,168
Contribution to Employees' Provident Fund	968	1,177
Contribution to Employees' Trust Fund	242	294
Total	12,732	16,639



“In time and with water, everything changes.”

- Leonardo da Vinci



Risk Assessment and Mitigation Strategies ▼



National Water Supply and Drainage Board (NWSDB) Enterprise Risk Management

Risk management is recognized as a core element of effective performance management and Governance. The constantly evolving economic and business environment and the challenging business operations present the NWSDB with risks and opportunities that have the potential to erode or enhance values. A well-structured risk management process encourages management to take risks in a controlled manner resulting in benefits to the Board. Thus, a need arises to have a process to identify and manage the risks that may affect the value creation process. A systematic approach ensures that the risks are identified on time, evaluated in terms of the risk appetite of the NWSDB, and that effective monitoring and management are in place. A management framework enables management to identify and effectively deal with uncertainties and associated risks and enhances the capacity to build stakeholder values. The risk management process

looks at implementing various policies, procedures, and practices to identify, analyses, evaluate and monitor risk, followed by identifying solutions to minimize the probability of occurrence and the impact of the identified risks.

Risk Management Structure

The Board of Directors is primarily responsible for overseeing those risks are identified and appropriately managed and identifying risks that do not match the risk appetite. The Audit and Management Committee, to which this function has generally been delegated, should review the effectiveness of the risk management process, including the systems established to identify, assess, manage, and monitor risks and the Internal Audit function, being a part of the Audit Committee, plays a vital role in this process.

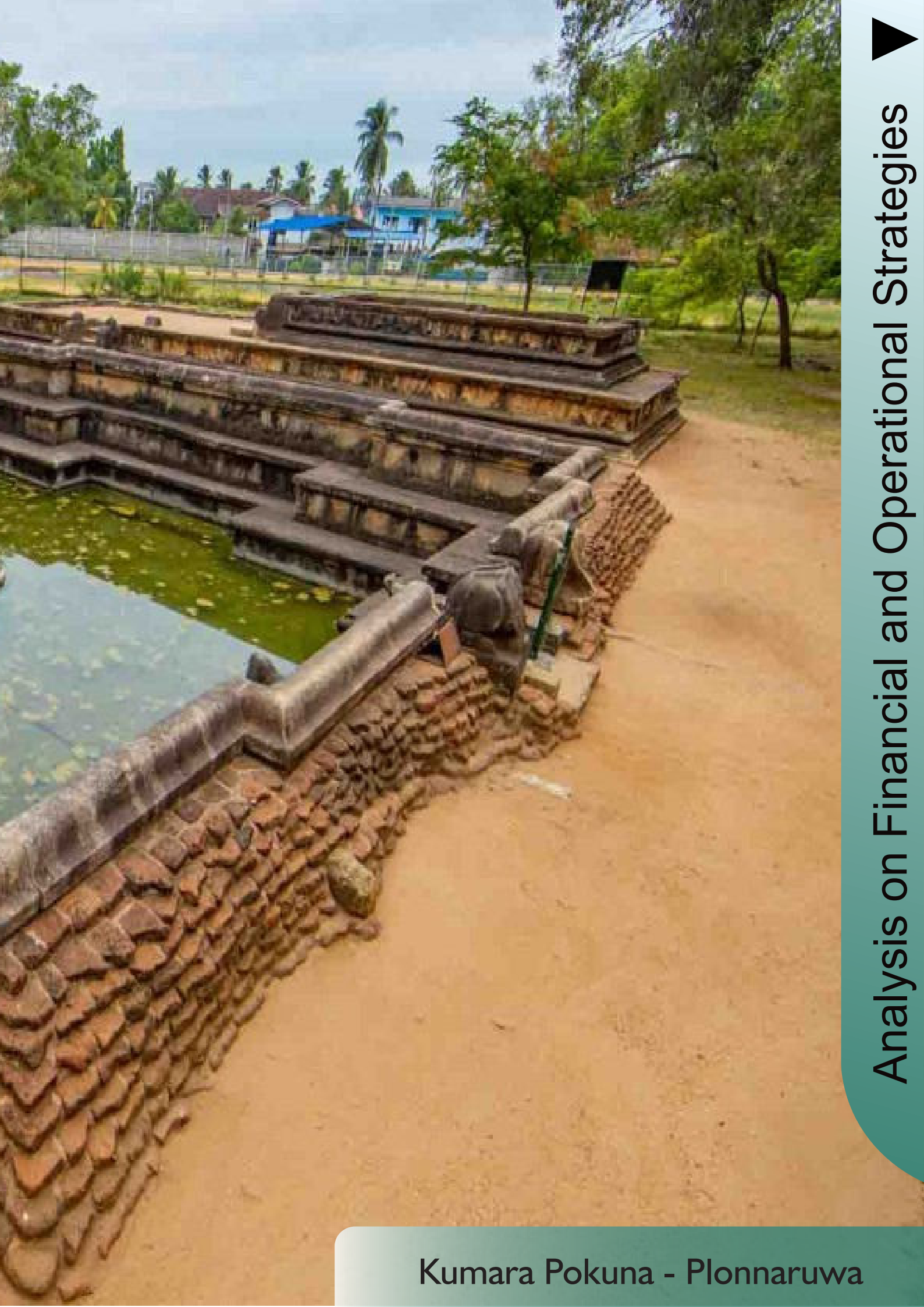
No	Risk Assessment	Mitigation Strategies
1	<p>Risk of Piped Water Contamination</p> <p>This is considered the highest risk that NWSDB faces, which has extreme consequences.</p>	<ul style="list-style-type: none"> • A rigorous quality testing process is being carried out at every possible level, including intakes to ensure safe drinking water. • Qualified professionals with expertise in the industry are being recruited and being trained to update knowledge in the field. • ISO standard assured laboratories are maintained with all required equipment to assure high-quality testing. • The water quality testing process is monitored by OIC/Manager/RSC office level and further by the Internal Audit department.
2	<p>Risk of Employee Safety</p> <p>Risk management has taken on a new dimension given the uncertainties brought by the COVID-19 pandemic. COVID-19 has taken risk management to new heights, and the importance of risk management is felt as never before as it is pervasively impacted on NWSDB island-wide operations.</p>	<ul style="list-style-type: none"> • Health and safety guidelines issued by the health authorities are adhered to, and guidelines are given to employees. • Employees work on a roster basis, and 'Work from home' arrangements was made available. • Workplace safety procedures such as temperature checks, random PCR tests, and hand sanitization facilities were rolled out. • NWSDB conducted a comprehensive risk assessment and took measures to ensure the health and safety of operational staff to continue uninterrupted operations.

3	<p>Credit Risk</p> <p>Adverse economic conditions prevailed with the COVID- 19 pandemic, and lockdowns have resulted in a drop in the creditworthiness of customers</p>	<p>operations.</p> <ul style="list-style-type: none"> • Based on the current situation, re-evaluate the debt collection process of billing debtors and re-visit at the credit limits. Wherever applicable, re-evaluate red billing and disconnection credit level of billing debtors, a thorough evaluation process is carried out to ensure the customer's creditworthiness. • All trade debts are monitored by the Manager office and Regional Support Centers (RSCs) at the monthly meetings with respective staff. At these meetings, overdue debts are discussed, and corrective actions are taken to follow up and collect overdue debts. The monthly reports submitted to the Board of Directors include an age analysis of debtors. • Legal actions are taken to recover long overdue receivables with the assistance of the Attorney General of Sri Lanka.
4	<p>Exchange Rate Risk</p> <p>Due to the depreciation of the Rupee against the other currencies, purchasing costs become higher, directly affecting many water supply projects and the Water for All program initiated during the pandemic.</p>	<ul style="list-style-type: none"> • Maintain relationships with government supervisory bodies to obtain the most favorable exchange rate to make foreign currency payments.
5	<p>Liquidity Risk</p> <p>Unavailability of sufficient funds because of lower customer settlement. Settlement of borrowings may impact the smooth functioning of the NWSDB's day-to-day operations due to the inability to service loans.</p>	<ul style="list-style-type: none"> • Preparation of cash flows to ensure that the NWSDB is aware on future cash needs. • Strong co-ordination mechanism have been built with General Treasury to ensure that urgent cash flow needs are met at short notice. • Facilities are in place to cover forecasted cash needs at least for twelve months.
6	<p>Obsolescence of Inventory/High Stock Holding</p> <p>Inventory items run the risk of being obsolete due to slow-moving</p>	<ul style="list-style-type: none"> • Orders are placed in line with the demand to reduce the stock levels and reduce the opportunity for obsolescence. • While review inventory age analysis, strategies are implemented to increase water sales and reduce inventory levels. • Obsolete and damaged items are identified during physical inventory verification, and actions are taken to dispose off them.
7	<p>Cyber Risk</p> <p>Risk of losing operational and confidential data due to security breaches/system breakdowns in the IT systems and disruption to operations due to breakdown in the IT systems.</p>	<ul style="list-style-type: none"> • Extensive controls and reviews in place to maintain IT infrastructure and data efficiency, including periodic technical assessments on security, have been established. • Availability of offsite mirror server. • Provide staff with secure infrastructure such as office laptops.



“Water is life and clean water means health.”

- Audrey Hepburn

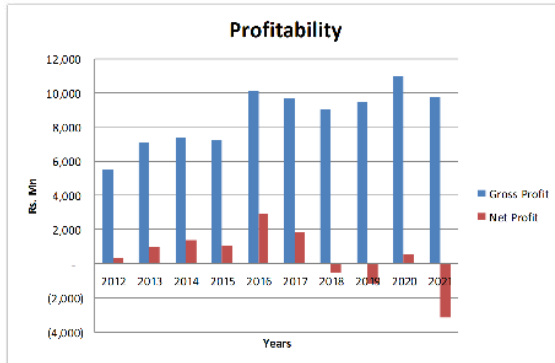




Analysis on Financial Performance

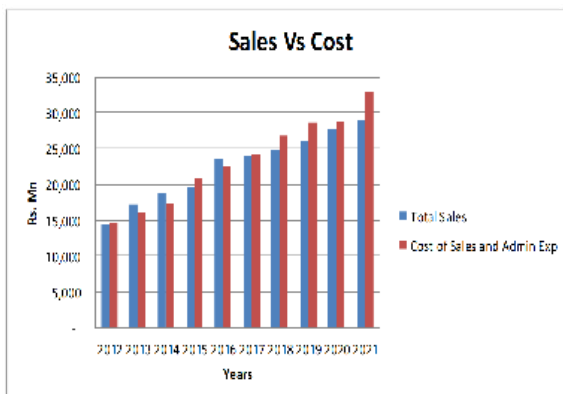
Profitability

The NWSDB had Gross profits over the past ten years but the Net Losses had been experienced in the year 2018 and 2019 and 2021.



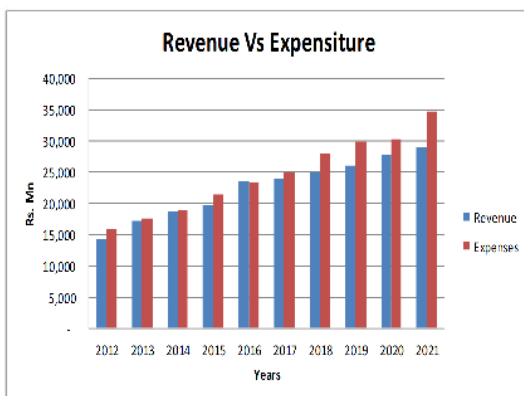
Sales vs Cost

The total sales and cost of sales & administrative expenses have continuously increased over the past ten years. But the increase in admin expenses had been more than the increase of the cost of sales.



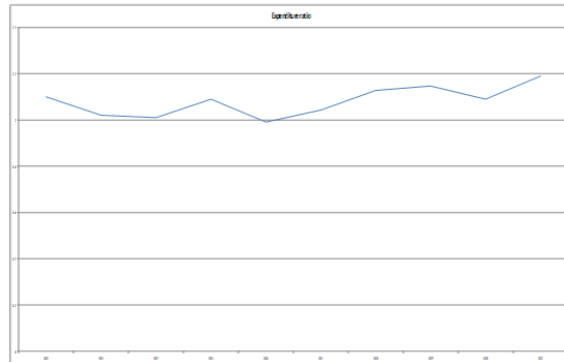
Revenue Vs Expenses

The revenue is calculated including all the income received by the NWSDB and Expenditure is also inclusive of all the expenditure incurred. The increase in the expenditure is more than the increase in the revenue.



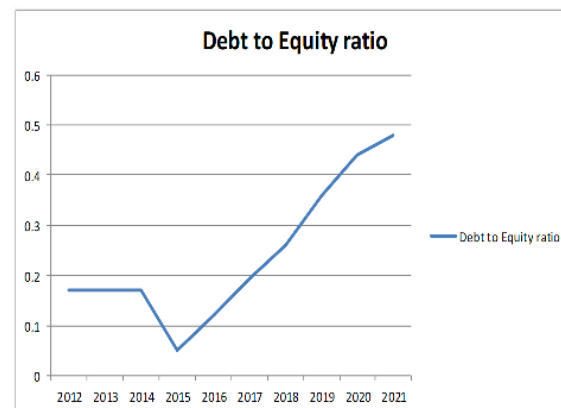
Expenditure Ratio

This ratio calculates the expenditure incurred against a rupee earned through the sales of water. The ratio had been attractive in the year 2016 but in all other years, the NWSDB has incurred more than a rupee to earn one rupee.



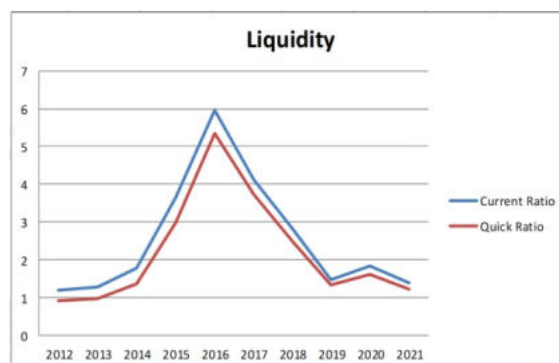
Debt

The debt-to-equity ratio shows the proportions of equity and debt.



Liquidity

The Current Ratio determines the Board's ability to pay back its current liabilities with its current assets.

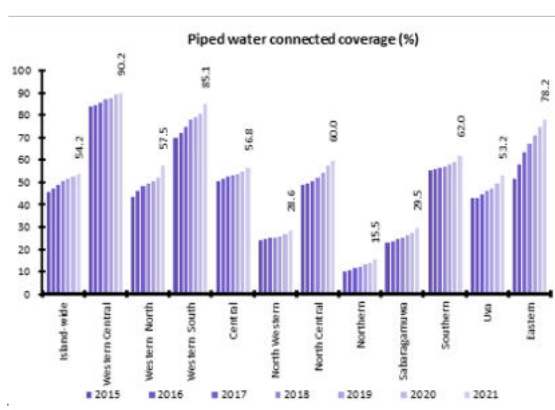


The summary of the basic ratios calculated are as follows.

Description	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
❖ Gross Profit Ratio	38%	41%	39%	37%	43%	41%	36%	36%	40%	34%
❖ Net Profit Ratio	3%	6%	7%	5%	12%	8%	-2%	-5%	2%	-11%
❖ Return on Equity	0.20%	0.51%	0.60%	0.33%	0.88%	0.51%	-0.15%	-0.28%	0.12%	-0.63%
❖ Return on Capital Employed	0.0017	0.0041	0.0049	0.0031	0.0076	0.0041	-0.0011	-0.0019	0.0008	-0.004
❖ Current Ratio	1.20	1.28	1.78	3.65	5.97	4.14	2.81	1.48	1.84	1.40
❖ Quick Ratio	0.92	0.98	1.36	2.98	5.34	3.72	2.48	1.34	1.63	1.22
❖ Expense Ratio	1.1	1.02	1.01	1.09	0.99	1.04	1.13	1.15	1.09	1.19
❖ Debt to Equity Ratio	0.17	0.17	0.17	0.05	0.12	0.19	0.26	0.36	0.44	0.48



Analysis on Operational Performance

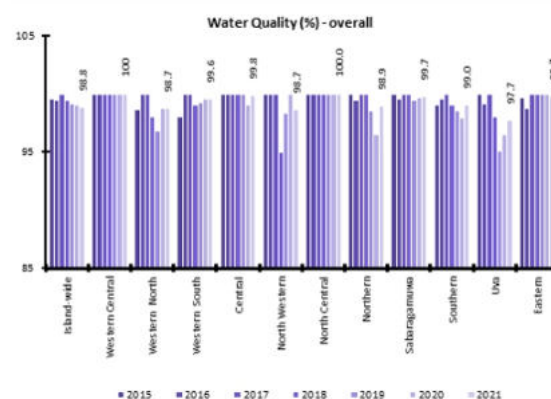


piped water supplied by NWSDB, Local Authorities (LAs) & Community Based Organizations (CBOs). In 2021, Total pipe borne coverage was 54.2% in household basis and 44.6% contributes by NWSDB.

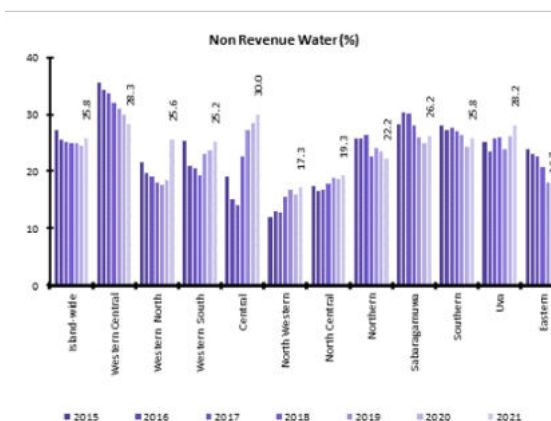


Total no. of water supply connections and new connections consists both domestic and non-domestic connections that given by the NWSDB. In 2021, NWSDB was able to achieve a significant improvement in provision of new

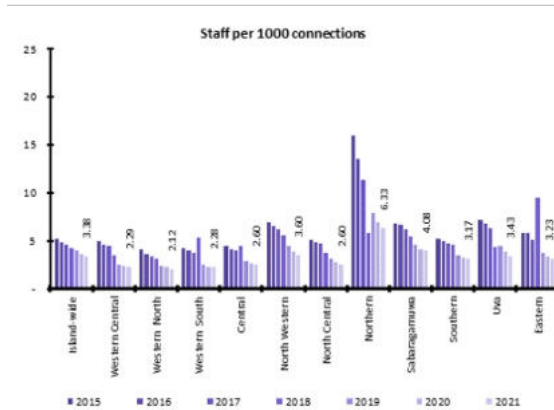
connections and it was 192,087 and total nos. of connections was 2,752,324.



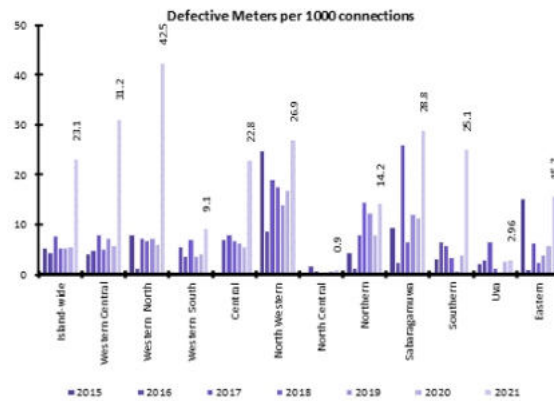
Water quality represents the percentage of microbiological tests that satisfied the standard parameters in previous years. All the tests headwork and distribution system were considered to measure the ratio. In 2021, it was 98.8%.



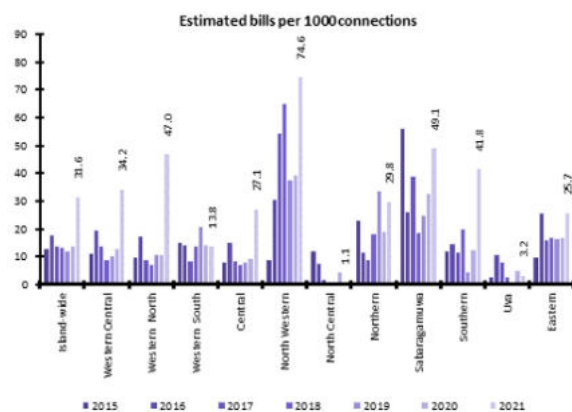
Yearly Progress of Non-Revenue Water (NRW) reduction progress is represented in the graph. In 2021, Island wide NRW was 25.8%.



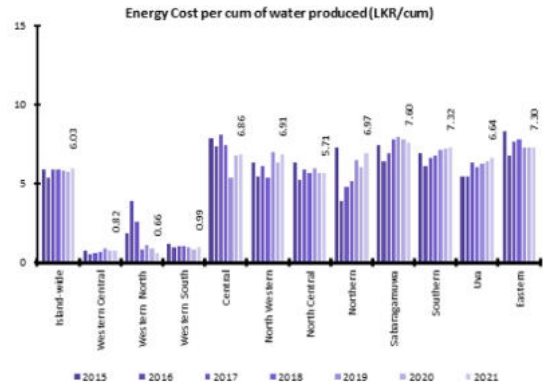
This ratio defines the existing staff for 1000 customers of the NWSDB. By the end of year 2021 NWSDB was able to keep this figure as 3.38.



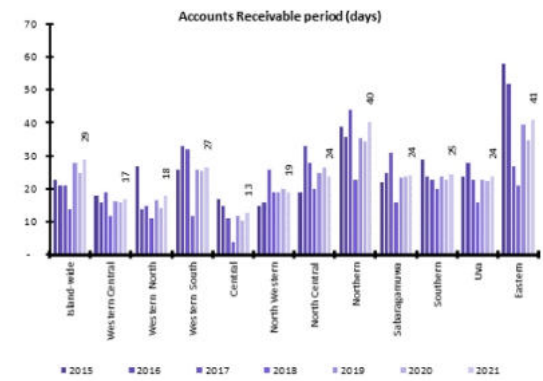
Through this ratio calculates the identified number of defective meters for a cluster of 1000 connections of NWSDB. By the end of year 2021, this figure was 23.1 due to lack of accessories by pandemic situation prevailed in the country since 2019.



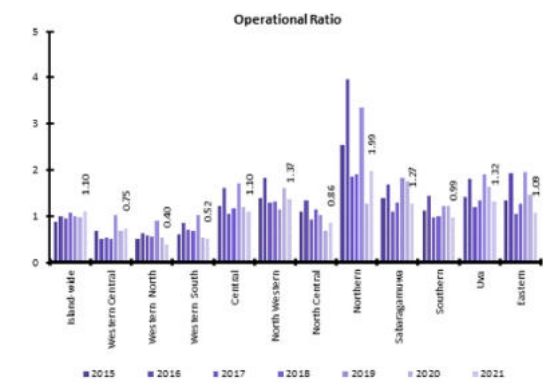
The number of estimated bills per 1000 connections of NWSDB is represented by this ratio. According to this figure, at the end of year 2021, 31 nos. of estimated bills have been generated per 1000 consumers due to pandemic situation in the country



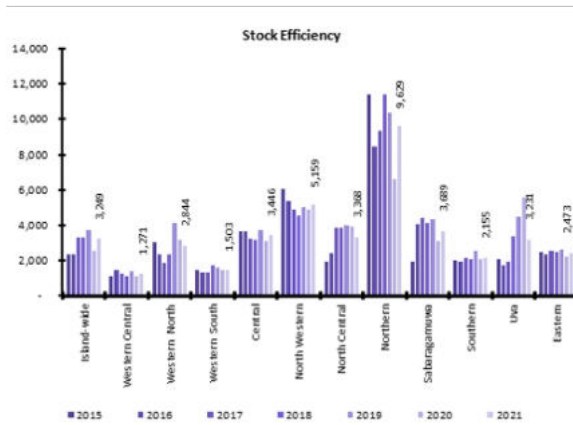
This ratio calculates the expenditure incurred against a cubic meter of water produced. In year 2016 NWSDB had attractive ratio. But in other years substantial amount of cost has been incurred on energy consumption due to production.



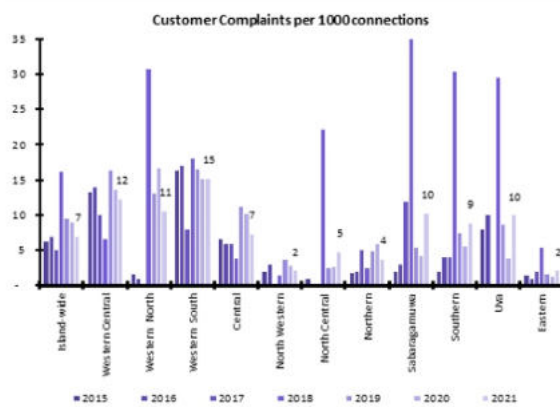
The account receivable period ratio' defines the duration in days their customer takes to complete his payment of the water bill. In year 2021 this time period was 27 days.



Operational ratio is another important indicator for the organization. This clarifies the proportion among the revenue and expenditure; the total expense incurred against one rupee earned by NWSDB In year 2021 this ratio was 1.104.



This ratio defines the proportion of an inventory value for a connection. In 2021, this value appeared as LKR 3,249 per connection.



This ratio represents the total number of customer complaints that received per 1000 connections. Less value of this ratio declares the performance of the O&M activities and efficiency on customer caring of the organization.



“We forget that the water cycle and the life cycle are one.”

- Jacques Yves Cousteau



Management's Discussion and Statement on Economic value added ▲

Greater Dambulla WTP



Manpower Development and Training

Based on the Training Needs Analysis of 2021 and special training requirements received from Sectional Heads, MDTD has planned 304 In House training programmes (115 Remotely & 189 In-Class) and conducted 102 In House training programmes during the year 2021 for employees of various categories and total employee participation was 2462 (Managerial – 250, Other Executives-1045, Supervisory – 518, Clerical & Allied - 516, Operational – 97).

Due to the Covid -19 situation in the year 2021 most of the programmes planned In-Class couldn't be conducted and MDTD has made arrangements to conduct training programmes remotely through Google Meet and Zoom

Training at Other Training Institutions within the Country

MD&T Division arranged training for 212 employees externally through other training institutes

This include Masters and Postgraduate programmes conducted by local Universities, and Diploma & Certificate courses conducted by various recognized Institutions such as National Institute of Business Management (NIBM), Chartered Institute of Personnel Management Sri Lanka (CIPM) , Construction Equipment Training Center(CETRAC), Institute for Construction Training & Development (ICTAD), Institution of Engineers Sri Lanka (IESL), Center for Housing Planning and Building (CHPB), Sri Lanka Institute of Development Administration(SLIDA), etc.

Overseas Training and Official Visits

Short term Fellowships

During the year 2021 short term training was provided for Forty-Eight (48) employees of the Board with the financial assistance of Japan, Singapore, India and China.

Long Term Fellowships

Six (06) NWSDB Executive Officers has received the opportunity to follow the Master Degrees given below through the financial assistance of Korea and France.

International Executive Masters Programme OpT - AgroParisTech, France – 03 Participants

2021 KOICA Scholarship Programme for Masters Degrees - Master's Degree Programme in Gender and Community Development – Republic of Korea – 01 Participant

Master's Programme for Future Global Leaders in Environmental Policy – Republic of Korea – 02 Participants

In addition, Manpower Development & Training Division

has facilitated official visits for 07 officers in respect of Pre-shipment Inspections through various ongoing projects and other O&M activities in the year 2021.

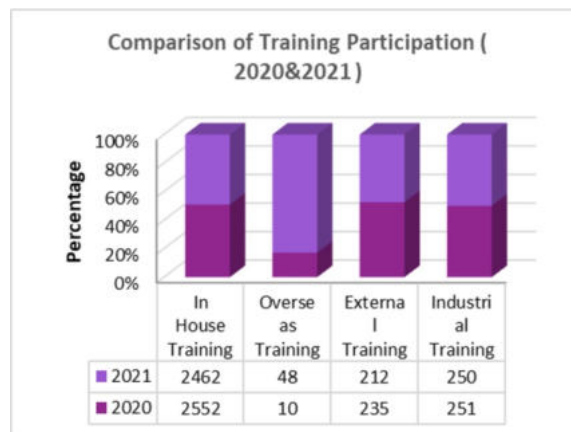
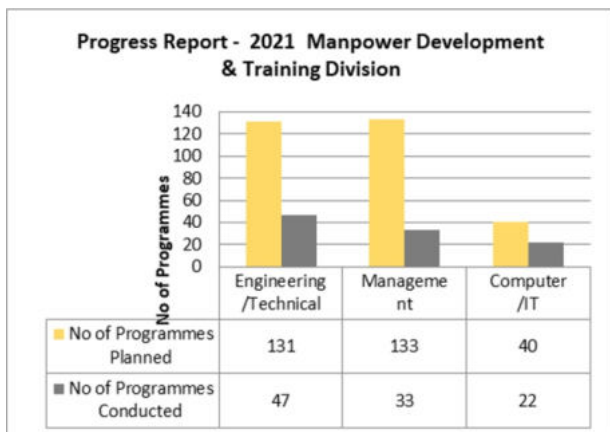
Industrial Training

Industrial Training was provided to 550 apprentices at NWSDB and out of which 250 apprentices have assigned by MDTD (Undergraduates, NDT/HNDE students, Craft Apprentices, Students of Technical Colleges, Institute of Chartered Accountants, AAT, Vocational Training Authority, National Apprentices and Industrial Training Authority (NITA) etc.)

Key Performance Indicators (KPI) for Training Provided for NWSDB Staff in year 2021

Training Category	KPI	Results (%)
In House Training	Programme Conducting Efficiency	33.55
	HR Development through Training	26.30
	Attendance for training programmes	97.50
	Fund utilization on training	4.13
In Country External Training	Efficiency of Providing External training	74.65
	HR Development through Training	2.19
	Fund utilization on training	81.13
Overseas Training & Visits	Fund utilization on training	21.50
	Providing Overseas Visits & Training	No of persons 42
		No of persons 06
Industrial Training	Provide internship for apprentices	No of Students 250

Summary of Training Provided through MD&T Division



Information Technology Solutions For Improving Service Excellence and Operational Efficiency

Information Technology – Improving Operational Efficiency and Service Levels

Information Technology is considered as the most effective tool to improve the operational efficiency and service levels of Government Institutions. Therefore, computerization has given the top priority in the organizational agenda. NWSDB has taken various steps to expedite the ongoing process of computerization. In this effort, while improving the existing IT Solutions and relevant infrastructure, NWSDB IT Division has added number of new software solutions and improved the infrastructure facilities throughout the year. Also, some new solutions are in pipeline and expected to be launched soon.

Improvements to Commercial Operational Management System

Launched in 2016, the Commercial Operation Management System (COMS) has completed over 4 years in active operation. Considering the end user feedback and requirements for improving the operational practices, many improvements have been incorporated in to the COMS software system. Further improvements to the Field Services Mobile App have been done to facilitate the field level operations such as new connections, disconnection, reconnections etc. and payment collection at the customer locations.

Hardware and IT Infrastructure

Hardware/Infrastructure maintenance has been a major task of the in-house hardware team with the support of suppliers/service providers. Continuous improvements to hardware / Infrastructure facilities were carried out during the year. Extension of the network connectivity to the remote offices/stores was done.

IT Human Resources

Considering the importance of the IT facilities and reliability of the systems, the top managements has taken steps to improve the IT cadre structure and strengthen the in-house IT human resources to suit the future needs. Decision was taken to recruit new engineers to the division to strengthen the IT team. Also the initial steps to fill the vacancies in the Division were taken.

Improvement of Office Environment

Steps were taken to restructure the office environment of the IT Division and modernize the working environment. A contract to renovate the IT Division based on the designs provided by the P&D Division was formulated and funding for the contract was allocated from the funds reserved for head office improvements.

Cyber Security and Protection of Systems

Cyber Security is considered as an important area of focus to safeguard the IT systems of the organization. Various steps were taken to improve the cyber security status and enhance the reliability of the systems. A powerful firewall was procured and installed.

Commercial Activities

As a Head office Commercial Division, we are coordinating with RSC and Regional Operational and Commercial staff to achieve the National Water Supply and Drainage Board Vision and Mission.

To achieve the Mission even with the Covid 19 situation, maximum effort taken to obtain consumers' actual meter readings by the Meter Readers, to avoid unnecessary billing adjustments. This has ensured consumer satisfaction and avoided their Complaints.

National Water Supply and Drainage Board, customer services begin with providing new water and Sewerage connections by the operational teams. Commercial divisions begin their functions with approving and confirming new water connections.

Commercial Division was able to facilitate for new connection payments with introducing, Mobile Point of Sales Devices (MPOS), which was enable card payments at the customer Premises. This facility was introduced in February 2021 with the technical support given by the Bank of Ceylon. They have provided more than 200 devices, free of charge. As at end of December 2021, Total collections received from these devices was Rs. 250 M from 14,000 customers. Most important thing is NWSDB not charging any commission from the customers.

This facility will be extended for arrears collections and water bill collections in 2022 at the consumer premises. Card payment facility at the NWSDB Cahier points, online payment facility using NWSDB Internet Payment Gateway (IPG) and NWSDB Self-care Mobile App, encouraged with consumer awareness and facilitate with all types of Credit and debit cards.

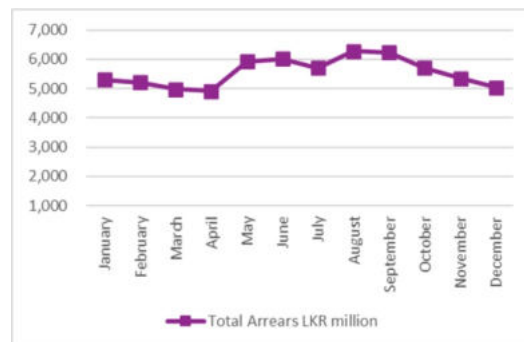
Instant SMS facility enabled for all cashier payments and for other payments SMS delivered when confirming the payment. To ensure this facility, consumer mobile number updated using different strategies. Competition was held to collect mobile numbers by the board employees from 15.01.2021 to 31.03.2021. Total around 250,000 numbers mobile numbers updated through this competition. Out of 2.7 M connections around 2.3M mobile numbers were updated.

Arrears' position, Debt age increased during the Covid pandemic period. Collections were significantly dropped, additional contribution given by the commercial staff, with the participation of all categories of employees. Mobile water bill collection programmes were carried out. Suspension of disconnection

programmes commenced in September 2021. Due to this collective efforts and disconnection programmes, NWSDB recorded highest collection over LKR 3 billion in October 2021.

Action has been taken to write off uncollectable arrears, with the Board of Director approvals and Treasury approvals. Necessary steps have been taken to collect VIP arrears. Legal recovery process expedited coordinating with Attorney General's Department.

Month	Total Arrears LKR million
January	5,311
February	5,219
March	4,974
April	4,924
May	5,924
June	6,018
July	5,709
August	6,285
September	6,242
October	5,706
November	5,348
December	5,045





Rural Water and Sanitation

1. Gama Samaga Pilisadara Program

A special program was launched to enhance basic necessities of underserved/not served population in rural areas. Under this program NWSDB was responsible to improve/upgrade water supply facilities with association of Department of National Community Water Supply.

This program was conducted in 17 districts. NWSDB carried out 138 drinking water supply related issues that were identified under this program. NWSDB implemented the projects to rectify 31 schemes in year 2021 and others are being carried out under relevant RSCs.

Small Town Rural Water and Sanitation Section (STRWSS) coordinates the program while relevant RSCs are implementing given tasks at the ground level. STRWSS Section carried out feasibility studies, detail designs, BOQ, Drawings, engineer estimates, tender document for 15 Nos of schemes in Ududumbara Divisional Secretary area (Including Meemure) in Kandy District. The main objective was to provide technical assistance as well as knowledge transferring with Department of National Community Water Supply.

2. Implementation of Drinking Water Supply Facilities for Government Schools

Implementation of drinking water supply facilities for government schools under the Contingent Emergency Response Components Pooled Arrangements of World Bank Funded Investment Projects (CERC) through Ministry of Education.

Main activity of this programme is to provide water supply facilities to the government schools in all districts. This programme is planned to provide safe drinking water facilities under Stage I and Stage II for 689 schools and 1056 schools which don't have drinking water and to uplift student healthy lifestyle and promote students' health habit.

Accordingly, it was planned to supply drinking water facilities for 194 schools in year 2021 and 300 in year 2022. Total estimated cost is Rs. 207million for year 2021.

Presently 64 Schools Water supply facilities had been provided in year 2021 and balance works are in progress. In addition, field investigation and preparation of estimates are in progress for year 2022.

3. Providing Water Supply for Buddhist Temples In Sri Lanka

To provide water Supply systems for temples in Sri Lanka with the request by Ministry of Buddhasasana, Religious and Cultural Affairs. As per the details of the ministry, there are 1,044 temples which don't have drinking water facilities in the country.

Presently, 53 temples had been selected for initial studies by Ministry of and requested to the NWSDB to prepare the project reports.

The Initial investigation preparation of designs, estimates are in progress for the implementation of drinking water supply facilities for temples by ST,RWS Section.

4. Water Supply & Sanitation Improvement Project (WASSIP)

World Bank funded Water supply & Sanitation improvement project implemented in respective seven districts. ST& RWS section is providing guidance, technical assistance and monitoring the activities of the project.

02 Urban WSS, 20 new RWS schemes and 02 Estate WSS were completed, 79 WSS were rehabilitated, and approximately 13,500 beneficiaries are benefitted with safe drinking water. And, 4267 individual latrines, 07 Schools Sanitation projects, 01 STP and 02 public convenient centers were completed with approximately 25,000 beneficiaries.

Sociological inputs were given by the Sociology unit and respective sociologists in RSCs for planning and implementation of WSS. GND wise data collection on Water supply coverage completed for 24 districts except Galle District with the support of regional sociologists. Data entering process of 05 districts completed and rest of the GND data entering is in progress.

5. Rural Infrastructure Development Project in Emerging Townships Project (RIDEP)

The objective of JICA Funded RIDEP is to raise living standards and to develop livelihoods of local people through improvement of basic infrastructure such as rural roads, medium & small-scale irrigation and potable water facilities in Northern, Eastern, North Central and Uva provinces.

Accordingly, the Scope of the potable water component of the RIDEP is 42 number of total sub-projects in above provinces and it is already completed 11 sub-projects. The coordination work carried out by STRWSS.

6. Climate Resilient Integrated Water Management Project (CRIWMP)

Under Climate Resilient Integrated Water Management Project (CRIWMP) of Ministry of Mahaweli Development and Environment (MMDE) with the assistance of the United Nations Development Programme (UNDP), the STRWS Section was actively involved in component 2 – drinking water supply monitoring the overall progress.

Under this project, four schemes were implemented and 1321 service connections have been provided and technical support and guidance have been given to three new RWS Schemes.

In addition, inputs to Ground Water Recharging were provided under this project with the coordination of STRWS Section.

Public Awareness Programme

Public Relations Unit conducted various education and awareness programmes targeting customer groups, school children and consumer societies. Major focus was placed on water conservation and environment aspects and protection of water bodies etc. This has been done throughout the country. The number of school programmes was 10 while the number of government institutes and private sector programmes was 07. Periodicals were published to educate the target group on many different aspects related to the water Service is

another task of the section. The issues of water magazine (Jalaya) were published in 2021 for the months March, June and September.

The PRU engaged in Mass Media Publicity works. Information declarations on water cuts, reports on special events of the National Water Supply & Drainage Board; opening ceremonies etc. are provided through the media. If some of the media tend to tarnish the image of the NWSDB immediate actions are taken to provide actual facts by PRU.

Energy Management

Providing all mechanical & electrical engineering solutions & consultancies and related services to optimize the water & sewer system operating within and outside the NWSDB is carried out by the M&E Section.

During the Covid 19 pandemic situation, one of the major risks aroused to the M&E division was proper maintenance and supply of Mechanical and electrical equipment with the import constraints. It was mitigated by instructing the mechanical and electrical staff in the regions to attend the Periodic Preventive Maintenance activities regularly with high priority and promoting manufacturing M&E equipment within the country where ever possible.

The analysis of the energy usage of NWSDB is also carried out by the M&E Section and the identified projects are prepared and implemented to improve the energy efficiency (by reducing Specific Energy Consumption) with the corporation of relevant staff in RSCs.

The annual cost for the electricity consumption in the year 2021 was approximately LKR 4,624 million and out of this total consumption, 96% amounting to LKR 4,439 million has been spent for water production and pumping. Further, LKR 65 million has been spent for sewerage treatment and pumping. Meanwhile around LKR 120 million has been spent for office spaces. The energy saving programme was introduced in the year 2004 and it has

gradually achieved a substantial progress. Activities were upgraded to a higher level qualitatively and quantitatively through the last decades. The tariff category rectifications, electrical & mechanical improvement works and energy saving programmes which were completed during 2004 to 2021 has resulted a high energy and cost savings.

Three numbers of energy audits and studies were carried out with support of M&E Sections of the RSCs during the year 2021 even with covid-19 situation in the country. There are 15 numbers of projects completed in 2021. Total expenditure for the year 2021 is around LKR 124 million for these completed and ongoing projects. The annual cost saving due to these projects is around LKR 45 million. It has been scheduled to implement 24 numbers of ongoing and new projects during year 2022 with a cost investment of nearly Rs. 300 million (including ongoing projects in the year 2021).

In order to maintain the expected overall efficiency and reliability in water supply schemes, M&E section monitored the plan preventive maintenance programme of all the M&E equipment in regions, through the M&E staff in each RSC to ensure the operation without any failures.

Level monitoring and Remote Operation Systems were designed and constructed locally with the available staff and installed to selected water supply schemes with the corporation of RSCs M&E staff.

M&E tender documents and specifications were prepared for vehicles, water meters including water meters manufactured in countries which are belong to High Human Development Index, Horizontal Directional Drilling Machines, Trenching Machines, Water Meter Spare Parts and other M&E equipment. All the supporting arrangements on design, construction, maintenance and other activities of M&E equipment were provided to the RSCs and projects when there was a need.

In addition to the above; Transport Section, Central Workshop and Building Maintenance sections are administrated by M&E Section.

Transport section is supervised by M&E division and carried out licenses, insurance, preparing of new registration, make vehicles arrangement for office staff transportation, welfare activities & emergency vehicle supply, maintaining the database and maintaining reports such as expenditure details, accident details etc. for all vehicles and equipment in NWSDB.

Building Maintenance section is working under DGM (M&E) and carries out all maintenance work in NWSDB head office complex and board quarters at Soysapura, Badovita and Rawatawatta.

Central Workshop is the main workshop of NWS&DB providing assistance to RSCs for O&M activities for all M&E equipment including pumps and accessories in water and sewerage treatment plants.

Central Laboratory

Water Quality Monitoring System has been launched as real time water quality data transferring system to the Central Laboratory. Water quality data in year 2021 revealed that the 98.8% is satisfactory for Bacteriological water quality and 81.8% satisfactory for Physical & Chemical quality of drinking water.

Successfully completed the household survey of drinking water quality conducted by the Department Census and Statistics with parallel to the Household income and expenditure survey.

ISO/IES 17025: 2017 laboratory accreditation was awarded to the NWSDB laboratories - Central

Laboratory, Western South -Dehiwala Laboratory, Western Production -Ambatale & Biyagama Laboratories. Jaffna Laboratory & Vavuniya Laboratory and same time productivity award has been granted by the National Productivity Secretariat to the Regional Laboratory Vavunia and Negambo.

Onsight Generation (OSG) of Chlorine system has been successfully operated as pilot study and proposed to change the Bleaching powder dosing systems to the OSG system to improve disinfection system and minimize the operational cost.

Non Revenue Water Reduction

At present National Water Supply & Drainage Board is operating and managing 337 water supply schemes island wide. Overall Non-revenue Water (NRW) figure is 25.82% as at end of December 2021, NWSDB is targeting to bring down this figure to 20% by end of year 2024. Out of 337 Water Supply Schemes, there are 71 WSS having NRW less than 20% and remaining 266 schemes are having more than 20% NRW.

Current context the problem of Non-Revenue Water (NRW) is rising rapidly in developing countries likes of Sri Lanka. A lot of people are unaware about this

phenomenon of NRW and it was 50% within the Colombo city limits in previous decade. Further this creates huge losses to the NWSDB and has also created problems to the legitimate water consumers. With the attempts to reduce NRW through various strategies and programmes it is planned to enhance water supply customers base by contributing to new connection drive.



Groundwater

Groundwater section is engaged mainly in groundwater activities for providing water supply facilities for urban, semi-urban and rural water supply schemes. There are many groundwater-related activities conducted out by the groundwater section in 2021 as follows.

Groundwater development activities including hydrogeological investigations, construction of deep and shallow boreholes and assessment of wells and aquifers for long term groundwater extraction were conducted in NWSDB WSS during the year. Further, development of deep and shallow tube wells in NWSDB WSS, groundwater recharge activities, hand pump repairs and rehabilitation, groundwater quality mapping and conducting of studies on groundwater issues were conducted successfully.

As a total 568 nos. of hydrogeological investigations, 194 nos. of borehole constructions, 153 nos. of flushing and

well developments, 4 nos. new hand pump installation, 176 nos. of repair & rehabilitation of hand pump tube wells, 82 nos. pumping tests, 3 nos. of flow measurements and 8 nos. of jetting were completed within 2021.

The groundwater development under the Ministry program (29 wells) and School water supply program (25) were completed. The groundwater source capacity of existing WSS, new NWSDB WSS and other institutions were increased by 12,068 m³/day.

Two training programs (ten days for shallow well constructions and five days for deep well drilling) for drillers and boring operators were conducted successfully. A book title on "Guidelines for Management of Groundwater Sources for WSS" was published to aware the groundwater authorities and users. Further, assembling of new 173 IM3 cylinders from redundant spare parts were done the use of for hand pump repairs activities effectively.



Supplies & Material Management

Supplies and material management division performed its activities ensuring timely supplies for NWSDB's operations while maintaining correct purchasing policies and procedures for procurement and storing of the materials.

Supplies and Material Management Section had been very successful in supplying necessary chemicals throughout the year 2021 without any interruptions to the operations despite many obstacles under covid-19 situations such as continuing lockdowns, increase of sea freight charges and restrictions of shipping liners. The related staff of supplies and material management dedicated to provide all the materials during lockdown periods in order to achieve the highest no of new connections during the year and it maintained a buffer stock too to face any critical situation as result of continuing follow up actions and timely strategies for our activities.

We maintained high standard of clearing of shipments for more than 450 nos. shipments coordinating with the following institutions such as the Ministry of Water Supply, the Government Treasury, Sri Lanka Customs, Banks, Sri Lanka Ports Authority, Shipping Lines, Insurance Companies and clearing agent formalities, relevant O&M cargo ensuring efficiency to avoid paying demurrages. In addition, we issued 953 nos. purchase orders and approximately 122 nos. award letters for

local purchasing with the total value of Rs.530 million.

During this year, we were able to save more than Rs.53 million by redistributing excess materials from RSCC Island wide without purchasing new materials.

A process is underway to link all the 318 stores throughout the Island by an Inventory Management Software and at present it is nearing to be completed by connecting 307 stores. In addition to the ongoing inventory management system, it has taken steps to introduce new inventory management system to record the material purchase for water for all programme in order to identify all transactions and balances separately.

At present, the value of items recorded in the Inventory Management System is about Rs.8000 million out of 9000 million under operation.

In 2021, we have prepared 23 nos. contract documents at a worth of Rs.2485 million. In the year we have called for bids for 78 lots of redundant and obsolete items, and its estimated value is Rs.42 million. We have managed to achieve expected objectives within the budget allocations and overall performance of Supplies & Material Management was up to the expectations.

It is a remarkable achievement of the supply of chemicals for 342 water treatment plans and providing connection materials without interruption, though the covid-19 situation prevailed throughout the year 2021.

Development

Development section was mainly engaged in water resources development including water extraction approvals, new source proposals, Water Safety Plan (WSP) activities such as progress monitoring, WSP auditing, awareness programs, and disaster management activities of updating of emergency response plan and coordination with Disaster Management Centre during the year 2021.

A new organization set up has been created to coordinate between regions and respective stakeholder organizations regarding water resource allocations and approvals for water extraction. 243 water abstraction approvals were obtained while there are 46 pending approvals as per the Corporate Plan-2025 from Irrigation Department and Mahaweli Authority of Sri Lanka.

NWSDB has signed the MOU for water abstraction from Angamuwa Reservoir for Thambuttegama WSP and Eppawala, Rajanganaya, Giribewa, Nochchiyagama IWSP. Water extraction details of 42 river basins and data for “Prioritization of River Basins for Integrated Management, preparing a Water Resource Database, and Drafting a Strategic Plan for Water Resources Development and Management in 2020-2025 project” were submitted to the Irrigation Department.

A booklet named “Water Sources” consisting of all existing and proposed NWSDB water extraction details based on the administrative boundaries such as water sources and categories was prepared. In addition, sectorial contribution for Nationally Determined Indices for Global water organizations, Coordination of National Adaptation Plan (implemented by CEA), Preparation of Guidelines for Site Safety, Appraisal of National Water Resource Policy, NWSDB Coordination with CEA for project clearance were major contributions.

Providing guidance for implementation of WSP in seven RSCs monitoring progress of WSP implementation, Internal Formal and Informal Auditing of the said regions, conducting WSP training programs and coordination of external formal audits by IESL with the support of WHO and NWSDB were the activities performed by the WSP Unit with the support of WSP Advisory Unit. A Webinar on WSP knowledge and experience sharing was held in May 2021.

Water Safety Plan have been completed covering all 11 modules for 172 water supply schemes (WSS) out of 333 WSS, 117 WSS are in progress and the balance 44 WSS have to be initiated in 2022.

Research & Development

Works have been conducted research on 10 research study proposals selected by the Research Appraisal Committee. Studies conducted on Burnt coconut shells for rapid gravity filtration, Reuse potential of sludge from water treatment plants, Minimization of iron/manganese deposition in distribution system, Performance evaluation of domestic water meters and impact on reduction of NRW, Studies focused on evaluation of causes and impacts of contractual disputes in water supply project and way forward, Uses of isotopes in identification of groundwater recharge zones of Hakmana well field, Rainwater recharge technique to improve ground water quality, Introducing of smart water meters to consumer connections, and Internet of things based smart management system for water supply schemes were the selected topics.

Few more research topics have been added to the list based on the emerging issues faced by the Board; Study of the suitability of dosing Poly Aluminum Chloride made by the scrap waste, Enhancement of pipe born water usage for drinking by the consumer awareness in Padukka MOH area, Artificial groundwater recharge, determination of groundwater flow and assessment of quantity and quality variation in hard rock aquifer system in the dry zone of Sri Lanka: a case study on Wariyapola, Northwestern Province and Causation and prevention of the kidney disease of unknown etiology (CKDu).

Research and Development study Symposium 2021 of the NWSDB

Research Symposium 2021, which highlighted the water and sanitation researches of National Water Supply and Drainage Board, was held successfully on 19th November 2021, at Joint Research and Demonstration Center (JRDC) building with participation of over 300 peoples physically as well as virtual platform. The keynote speech was done by Dr. Ravi Fernando, on 'Global Water Challenges and Sri Lanka's Opportunities'. 13 research papers published in the proceedings of the symposium and NWSDB was able to enhance the research interest among our professionals as well as other parallel institutions as well. Further the technical exhibition was held in parallel to experience latest technology applied in the field of water and sanitation.

Relocating the Research and Development Section in Peradeniya

The Research and Development section has been relocated to the newly established JRDC building at EOE Pereira Mawatha, Meewathura, Peradeniya in the end of November 2021. The functions of the R&D are being continued in a more research-oriented working environment which may result in better outcomes.

GIS & Mapping

In 2021, GPS field survey works in Mathugama Agalawaththa & Aluthgama Integrated Project area covering the NWSDB premises, structure locations of structures and segment of pipe network within the project area was conducted. GPS field survey of sewerage line from Maharagama Apeksha Hospital to treatment plant was completed and digitized maps were handed over to Water Reclamation Section. In addition to that, Panadura region Map updating works were carried out.

Wide range of informative maps comprising, existing GND wise NWSDB water supply coverage, details of existing projects, ongoing projects, proposed projects,

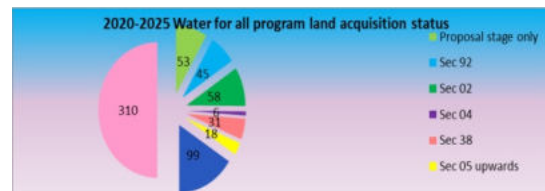
RWS schemes, projected population density for 2020, 2025, 2030 & 2050 with water extracting intakes and major river basins, etc. were prepared for each district to use for Comprehensive Strategic Investment Plan for Water Supply and Sanitation Sector (Master Plan).

Out of 340 water supply schemes, 318 nos. of scheme wise Geo Data Bases (GDBs) have been prepared to use in proposed web based water asset management system which developed on ArcGIS platform to provide hands on information to the field staff and top management about water network covering entire country.

Lands for Water

Land acquisition and management for infrastructure development for supply of drinking water facilities to the people of Sri Lanka is a foremost challenge to the NWSDB is facing at present.

Land acquisition for “2020-2025 Water for all” program is key challenge and 525 nos of lands to be identified as need to be acquired in which 310 nos of lands in progress as at 31.12.2021. Progress of land acquisition is illustrated.



Land week programme was launched on 11.10.2021 with a view to identifying maximum utilization of the lands and land security. 2,199 lands have been identified as NWSDB occupied lands and data base with present status was completed.

Consumer & Asset Management

Commitment of Greater Colombo Water and Wastewater Management Improvement Investment Program (GCWWMIIIP)

The Government of Sri Lanka and National Water Supply and Drainage Board (NWSDB) currently implementing a Greater Colombo Water and Wastewater Management Improvement Investment Program (GCWWMIIIP) by providing the authority of operation to the NWSDB with the financial assistance of ADB and AFD and the Government of Sri Lanka. One of the major objectives of the project was to enhance the water distribution system and reduce NRW percentage to 18% by the year of 2020. There was a continuous drop of percentages within the years of 2012 to 2021. In year 2012 NRW percentage was 49.97% which was almost half of the water distributed to the water consumers. By today as end of 2021 NRW percentage was 29.82%. Within the past 9 years of time NWSDB was able to minimize the

NRW generation percentage by 20% in Colombo. NRW reduction is a complex task which involves many responsible parties to work on and it is clearly shown by the NRW reduction percentages for the past 10 years. Government of Sri Lanka as well as NWSDB now focuses on reduction of NRW than the past few decades by conducting NRW reduction and awareness programs based on lesson learned from the GCWWMIIIP project.

A special Unit is established to manage NRW headed by an Additional General Manager (Addl.GM-CAM) under the organizational reforms of the NWSDB, to monitor and manage overall NRW Island wide and sub team have been identified RSC wise to monitor and control flows and detecting water leaks and conducting active leak surveys etc. DMA demarcation and fine tuning the existing DMA boundaries were major activities conducted by NRW sections.

In apparent loss reduction, Defective meters are been identified through the meter reading app real time and directed to the technical teams in relevant zones through system generated work orders. So technical team is replacing defective meters within same month. Zero bill or unacceptable consumption were identified through the commercial operation system and the message pass to technical team. Technical team carryout a field study and based on that they will decide, whether meter has to change or not.

At present a policy in stand posts are not providing, unless there is a state emergency. There are still few public stand posts in Western region and all the stand posts converted to individual service connection in end of 2018. But there are substantial arrears to collect on stand posts.

In order to reduce illegal connections; Disconnected premises, identifying Zero bill or unacceptable consumption through the commercial operation system and random site inspections were conducted. There is an intensive scheme/rewards scheme for public for complaints and information given regarding any illegal connections and actions with respect to water supply and sanitation. Apart from that Consumption patterns are being monitored randomly through commercial operation system and meter reading app and any irregularities and doubts are send for inspection. Meter reader are trained to identify any fraud in addition to the special team inspection.

Way Forward

The steps taken to reduce NRW are as follows;

- Carry out water balance
- Installation of bulk meters and establish DMA or water zones
- Establish standard operational procedures for leak repair
- Set targets for NRW for existing Zones
- Review and assessment of unmetered consumption
- NRW monitoring monthly meeting
- Regular Checking and calibrating existing bulk meters
- Give training to reduce leaks and quickly attending leaks
- Pressure variation is continuously monitoring through remote monitoring system and identified any sudden or susceptible variations (Colombo)
- Scheduled programme for Night leak survey by specially assigned teams daily

- Improved call center to get information from the customers and public

- The Emergency Responsive Team (ERT) is always on duty and they are attending the leak repair as soon as the leak some reported

- Control and balance system pressure by valve controlling and introducing pressure sustaining valves (PSV)

- Implement NRW reduction project under Accelerated NRW reduction programme

- Initiate negotiations with ADB and formulate projects for high NRW schemes to implement under Result Based lending (RBL) programme.

- Introducing “Revenue Water Ratio” as positive approach towards loss management.

1939 Customer Care Call Center

The 1939 Call Center Service plays a very vital supportive role at National Water Supply & Drainage Board's day to day operation, after the COVID 19 outbreak the face to face interactions and customers visiting the Regional Offices for services reduced considerably. During this period the Call Center Operation provided an immense support in connecting with the customers, getting customer grievances and providing necessary input for NWSDB support teams to continue customer service.

Currently on average 60,000 customer calls handled by the Call Center Team on a monthly basis and the service is handled by the outsourced supplier Sri Lanka Telecom PLC., This operation also impacted during the pandemic period and most of the call center agents were opted to work from home culture with limited facilities. Considering the adverse impacts on brand image of the NWSDB, the decision taken by the NWSDB Management to revamp the call center operation to NWSDB own premises with all required facilities for operation. The tender is floated with the requirements of the Board and a vendor is selected after close evaluation.

The newly revamped operation is expected to start at NWSDB Maligakanda, Colombo 10 premises on the 3rd of January 2022. The set-up is completely reinvented with twenty (20) agent operation equipped with modern technology and close monitoring by NWSDB Back Office operation. Further the plan is in place to centralize all regional call handling through 1939 call Center operation plus with the expected growth of NWSDB new connections in the coming years it is expected to

handle 120,000 customer grievances per month via voice calls and AI built social media platforms including WhatsApp, Viber, Messenger etc.

The newly established Call Centre Operation will support in providing timely solutions to customer grievances, reduce Non-Revenue Water (NRW) losses

and eliminate the non-value adding activities which impact the end customer satisfaction. The objective of this new set-up is to provide “Excellence” in customer support service to excel the NWSDB brand image.

Centre of Excellence for Water and Sanitation (CEWAS)

Centre of Excellence for Water and Sanitation, the strategic business unit of NWSDB consisting of 3 key divisions; Knowledge- training and man power development, Innovation- Research and Development and Quality- Laboratory Services were partially established on 19th November 2021. The Research and Development arm, Centre of Innovation was sited at the JRDC building, Peradeniya and inaugurated with the participation of The Chairman, General Manager and the Board of Directors on the 19th.

In addition to the current and future programmes run by these three key divisions facilitating day to day NWSDB functions, the Centre will prepare its independent

programme to act as a strategic business unit. It is planned to orient the programmes toward National and International collaborations, research aiming at reducing operational costs, improvement of quality of services and new technologies, processes to improve NWSDB functions in Water Sector.

The web site of CEWAS is <http://www.cewas.nwsdb.lk/>

Water Reclamation (WR)

Sanitation Master Plan (2021-2030)

Preparation of Sanitation Master Plan (SMP) is one major event that took place in the year 2021.

All the sanitation practitioners, decision-makers and development partners joined in this process with the NWSDB to discuss solutions and strategies that will lead to inclusive sanitation in the country in a phased manner.

Sanitation workshops and orientation of stakeholders on sanitation in coordination with Government bodies, sectoral partners and other relevant partner institutions were conducted to have a practicable outcome.

The Sanitation Master Plan was presented to the Hon. Prime Minister, gracefully, on the 17th of November 2021 at Temple Trees - Prime Minister's Residence. The Kandy Waste Water Management Project inauguration was taken place, on 17th of November 2021.

National Sanitation Policy 2021

Way forward activities with regard to the Draft National Sanitation Policy took place in consultation with the stakeholders.

Initial steps were taken for Policy implementation arrangements to be done by SHIFT in consultation with the Ministry and NWSDB.

NWSDB Act – Sewerage Sector

Necessary amendments to the board act for the implementation of Sewerage Projects and other Water Reclamation activities initiated.

Development of School Curriculum on Sanitation & the 'Young Researcher' Programme

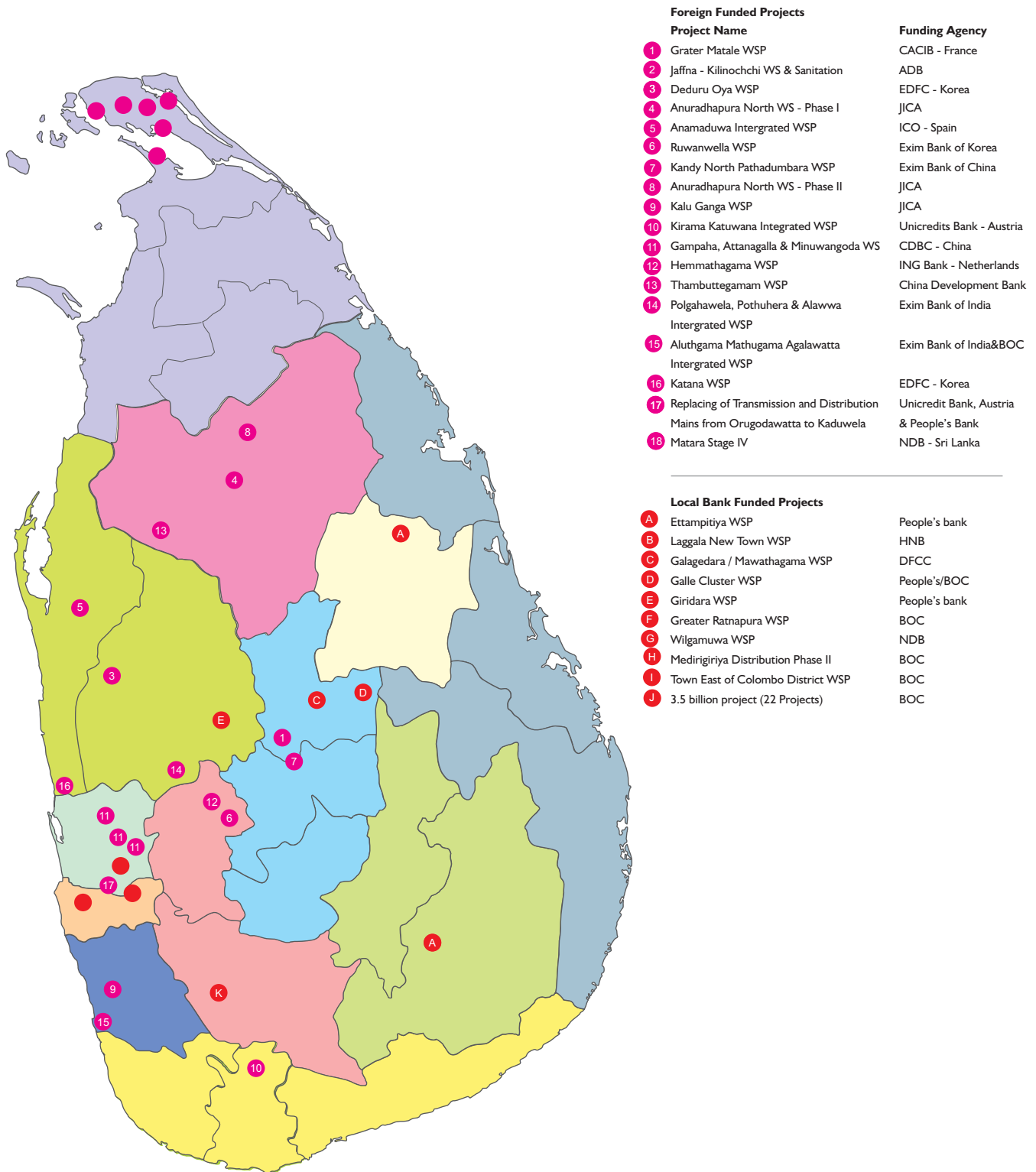
A draft proposal was prepared incorporating sanitation aspects in the school curriculum has been circulated with the National Institute of Education for the capacity development and the promotion of school-based sanitation education to include in the School Syllabus with effect from the year 2023

The Proposal for 'Young Researcher Programme' was drafted to implement in schools island wide in coordination with the Ministry of Education.

Ongoing Foreign/ Local Bank Funded Water Supply Projects

Accomplishments of Major Water Supply Projects under the Ministry of Water Supply

Location Map of Foreign-funded/ Local Bank Funded Projects under Construction/ Augmentation during 2021



Treasury Borrowed Projects

1. Greater Matale Water Supply Project

The Greater Matale Project has been successfully completed. It has started to issue water to the intended divisional secretariats Matale, Ukuwela, Rathotta, Naula, Ambangakorala, Yattawate and Pallepola of the Matale District. It has a connections capacity of 96,000.

GMWSP comprises of construction of 05 Treatment Plants (overall capacity of 75,000 cu.m/d), 05 intakes, 10 service reservoirs and 433km of pipe laying. The Contract is a Design and Built type Contract, and was awarded to OTV Veolia, France, for EUR 105,645,791 + LKR 8,210,959. The construction commenced in April 2017 and has been completed amidst covid -19 pandemic and many other challenges.

100% of Treatment plants, 100% of reservoirs, 100% of intakes and 87% of pipe laying works completed. Construction of buildings and quarters are completed. The overall Financial Progress is 99%.



9000 m3 water treatment plant Ukuwela

Four Treatment Plants Matale, Ukuwela, Udathna and Ambanganga of the project has completed with some balance pipe laying remaining has been commissioned and handed over. Rathotta Water Treatment Plant has been commissioned and is under three months operation period.

2. Jaffna - Kilinochchi Water Supply & Sanitation Project (ADB 6th)

This Project is to improve drinking water supply and sanitation requirements identified in 2005/2006 and the Government signed a loan agreement in 2011 with the total project cost of 164.04 Mn USD with the intention to provide the water supply to 300,000 people in 185 GN Divisions of Jaffna city, suburbs and several townships in the Jaffna Peninsula and Kilinochchi. The water source was initially identified as Iranaimadu tank augmentation and subsequently the Thiruvaiaru lift irrigation was improved. Due to the farmers' concerns, the project was

restructured to provide the water with the development of Sea Water Reverse Osmosis Desalination (SWRO) plant at Thalaiyadi to produce 24,000 m3/day and the project cost was revised to 266 Mn USD. At this juncture, the present Government took the higher intention to achieve the Vistas of "Prosperity and Splendour of vistas" of the Excellency of the President "water for all" in 2025 and this project has attained high priority and the SWRO contract was awarded in 2021.

15 Nos. of Elevated Water Towers were completed and balance 05 Nos. of Elevated Water Towers are in completion stage. Treated Water Transmission Main pumping line of 186 km was completed and 9 km pumping line to be laid under SWRO Contract. In addition, Distribution Network pipeline of 415 km were completed. Poonakary water supply was constructed and it was supplied from the Kilinochchi Tower (existing Kilinochchi WSS) through gravity flow and handed over to O&M (Jaffna). As such 261 new connection were provided and 1000 numbers of general public are benefitting from this scheme. Velanai and Mandaitivu Water Towers also handed over to O&M to supply the water to the Island by using the existing ground water sources. Feasibility study on Pali Aru for the long-term water source carrying out by the RSC (N) with the help of ADB and the Solar Power Energy for the SWRO carrying out by the PMCIU of JKWSSP with ADB appointed consultant. Design part of the SWRO contract is in completion stage and the Pipe laying of JC DN and Island Distribution network are ongoing. Due to COVID-19 pandemic situation and the materials shortage the ongoing works are delay.

The Physical and Financial progresses including additional financing achieved at the end of 2021 by the project 60.55% and 44.04% respectively. The project will be completed by December 2023.



Inauguration ceremony was held for SWRO plant at Thalaiyadi

3. Deduru Oya Water Supply Project

Deduru Oya Water Supply Project was commenced on

22nd December, 2016 and successfully completed on 28th February 2021 after granting several extensions. The project consists of Construction of 34,500 Cu.m capacity water intake and pump house, 3.3km long 500mm dia. raw water pumping main, 15,000 Cu.m/day capacity water treatment plant, Clear water transmissions, 3Nos elevated towers at Mahawa (1000 Cu.m), Nagollagama (750 Cu.m) and Polpithigama (1500 Cu.m), 266 km long distribution system, OIC Office and quarters at Polpithigama and two quarters and other operational buildings at water treatment plant. The Physical Progress of the Project is 100 % and the Financial progress is 95% at the end 2021. The project has been targeted to provide safe drinking water to around 25,000 families in 112 GN divisions at Mahawa and Polpithigama DS divisions. Therefore, completion of the project will be highly benefited the people affected from CKDu.

After the commissioning of the project 5,000 new connections have been given to the people in Mahawa and Polpithigama areas as at the end 2021. Supplementary loan has been approved by Exim bank of Korea for improvement of water treatment facility to treat the seasonal algae booming in the water source (Deduru Oya reservoir) and 260 km long distribution infilling to implement as a variation of the existing project.

4. Anuradhapura North Water Supply Project (Phase I)

Anuradhapura North Water Supply Project Phase I was commenced in July 2013, funded by JICA (JPY 5,166 million) and GOSL (LKR 2,789 million). Total Project Cost is LKR 11,515 million.

The objective of the project is to provide safe drinking water for 115,600 population in Medawachchiya and Rambewa DSDs in Anuradhapura District by 2034.

The project components are Intake of 39,600 cu.m/day capacity, Water Treatment Plant of 9,900cu.m/day capacity, 4 elevated water towers and 3 Ground Sumps of total capacity of 7,000cu.m, 89km long transmission



Mahakanadarawa Water Treatment Plant Intake

main, 520km long distribution system and Operational buildings (OIC offices, Care Taker quarters, Area Engineer Quarters etc).

The overall physical and financial progress of the project is 95.9% and 78.8% respectively.

5. Greater Colombo Water and Waste water Management Improvement Investment Programme (GCWWMIIIP)

GCWWMIIIP project mainly covers CMC area of Colombo, which has been divided to 78 DMAs for easy operation & maintenance. Key deliverables of the project are replacing the 795km pipe (original scope was 600 km), installation of Seventeen System Input Meters (SIV) at the Colombo city boundary, relocating the water meter and replace the defective water meters, calibrating and updating of the GIS network and construction of buildings.

The major objectives of the project are: (i) to increase of water supply availability and efficiency in Colombo city; (ii) enhance the distribution system and reduce NRW from 49% to below 18% by the year 2022; (iii) to establish a long-term mechanism to reduce NRW; (iv) to enhance the institutional, operational and project management capacity of NWSDB. The project kicked-off in 2013 with the signing of the Project -01 loan agreement with ADB. All the procurement package design and preparation were done by the staff recruited to the Project Management Unit. The overall physical progress for Project 01 and Project 02 is 98.8% and 86.5% respectively. Further, Tranche 01 loan is closed on 30th June 2021.

The construction of DMAs has been completed in 40 DMAs, with 29 DMAs undergoing NRW management activities (Figure 01). This implies 725km of pipe laying out of 795km (original scope was 600 km) has been completed up to date. Further, the NRW Management studies in the completed DMAs indicates that NRW has reduced below 18%. In addition, installation of SIV meters in the input points to the Colombo City has been completed. Due to the above project and regular operation & management (O&M) activities Colombo city NRW has been reduced to 30% (Figure 02).

In addition to that, building packages are included in the project as a supportive activity to achieve the project objectives. Under the supportive activities' the construction of pump houses at Ellie house and the Ellie House area engineer's office were completed and handed over to O&M. Further, NRW Building at Maligakanda is completed and yet to hand over to O&M.

The Construction of training center and accommodation facilities at Thelewala is nearing completion, with structural work completed and finishing work underway. However, it shall be noted that due to sudden eruption of unprecedented pandemic, project was unable to achieve the planned progress of the contract packages. Most of the project areas were close down by government time to time to control the spread of the virus. Notably the contract completion of the System Rehabilitation for NRW Reduction in North, East, West and South parts of the Colombo City contracts were unable to achieve during year 2021.

6. Ambatale Water Supply Systems Improvement & Energy Saving Project

NWSSDB implemented Ambatale Water Supply System Improvement & Energy Saving Project on the recommendation of Colombo Master Plan Project (2012/2013). The project intends to enhance the reliability of production, introduce Energy Saving measures & improve the Efficiency of the conveyance facilities at Ambatale Water Supply System. The GoSL undertook AWSSIESP with the assistance of ADB and AFD; the co-financier of the Project. The total estimated project cost is US\$100 million.

The Construction Contracts & Consultancy Contract were delayed due to numerous reasons which were beyond the control of NWSSDB particularly the Covid 19 Pandemic. Hence, Contractors and Consultant had requested Extension of time and these EOTs will be granted with proper review and approval of the Engineer.

Also, the progress of Construction Contract packages is being closely monitored by PMU in order to complete and deliver the project.

The project achieved physical progress of 57.8% out of 91.5% and financial progress of 43.9% out of 91.0%.

7. Anamaduwa Integrated Water Supply Project.

Anamaduwa Integrated Water Supply Project funded by the government of Spain and Hatton National Bank in Sri Lanka. The project will permanently address the drinking water issue in Anamaduwa, Kotawehera, Nawagaththegama & part of Puttalam, Galgamuwa, Mundalama, and Mahakumbukkadawala DSDs. Project will construct a new intake at Inginimitiya reservoir with a capacity of 12,500 cum/day, full treatment plant of capacity 11,000 cum/day with 1 km long raw water main. The 61 km long clear water transmission main serves four water towers with capacities of 1,500 cum, 1,000 cum & 300 cum, and the project also includes 328 km

long distribution system including all electro-mechanical equipment and institutional development. The soul ambition of the proposed Project is to increase the access to safe pipe-borne water supply facilities in the Puttalam & Kurunegala districts by overcoming the challenges which will uplift the health condition of people live in the treated area.



Pipe Laying

Even with the difficulties and hindrances caused due to Covid-19 Project has been able to continue the pipe laying and tower construction in a considerable level and expecting to commence the construction of Water Treatment Plant by the mid of January 2021. Moreover, Project has achieved a Physical Progress of 70% and Financial Progress of 65% at the end of December 2021.

8. Ruwanwella Water Supply Project

The project consists of Construction of 4,400 m³/day intake and raw water main, 4,000 m³/d capacity Water Treatment Plant and Five Storage Reservoirs and Two Booster Pump Stations. The transmission and distribution pipe lines are approximately 20 km and 95 km long respectively. Due to a scope change and Covid pandemic, 250 days of time extension was granted.



Water Treatment Plant and Intake

The physical progress of the project is 27.5 % and the financial progress is 27.5% at the end of 2021. Design work was 99.0% completed by the end of 2021. Work of Structures at Water Treatment Plant was commenced. 2.6 km of transmission lines and 11.2 km of distribution lines were laid. Construction work of three service reservoirs and one booster pump station has been started.

9. Kandy North – Pathadumbara Integrated Water Supply Project

Kandy North Pathadumbara Integrated Water Supply Project covers six (6) divisional secretariats. Pathadumbara, Akurana, Harispaththuwa, Pujapitiya, Kandy Four Gravets & Thumpane in Kandy District, and beneficiary populations are 470,000 by increasing the production capacity of existing WTP from 50,000 cu.m/day to 100,000 cu.m/day.



Filter Unit

Funding sources are Exim Bank of China and GOSL. Contract was awarded for the contract sum of USD 194.83 million plus LKR 8,356.25 plus GOSL amount of LKR 7,313.94 million. Contract was commenced on 21st August 2019 and to be completed by 20th August, 2022.

KNPIWSP consists of improvements of WTP from 50,000m³/day to 100,000 m³/day and improvements of Intake, 27 SRs, 17 nos. of new PHs, supply and laying of 570 km distribution & 83km transmission lines and provisions for Rural Water Supply and NRW Prevention and Reduction programme. Total physical progress is 62.0% and financial progress is 48.4%.

There is an issue on acquiring the land for Asgiriya Pump house and our main contractor has an issue due to not accepting bank guarantees by RDA as the security bond for pipe laying along RDA Roads.

10. Anuradhapura North Water Supply Project (Phase II)

The main scope of the ANWSP - Phase II is to ensure the supply of safe pipe borne drinking water to the people lives in DSD of Padaviya, Horowpothana,



Coverage Area Map

Kahatagasdigiliya, Kebithigollewa and Part of Rambewa & Madawachchiya in Anuradhapura District. JICA and GoSL have signed loan amount of JPY 23,137 million for the ANWSP – Phase II. The GoSL contributes LKR 4,819 million for this project.

Main Components of the project are intake (Yan Oya reservoir) 34,800 cum/day, Wahalkada WTP of capacity 16,500 cum/day each stage I & II, M & E instrumentation and automation system for intake and WTP, 10 ground sumps, 11 elevated towers, 600mm DI PNI6, 3.3 km Raw Water Line, transmission pipelines of 148 km, distribution network of 1,053 km and construction of 250 m³ elevated tower and supplying and laying of approximately 422.6 km distribution line for ANWSP Phase I bowser supply areas and isolated areas.

The Project is divided into 12 packages and, these packages are in several implementation stages and an overall Physical & financial progress at the end of 2021 was 12.6% and 1.3% respectively.

Due to the COVID-19, restriction such as lockdown curfews, travel restrictions, limitation of work force etc. imposed by Government of Sri Lanka during Oct – Dec 2020 and May- July 2021, the procurement process and final concurrences by JICA through ERD were taken more time than expected.

11. Kalu Ganga Water Supply Expansion Project- I

The objectives of the project are to provide safe drinking water to the general public by extending the pipe-borne water coverage to unserved areas of Kalu Ganga Water Supply Project (KGWSP) Phase-I and enhancing the efficiency of the existing water supply network in Kalutara and Colombo districts by expanding the Headwork and Transmission of Kalu Ganga Water Supply facilities and restructuring water distribution networks. The project contributes immensely to the improvement of the living conditions of the people living in the Kesbewa, Padukka, Moratuwa, Homagama, Dehiwala, Rathmalana DSDs of Colombo District and Bandaragama, Panadura, Kalutara, Horana, Maduruwala, Millaniya DSDs in Kalutara District. In terms of catering to the emerging drinking water demand in Bulathsinghala and Ingiriya DSDs, it is also planned to make available separate bulk supplies for those areas and laying of the required pipe work up to a main feeding point in the distribution.

Japan International Cooperation Agency is the funding agency of the project with a loan amount of JPY 31,810 Mn under JICA Loan SLP-11,7 while the Government of Sri Lanka has committed LKR 10,282 Mn as counterpart funds.

Project activities were physically commenced on the 4th December 2020 and the scheduled implementation period is 65 months from the above date of commencement.

To be in line with meeting the Government Development Goals, which stipulate that potable water should be provided to all the un-served areas in the country by 2024, a strategy to re-arrange the scope of Contract Packages stated in the project memorandum was orchestrated during the year 2021 and Millaniya DSD was prioritized to provide water to customer doorstep according to the technical perspective of the O&M activity plan of the NWSDB.

Apart from that, the total scope of the KGWSEP-I, which is being implemented presently consists of Consultancy Services Contract, construction of 294,000 m³/day Intake along Kalu Ganga River at Kandana, enhancement of existing Water Treatment Facility by 140,00 m³/day, Supply and Laying of Transmission mains (approximately 27.3 km), Supply and Laying of Distribution Feeder Mains (approximately 107 km), Supply and Laying of Distribution Secondary Mains (approximately 190 km), Construction of Ground Reservoirs and Pump Stations (04 Nos.) at Kesbewa, Delkada, Bandaragama, Keselwatta and installation of new pumps at Moratuwa Ground Reservoir site. Based on the consistent deliberations made by the PMU and the Consultant in favor of the newly orchestrated Package Re-arrangement Strategy and to the proposal to eliminate pre-qualification in the procurement work, JICA has finally granted concurrence to both proposals and it is a momentous achievement for the project.

In terms of the Consultancy Service Contract, which is the only contact package in-force up to now, the project has achieved 28.9% financial progress and 36.9% physical progress as of end 2021.

12. Kirama-Katuwana Integrated Water Supply Project

The Kirama-Katuwana Intergraded Water Supply Scheme has been planned to provide a reliable drinking water supply to cover 34 numbers of GNDs in Katuwana and Walasmulla.

This contract was awarded for Euro. 10.485611 million of foreign fund by UniCredit Bank, Austria and LKR 700 million of local funds by government of Sri Lanka. The project has been commenced on 31st January 2019. Due to change of intake and unexpected COVID-19 issues, the project period has to be extent to 31st January 2022.

The project includes a 3,500 cu.m/day capacity water treatment plant together with 1.9 km HDPE Raw Water

pipe, 5.8km HDPE transmission pipe network and 45 km HDPE distribution pipe network in both Kirama and Katuwana areas. The total beneficiaries are 26,000 populations, which provided 3,200 new connections with 2,000 service connection improvements.

At the end of 2021, physical progress of the project was 99 % with main activities were achieved as 100 % of Water Treatment Plant, 98 % of Distribution & Transmission network, 100 % of Water reservoirs, and 100% Intake. Financial progress was 97 %. Besides, Kirama reservoir was selected as new raw water source as per the request of Department of Irrigation.

Board Borrowed Projects

13. Gampaha, Attanagalla and Minuwangoda Integrated Water Supply Scheme

Gampaha, Attanagalla and Minuwangoda Integrated Water Supply Scheme is to provide 88,000 new connections and service improvement of 22,000 existing service connections in 443 GN divisions in Gampaha District.

A Treatment Plant of 54,000 cu.m, 05 Elevated Towers of 1,500 cu.m, a Ground Reservoir of 10,000 cu.m, 90 km of transmission and 630 km of distribution pipe lines are to be constructed. As the main water source, a dam will be constructed to build 3.5 million cu.m capacity reservoir at Basnagoda.



Water Treatment Plant – Karasnagala

Dam and Intake constructions were delayed due to acquisition and compensation delays and now under construction. Treatment Plant, 05 Elevated Towers and the Reservoir constructions are going on. 51 km transmission and 452 km distribution pipe lines in Pasyala, Naiwala, Minuwangoda, Balummahara and Attanagalla area are completed. Contract Packages for Nittambuwa & Gampaha Transmission main are commenced, their distribution mains yet to be commenced. Overall physical progress is 75.84% and financial progress is LKR 34,308.64 million.

14. Hemmathagama Water Supply Project

Hemmathagama Water Supply Project is to implement a new water supply scheme to provide pipe born water to a population of 169,000 (year 2042), covering 135 GN divisions within in Mawanella, Aranayake and Rambukkana DS divisions in Kegalle District of Sabaragamuwa Province. Total project cost is LKR 17,422.29 million and project period is 46.5 months (Dec 2018 – Nov 2022).



Construction of Water Treatment Plant

Project components are, 21 000 cum/day capacity water treatment plant, 24000 cum/day capacity intake, 07 ground reservoirs, 0.63 km raw water main, 38 km transmission network and 74 km distribution system.

The physical and financial progress of the project are 65.3% and 65.8% respectively at the end of year 2021. Currently, land acquisition from the estate sector is identified as a major issue of the project, and the relevant letters has been sent to the Ministry of Plantation Industries to get approval from golden shareholders of the plantation for the acquisition of land. The approval has not been received yet.

15. Thambuttegama Water Supply project

To provide safe and reliable pipe borne water to 42 GNDS in Thambuttegama, Thalawa and Galnewa DS Divisions. Project duration is from 01st July, 2018 to 31st December, 2021.

Completion of the project was delayed due to intake issue as a result of protest carried out by Rajanganaya Integrated Farmers Organization, and the COVID – 19



Intake

pandemic situations. However, a new water source was found and Intake construction was commenced. Date of completion has been extended to 30.08.2022.

Water source issue has been solved but a MOU need to be signed among NWSDB, ID and MASL for effective water shearing. There are some issues related to essential material such as Cement which is causing further delays to the completion of the project. PMU has directly contacted suppliers and try to minimize the delays in material supply.

The physical and financial progress of the project are 76.3% and 75.0% respectively at the end of year 2021.

16. Polgahawela Pothuhera & Alawwa Integrated Water Supply Project

The Polgahawela Pothuhera & Alawwa IWSP is a Plant, Design & Build contract to supply & distribution of safe drinking water to 162,725 people within 167 GNDS in project area. It is funded by Exim Bank of India (85%) and BOC (15%). Total project cost is USD 108 million.



Water Treatment Plant

The overall physical and financial progress as at end 2021 are 90.0% and 90.7% (Including 1.86% balance advance recovery).

About 7.5km of pipe laying was handed over to RSC(NW) for 500 nos. connections under 2021 connection programme. Even under lock down, inter provincial travel restrictions due to covid 19 and adverse weather condition prevailed more than 6 months, we were able to achieve operational status of Intake, WTP, Polgahawela and Alawwa zones.

The challenges have to be overcome during implementation such as shortage of material in the market (Cement, Steel, Chequered plates, Tiles, Sanitary fittings etc), contractor's poor cash flow, delays in CGR approval, GSMB approval, delays in receiving rock blasting material in town areas, under rainy weather only chemical blasting was possible and it was not effective, high water level at Ma-Oya Intake during rainy season, material supply delays due to Covid 19.

17. Aluthgama Mathugama Agalawatta Integrated Water Supply Project

The objectives of this project are to provide safe drinking water supply facility to meet the increasing demand for water in 269 GN Divisions of Mathugama, Dodangoda, Kalutara, Beruwala, Agalawatta and Madurawela DS areas by expanding the production capacity of Kethhena Water Treatment Plant and to mitigate the current Salinity Intrusion Issue by transmitting raw water from Kuda Ganga, by Constructing a new Intake at Kolemodara.



Water Treatment Plant - Kethhena

The project was designed to provide 32,000 new water supply connections and service level improvement of existing consumers. A total of 300,000 people (60,000 families) will be benefitted from this project. Project is financed by Exim bank of India, Bank of Ceylon and Government of Sri Lanka and the total estimated cost is LKR 32,278 million of which LKR 24,285 Million from Exim Bank of India, LKR 4,286 Million from Bank of Ceylon and LKR 3,707 Million as Contribution of Government of Sri Lanka. This project is implemented by National water supply & Drainage Board under the guidance of the Ministry of Water supply. Main contractor of this project is M/s Ion Exchange (India) Pvt. Ltd. Sub-contractors are M/s K.D.A. Weerasinghe & Co Ltd. And M/s International Construction Consortium (Pvt) Ltd. The project was commenced on 15/05/2017 & planned to be completed on 31st March 2022.

Construction of New Intake at Kolemodara substantially completed and pumps are in operational condition. Raw water can be pumped through the 800 mm dia raw water pumping main to the Kethhena Water Treatment Plant. New Treatment works at Kethhena Water Treatment Plant is substantially completed and can be functioned. Substantial quantity of distribution pipe lines has been completed and Palathota distribution area was commissioned. Dodangoda Ground Reservoir completed and can be functioned. Part of Dodangoda distribution area is ready to commissioned and Water Towers at Mathugama, Mathugama-Kanda, Agalawatta, Neboda construction works completed. The overall

physical & financial progress are 89.7% and 86.9% respectively as at end 2021.

18. Katana Water Supply Project

Under this project, safe drinking water is to be supplied to people living in three zones (katana south, Katana central and Katana North) covering 46 GND's in Katana Divisional Secretariat (DS) area and total number of beneficiaries is 156,000.

The project is a design-build project which includes 2000 cu.m capacity 3 high elevated water towers, 12 km long transmission mains, 240 km long distribution system, M & E works including SCADA system and buildings (2 OIC offices, 01 bachelor quarters and 2 pump houses). Physical and Financial progress are 100.0% and 90.0% respectively end 2021 and the project successfully taken over by O&M section-Gampaha region on 31st March 2021, Land acquisition work has to be completed.



Ettampitiya Water Treatment Plant

19. Replacing Of Transmission & Distribution Mains from Orugodawatta to Kaduwela

Under this project, Transmission lines from Labugama, Kalatuwawa & Ambatale WTPs are being replaced by 1,200 mm & 1,000 mm DI pipes along the Low level road from Orugodawatta flyover to Kaduwela expressway interchange. In addition, 355 mm dia. and 160 mm dia. HDPE lines are being laid in this segment.

Physical and Financial Progress as at end of the year are 82.1% and 71.7% respectively.

This project is being implemented with parallel to the RDA road widening project. In some road stretches pipe laying cannot be carried out due to incompleteness of land acquisition and embankment filling. In addition to the RDA issues utility lines and poles (CEB, LECO and Telecom) also have to be shifted at some locations.

20. Matara Stage IV Water Supply Project

Under this project, Transmission lines from Labugama, Kalatuwawa & Ambatale WTPs are being replaced by 1,200 mm & 1,000 Main objectives of the Matara Stage IV WSP is to enhance the Quality and Quantity of Water in existing system and provide pipe borne water service to new areas of Matara District. The Project consists of Salinity Barrier with 05 gates, 60,000 cu.m/day capacity intake, 30,000 cu.m/day WTP, 05 service reservoirs and 04 high elevated water towers, 75 km of transmission system, 105 km of distribution system, main laboratory, 02 OIC offices and 08 numbers of staff quarters. Covered area of the Project consists of Matara district and part of Hambantota district including 236 GNDs in 12 DSDs.

Funding Agents are Govt. of Sri Lanka and National Development Bank (NDB). Project commencement date was 10.10.2017 and PMU has recommended the extension till 02.06.2022. Total Cost estimate of the project (with the increased Dollar rates) is LKR 16,800 million (LBF) + LKR 4,000 million (GOSL) total LKR 20,800 million (NDB approval is pending).

Though the Project was delayed due to many reasons, upon the NWSDB General Manager's involvement, the Contractor achieved the given target by pumping water from Intake to WTP before 31st December 2021. Also, a test water run from WTP to Malimbada GR has also been done. Issues such as farmer's compensation for flooding lands due to the Salinity Barrier, Inconsistent Labour utilization due to Covid situation, Outstanding Dollar portion payments, and Additional funds for the increased Contract price due to Dollar change are experiencing at the moment.

Physical and Financial progress of the project are 86.5% and 78.0% respectively end 2021.

LOCAL BANK FUNDED WATER SUPPLY PROJECTS

3.5 billion LBF project and 53 billion LBF project including 16 major projects are operating to enhance water supply facilities benefiting to 940, 000 population. Eight projects namely Bentota WSP, Ruhunupura WSS, Colombo City WSP, Ampara WSS, Avissawella & Kosgama Integrated Water Supply Project, Galagedara Mawathagama WSP, Town East of Colombo District Water Supply Project Package I and Package II have been completed and most of other projects are to be completed in 2021.

A). Ettampitiya Water Supply Project

LKR 2.2 billion amount which delivers benefits over 13 GNDs in Badulla district. Raw water is extracted from Uma Oya reservoir through 4,000 m long line. Project's treatment plant is 3,000 cu.m/day. Pumping mains are about 7,000 m long comprising 225 cu.m two tanks, 80 cu.m Ferro cement tank and 800 cu.m tank. Distribution network is more than 120 km long. At end of 2021, the project was completed and handed over to O&M section on 31st October 2021. Total financial disbursement of the project was LKR 1,757 million against the LKR 2,244 of which TEC of the project. 3,000 house connections have been provided by the project and another 1,500 connections have been provided by the O&M section.

B). Laggala New Town Water Supply Project

Laggala New Town WSP has been implemented to facilitate drinking water to resettlement area of the population displaced due to Moragahakanda – Kaluganga Development Project in Matale District.

The beneficiaries will be 24,438 at the design horizon; year 2036. The Project Cost is LKR million 4,496 and funded by HNB/People's Bank. Work commenced in July 2016 and was expected to be completed by July 2018. The Contract period was extended up to 14.10.2022.

The water source is Kaluganga. The intake location was changed due to a public protest, and thus the routes of Raw Water Main (RWM) & Treated Water Mains (TWM), Water Treatment Plant (WTP) location were changed. The revised scope includes Intake of capacity 4,250 cu.m/day, WTP of capacity 4,000 cu.m/day, 03 Service Reservoirs, RWM, TWM & Distribution System of approximate lengths 6.4km 29 km & 190 km respectively and ancillary buildings.

The project work was delayed due to scope change, covid-19 pandemic and related government rules & regulations, delaying in procurement due to import restrictions imposed by the Government in 2020, and prevailing foreign currency

issue and delaying in finalizing the cost of variation orders. Further due to scope change, additional funds (approx. 379Mn) were required to carry out works under variations.

Overall Physical Progress of the project is 64.7% and Financial Progress is 61.4% (2758.3Mn) by the end of December 2021.

C). Galagedara Mawathagama Water Supply Project

Galagedara Mawathagama water supply project is located in the north western province at Mawathagama and Mallawapitiya divisional secretariats of Kurunegala District. This Project is planned to cover 29 GNS with nearly 33,000 people to be served from this project.

The project consists of 27 km HDPE/DI transmission main, construction of 1000 cu.m water tower, 450 cu.m ground reservoir at Mawathagama and Pillessa, distribution system 146 km, chemical buildings (02 nos.), Balancing reservoir and OIC Office building. Water source is water treatment plant at Katugastota, RSC (Central). Project intend to supply 2000 cum /day to Galagedara WSS and 3000 cum /Day to Mawathagama WSS.

Project is substantially completed on 31st May 2019. Balance work identified including two extensions and final phase of OIC Building completed during the defect liability period. Project Performance completion certificate issued on 07/08/2020. Project work was completed and final bill was paid.

Project was commissioned on 06/01/2022. Presently 700 new connections were given. In addition 500 cum bulk supply is given to BOI Mawathagama.

D). Galle Cluster Water Supply Project

The Project consisted of the improvement of distribution network of Weligama, Gonapinuwala & Dikkumbura Water Supply Schemes. The revised project cost is LKR 759 million. Funding is LKR .432.5 million from People's bank and LKR 326.5 million from Bank of Ceylon.

The main project components are supply of 85.05 km PVC/DI pipes, DI/CI valves & accessories, 90.87km length of distribution mains, 0.88km length of transmission and pumping mains. Supply of pumps at Uragasmanhandiya, Supply and installation pumps at Hikkaduwa, Kowulhena, Wakwella & Weligama WSSs, 225 Cu.m Ground Reservoir, Caretaker quarters and pump house at Weligama are other components of the project. This project covered 47 GNDs altogether. Expected numbers of connections are 11,395 and from that 1,550 have given. The project was started in mid of March 2017 and substantially completed by end of September 2021. The works are being handed over to O&M presently.

E). Giridara Water Supply Project

The project cost is LKR 513.28 million and project consists of laying a total of 100km of pipes, PVC pipes diameter ranging from 63-225mm and DI pipes diameter ranging from 250-350mm.

This will cover 18GNDs in Dompe DS division. Labugama-Kalatuwwa D20 transmission line to be tapped near Hanwella Bridge and carry water over Hanwella Bridge across Kelani River by laying Dia.350 mm DI pipe line through existing duct of the bridge. After completion, this project will facilitate to give 4,500 domestic and 500 commercial water supply connections.

Present physical and financial progress percentages of the Project are 52.0% and 38.0% respectively. Project work is continuing but delayed due to Covid-19 related draw backs and the Contractor's financial management.

F). Greater Rathnapura water supply project (Distribution)

Greater Rathnapura Water Supply Project is located in Sabaragamuwa province at Ratnapura Divisional secretaries of Rathnapura District. This project is plan to cover 24 GND with nearly 35,000 people to be served from this project. The project components consist of 178 km HDPE/ uPVC/ DI pipe laying as distribution network. Pipe diameters from 450mm to 63mm. The project intends to distribute water to 7,000 households in Rathnapura district.

The project was commenced in January 2019 and the original date of completion was 02.06.2020. But due to various reasons the project was extended up to 30/06/2022. Project progress is very slow due to delay of Supply of required DI materials. Quantity of water production in Rathnapura is not enough to provide extensions to cover present water demand in the area. The physical and financial progress was 70.0% and 38.4% respectively end 2021.

G). Wilgamuwa Water Supply Project

Wilgamuwa Water Supply Project is located in the Eastern boundary of the Central Province within the Wilgamuwa Divisional Secretariat, of Matale District. This project is planned all cover 39 GN nearly 35,000 of people are served by this water supply project. M/s CML MTD Construction Ltd is the Authorized representative of this project.

The Scope of work consist Design and Construction of 6,000 m³/day capacity Intake, 5,500 m³/day capacity Water Treatment Plant, Raw Water Transmission main (1000m), Treated Water Transmission main (26 km),

Water Towers (2 Nos.225 m³) Distribution mains (115 km), OIC office and three quarters

Performance in first seven months in 2020 was very poor due to financial issues in CML-MTD Construction Pvt Ltd. However, Contractor re-started work on August 2019. Construction works to be completed by October 2022.

The physical and financial progress is 68.0 % and 43.3% end 2021.

H). Medirigiriya Distribution Phase II

This project included supplying and laying of uPVC pipes and fittings (230km) for 31 G.N Divisions at Medirigiriya Divisional Secretariat. The work includes, supply and laying of uPVC/DI pipes, fittings and specials for Old Town Tower distribution main and for New Town/Old town Tower internal distribution main, construction of pipe bridge across Kaudulla Oya, design & construction of quarters and providing 5,000 water connections.

All supply items are completed. Original scope (230km) and additional 63mm dia. pipe laying works (VO 25) (141km) completed and handed over to O&M. Additional 63mm dia. pipe laying works (VO 42) (42km) is completed. 3,495 connections have been provided against 5,000 connections.

Physical work of the project was completed and financial progress is 90.8%.

I). Town East of Colombo District Water Supply Project

Towns East of Colombo District Water Supply Project was implemented to provide safe pipe borne drinking water to the people in the eastern part of Colombo district. The project encompasses 118 GNDs in the Seethawaka, Kaduwela, Padukka, Homagama and Horana Divisional Secretariat Divisions.

The Identified water sources for the Towns East of Colombo District Water Supply Project are Labugama and Kalatuwawa Water Treatment Plants. The total estimated population to be benefited by this project in the year 2040 is 373,304 through over 91,000 water supply connections.

The Project consists of 03 Packages and their status are as follows.

Package I - 07 Nos. of flow meter connections were completed. Physical and financial progress as end of the year 2021 is 100.0% and 85.0% respectively.

Package II – Transmission and distribution Pipe Supply and Laying 100% completed, Construction of OIC Office building 100% completed. Construction of Ground Reservoir is in progress (93.36%). All the

concrete work of Ground Reservoir has been completed.

Water tightness test, Yard piping and landscaping to be completed. Physical and financial progress as end 2021 is 92.6% and 57.9% respectively.

Package III - 26 nos. of flow meter connections were completed. Physical and financial progress as end of the year 2021 is 100.0% and 74.1% respectively.

J). Local Bank Funded 3.5 Billion project

The objective of the project is to improve the no. of connections in the 11 RSC's (Uva, Southern, North, WC, WN, WS, East, NW, NC, Central, Sabaragamuwa) providing the extensions and infillings to the existing distribution systems. The total estimated cost of project is LKR 3.5 Billion and the expected number of connections is 33,250 at the end of the project. Extension and infilling in 10 of the RSCs have been completed and work on RSC East is ongoing. The project was commenced in 2014 and extended up to year 2021. The overall physical progress is 98.8% and the financial progress is 74.6% as at December 2021.



Projects in Pipeline

The National Water Supply & Drainage Board (NWSDB) is fully committed and geared to fulfill the aspiration of the Government in providing access to clean & safe drinking water and piped borne water to the entire (100%) population of the country by 2025. In order to fulfill the pledge given in the “Vistas of Prosperity”; the Government's Vision for drinking water, the NWSDB Corporate plan 2020-2025 has been developed and launched on 18th November 2020. This document briefly discusses the current status of the NWSDB and its plans to achieve Corporate Goals 1 to 6. A budget allocation of LKR 29.5 Bn was given under the “Water for All” budget line for the year 2021 to implement the projects for increasing water supply and Sanitation coverage in the country.

With the above, monitoring of achieving corporate goals and provide the necessary assistants to the relevant regional staffs by attending following activities to achieve the set targets in the Corporate Plan were become the key tasks of Policy and Planning and Policy and Strategy Sections.

- Obtaining the approval of Cabinet of Ministers for the revised project list of Corporate Plan.
- Arranging Project Appraisal Committee (PAC) Approvals for 47 number of projects.
- Obtaining approvals of Board of Directors and National Planning Department (NPD) for the projects.
- Monitoring progress of land approvals and water source approvals.
- Establishing an IT System for Project and Procurement monitoring with the help of IT Division.
- Conducted number of training programmes to the users in different categories Engineer/Accountants/Engineering Assistants/etc.)
- Reported progress of the projects to various departments of Ministry of Finance and Ministry of Water Supply.

Prepared the budgetary requirement for year 2022 to achieve the set targets in Corporate Plan and got the approval for the Action Plans.



Planning and Design (WSP)

Planning & Design Division conducts all types of design work of Water Treatment Plants, Intakes, Distribution Networks & Transmission lines and preparation of their Total Cost Estimates as the major job. Further, the Standard Bidding Documents, Design & Maintenance Manuals and Rate Books are published by the division. In addition to that, preparation/review of feasibility studies and Project Appraisal Committee Reports are conducted by this division.

Planning and Design Division has four main design sub divisions operating under four AGMs named as Western, Southern/ East, Northern/ Central and Mechanical & Electrical Division which carry out designs of subsequent Regional Support Centers.

AGM (Western)

Followings Detailed Designs were carried out during the year under purview by AGM (Western) section.

Expansion of Ambathale Water Treatment Plant - Due to the multidisciplinary developments carried out in the Colombo City and suburb, water demand in the area has been rapidly increased. Therefore, Ambathale Water Treatment Plant expansion project is designed to increase the capacity by 50,000 m³/day. Estimated cost of the project is LKR 2,390 Million.

New Water Treatment Plant at Avissawella - A new treatment plant with a capacity of 5000 m³/day was designed for the Avissawella Water Supply Scheme. Estimated cost of Project is LKR 964 Million.

Jubilee System Improvements - In order to increase the supply efficiency it is proposed to improve the facilities in the Jubilee System. Accordingly new 6,000m³ and 10,000 m³ capacity ground reservoirs, supply & installation of pumps and generators, construction of pump house, OIC Office and quarters has been designed. Total cost is LKR 1280 Million.

Water Treatment Plant at Mirigama - A 20,000 m³/day capacity water treatment plant and an intake were designed. Total estimated cost of the work is LKR 3,926 Million.

Water Treatment Plant at Divulapitiya - A new treatment plant and an intake with capacity of 20,000 m³/day was designed for Divulapitiya water supply scheme. Estimated cost is LKR 3,950 Million.

New Office Building at Head Office - It is proposed to demolish the existing Gymnasium Building and construct a Five Storied Office Building. Detailed design has been completed. Estimated cost is LKR 233 Million.

In addition to above Design Review of Kalu Ganga Water Supply Expansion Project and Aluthgama, Mathugama & Agalawatta integrated Water Supply Project were carried out during the year under purview by AGM (Western) section.

AGM (North / North Central)

Followings Detailed Designs were carried out during the year under purview by AGM (North / North Central) section

Giriulla Dambadeniya Narammala Water Treatment Plant - A new treatment plant having a capacity of 20,000m³/day was designed to cater the Giriulla, Dambadeniya and Narammala areas. Estimated cost of the project is LKR 4,700 Million under Contractor Financing.

Towns North of Kerunagala - Phase I - Treated water transmission from Katugatstota water treatment plant to Kurunegala area, having a length of approximately 85km. The cost estimated for Phase – I is LKR 40 Billion.

Katupotha/Bamunukotuwa/ Panduwasnuwara Water Supply Project - Phase I - Package I of the project is construction of 20,000m³/day capacity water treatment plant having and approximate cost of LKR 5,200 Million approximately under Contractor Financing.

Bingirya/Udubaddawa & Makadura/ Pannala/Kuliyapitiya Integrated Water Supply Project - Phase I - Package I of the project is construction of 40,000 m³/day capacity water treatment plant for an estimated cost of LKR 5,000 million under Contractor Financing.

Dankotuwa Water Supply Project - Phase I - Package I of the project is construction of Head-Works which has estimated as LKR 4,100 Million approximately under contractor Financing.

Deduru Oya Water Supply Project - Design of Distribution System covering Nagollagama and Mahawa New Zone.

Kandy East Water Supply Project - Enhancement of the capacity of existing Water Treatment Plant by upgrading the water treatment structures and construction of a Ground Sump having a capacity of 6,000 m³/day at Katugasthota existing Water Treatment Plant site.

Hemmathagama Water Supply Project - Design of Distribution Network

Palugaswewa Water Supply Project - Design of 5,000 m³/day capacity Water Treatment Plant including an Intake Well along with a Submerged Weir costing LKR 2,200 Million approximately.

Hasalaka Water Supply Project - Design of 7,500 m³/day capacity water treatment plant including an Intake Well along with a Submerged Weir in Mahaweli river costing LKR 1,900 Million approximately.

Pupuressa Water Treatment Plant - Design of 7,500 m³/day capacity water treatment plant including an Intake Well along with a Submerged Weir. Estimated cost for the job is LKR 2,100 Million approximately.

Atabage Water Supply Project - Design of 5,000 m³/day capacity water treatment plant having an estimated cost of LKR 1,750 Million approximately.

AGM (Southern/Eastern)

Followings Planning works were carried out during the year under purview by AGM (Southern/Eastern) section

Galle Water Supply Scheme - 50,000 m³/day capacity new water treatment plant at Wakwella comprising aerators, plate settlers, filters, clear water sump of capacity 5,000 m³, sludge handling system, chemical house, chlorinator house and treated water transmission main from Wakwella to Batuwanthudawa, Wakwella to Mahagoda connection. Designs and procurement documents were completed and the procurement process is in progress.

Eheliyagoda Water Supply Scheme –

Package 1 – 15,000 m³/day capacity new water treatment plant at Eheliyagoda comprising intake, aerator, plate settlers, filters, clear water sump of capacity 1,600 m³, sludge handling system, chemical house and chlorinator house. Designs were completed and the procurement process is in progress.

Package 2 - Designs and drawings were prepared and BOQs preparation is in progress for Supply and laying of 86 km long distribution system and 15.6 km long transmission main.

Bandarawela Water Supply Scheme - Designs and procurement documents were completed and procurement process is in progress for 20,000 m³/day capacity new water treatment plant at Bandarawela comprising intake, aerator, plate settlers, filters, clear water sump of capacity 2,000 m³, sludge handling system, chemical house and chlorinator house.

Gomarankadawela Water Supply Scheme - 20,000 m³/day capacity new water treatment plant at Gomarankadawela comprising aerator, DAF, filter, GAC filter, clear water sump of capacity 2,000 m³, sludge handling system, chemical house and chlorinator house. Both designs and procurement documents were prepared.

Baddegama Water Supply Scheme - 30,000 m³/day capacity new water treatment plant at Baddegama comprising intake, aerator, plate settlers, filters, clear water sump of capacity 3,000 m³, sludge handling system, chemical house and chlorinator house. Designs and procurement documents were prepared.

Valachchenei Water Supply Scheme - 20,000 m³/day capacity new water treatment plant at Valachchenai comprising aerator, DAF, filters, GAC filter, clear water sump of capacity 2,000 m³, sludge handling system,

chemical house and chlorinator house. Detail designs and drawings of 20,000 m³/day capacity water treatment plant are in progress.

Lunugamvehera Integrated Water Supply Scheme - Procurement document preparation is in progress for 25,000 m³/day capacity new water treatment plant comprising of 56,000 m³/day capacity intake, aerator, plate settlers, filters, GAC filter, clear water sump of capacity 2,000 m³, sludge handling system, chemical house, chlorinator building, water towers and ground reservoirs.

AGM (Mechanical & Electrical)

Followings detailed design for Mechanical, Electrical and Automations related design work of Water Supply Projects were carried out during the year under purview by AGM (Mechanical & Electrical) section for Eheliyagoda, Grater Galle, Katupotha, Ambathale, Bingiriya, Dankotuwa, Meerigama, Awissawella, Bandarawela, Hasalaka, Lunugamwehera, Gomarankadawala, Palugaswewa, Baddegama, Kilinochchi, Galnewa and Gomarankadawala Water Supply Schemes and Gothatuwa Booster Pump House and Jubilee Improvement Project. Planning and Design Electrical & Mechanical works for Head Office Building Renovations Project. In addition to above Design Review of Kalu Ganga Water Supply Expansion Project was also carried out. As a consultation service on mechanical and electrical purview following activities were done such as issuing chartered Engineer certificate to CEB/LECO Certifying Electrical installations and allocation of resource persons to conduct training programs covering maintenance, testing and design aspects at M&E works.

AGM (Documentation)

Documentation Section handles three main activities namely Documentation works, Design Manual works and Quantity Surveying works.

Documentation Works - In the year 2021, preparation of 04 new documents and revisions of 39 Standard Bidding Documents were completed. In Pre-qualification process of manufacturers, evaluations of 04 HDPE pipes & fittings manufacturer, 06 DI pipes fittings manufacturer 03 DI valve manufacturers completed evaluation of 06 HDPE pipes new applications, 02 DI pipes & fittings new applications, 01 new coupling and flange adaptors application, 02 valve new applications. 09 Standard Bidding Document Committee meetings were held in 2021.

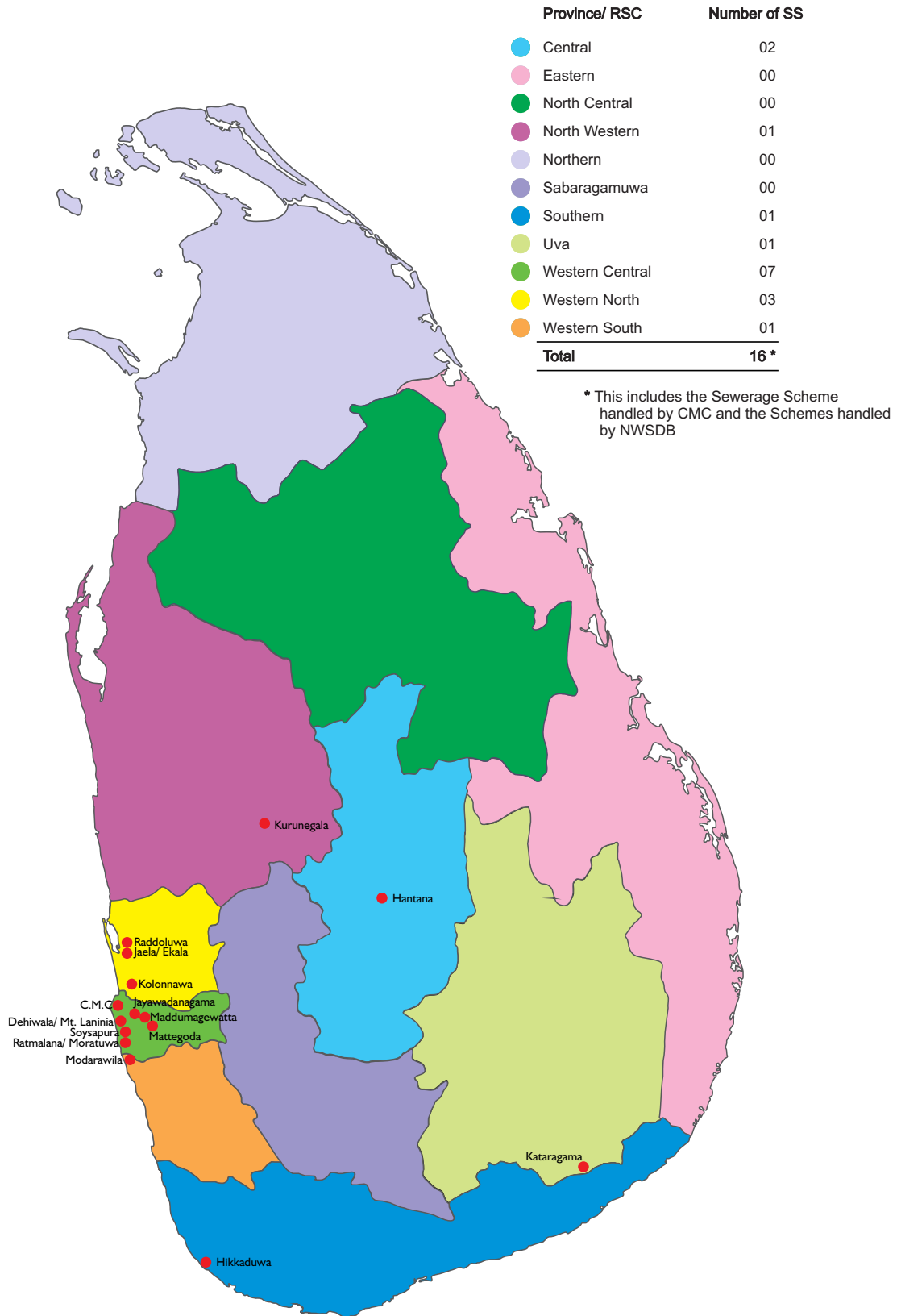
Design Manual Works - Design Manual works of P&D include updating and preparation of Procedure/Design Manuals of NWSDB. During year 2021 following works have been carried out under the guidance and instructions of the Planning and Design Manual Review Committee (PDMRC). PDMRC was reinstated at the latter part of the year. Revision of the D2 Manual (Urban Water Supply and Sanitation), the D5 Manual (Mechanical, Electrical &

Instrumentation Aspect of Water Supply Design), the D8 Manual (Water Service Connections), P7 Manual (Project Management and Contract Administration) and P3 Manual (Commissioning and Handing over/ taking over of water supply Projects) were partially completed.

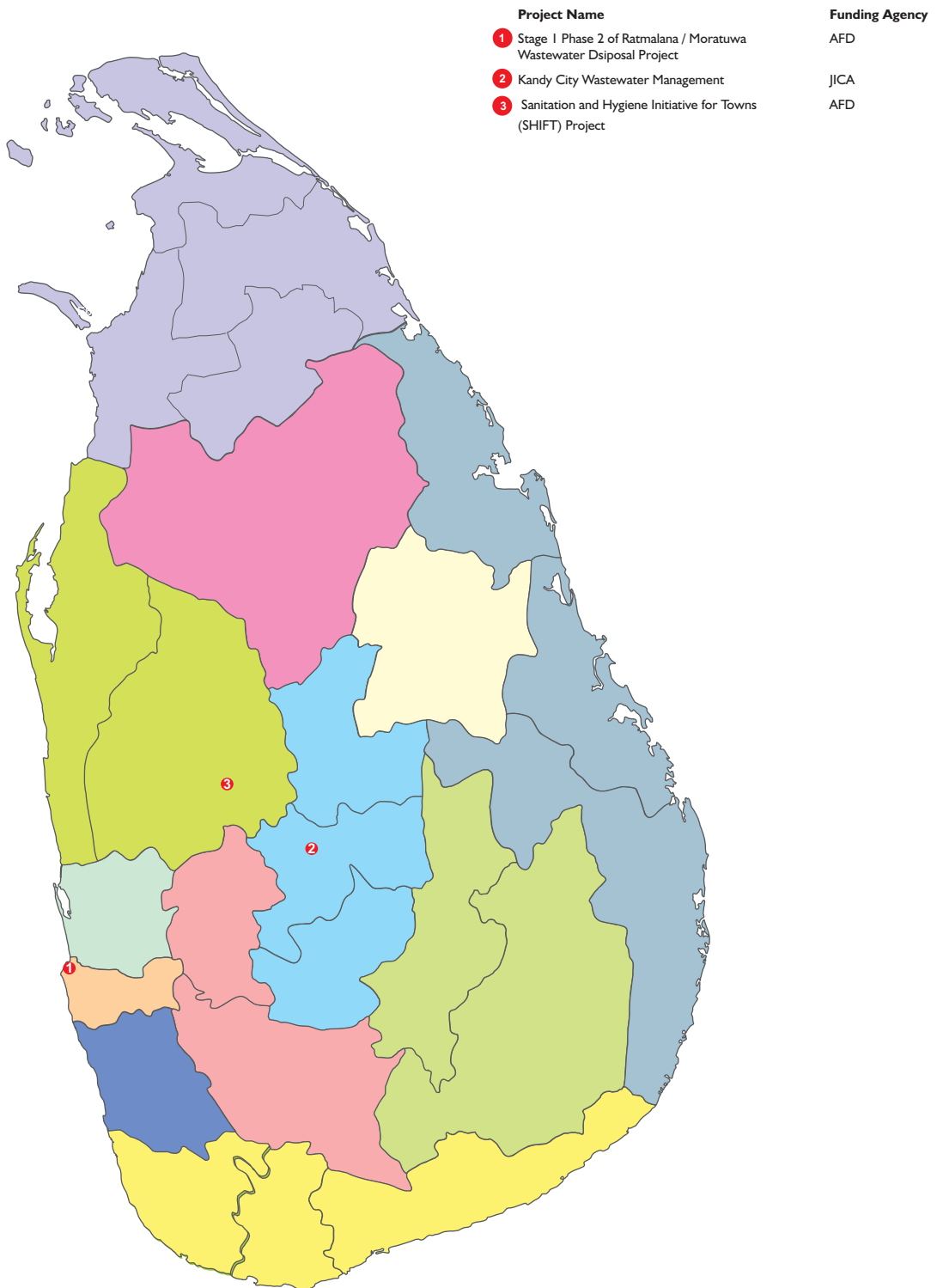
Quantity Surveying works - The Quantity Surveying work includes the preparation of BOQ of all the Design Works carried out by the P&D Section of Head office, Preparation of Engineer's Estimates, Rate Book for Water & Sewerage works, valuation of variations, Water & Sewerage work studies to prepare work norms for pricing of work items and reviewing of Engineers Estimates prepared by Projects and cost advising for RSC & Projects.

During year 2021 this Sub Section has prepared 520 BOQs (Water BOQs 442/ Sewerage BOQs 78), 17 Nos. of Engineers Estimates (Water Engineer Estimates 12/ Sewerage Engineer Estimates 05), check 08 nos. variations (Water & Sewerage), 05 Nos of cost clarifications of RSCC, preparation of Annual Rate Book for Water Supply (Volume I & II), Revision of Annual Rate Book for water supply on December 2021 and Annual Rate Book for Sewerage for year 2021. Conduct 2 numbers of training programs for technical staff (For improving knowledge of estimating with using Rate Book). 14 Nos of Site visits were done for preparation of BOQQ and Engineers Estimate for some projects and involved in price negotiations with Contractors for some projects. Participation of 04 Committees in year 2021.

Existing Water Reclamation Schemes



Ongoing Water Reclamation Projects



Foreign Funded Sewerage Projects

1.) Phase 2 Stage 1 of Ratmalana/Moratuwa Wastewater Disposal Project

This Project is planned to expand the existing collection network to increase the present coverage in Ratmalana/Moratuwa area. The project scope includes a new sewer collection network of 128km (with rider mains of 23km approximately) including 06 Nos pump stations and modification in existing Pump Stations & Wastewater Treatment Plant. The Credit Facility Agreement between GOSL and French Development Agency (AFD) was signed on 18 Feb 2019.

The Tentative Cost Estimate is LKR 16,073 Mn and the number of beneficiaries at the end of the Project is 45,500. In 2050 (the design horizon), it is planned to connect 170,890 beneficiaries.

Contract for Sewer Collection Network was awarded on 08 December 2021 to China Geo Engineering Corporation and Agreement was signed on 13 Dec. 2021. The Contract sum is EURO 22,546,258.17 and LKR 4,115,667,908.27. The Mobilization Advance was also paid.

Preparation of the bidding document for pump stations and modifications is in progress. Acquisitions of lands for pump stations is in progress. Under the Construction Supervision Consultancy Contract, RFP document finalized by CPCC was forwarded to AFD for "No Objection. The Physical and Financial Progress as at December 2021 are 5.50% and 10.166% (LKR 1,634.04 MN) respectively.

2.) Kandy City Wastewater Management Project

Kandy City Wastewater Management Project (KCWMP) has a total coverage of 733ha catering for a resident population of 55,000 and migrant population of 150,000 up to year 2030. The project scope is to improve the water quality of the Kandy Lake, Mahaweli River and streams in Kandy City, which would then improve sanitary conditions of the people in high density areas. To achieve this, the Project has constructed a Wastewater Treatment Plant (WWTP) with a capacity of 14,000m³/day, Collection system and House connections including the sanitary facilities for low income areas. JICA is the main funding agency and the total project cost is approximately LKR 22.8 billion. 88.4% of financial and 92% of physical progress has been achieved as at 31st December 2021. Presently, WWTP is functioning with an average flow of 3400 m³/day. 245.5km of sewer pipes laid out of 249.7km and 2724 properties are connected to the network.

Opening ceremony of WWTP plant was held on 17th November 2021 in parallel with signing the MOU between NWSDB and KMC. Several general issues such as bad weather, hilly terrain, insufficient resources, COVID 19 pandemic causes for delayed work. However, it is planned to complete the balance pipe

laying and property connections by end of March 2022 and September 2022 respectively.

3.) Sanitation and Hygiene Initiative for Towns (SHIFT) Project

The SHIFT Project aims to provide wastewater disposal infrastructure facilities to 200,000 people living in South and West coastal areas namely Negambo, Galle – Unawatuna and Kelaniya – Peliyagoda. First phase of SHIFT includes provision of wastewater infrastructure for Negambo city, Feasibility Studies, detailed design and tender documentation for Galle - Unawatuna and Kelaniya – Peliyagoda areas, pro – poor fund to provide sanitation facilities for the low – income people in the project area. In addition, it will provide a Technical Assistance (TA) programme to provide recommendation to enhance the water and sanitation sector institutional framework, ensure its sustainable financing and to implement a sewerage management skills development plan. Funding for the first phase of SHIFT investment program has been secured through Agence Française Développement (AFD) and TA component is funded by European Union through AFD. Design and Supervision Consultant completed Feasibility Study (FS) report for all three areas, Preliminary Design for Negombo and Galle/Unawatuna, Detailed Design for Negombo and Preparation of bidding document for Negombo. Detailed Design and Preparation of bidding document for Galle/Unawatuna are in progress. Preliminary Design and Detailed Design for Kelaniya – Peliyagoda was excluded as based on the consultant's finding of FS study. A Septage Treatment (Onsite sanitation) plant will be designed and constructed for Kelaniya/Peliyagoda area using NWSDB in-house design. As per the feasibility study for Negombo done in 2019 by DSC consultant, the total estimated cost of the project is LKR Mn 29,468. However available funding is LKR Mn 17,665 (Euro Mn 107.7). Due to insufficient funds available for the construction of the entire Negombo project planned for Stage I, it has been decided to phase out the project. Stage I, Phase I of the Negombo WWMS is implemented with available funds. Stage I Phase I consists of 16,000 m³/day capacity Wastewater Treatment Plant (WWTP), Effluent Disposal System and part of Wastewater collection network. Expected number of connections will be 6,000. Balance part of the wastewater collection network will be constructed under Stage I phase 2. 9.56% of physical and 5.62% of financial progress have been achieved as at December 2021. It is expected to award the contracts for Negombo Package 01 (Collection network) and Package 2 (WWTP) by end of July 2022 as these packages are now in the procurement stage. ent activities of Negombo at the end of 2021.

Connection Enhancement project (Under “Water for All”)

Scope of this project is to provide 8,055 new sewer connections to existing piped sewerage schemes through direct sewer connections, simplified and conventional sewer extensions, simplified sewer extensions with pumping and improvements to existing schemes. In addition, financial supports are extended to all the consumer categories through a new connection policy to encourage the connectivity. The proposed number of new sewer connections and improvements to the existing sewerage schemes are as follows;

- Providing of 450 sewer connections in Kataragama area,
- Providing of 500 sewer connections and augmentation of existing wastewater

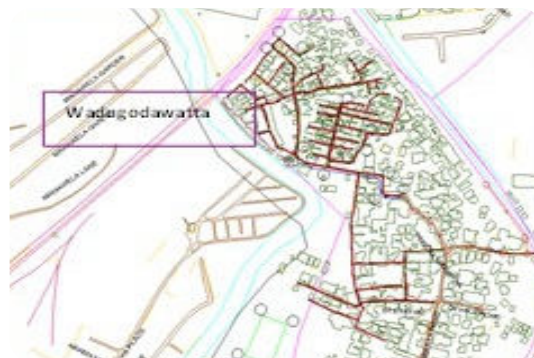


Hikkaduwa collection network Plan

treatment plant in Hikkaduwa,

- Providing of 1500 sewer connections in Dehiwala/ Mt. Lavinia, with MLPI pumping main improvement,
- Providing of 2,205 sewer connections in Kolonnawa, with KP4 to CMC pumping main improvement,
- Providing of 3,400 sewer connections in Kurunegala area.

Overall physical progress is 8.5% while identification, investigations and detailed design is 78.0% whereas detailed design works for Kolonnawa, Kurunegala and Dehiwala activities were completed, and improvement of pumping main from MLPI to Wellawatta Sea Outfall is 35.0% whereas 850m of 560m pipe laying completed.



Wadugodawatta Collection Network model



Planning and Design (Water Reclamation)

Planning and Design (Water Reclamation) division's primary functions are to carry feasibility studies for centralized wastewater management systems for urban areas, planning & designs of Faecal Sludge Treatment Plants (FSTPs) for local authority areas, design review of ongoing wastewater management projects, Planning and designs of wastewater treatment plants/collection systems for other government/private agencies on cost, administration and monitoring of EIA/ IEE studies carried out by the outside consultants of proposed wastewater management projects, creating awareness on sanitation sector development activities among stakeholders etc.

During year 2021, the preparation of Sanitation Master Plan (SMP) was the key activity that has been completed by the P&D(WR) division with the assistance of RSCs for data collection, need assessment and for new project identifications. In parallel to the master plan study, P&D

(WR) division carried out awareness programs on sanitation developments to local authorities and other stakeholders such as Ministry of Health, Ministry of Education, Department of Prisons, Ministry of Provincial Councils and Local Authorities, National Housing Development Authority etc.

Feasibility Study which was already started in the previous year for providing piped wastewater infrastructure facilities for Kalutara and Aluthgama/Beruwala urban cities in the western coastal belt was continued and land identification and planning works for Wattala, Kolonnawa and Trincomalee city sewerage systems were carried out. Planning and procurement of World Bank financed Sanitation Enhancement Project (SEP) for Badulla District is currently underway. Feasibility study for centralized sewerage systems for Ella tourist area and Gampola

Urban area were commenced during 2021. Planning works of these projects, land allocation works and stakeholder awareness of other areas where the sewerage proposals are developed such as Gampaha, Anuradhapura, Polonnaruwa, Batticaloa, Kattankudy, Hambantota, Dehiwala/Mt. Lavinia, Maharagama-Boralesgamuwa and Sri-Jayawardhanapura Kotte are underway with the assistance from RSCs.

The planning and design of Faecal Sludge Treatment Plants (FSTPs) to be implemented under WaSSIP Project were continued during 2021. Accordingly, the investigations, detailed designs work of FSTPs for Badulla, Ella, and NuwaraEliya were completed and planning, investigations, land acquisitions detailed designs of Hikkaduwa, Mawanella and Bandarawela FSTPs are in progress. Moreover, the feasibility study and land identification for construction of other FSTP projects in high demand areas under "Water for All" program which includes Kesbewa, Panadura, Kelaniya, Weligama, Kurunegala FSTP projects are underway.

In addition, as identified in SMP, NWSDB started planning works for other 14 Nos of FSTP projects with targeting to complete altogether 20Nos of new FSTP projects in 2021-2023 period covering most of the districts of the country. The intention of constructing these projects is to fulfill the weak link of onsite sanitation service chain and eventually to achieve the safe sanitation targets as proposed in the Sanitation Master Plan in line with SDG targets. Accordingly other areas such as Aluthgama/Beruwala, Yakkala, Gampola, Matara, Galle, Kaduwela, Kaduruwela, Dambulla, Jaffna, Valachchenai areas have been identified as priority areas for constructing new faecal sludge treatment plants. In the planning stage, NWSDB started to find out the suitable lands to construct proposed FSTPs with the assistance of local authorities. In addition, awareness meetings/discussions were arranged at the local authority premises and awareness for social groups and other stakeholders is in progress at the District Coordination Committee (DCC) meetings with the coordination of RSC staff of NWSDB.

Under rechargeable projects, planning & detailed designs works for sea outfall for Eravur Textile Manufacturing Zone is under completion stage. The detailed design works for sewer system of Advanced Technological Institute (ATI) - Dehiwala was completed as planned in the previous year. Planning & designs works of sewerage treatment plant for Nila Piyasa government quarters project was completed in 2021.

Moreover, Investigations and detailed designs for rehabilitation of Maththegoda pond system was continued during 2021. Also the construction of onsite sanitation system (Jokaosu) treated wastewater re-use system for Ministry of Water Supply building was completed at the end of year. The planning & design works for wastewater treatment plant at Welikada Prison relocation project site at Millawa, Horana was commenced during 2021. Under

this project 2,000m³/day biological wastewater treatment plant (A2O process) with wastewater collection network and treated wastewater outfall pipeline are under design stage.

In addition, Planning & design works of Diyawannawa wastewater disposal system (3,250m³/day) was commenced. Accordingly, the wastewater collection network and pumping mains to be designed to connect wastewater to existing Ethulkotte pumping station. Moreover, planning & design works for rehabilitation of Himbutu Uyana housing scheme wastewater treatment plant was commenced. The rehabilitation proposal has been submitted to NHDA and detailed designs are being carried out to rehabilitate 250m³/day capacity existing wastewater treatment Plant. Planning & designs works of wastewater collection network & treatment plant (600m³/day) for National Zoological Garden at Dehiwala were commenced at the end of the year.

The execution of EIA/IEE studies for the major sewerage projects in pipeline are being carried out by P&D (Sewerage) section. Under this, CEA clearance was obtained for Puttalam wastewater management projects. Environmental clearance is pending for Chillaw and Sri Jayawardannapura Kotte wastewater disposal projects.

Under the land acquisition work of wastewater management projects in pipe line stage, the identification and acquisition works were continuing for Dehiwala- Mt. Lavinia, Sri Jayawardannapura Kotte, Matara, Chilaw, Puttalam, Maharagama-Boralesgamuwa, Badulla, Gampaha, Aluthgama/Beruwala, Kalutara, Polonnaruwa, Kattankudy, Batticaloa, Kalmunai and Eravur Wastewater Disposal Projects for obtaining lands for Wastewater Treatment Plants and Pumping Stations.

Furthermore, the project identification reports were prepared for Gampola urban area and Diyawannawa wastewater management projects during 2021



“We can create new ways to create clean water.”

- Craig Venter



REGIONAL SUPPORT CENTERS

Western - Central

The RSC (WC) consists of Colombo City North, Colombo City South, Kotte and Maharagama Manager Regions. These four regions geographically cover the entire Colombo District excluding Dehiwala, Mt Lavinia, Ratmalana and Moratuwa. 19 water supply schemes are in operation and RSC has 543,000 total water supply connections with over 27,000 new connections during the year under purview. Total pipe borne water supply coverage has recorded as 91.1% whereas 90.2% by the NWSDB under the administrative boundary of the RSC.

Under the economic setbacks from Covid-19, special mobile programs were carried out for collection of bill payments and also to provide new connections. These programs have helped in achieving new connection target and 107.0% collection efficiency during the year. Even though during pandemic situation also Billing for the year was LKR. 7,869.7 million while collection was LKR.8,457.2 million with a debt age is 2.1 months, for the year. Under the global crisis of Covid-19 in latter part of year 2020.

NRW percentage in Colombo City is targeted to be reduced to 18% at the end of year 2022 though NRW reduction programs with the GCWWIP project. NRW value of Colombo city has reduced from 39.22% to 34.75% during the year and it is expected to achieve the 18% target with the completion of all DMAs. The DMAs that are already completed have recorded NRW percentage of less than 18%. Kotte region, which records the highest NRW percentage outside of Colombo in WC area is presently at 29% and designs are underway to rehabilitate and replace the old distribution network and related structures in the region. In order to cater the projected water demand for the year 2040 with the incorporation of proper NRW (Non-Revenue Water) management strategies in a sustainable manner, upgrading water supply facilities in Jubille Kotte Area- Package 01 and Upgrading water supply facilities in Kolonnawa Area- Package 01 & Package 02 were designed and are currently in the Procurement stage.

Though, it was led to reduced progress in rehabilitation work due to shortages of material and labour in the market under the pandemic circumstances, RSC has committed LKR 116.6 million out of total allocation of LKR 245.8 million. No any single water sample reported having Ecol or Coliform out of 3599 no. of samples tested in Colombo city by water quality surveillance agency, CMC laboratory.

This is a proof of its supply of safe drinking water to the consumer. During 2021, about 17.5km (90mm-225mm) distribution extensions were done in the region through regular extension programs while there were about 358.08km (63mm-90mm) pipe laying under Water for All the in-Manger Maharagama Area. Under the “Water for All” budget, Augmentation of water Treatment plant at Penrithwatta, Avissawella Project was designed and commenced in June 2021. Halthotawatta Intake Improvement Project –Awissawella is in Tender calling stage.

It was studied and prepared documents and started procurement for many developments and rehabilitation works under M&E. Most of the proposed projects could be awarded within the year 2021. Pump replacement of Pelenwatte, Jubilee Edirisinghe, Jubilee Distribution, Makumbura & Maharagama and replacement of Motorized Valve at Pelenwatte and Galawilawatte Pumping Stations are to be completed. Further, long outstanding issue of Generator replacement at Batapotha pumping Station was completed successfully during the year 2021. Amounting LKR 44.8 million worth rehabilitation projects for upgrading existing power system and supply & installation of motorize valve were completed and amounting LKR 79.9 million worth rehabilitation and energy projects are in ongoing with several implementation stages during the year under purview for energy savings activities.

Western - South

The RSC(W/S) comprises of RSC(W/S) office and 03 Regional Manager Offices named Manager (Dehiwala), Manager (Panadura-Horana) and Manager (Kalutara). 13 water supply schemes are in operation and RSC has 296,000 total water supply connections with over 13,000 new connections during the year under purview. Total pipe borne water supply coverage has recorded as 85.1% whereas 82.0% by the NWSDB under the administrative boundary of the RSC.

During the year achieved the 108.0% target collection which is amounted to LKR. 3,067.2 million for the sales of 65.5 million cubic meters.

Action was taken to reduce the NRW value of RSC (WS), by repairing and replacing bulk meters in all regions. 6km pipe length of 500 mm dia. AC pipe line were replaced in Beruwala to Meenachchikanda and 2.5km pipe length of AC pipe line was replaced in Aluthgama area. Alwis place Reservoir leak repair is in progress to reduce the NRW. JICA granted project “Enhancement of Operational Efficiency and Assets

Management Capacity of RSC (WS), NWS&DB” was completed on 31.08.2021 by focusing leakage control of pilot zone in Panadura area. Land use and land cover governed under RSC (WS) area was gathered in GIS data base.

Energy saving activities were carried out in several areas of Beruwala and Soysapura such as Installation of high lift. Source of fund is from “Energy and Rehabilitation” respectively. M&E team started to carry out the service and maintenance of central AC and solar system for year 2021 thereby reduced the annual cost by LKR 403,180.00. In addition, M&E section has completed the fully automation pump house at Soysapura. First time in NWSDB, RSC (W-S) introduced the wide area monitoring system (water level, flow, water quality and pump status) for all three regions.



New connection Mobile programme

New connection Mobile programmes were organized with AMAIWSP and total collection per day was 3.62 million, 238 application estimates were issued on same day. New connection given for pipe born water is 12,388 as at 31.12.2021. Provided 17,100 of connections for 76,525 beneficiary families from 134 no. of CBO Schemes and 8 schemes are under implementation stage. Pipe line extensions for a total length of 123.59 km were completed which consists of 13.00 km in Kalutara Region, 107.59 km in Panadura-Horana Region and 3.0 km in Dehiwala Region. Many rechargeable and rehabilitation activities were also carried out in all the regions throughout the year. Such as design and construction works are ongoing in Oshintanwatta WSS in a resettlement area through “Rechargeable funds”. Due to the dry weather condition, Manager Kalutara area was faced problem of salinity intrusion. As a temporary solution, bowser supply was arranged to cover whole area of Manager (Kalutara) region. Intake construction work was 90% almost completion at Kolemodara targeting to transmit raw water to Kethhena treatment plant in dry weather period as a medium-term solution to salinity intrusion issue in

Kalutara. Further, a feasibility study is being carrying out by the Irrigation Department to construct a salinity barrier closer to the estuary of Kalu River.

Designs were completed in year 2021, in following major projects which was included in Corporate Plan 2021-2025, Improvement of Ingiriya WSS, Capacity Improvement of Kandana WTP, Laying of Transmission main from Alwis Place to Wadduwa and Laying of 500mm dia. DI pipe line from Kethhena WTP to Central Junction. In addition to designs on distribution expansion of Mathugama/Agalawatta areas in Kalutara district and pre-feasibility study of Kethhena Improvement and Expansion Project was initiated. The pre-feasibility study of the multi-stake holder approach to Kalu Ganga catchment protection is ongoing. The PAC approval was obtained for the Pre-feasibility report on the Walallawita Water Supply Proposal.

Ingiriya – Handapangoda water supply project is proposed to improve the coverage of Manager (Panadura-Horana) region.

Kumbuka Water Supply Scheme was achieved “Excellent” award in Water Safety Plan during External Audit conducted by IESL. RSC-WS and Manager Office Dehiwala won the “Special commendation National Productivity Awards 2020”. RSC organized Poster Competition for World Water Day 2021 through social media (WhatsApp) in Horana and Mathugama educational Zone. IESL recognition received for P&D section and construction section. ISO 17025 Laboratory accreditation renewal received till 2024. RH and NRW budget achieved approximately 100% achievement for year 2021.

Poster Competition for World Water Day 2022 were designed and are currently in the Procurement stage

All three Regions were taken 100% of their meter readings, using meter reader Application Software. The Special Investigation Unit inspected 434 Nos. of illegal connections and was able to confirm 46 nos. of illegal connections during the year – 2021.

Western - North

The Regional Support Center Western North (RSC-WN) is the second most populated district in Sri Lanka is responsible for supplying potable drinking water to the entire Gampaha district. 21 water supply schemes are in operation and RSC has 332,000 total water supply connections with over 27,000 new connections during the year under purview. Total pipe borne water supply coverage has recorded as 57.5% whereas 51.7% by

the NWSDB under the administrative boundary of the RSC. During the year 2021 the Kelaniya Right Bank Stage 2 project with a water treatment capacity of 180,000 cum/day was commissioned and it improves service level of the Kelaniya, Biyagama, Mahara, Wattala, and Ja-Ela DS divisions. Moreover, during the year, the Katana Water Supply Scheme with a capacity of 16,000 cum/day was inaugurated.

During the year achieved the 103.0% target collection which is amounted to LKR 4,221.6 million for the sales of 86.6 million cubic meters.

To better focus on NRW reduction activities, NRW section was added to the RSC(WN) in September 2021. Bottlenecks identified in the Veyangoda distribution system were improved, and flow meters are being installed in the Kelaniya region. The NRW in the RSC is 19.8% at the end of the year 2021. Under the rechargeable budget construction activities worth of LKR 52.65 million was done during the year.



Katana Water Connection Programme. In Sept 2021

Through internal system improvements, the RSC restarted connection programs in Veyangoda, Yakkala, and Gampaha that had been halted for last few years. Further, for many years, residents of Minuwangoda and Udugampola received less than 2 hours of water supply due to water source constraints. RSC could improve its water distribution system in 2021 to ensure continuous supply to existing customers 24 hours a day. as well as provision of new water connections. RSC has started augmentation of four water treatment plants: Gampaha, Divulapitiya, Raddolugama and, Ranpokunawatta,. The construction of these water treatment plants is currently underway, and it is expected to complete constructions by 2022, improving the quality and quantity of water provided to people in the Gampaha district. In keeping with the government's vision of providing water for all, the Regional Support Center laid pipe line extensions of more than 385.km in year under purview to expand the area served by the RSC. To improve productivity, the majority of available materials were used for the

forementioned pipeline extensions, and stock levels were maintained at reasonable level by computerized all stores, merge Gampaha and Yakkala, single stores Minuwangoda, Divulapitiya, Meerigama and Udugampola single stores, Kirindiwela, Pugoda and Raddolugama as single stores. Introduce assets management section in the RSC and pilot assets management programme was conducted during the year.

The RSC placed third in the National Productivity Awards for Service Sector-Medium Scale category, which was organized by the National Productivity Secretariat. Furthermore, the Kelaniya Area Engineer's Office received special commendation in the services-small scale category. In the same category, seven other offices in the region also received commendation. Area Engineer's office Kelaniya and Manager's office Kelaniya received "5S" Certificate from the National Productivity Institute in 2021. Under World Bank assistance, RSC started conducting a feasibility study for the construction of a septage treatment plant for the Gampaha district. Throughout the year RSC(WN) provided drinking water supply in compliance with the SLS 614:2013. Furthermore, RSC achieved several achievements in the water safety plan.

Southern

The RSC consists with Galle, Matara and Hambantota Manager Regions by covering geographical area of Gall, Matara and Hambantota districts. 51 water supply schemes are in operation and RSC has 361,000 total water supply connections with around 18,000 new connections during the year under purview. Total pipe borne water supply coverage has recorded as 62.0% whereas 50.0% by the NWSDB under the administrative boundary of the RSC.

During the year achieved the 104.0% target collection which is amounted to LKR 2,953.2 million for the sales of 73.4 million cubic meters.

Actions were taken to reduce the NRW values by preventive maintenance programs and identification of illegal connections. Under the Accelerated NRW Reduction Programme, Galle WSS, Integrated Ambalantota-Angunukolapalessa-Hungama-Ridiyagama Distribution Areas, Balapitiya WSS and Ambalangoda WSS are identified as priority schemes which require system rehabilitation NRW management. For the Galle WSS which has a high NRW value (30-40%), PAC and Board approvals have been

obtained and the design works including hydraulic modeling based on DMA arrangement has been completed. BOQs for pipe supply and laying works has been completed. Tender document is under preparation. Documents needed for NPD approval is under preparation. Design works for other three projects are currently in progress. The mapping works of distribution systems in Galle, Matara & Hambantota regions has been completed.

Under the Energy Saving Programme, two contracts namely; Installation of a solar panel for Matara Office and Replacement of inefficient pumps have been completed. In addition, nineteen (19 Nos) of contracts has been initiated by the M&E Section to rectify identified M&E issues in the Southern Province.



Flocculator & Sedimentation Tank of the Hallala WSP Stage I

Under the Rehabilitation Budget, LKR 115.65 Million worth activities namely; Installation of Penstock valves for Malimbada and Wakwella, UV visible spectrophotometer for Matara laboratory, Supply and Installation of Standby Generator and Side Suction Centrifugal Pumps for Malimbada WSS, Pumping sets for Pitigala WSS, Electromagnetic Flowmeters for Galle Region, Aluminium Chloride and Polymer dosing system for Angunukolapelessa WSS and Kataragama WSS, vacuum type gas chlorinators for Ambalantota WSS and Tangalle WSS, Electrically Driven centrifugal pumping sets for Ridiyagama wss have been installed and Supply and Installation of Motor operated valves for Sooriyawewa WSS and the civil works namely Replacing of filter media for rapid sand filters at Nadugala WTP and Wakwella WTP and Cleaning of Sewer Pipes of Hikkaduwa Wastewater Treatment Plant Construction of Pipe supports at Malimbada WSS, Quarters at Kudawella, Karagoda Uyangoda and Deniyaya, Rehabilitation of rapid sand filters at Hapugala WTP, stores and road at Beekka OIC office, regional stores at Baddegama, Nalagama WTP and sludge drying beds at Kattakaduwa WTP have been completed. Service contracts for rearranging domestic connections and relaying of pipes parallel to 100,000 km RDA Road Development project in Hambantota have been carried out.

Under the construction activities, the first phase of Augmentation of the Tissamaharamaya WSS has been completed. The current progress of the Second phase of the same is 6%. The laying of the Angunukolapelessa pumping main has been completed to provide drinking Water Supply Facilities to Eraminiyaya Prison Complex and to serve people in Angunukolapalassa Area under the Rechargeable (Department of Prison) funds. Pipeline extensions work for Naigala to Kumaratunga Mw. and Beliatta Road from Walasgala Ice Plant to Diaela in Dickwella WSS has been completed by utilizing funds available under Matara Short Term Improvement - Capital Budget (GOSL). The physical Progress of Upgrading of Hallala Water Treatment Plant – Phase I is 21%.

Water Safety Plans have been implemented for 44 WSS out of 53 WSS in Southern Province by end of the year 2021. All 11 modules were completed for 38 WSS out of 53 WSS. Internal Informal Audits were conducted for 34 WSS and assessed marks of them were within 79-102 (good and average grade scales). Internal Formal Audits were conducted for 31 WSS and assessed marks of them were within 91-110 (very good and good grade scale). External Informal Audits were conducted for 23 WSS and assessed marks of them were within 79-114 (average to excellent grade scale). External Formal Audits were conducted for 14 WSS and assessed marks of them were within 91-114 (good and very good grade scale). Under Sector Planning works, PAC approval has been obtained for 14 Nos of Annex 2 projects, 1 No. of Annex 3 project and 1 No. of Annex 4 project. Pre-feasibility study and reports have been completed for 04 Nos of Annex 4 projects. NPD approval has been obtained for Lunugamvehera IWSP, planned under ADB financing. Pipe laying rate contracts for Jandura and Ihalagama distribution expansion projects proposed under Barawakumbuka WSP Phase II (A2-49) and Mahaaluthgam Ara distribution expansion project proposed under under Ruhunupura WSP Phase II (A4-63) have been awarded. Design works, hydraulic modeling and clustered contract packages for the proposed distribution systems of Udugama WSP (A2-45), Barawakumbuka WSP Phase II (A2 -49) and Kataragama WSP (Short Term) (A2-47), Pitigala WSP (A2 -44), Wakamulla WSP (Phase II) (A2-54) have been completed (833 km). Civil contract for Construction of 2 Nos of Ground reservoirs under Kataragama WSP (Short Term) Zone II (A2-47) has been awarded.

Under RWS works, the approval of Board of Directors has been obtained for taking over of 4 Nos. CBO Schemes namely; Maha aluthgamara, Ihalagama and Deniya Pingama and connected to the NWSDB systems.

Taking over procedure of 9 Nos CBO schemes and 2 Pradeshiya Sabha Schemes has been almost completed. Under the CKDu funding, laying work of distribution system (12 km in length) has been completed in Gonnoruwa, Sooriyawewa and Mavusirigama and the bowser water supply which incurred cost of LKR 5.25 Mn has been distributed among the people living in CKDu affected areas.

Under Planning and Design works, design and documentation work in augmentation of Kataragama, Baddegama and Udugama WTPs, construction of WTPs in Barawakumbuka, Morawaka and Wakamulla have been completed in 2021 by the planning and design section and procurement work have already been commenced. Furthermore, pipe laying contracts of Matara Stage IV Distribution WSP and Baddegama Short Term Improvement have been completed and forwarded to the PPMU unit. The design works, BOQ preparation and tender documents for Laying of Transmission (78.3 km) and Distribution System (367km) of Lunugamwehera Integrated WSP which has been proposed under ADB financing have been completed.

To ensure a safe water supply within Southern province 2,977 water samples in Matara region, 2,039 samples in Hambantota region and 1,801 water samples in the Galle region have been tested and submitted reports to the relevant CBOs and National Community Water Supply Department.

According to the 2021 stock verification, the stock value in the southern region was about LKR 742 million on 31.12.2021 and the non-moving stock value was LKR 39 million, the slow-moving stock value was LKR 37 million and the stock value of the unserviceable item was LKR 04 million. The Unserviceable stock has already been handed over to the Polwatta main stores for auctioning.

Training programmes in several areas such as Commercial Activities, HDPE Pipe Installation & Leak repair, Introduction of (MPOS) Machine, Preparation of Audit Plan, Inventory Management System (IMS), Water GEMS and Software for modeling of Distribution and Transmission System have been carried out.

North Western

The RSC consists with Kurunagala and Puttlam Manager Regions by covering geographical area of Kurunagala and Puttlam districts. 16 water supply schemes are in operation and RSC has 108,000 total water supply connections with over 13,000 new connections during the year under purview. Total pipe borne water supply coverage has recorded as 28.6% whereas 14.6% by

the NWSDB under the administrative boundary of the RSC.

During the year achieved the 103.0% target collection which is amounted to LKR 769.7 million for the sales of 21.4 million cubic meters and it is recorded as the highest in history as well as 80,000 connections have been digitized.

Laying of pipes length of 38km in diameters of 160mm, 110mm and 90mm were completed under "Water for all" during the last year. Pipe line extensions of 90km length have been completed during the last year under several budgets. Further, all stores (10 Nos) in the Kurunegala region have been connected to the IMS system successfully during the last year. Hence, all stores in the North Western region have been successfully utilize the IMS system. Implementing the energy saving programme, two solar power projects (230kW) in Water Reclamation Section were initiated expending LKR 25 million which led to generate an average extra income of LKR 500,000.00 per month with an average total energy generation of 22,000kWh per month. Rehabilitation of Wariyapola water treatment plant was carried out by improving the inefficient distribution pumping arrangement. Total investment for replacing the distribution pumps were LKR 35.0 million and the annual saving by the electricity was LKR 25.0million. Under the rechargeable budget of investing LKR 184.0 million for supplying of 1500m³/d treated water to Bingiriya BOI was successfully completed in last year and 500m³/d out of 1500m³/d were used for the domestic consumers nearby the BOI. The fully automated pumping system of LKR 73.0 million were used to convey the water.

All Module of Water Safety Plan have been completed for Wariyapola WSS, Giriulla WSS, Narammala WSS in Kurunegala Region and, Bingiriya WSS, Nelumpokuna WSS, Dankotuwa WSS and Eluwankulama WSS in Puttalam Region.

Sewerage consultancy LKR 17.5 million was gained as consultancy charges for designs & consultancy work which were carried out for Gokarella Hospital, Kegalle Post office, Thambuththegama Economic Centre, Mawathagama BOI and Bingiriya BOI. Further, Consultancy work for construction of septage treatments for WaSSIP project was carried out during 2021 by Water Reclamation Section.

Groundwater Section, North-Western province had completed 62 hydrogeological investigations, 16 Tube well drilling, and 16 hand pump repair and rehabilitation. In addition, a well was constructed with a recommended yield of 960m³/day for the proposed RO plant in Kalpitiya

and a deep tube well was constructed for Narammala WSS with recommended yield of 768 m³/day.

LKR 20,000 million worth of designs, tender documents have been prepared for head works of Bingiriya - Udabaddawa & Makandura-Pannala-Kuliyapitiya IWSP, Polgahawela - Pothuhera - Alawwa Integrated Water Supply Project, In filling of Kurunegala Zone 03 WSP, Mawatahagama WSP, Chilaw WSS (Stage II), Puttalam WSP (Stage II), Katupotha - Bamunakotuwa - Panduwasnuwara Water Supply Project, Deduru Oya WSP, Kakkapalliya-Wennappuwa, Dankotuwa WSS.

New Manager Office for Puttalam district was initiated from April 2021 and Environment Protection License (EPL) acquired for Water Reclamation Center for year 2022. Aline to the government goal, preparation of sanitation master plan was initiated for Greater Kurunegala Water Reclamation System. As a part of that Construction of septage Treatment Plant was initiated in the newly acquired land.

Thimbiripokuna, Nuga Ela, Ipalawa, Buduruwakanda and Panaliya Rural Water Supply Schemes were constructed and under Wayamba Development fund and handed over to the Water Supply Department in Kurunegala. LKR 26.4 million from RWS fund from State Ministry was expended and completed Musalpitiya, Maragama & Diddeniyawatta RWSS and 90% of Thoranegedara RWSS. Hettiarachchigama WSS, Abukkagama WSS were completed and 98% of Moyashifa WSS was completed and expending of LKR 13.6 million under CKD Budget from State Ministry.

Expenditure of CKD Budget was 73.62% amounting LKR 13.61 million, RWS Budget was 53.81% amounting LKR 26.42 million, Funds for Small Town Water Supply Project – State Ministry 38.91% amounting LKR 16.81 million, Utility Shifting budget 64.20% amounting LKR 7.51 million, Rehabilitation budget 53.06% amounting LKR 68.91 million, NRW budget 32.48% amounting LKR 12.18 million, Energy Serving LKR 51.1 million and “Water for all” was LKR 220.17 million.

North Central

The RSC consists with Anuradhapura and Polonnaruwa Manager Regions by covering geographical area of Anuradhapura and Polonnaruwa districts. 32 water supply schemes are in operation and RSC has 160,000 total water supply connections with over 15,000 new connections during the year under purview. Total pipe borne water supply coverage has recorded as 60.0% whereas 39.3% by the NWSDB under the administrative boundary of the RSC.

During the year achieved the 102.0% target collection which is amounted to LKR 1,383.8 million for the sales of 32.7 million cubic meters.

During the NRW reduction activities in Anuradhapura region, it was identified and rectified 8,790 leaks and identified 6,995 defective meters as well, it was resulted to reduced NRW up to 18%. 346 estimated bills were corrected while collecting arrears in 110 numbers of connections. In Polonnaruwa region, it was identified and rectified 4,814 leaks and identified 6,995 defective meters as well, it was resulted to reduced NRW up to 22.97%.

19 numbers of Tender Documents were forwarded for "water for all budget" amounting to LKR 5,302 million. Furthermore, 160 tender documents were prepared for CKDu, Rehabilitation and O&M funds amounting to LKR 246 million. Designs related to Head work improvements in Galnewa, Thuruwilla, Nuwarawewa, Thissawewa, Minneriya and Gallella WSS were done by RSC (NC) P&D section with the assistance of P&D division, Head office. Thirteen Contracts with a value of LKR 2,540 million were started under "water for all budget" while LKR 1,159 million contracts were awarded under other budgets. Under "water for all" budget bills amounting to LKR 1,823 million was forwarded by RSC(NC). Physical and financial progress of Anuradhapura North WSP phase I is 98.78% and 78.82%. Likewise, progress of Thambuththegama WSP is 76.3% and 75%. Construction work of Anuradhapura North WSP phase II to be started in 2022.

Water safety plan had been initiated in 22 WSS and Up to 11 modules were completed in 13 WSS. 02 external informal audits and one external formal audit were conducted. 43 CBOs were taken over in Rambewa and Medawachchiya DSDS and social surveys were conducted to identify the potential water supply connections. Tree planting

programmes were initiated in Nuwarawewa, Gallella and Horowpothana. School Water Supply Facility Development program conducted by the ST-RWS section assisted by the World Bank was completed in 43 schools.

Drilling activities were carried out in 41 number of production wells. In addition, flushing of 48 wells, repairing of 45 hand pumps and 64 Hydrological Studies were completed. Land acquisition is in progress (72 plots) for proposed projects. Total assets of RSC (NC) are LKR 15,380 million. Annual Asset verification was completed and the project capitalization is going on. During the year training programme on COVID 19 prevention and a vaccination programme was concluded for all the staff members of the region. Training programme on new attendance system was also conducted.

Financial progress of RH budget and NRW budget was

50.68%, 83% respectively. Medirigiriya LBF project and Pibidemu Pollonaruwa project was completed in 2021.

Central

The RSC consists with Kandy-South, Kandy-East and Kandy-North Manager Regions by covering geographical area of Kandy, Matale and Nuwaraeliya districts. 36 water supply schemes are in operation and RSC has 307,000 total water supply connections with over 16,000 new connections during the year under purview. Total pipe borne water supply coverage has recorded as 56.8% whereas 40.1% by the NWSDB under the administrative boundary of the RSC.

During the year achieved the 103.0% target collection which is amounted to LKR 2,195.0 million for the sales of 61.7 million cubic meters.



Walapane Pipe laying

Rehabilitation of University water supply scheme, Augmentation of Wegala CBO, Renovation of RSC building, Augmentation of Balagolla WTP, Construction of 1500cum package treatment plant at Medadumbara and Pipe laying along Ampitiya - Thalathuoya road had achieve the physical progress of 58%, 80%, 12%, 16%, 18% and 57 % respectively. Rambukpitiya and Kerthibandapurapura pipe line extension of 5km & 7.2km respectively had recently awarded. In Central East Manager Region, replacement in baffle boards in Rikillagaskada flocculator , Fencing around Mool oya intake, Reneovation of BPT Medadumbara, Rangala WTP, Digana OIC office, Pipe laying in Enasalarawa in Rikillagaskada, Kothmale road Thalawakele WSS, several other by road pipe laying works and regarding the Central North Manager Region, rehabilitation of Matale, Polgolla Ankumbura WTPs, renovation of WTP and reservoirs under Dambulla WSS, Pipe laying under infilling program in Harispattuwa, Akurana, Poojapitiya, Dambulla, Ukuwela, and in the Central South Manager Region, Construction of Eriyagama Stores fencing, boundary wall, painting and roof renovation Alpitiya renovation of board quarters Hanthana WSS, Improvements of Datry intake, Renovation of Gannoruwa office, Painting 1500m³ capacity Mariyawaththa water tower and office building Gampola

WSS, Vehicle hut at Gampola AE office were done. Pipe line shifting works has done for a length of 5km. Water supply facility provided to COVID treatment center at Kurunduwatta, Nawalapitiya. 11.5 km of pipe line extension were done. Catchment protection works were carried out in Paradeka catchment.

In addition to above, Installation of Yatiwawala, Angunawala, Medadumbara, Galpalliya (university) Pumping systems, CS WTP SCADA system and Balagolla & Marassana E&M augmentation were made to Cost of LKR 154Mn.

Designs of work Naula- Wahakotte WSP consists of Transmission system including service reservoir, pump house, Ganga Ihala Korale WSP for 03 service reservoirs, Ankelipitiya WSP for balance work, Nawalapitiya Pallegama Galabodaella WSP & Marassana WSP for pipe supply, Hasalaka WSP for WTP construction, Pupuressa Atabage WSP for raw water main & zonal pipe supply, Kothmale riverside WSP for booster pump house & service reservoir construction were completed and send for procurement works. Surveying works for Hathraliyadda Zone 01 completed & Hapugathalawa WSP has started. Tender for WTP, Gampola Jayamalapura WSP is under preparation in addition to three main transmission mains leaks, 78 nos. of invisible leaks were detected along 24.3km random survey of pipe routes. Apart from that, 45,409 nos. major and minor leaks were attended by the RSC staff. Feasibility studies for Greater Dambulla Stage II started, related estimates prepared for Gama Samaga Pilisnadara, school water supply program. Data collection completed for 15 co-operate planned projects. 203 O&M land acquisitions and 125 new lands under the "water for all" budget are in progress. Overall WSP implementation achievement in the region is 91% and WSP verifications were made in 06nos schemes. Audit condition 'GOOD' and 'VERY GOOD' gain for Meewathura and Greater Kandy WTPs. Drinking water samples of 12, 540 Nos. were tested for Chemical and Microbiological parameters for 11,459 Nos., NWSDB and 1081 Nos., outside including 71 Nos. of CBO water quality surveillance program. ISO 17025 started in CS regional lab. 62nos. hydrogeological investigations, 15 nos. bore hole well drillings, 02 times bore hole well flushing were done. RSC training division has conducted 03 numbers of in-house training programs. Team of central province athlete received higher achievements this year in Janasathu Sewa athletic championship.

Sabaragamuwa

The RSC consists with Ratnapura and Kegalle Regions by covering geographical area of Ratnapura and Kegalle districts. 24 water supply schemes are in operation and RSC has 137,000 total water supply connections with over 9,000 new connections during the year under purview. Total pipe borne water supply coverage has recorded as 29.5% whereas 23.1% by the NWSDB under the administrative boundary of the RSC.

During the year achieved the 104.0% target collection which is amounted to LKR 2,195.0 million for the sales of 24.6 million cubic meters.

Night leak surveys, monitoring disconnections and illegal connections, Rectification of service connections leaks, replacing low pressure rated pipes and aged pipes were carried out in the RSC. 30 million rupees spent for NRW ongoing activities in 2021. Replacing of inefficient pumps and avoiding pumping during peak hours were some of the energy saving activities practiced during the year. During the year 2021 monthly average energy consumption was 1420000 Kwh and monthly average CEB bill was LKR 20.0 million.

In order to reduce the stock levels IMS module was implemented in all Stores and connected with online facility except one stores and Physical and financial Progress of this component is 47% and 37% respectively.

Greater Ruwanwella Water Supply Scheme to be implemented to construct 4,000 m³ /day capacity treatment plant at the cost of US \$ 32 million. The Physical Progress of the Project is 27.5 % and the financial progress is 27.5%. Construction of Hemmathagama Water Supply Project is ongoing and progress is 65%. Physical and financial progress of Greater Ratnapura Water Supply Project Distribution component are 68% and with 41% respectively. Under water for all programme Kahawatta – Pelamdulla transmission main project, Augmentation of Balangoda Old Water Treatment Plant. Raw water Transmission improvement in Eheliyagoda WSS, Padalangala pipe laying project in Embilipitiya WSS and pipe line extension Kiriella WSS has been started in Ratnapura region. In Kegalle region six projects were started out of sixteen identified projects and works are ongoing. They are integration of Kegalle WSP, augmentation of Mawanella treatment plant and distribution system, Improvement of Raw water transmission in Adurapotha tank in Kegalle WSS, Upgrading of Dehiowita, Ruwanwella and Warakapola water Supply schemes. Installation of Package Treatment Plant at Eheliyagoda treatment plant competed at a cost was LKR 19.0 million under Capital

budget. Construction of treated water pump house in Embilipitiya WTP premises to feed Padalangala pumping main is carried out under CKDu funds. Total estimated cost was LKR 40.0 million.

Implementation of water safety plan continued in the year 2021 in both regions. under water safety plan, awareness programs and tree planting programs were conducted in Ratnapura & Kegalle regions. Furthermore, water safety plan module completion in Ratnapura region is about 60% and 50% completed in Kegalle region. Internal informal and formal audits were completed for Udawalawa, Embilipitiya and Balangoda WSPs and external formal audit completed for Kahawatta WSP.

Under the WaSSIP project Waraketiara, Galamuna, Randola, Gewal 72, Padalangala, Madampe water supply schemes were completed. progress of Pambahinna Urban Water Supply Project is 80%. Galigamuwa WSS has been completed under WaSSIP Project. Pipe laying under additional scope of this project is ongoing. Kegalle resettlement project carried out under resettlement funds. Total expenditure during 2021 was LKR 36.80 million over 15 sub projects.

Uva

The RSC consists with Bandarawela and Monaragala Regions by covering geographical area of Bandarawela and Monaragala districts. 35 water supply schemes are in operation and RSC has 136,000 total water supply connections with around 18,000 new connections during the year under purview. Total pipe borne water supply coverage has recorded as 53.2% whereas 34.7% by the NWSDB under the administrative boundary of the RSC.

During the year achieved the 104.0% target collection which is amounted to LKR 822.7 million for the sales of 22.3 million cubic meters.

NRW section was formed under CE Construction to undertake a NRW monitoring and reduction programme in both Bandarawela and Monaragala Regions. Night leak surveys, monitoring disconnections and illegal connections were done by the section. Rectification of existing service connections, replacing low pressure rated pipes and aged pipes etc. were done under the NRW budget in 2021.

Replacing of inefficient pumps and avoiding pumping during peak hours were some of the energy saving activities practiced during the year. In addition to reducing electricity cost, by implementing the preventive maintenance in all pumping stations the maintenance cost and the pump breakdown period has

also been reduced. Also, solar panels have been fixed in Kumbukkana WTP, Wellawaya WSS and Monaragala Workshop buildings.

In order to reduce the stock levels in RSC about 35km pipe laying was done using the pipes and fittings available at the RSC. In addition to pipeline extension works done through contracts as well as community participation as 70km in Badulla and 30km in Monaragala. Further about 40km pipe line replacement was done parallel with the road improvement works. Pipe laying of A5 road about 43km was carried out as Rechargeable activities in Badulla District from 2019 and was able to completed 34km. Improvements to water supply facility in schools were carried out through RWS section by utilizing funds from Ministry of Education.

Under rehabilitation works, RSC Uva could carry out more than 100 contracts in Badulla and Monaragala districts and total contract amount was around LKR 200Mn. Rehabilitation of water supply schemes, OI Coffice and quarters, transmission and distribution systems, M&E improvements of the region. Most of the works were completed while the others are ongoing. Though the construction works affected by Covid-19 pandemic as well as restriction to imports, utilizing rehabilitation budget in year 2021 was a great achievement. Meantime, it was able to provide 15,848 nos of new connections during the year.

Water Safety Plans were started almost all the schemes and all modules were completed in 15 schemes of the province. External Audit was completed in Demodara and Monaragala WSSs and internal informal audit was completed in 8 schemes during 2021.

The Regional Manager Office Bandarawela was awarded 3rd place and Uva Regional Support Center (RSC) office Badulla was awarded Commendation certificate under service sector (medium) by National Productivity Awards 2021 was a great achievement.

25 training programmes were done in year 2021 from training budget as well as from some other sponsorship including online trainings.

Outstanding issues related to water supply were monitored by the hon. minister and Secretary to the Ministry by visiting the whole area in both district and aware the political authorities regarding the proposed projects. Five major contracts including 3 head works contracts and 2 pipe laying rate contracts were awarded under "Water for All" project during the year, while 8 contracts were called and under evaluation. PAC approval was obtained for Wellawaya Stage II, Thanamalwila Sewanagala, Loggaloya and Welimada Stage II WSPs during the year.

Northern

The RSC consists with Jaffna and Vavuniya Regions by covering geographical area of Jaffna, Killinochchi, Vavuniya, Mullaitivu and Mannar districts. 34 water supply schemes are in operation and RSC has 37,000 total water supply connections with over 5,000 new connections during the year under purview. Total pipe borne water supply coverage has recorded as 15.5% whereas 13.7% by the NWSDB under the administrative boundary of the RSC.

During the year achieved the 97.0% target collection which is amounted to LKR 198.1 million for the sales of 5.3 million cubic meters.

Replacement of AC Pipeline in Karaveddy and Chunnakam, installation of 44 nos. of valves and replacement of 405 nos. of defective meter have been carried out under NRW reduction. 7.67 km of pipeline extension works were completed under the RH budget. LKR. 10.15 Mn worth pipeline extension and new connection work completed under Rechargeable fund. 3.09km of pipeline extension work was carried out under Vavuniya Region.

Solar power systems with the capacity of (70 KW) and (65 KW) was installed at Vallipuram Pumphouse and Kilinochchi Water treatment plant respectively.

Water sharing approvals were obtained from NPC for G/Kilinochchi WSP (Dry Aru water source) and from Mahaweli Authority for Welioya WSP (proposed Kivul Oya reservoir). NPD approval was obtained for G/Vavuniya WSP and clarifications were sent to NPD for the approval of G/Mannar WSP. PAC approval for G/Kilinochchi WSP and PAC & Board approvals for Bogaswewa WSP were obtained. 1,012km from 30 WSSs have been digitized under the WAMS, using Arc GIS. Design works worth LKR. 1,127 Mn last year 2021 under the funding of Capital budget and local funding.

The details of Existing and required Septage Treatment Plants (STP) and DEWWATs were collected from DSDs, LAs, Hospitals and other institutions. Awareness Programme on the preparation of SMP was conducted and Pollution Map for Northern Province was developed. The Sanitation Master Plan (2021-2030) was presented to the Mullaitivu, Vavuniya and Mannar Districts.

The water safety plan is fully implemented in 16 no. of schemes, partially implemented in 4 no. of schemes. Kilinochchi, Mannar and Point Pedro WSS underwent the external formal auditing for WSP and scored good marks.

Construction activities, worth of LKR. 150.23 Mn have been carried out using “Water for All”, Rehabilitation, NRW and capital funds. 97 no. of tenders and quotations have been awarded. The capacity of 1,196 m³/d was increased through to Groundwater source development. Operational issues prevailed in intake wells of were solved by developing 23 wells. 25 Nos tube well constructions and 42 hydrogeological investigations were completed.

Regional Laboratory-Jaffna has been awarded standard of 5S certification by the National Productivity secretariat which is registered as a laboratory for environmental monitoring and evaluation under (CEA). Rs. 3.5 million was gained with laboratory services to various stakeholders. Regional office Jaffna has been awarded SILVER Rated Green Building Certification, Standard of 5S Certification and National Productivity Award “Special Commendation” Frequent bacteriological contamination in Jaffna, high fluoride content in Oddusuddan and Nedunkerny WSS have been reported. Generally, hardness, chloride, EC, Alkalinity contents of the Jaffna region are above the standards.

Eastern

The RSC consists with Trincomalee, Ampara, Batticaloa and Akkaraipattu Regions by covering geographical area of Trincomalee, Ampara and Batticaloa districts. 56 water supply schemes are in operation and RSC has 332,000 total water supply connections with over 29,000 new connections during the year under purview. Total pipe borne water supply coverage has recorded as 78.2% whereas 71.1% by the NWSDB under the administrative boundary of the RSC. During the year achieved the 107.0% target collection which is amounted to LKR 2,075.2 million for the sales of 56.0 million cubic meters. Schemes wise collection efficiency improved by door-to-door approach, Consumer Mobile numbers updating 85% completed and commenced message sending service, WhatsApp, messaging etc. Bundle pipe replacement carried out for NRW reduction and service extension. RWS schemes taken over with house connection and included into billing system, instead of Bulk supply at RWS areas.

Many NRW reduction activities were conducted during the year under the NRW reduction programme. Bundle pipe replacement, meter shifting, connections transfer and main pipe replacement were completed during the year under purview. Under Energy Saving, regular preventive maintenance of pumps and equipment, energy audit and efficiency/performance tests were carried out in 2021. Also, establishment of solar panels

System to Regional Manager's offices at Trincomalee (80 KW), Batticaloa (40KW) and Ampara (75KW) was completed in 2021.

A total 212.5 km extension of pipelines were completed during 2021. Under Consumer Management and Assets Management Establishment region wise message system for consumer approach on complain, break down reporting, mobile collection arrangements for easy consumer access for payments and GIS mapping all assets have been commenced in all region. Under disaster preparation and disaster risk reduction, stand by power supply arrangements are made at all WTP, intakes and at pump houses, ready to continue Browser supply in the events of break downs and established information sharing system with in the regions by means of WhatsApp groups. All 11 modules implemented for 40 water supply schemes out of 57 water supply schemes and 12 WSPs implemented at WTP intakes out of 17 WTP intakes. In addition to Treatment plant improved with Filter media replacement at Kondawattuwan and Padiyathalawa WTPs. Actions taken to protect the Maha oya catchment area of intake under WSPs implementation of the RSC.

Under the Capital funds allocation, LKR 63.8 million, LKR 539.8 million, LKR 139.0 million, LKR 92.4 million, LKR 11.6 million and LKR 34.6 million has been allocated for Rehabilitation works, “Water for All” programme, Local Bank funds, LKR 600 Mn. Special allocation, Utility Shifting and CKD activities respectively, out of which total of LKR 202.6 million has been spent and out of which LKR 29.4 million for WTP construction and improvement in Ampara region under CKDu funds, balance LKR 173.2 million spent for WTP improvement and reservoir construction in Trincomalee region under LKR 600 million special allocation. As RWS activities, CBO scheme taken over in Ampara region and another CBO scheme taken over is in progress in Trincomalee region and School water supply provision is in progress out of 45 selected schools were completed in 2021 under CKDu activities. For Stock Levels Maintenance, Materials in stocks are being utilized for “Water for All” projects and materials send to other for stock reduction. Redundant and Un-serviceable materials were re valuated for real price and actions taken for disposal/sales.

All regional activities were functioned during the year under purview while facing the other issues such as Kanthale production to be increased to cater Trincomalee for 24 hours supply. High NRW due to aged pipes and undersized pipes thus regular break down in Trincomalee. Lack of skill workers specially pipe fitter, electrician and back hoe operators.

Western – Production

The RSC- Western Production (RSC-WP) currently operates and maintains 8 drinking Water Treatment Plants (WTP) at Ambatale, Labugama, Kalatuwawa, Biyagama, Bambukuliya, Kandana, Kethhena and Nawagamuwa (Chico) of which Ambatale WTP is the largest facility producing nearly 550,000 M3/day. The Ambatale WTP alone produces nearly 45 % of the total production of RSC- Western Production. The total production of RSC - Western Production is increased to 1.27 million cubic meters of drinking water per day since November-2020 with the commissioning of the KRB II project which has the capacity of 180,000 M3/day. RSC- Western Production produces more than 50 % of the total production by NWSDB per day. The ongoing Augmentation of Kethhena WTP to increase the capacity to 72,000 M3/day is expected to be complete by March 2022. Ambatale capacity improvement by 50,000 M3/day and Weliwita WTP of 180,000 M3/day are also expected to boost the production capacity shortly to cater for the growing demand in the western province. Kandana - Phase II contract awarded was also held in October 2020 and expected to proceed soon.

The RSC Western production caters drinking water to Colombo, Gampaha and part of the Kalutara districts. Water is being distributed through 3 RSCs called Western Central, Western North and Western South. The operation and maintenance activities of RSC-WP are divided among four managers (Manager-Operation, Manager-Kandana, Manager –Biyagama, Manager -Maintenance) to ensure a safe and uninterrupted supply of water.

Water supply capacity increment of Ambatale Water Treatment Plant was carried out by interconnecting Ambatale Water Treatment Plant and Kelani Right bank Water Treatment Plant. A 50,000m³/ day treated water capacity is supplied through the old church hill pipeline and newly laid 800mm DI pipeline. This allowed further expansion of capacities in the Ambatale Water Treatment Plant.

Three water treatment plants namely Ambatale, Biyagama and Bambukuliya have acquired ISO 9001-2015 Quality Management System certification. Ambatale laboratory has upgraded the ISO 17025 -2005 accreditation to ISO 17025 -2017 accreditation following the recertification audit by Sri Lanka Accreditation Board (SLAB) held in January 2021. This enables the Ambatale laboratory to meet the new lime standard SLS 1577-2017 which includes Magnesium Oxide. In addition, accreditation for four more water quality parameters (Ferrous, Fluoride, Phosphate and Nitrate) were also added to the existing list of

accredited water quality parameters (pH, Turbidity, Conductivity, Chloride, Hardness, Alkalinity) using APHA 23rd edition. At present Ambatale laboratory has accreditation for 25 parameters including heavy metals (Cadmium, Lead, Chromium, Manganese and Ferrous) in alum. Biyagama Water Treatment Plant Laboratory was certified for the Sri Lanka Accreditation Board (SLAB) for 17025 – 2017 in October 2021 and Kandana Water Treatment Plant Laboratory is planning to perform the final audit for the same accreditation in March 2021.

The Water Safety Plan (WSP) which is aimed at maintaining consistency in supplying safe water throughout the day is being implemented in 7 treatment plants and 3 of the WSPs external formal audited in 2020 were ranked “Good”. Internal Informal Audit for Labugama WSP was conducted in 2020 and the remaining WSPs are ready for the audit. Biyagama WTP was awarded 2nd Place for Productivity in 2018 for Medium Scale Industry. Activities to Improve “Productivity” and “5 S” such as training and workshops are conducted for all treatment plant sites.

Ambatale Water Supply System Improvement and Energy Saving Project (AWSSIESP) which is aimed at improving the reliability of the Ambatale system has started its work. It will replace many old pumps and valves in the system to improve efficiency, save energy and upgrade the system to be operated through SCADA. The project will also commission a sludge treatment plant with a capacity of 8000 M3/day which will improve the commitment towards environmental safety.

Water quality surveillance is a routine function of Western production. The pipe-borne drinking water is being monitored up to the consumer distribution points to ensure compliance to SLS 614: 2013 standard.

Annual stock verification and fixed asset verification are done to identify the unserviceable and non-moving items of available stocks. The outcome of the stock verification is analyzed to reduce the stock level and improve the asset management activities.



Sustainability and Emergency Response

While all day-to-day activities of National Water Supply & Drainage Board are naturally oriented towards the realization of SDG Goal 6: “Ensure availability and Sustainable Management of Water and Sanitation for all”, NWSDB actively engaged in the National level activities for implementing Sustainable Development Goals in Sri Lanka. Transforming from the Millennium Development Goals to Sustainable Goals, the NWSDB under the guidance of the Ministry of City Planning, Water Supply and Higher Education was engaged in developing national indicators and setting targets in order to monitor and report the achievements related to Goal 6.1; achieve universal and equitable access to safe and affordable drinking water for all and Goal 6.2; achieve access to adequate and equitable sanitation and hygiene for all and end open defecation, paying special attention to the needs of women and girls and those in vulnerable situations by 2030.

Corporate Action Plans of NWSDB are oriented towards the relevant SDG. Also, a committee appointed by the Secretary, M/CPWS&HE worked on establishing the baseline and targets. Goals and targets recommended by this special committee was finalized and validated by the Stakeholders in June 2019. NWSDB is continuing taking action to incorporate relevant activities in to the future Operational and Development plans and relevant budgets to achieve the set targets therein.

NWSDB also held several discussions under the leadership of the Ministry, with the Department of Census and Statistics regarding development of the questionnaire for data collection for this purpose, during the year 2019.

NWSDB continued to actively engage in sustainability and emergency response with related government institutions in 2021 too and contributed in several workshops conducted by government institutions; details of which are as follows.

- i. National Multi - Stakeholder Consultative Workshop for Sri Lanka Voluntary National Review – Auditorium of Sri Lanka Foundation Institute, 24.04.2018
- ii. Monitoring SDG 6 – Stakeholder Consultation Workshop – Ministry of City Planning and Water Supply - Auditorium of Ministry of City Planning and Water Supply, 26.04.2018
- iii. Water Quality Testing Required for Household survey to be conducted by the Department of Census & Statistics - SDG 6 Target 6.1 - Auditorium of Ministry of City Planning and Water Supply, 23.10.2018
- iv. SDG 6 Indicator Committee meeting - Ministry of City Planning and Water Supply, 17.08.2018.
- v. Strengthening Water Supply & Sanitation sector Readiness for SDGs meeting with Key Stakeholders – the then Ministry of City Planning and Water Supply, 28.03.2018.
- vi. Webinar conducted by Joint Monitoring Programme of WHO and UNICEF on the Global Monitoring system on Safely Managed Water and Sanitation to achieve SDG 6.1 and 6.2 targets - Auditorium of Ministry of City Planning, Water Supply and Higher Education, 28.05.2019.
- vii. SDG 6 Targets – Formulation of National targets to

Achieve Sustainable Development Goals in Water and Sanitation - Auditorium of Ministry of City Planning, Water Supply and Higher Education, 26.06.2019.

viii. WHO / UNICEF Joint Monitoring Programme Assisted Workshop on SDG – 6 Indicators – Waters Edge Hotel, 23.07.2019.

ix. Preparation of SDG Mainstreamed Public Service Delivery for Ministries, Departments and Statutory Bodies, and Consultation on the National Policy and Strategy on Sustainable Development workshop – MOVENPICK hotel, 20.09.2019.

x. Review meeting on Joint Monitoring Program (JMP) Report 2020 -2021 - Auditorium of the Ministry of Urban Development, Water Supply & Housing Facilities, 05.03.2020.

xi. Validation Workshop for the National Policy and Strategy on Sustainable Development (NPSSD) - JAIC Hilton Jetwing Blue, 12.03.2020.14.03.2021.

xii. Review of Draft National Policy and Strategy on Sustainable Development (NPSSD) - Auditorium of the Ministry of Water Supply, 22.06.2020.

xiii. Mainstreaming and Data Capacity Building Workshop - Auditorium of the Ministry of Water Supply, 2021.03.19.

xiv. Submission of Data requested workshop held on 2021.03.19.

xv. Data submission for National Planning Department regarding to SDG indicators for water sector, 2021.08.17

xvi. Technical session on Mainstreaming and Data Capacity Building Workshop - Waters Edge Hotel, 2021.09.05.

In keeping to the Human Rights Action Plan of the GOSL, the NWSDB developed an “Emergency Response Plan” in 2018. The Emergency Response Plan has been designed to address various emergency situations that may occur in water supply systems as well as a guideline for the Operators and administration in order to minimize disruption of normal water supply services to its consumers and to the general public at large and provide public health protection and safety during an emergency. NWSDB made updates to this Emergency Response Plan in 2021 too. Review of the Drinking Water Policy too was continued in 2021, taking into consideration of the related new developments.

NWSDB contribution for COVID – 19 Pandemic Situation of the country on Emergency Response

Water supply connections and internal distribution systems were provided to Covid – 19 centers and quarantine centers islandwide on demand basis on emergency response. In addition to Bowser supply were arranged to Covid – 19 centers and quarantine centers and supply as placing of water tanks for hand washing facilities at public places accordingly.

Report of the Audit and Management Committee

“Every recommendation of the Audit Committee (AC) was forwarded to the board and some matters will be discussed further at the Board meetings”

Composition of the committee

In the year 2021, The Audit Committee consisted of the following members.

·Board Members

1.**Ms. A.R. Wickramasinghe** –,Chairman of the AC

2.**Eng.T.M.R.P.Thennakoon** –Member

3.**Mr.B.N.Damminda Kumara** –Member

·Regular Attendees by invitation

4.**Mr.Nimal R Ranawaka** – Vice Chairman / Board Member

5.**Mr.T.S.Wijethunga** – General Manager

6.**Mr.R.M.A.S.Weerasena** –Addl.GM(F)

7.**Mr.G.K.Iddamal goda** - Addl.GM(HRM)

8.**Mr.S.G.G.Rajkumar** - Addl.GM(CS)

9.**Mr.U.J.Samarasinghe** –DGM(IA)- From 18th August 2021

10.**Ms.A.Sriyalatha** –Cover up. DGM(IA)/CIA - Up to 18th August 2021

11.**Ms.D.N.Peris** - Superintendent of Government Audit

12.**Ms.S.W.Gunawardene** – Chief Internal Auditor, Ministry of Water Supply - Up to 30th November 2021

·Secretary to the Committee

Ms.W.P.Sandamali De Silva -Secretary to the

Board Attendance at meetings.

Name	Eligible to attend/Attended
Ms..A.R .Wickramasinghe	07/07
Eng.T.M.R.P.Thennakoon	07/06
Mr.B.N.Damminda Kumara	07/02

The Audit Committee was formed as per PF/PE/3 circular dated 19th November 1999, obtaining the concurrence of the Board of Directors of the National Water Supply and Drainage Board through Board Decision No: 2965(b) of Board Meeting No.590. The purpose of the Committee is to extend its assistance to the Board of Directors as per the guidelines of PED

01/2021 dated 16.11.2021.

The Roles and Responsibilities

The prescribed roles and responsibilities of the committee have been cited as follows.

- The AC is approved the annual audit plan and all major changes to the plan.
- The AC is required to review the continuing impartiality of the Internal Auditors and their effectiveness.
- The AC should assist the Board in the task of overseeing to ensure that financial reporting is done in compliance with relevant Sri Lanka Accounting Standards and other applicable legal requirements
- The AC should assist the Board to ensure that all relevant rules and regulations and circulars issued by the government are adhered to, with continuous reviewing and monitoring, also making recommendations to the Board on non-compliance.
- The AC should review the Internal/External Audit Reports, Management letters, and recommendations of COPE, and help the Board to make remedial actions.
- The AC should assist the Board to introduce and implement an adequate internal control system and adhere to high standards of Corporate Governance practices.
- The AC should review significant accounting and reporting issues, including complex or unusual transactions, highly judgmental areas, and recent professional and regulatory pronouncements, and understand their impact on the Financial Statements.
- The AC should review the Annual Financial Statements to monitor the integrity of financial statements prepared for disclosure, prior to submission to the Board.
- The AC is reviewed the procurement procedure and the progress of implementation of the procurement plan.

Activities in 2021

The Committee held Seven (07) meetings during the financial year ended December 31, 2021, and the following important matters were discussed under the agenda item.

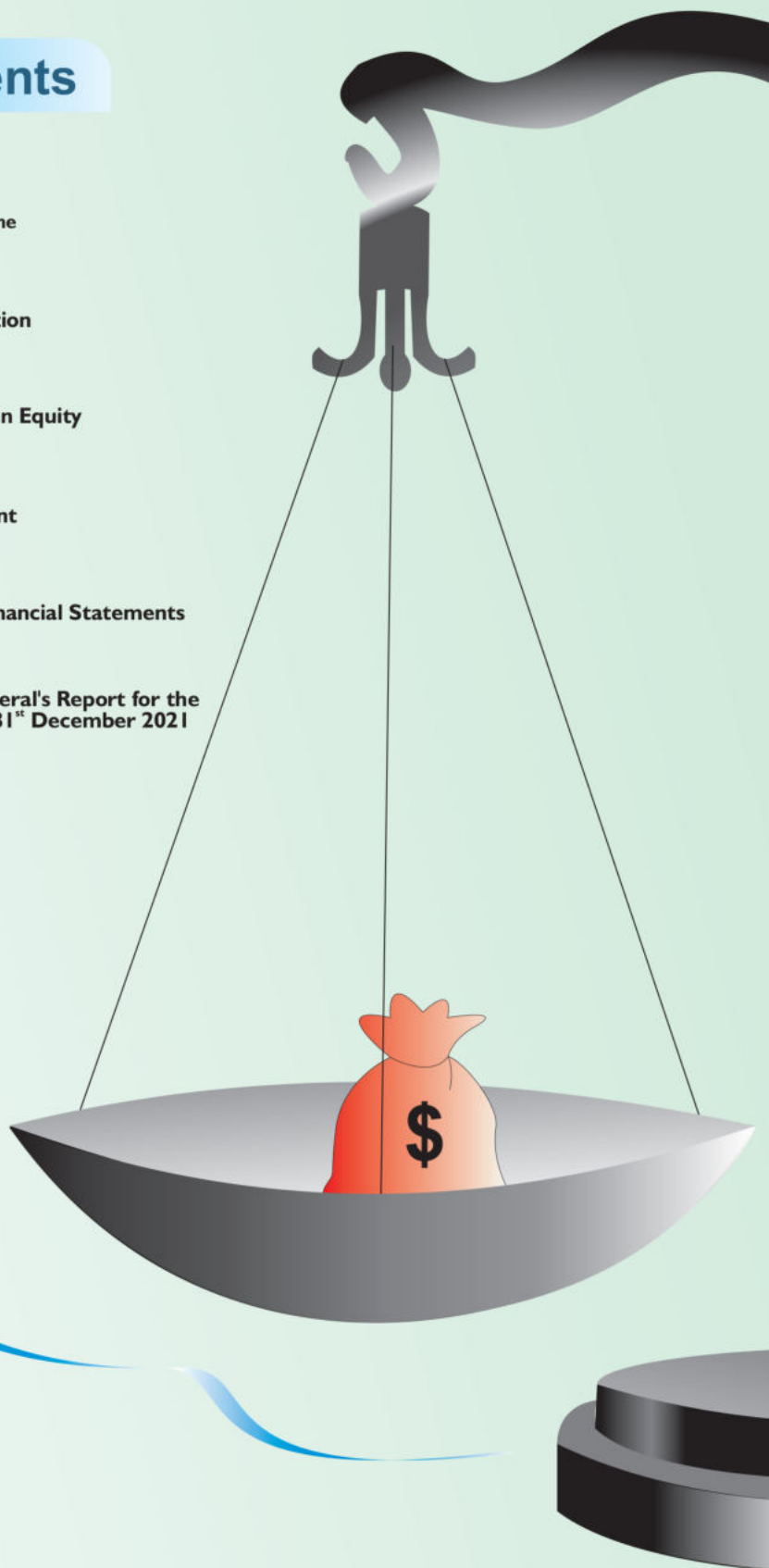
- Effectiveness of reducing NRW
- Delay on response to Government Audit Queries

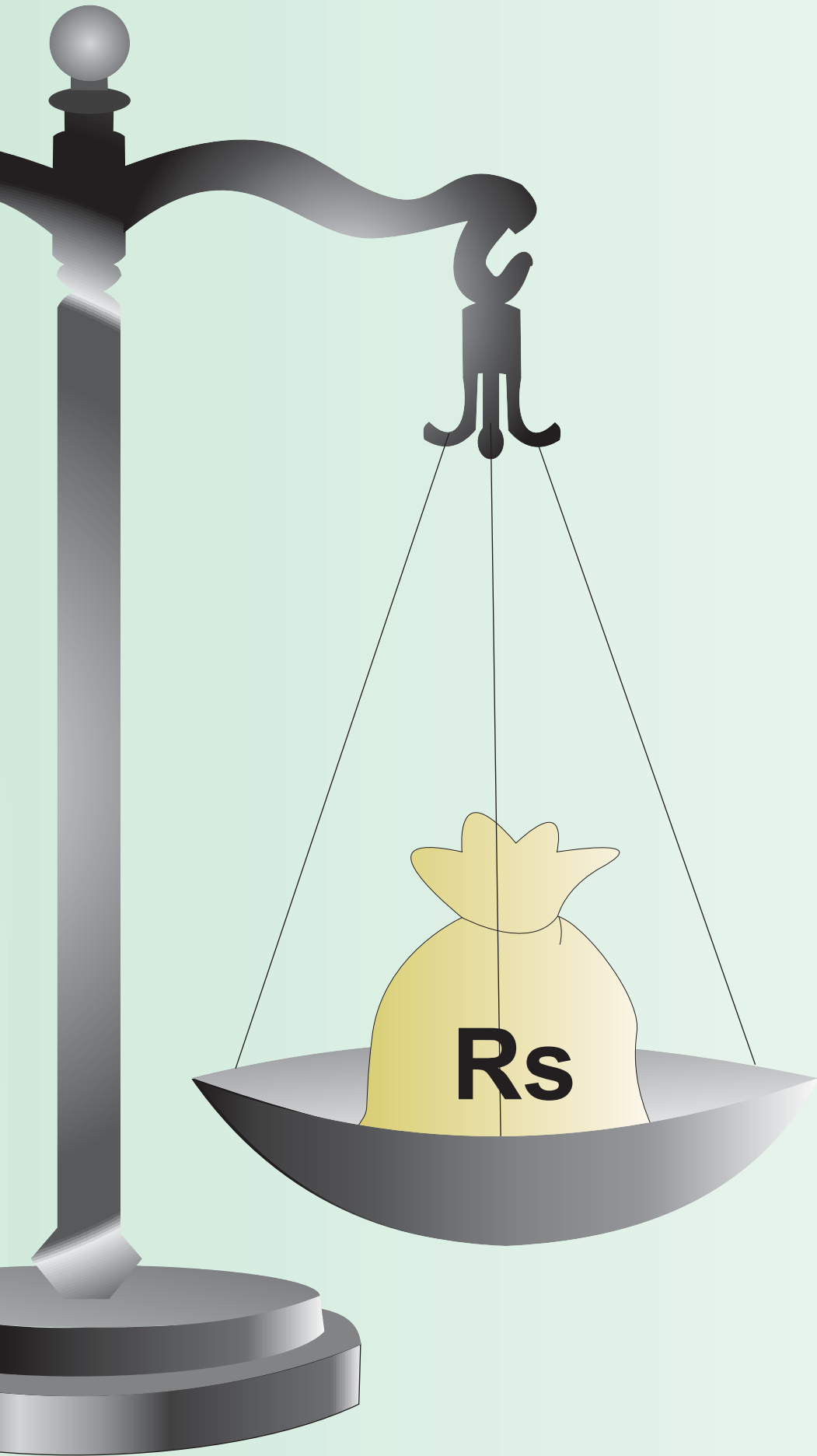
- Financial and Operational Review of Year-end Stock balance 2019
- Conversion of Grant to Equity
- Detailed Management Audit Report of the AG on the affairs of the NWSBD including the Financial statements for the year ended 31.12.2019
- Submission of Financial statements for the year ended 31.12.2020
- Submission of Financial statements as at 31.03.2021
- Internal Audit Plan 2021
- Assets Management(Land purchases and acquisition in progress)
- Audit summaries of 2nd, 3rd & 4th quarters of the year 2019 and Audit summaries of 1st,2nd quarters of the year 2020
- Regional Progress of Corporate Plan, Activity Plan & Business Plan
- Introduction new public enterprise guideline
- List of Arrears from MP's Quarters
- NWSDB list of Vehicles
- Reporting the current progress of computerization of assets of NWSDB
- The Board Quarters Charter
- Budget Estimate for the year 2022

The representatives of the Government Audit also participated in Seven (07) meetings during the year by invitation. The committee also invited members of the senior management of the National Water Supply and Drainage Board to participate in the meetings from time to time on a need basis.

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NATIONAL WATER SUPPLY AND DRAINAGE BOARD



FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

National Water Supply And Drainage Board

STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2021

		Budget 2021 Rs.	Actual 2021 Rs.	Restated 2020 Rs.
Revenue (Net of VAT)	7	33,126,589,400	28,935,444,532	27,761,775,794
Cost of Sales	8	(20,462,063,409)	(19,162,945,539)	(16,754,645,376)
Gross Profit		12,664,525,991	9,772,498,993	11,007,130,418
Other Operating Income and Gains	9	1,852,428,600	1,796,124,476	1,482,081,558
Administrative Expenses	10	(14,698,127,591)	(13,657,858,647)	(12,035,048,008)
Other Operating Expenses	11	(700,000,000)	(997,912,577)	(839,273,459)
Operating Profit / (Loss)		(881,173,000)	(3,087,147,754)	(385,109,491)
Finance Income	12	500,000,000	842,533,384	1,571,188,666
Finance Cost	13	(258,841,000)	(752,071,879)	(543,298,051)
Profit / (Loss) Before Tax		(640,014,000)	(2,996,686,249)	642,781,124
Income Tax (Economic Service Charges)	14	-	(138,860,749)	(133,867,482)
Profit / (Loss) for the Year		(640,014,000)	(3,135,546,998)	508,913,642

Accounting Policies & Notes from pages 8 to 26 form an integral part of these Financial Statements.

National Water Supply And Drainage Board

STATEMENT OF OTHER COMPREHENSIVE INCOME

Year ended 31 December 2021

	Budget 2021 Rs.	Actual 2021 Rs.	Restated 2020 Rs.
Profit / (Loss) for the Year	(640,014,000)	(3,135,546,998)	508,913,642
Other Comprehensive Income for the Year.			
Net Actuarial Gain/(Loss) Recognized during the Year	-	(223,219,689)	-
Total Comprehensive Income for the Year	(640,014,000)	(3,358,766,687)	508,913,642

Accounting Policies & Notes from pages 8 to 26 form an integral part of these Financial Statements.

National Water Supply And Drainage Board

STATEMENT OF FINANCIAL POSITION

Year ended 31 December 2021

		Actual 2021 Rs	Restated 2020 Rs.
Assets			
Non- Current Assets			
Property ,Plant & Equipment	Notes 15	263,568,177,495	251,992,187,547
Intangible Assets	16	20,429,157	14,122,453
Capital Work in Progress	17	443,737,128,772	373,462,655,570
Financial assets	18	1,889,780	1,853,507
Total Non Current Assets		707,327,625,205	625,470,819,078
Current Assets			
Non Operating Assets		149,748,448	149,681,812
Inventories	19	9,830,918,912	8,382,106,647
Trade & Other Receivables	20	10,709,918,219	11,136,884,898
Deposits & Advances	21	28,866,235,652	28,708,013,898
Investments	22	24,349,404,858	23,598,991,188
Cash & Cash Equivalents	23	4,233,330,332	1,834,937,637
Total Current Assets		78,139,556,420	73,810,616,080
Total Assets		785,467,181,625	699,281,435,158
Equity and Liabilities			
Equity			
Assets taken over from Government Dept.	24	185,480,387	185,480,387
Government Equity	25	100,263,323,220	88,531,428,611
Staff Welfare & Other Funds	26	33,115,808	20,608,827
Retained Earnings		(12,387,333,301)	(9,016,059,633)
Government Grant	27	117,548,897,076	109,812,274,767
Capital Grants	28	292,056,546,906	267,289,006,096
Total Equity		497,700,030,097	456,822,739,054
Non-Current Liabilities			
Loan Payable	29	227,420,934,401	198,175,771,364
Other Deferred Liabilities	30	4,414,833,084	4,019,409,604
Total Non Current Liabilities		231,835,767,485	202,195,180,969
Current Liabilities			
Non Operating Liabilities		71,927,749	71,927,749
Trade & Other Payables	31	40,111,024,288	33,724,877,505
Loan Capital Payable	29	12,578,838,828	2,920,569,236
Loan Interest Payable		3,169,593,179	3,546,140,644
Total Current Liabilities		55,931,384,044	40,263,515,135
Total Equity and Liabilities		785,467,181,625	699,281,435,158

R.M.A.S. Weerasena

Addl.G.M.(Finance)

Thilina S. Wijetunga
General Manager

Thilina S. Wijetunge
General Manager
National Water Supply & Drainage Board
Kotmale

The Accounting policies on pages 08 to 14 and Notes on pages 15 to 26 form an integral part of these Financial Statements. The Board of Directors is responsible for the preparation and presentation of these Financial Statements. These Financial Statements were approved by the Board of Directors and signed on their behalf

Nishantha Ranatunga
Chairman

Nimal R. Ranawaka
Vice Chairman

Colombo

on 25 February 2022

Nimal R. Ranawaka
Attorney - at - Law
Vice Chairman

National Water Supply And Drainage Board
STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2021

Note	Government Departments	Govt Grants	Government Equity	Capital Grants	Staff Welfare & Other Funds	Accumulated Profit/Loss	Total
Balance as at 1 January 2020	185,480,387	105,903,930,027	85,106,439,687	241,308,488,604	29,411,874	(9,432,518,036)	423,101,232,544
Prior Year Adjustments							
Assets Recognised and Derecognised	-	-	-	-	-	(6,273,542)	(6,273,542)
Depreciation adju. for Assets Recognised and Rerecognised	-	-	-	-	-	16,059,814	16,059,814
Inventories	-	-	-	-	-	(12,114,655)	(12,114,655)
Trade & Other Receivables	-	-	-	-	-	(1,243,209)	(1,243,209)
Deposits	-	-	-	-	-	(300,000)	(300,000)
Capital Grants	-	-	-	(4,800,000)	-	4,800,000	-
Restated Balance as at 1 January 2020	185,480,387	105,903,930,027	85,106,439,687	241,303,688,604	29,411,874	(9,431,589,628)	423,097,360,952
Net Profit for the Year	-	-	-	-	-	508,913,642	508,913,642
Assets Recognised and Derecognised	-	-	-	-	-	4,886,674	4,886,674
Receipts / Transfers During the Year	-	3,908,344,739	-	25,985,317,491	-	-	29,893,662,231
Loan to Equity Conversion	-	-	3,424,988,924	-	-	-	3,424,988,924
Trade & Other Payables	-	-	-	-	-	19,653,330	19,653,330
Inventories	-	-	-	-	-	1,520,861	1,520,861
Trade & Other Receivables	-	-	-	-	-	(128,247,558)	(128,247,558)
Transfers to Staff Welfare Fund	-	-	-	-	(8,803,047)	8,803,047	-
Restated balance as at 31 December 2020	185,480,387	109,812,274,767	88,531,428,611	267,289,006,096	20,608,827	(9,016,059,633)	456,822,739,054
Net profit for the year	-	-	-	-	-	(3,358,766,687)	(3,358,766,687)
Receipts / Transfers during the Year	-	7,736,622,310	-	24,767,540,811	-	-	32,504,163,120
Loans Conversion to Equity	-	-	11,731,894,610	-	-	-	11,731,894,610
Transfers to Staff Welfare Fund	-	-	-	-	12,506,981	(12,506,981)	-
Balances as at 31 December 2021	185,480,387	117,548,897,076	100,263,323,220	292,056,546,906	33,115,808	(12,387,333,301)	497,700,030,097

Accounting Policies & Notes from pages 8 to 26 form an integral part of these Financial Statements.

National Water Supply And Drainage Board

STATEMENT OF CASH FLOW

Year ended 31 December 2021

For the year ended	Notes	Actual 2021 <u>Rs.</u>	Restated 2020 <u>Rs.</u>
Cash Flows from/(used) in Operating Activities			
Net Profit/(Loss) before Tax		(2,996,686,249)	642,781,124
<i>Adjustments for</i>			
Interest Income	12	(842,533,384)	(1,571,188,666)
Profit/Loss on disposal of Fixed Assets		21,504,234	30,886,759
Depreciation	10.2	4,970,880,560	4,721,091,062
Retiring Gratuity Provision	30.1	710,138,294	485,960,193
Interest Expense	13	<u>752,071,879</u>	<u>543,298,051</u>
Operating Profit before Working Capital Changes		2,615,375,333	4,852,828,522
(Increase)/Decrease in Inventories		(1,448,812,265)	348,800,327
(Increase)/Decrease in Debtors, Receivables & Deposits		129,817,540	7,630,505,289
Increase/(Decrease) in Creditors, Provisions & Deposits		<u>6,417,129,197</u>	<u>(5,557,663,406)</u>
Cash Generated from Operations		7,713,509,806	7,274,470,733
Tax Paid		-	(33,795,903)
Gratuity Paid	30.1	<u>(568,916,918)</u>	<u>(485,960,193)</u>
Net Cash from Operating Activities		<u>7,144,592,889</u>	<u>6,754,714,637</u>
Cash Flows from/(used) in Investing Activities			
Investments in Fixed Assets & Work-In-Progress		(80,964,032,084)	(82,840,865,257)
Financial Assets		(36,273)	196,703
Sale Proceeds for Disposal Assets		5,772,078	39,740,056
Investment Income Received		842,533,384	1,571,188,666
(Investment) / Withdrawal of Investments		<u>(750,413,670)</u>	<u>4,137,385,474</u>
Net Cash Flows used in Investing Activities		<u>(80,866,176,564)</u>	<u>(77,092,354,359)</u>
Cash Flows from/(used in) Financing Activities			
Government Grant during the Period		7,736,622,310	3,908,344,739
Capital Grant during the period		27,180,224,843	28,164,456,217
New Loans and Equity		63,526,231,118	67,517,911,260
Loan Repayments		(12,890,903,881)	(14,347,558,260)
Interest Paid		<u>(9,432,198,020)</u>	<u>(16,982,307,363)</u>
Net Cash Flows used in Financing Activities		76,119,976,371	68,260,846,593
Net Increase in Cash & Cash Equivalents		2,398,392,695	(2,076,793,130)
Cash & Cash Equivalents at the Beginning of the Year		<u>1,834,937,637</u>	<u>3,911,730,765</u>
Cash & Cash Equivalents at the End of the Period		<u>4,233,330,332</u>	<u>1,834,937,637</u>

The accounting policies and notes on pages 8 to 26 form an integral part of the financial statements.

National Water Supply And Drainage Board
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2021

1. CORPORATE INFORMATION

1.1 General

National Water Supply & Drainage Board is a statutory board enacted by the Parliament under the National Water Supply & Drainage Board Law No. 2 of 1974. The registered office of the board is located at Galle Road, Ratmalana, and the principal place of business is situated at the same location.

National Water Supply & Drainage Board (NWS&DB) is an institution under the purview of Ministry of Water Supply.

1.2 Principal activities

The principal activity of the Board is to produce and sell treated drinking water to the community.

The objectives of the National Water Supply & Drainage Board are to develop treated drinking water throughout the country and its accessibility among the people of Sri Lanka.

1.3 Going Concern

The Management have made an assessment of the Board's ability to continue as a going concern and are satisfied that it has the resources to continue in business for the foreseeable future. Furthermore, the Management is not aware of any material uncertainties that may cast significant doubt upon the Board's ability to continue as a going concern and they do not intend either to liquidate or to cease operations of the Board. Therefore, the Financial Statements continue to be prepared on the going concern basis.

2. BASIS OF PREPARATION

2.1 Statements of compliance

The financial statements which comprise the income statement, statement of comprehensive income, statement of financial position, statement of changes in equity and the statement of cash flows, together with the accounting policies and notes have been prepared in accordance with Sri Lanka Accounting Standards (SLFRS/ LKAS) as issued by the Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka).

2.2 Basis of Measurement

The Financial Statements have been prepared on the historical cost basis except for financial instruments and other financial assets and liabilities held for trading that have been measured at fair value and liabilities for defined benefit obligation is recognized as at the present value of the defined benefit obligation.

2.3 Presentation of currency

The financial statements are presented in Sri Lankan Rupees (LKR), which is the Board's functional and presentation currency.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Property Plant and Equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, NWS&DB recognises such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

National Water Supply And Drainage Board
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2021

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

3.1.1 Depreciation

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Plant Property and Equipment	Rate
Building & Structures	1.67% - 2%
Plant & equipment pumping treatment	5%
Service & Bulk water meter	10%
Transmission & Distribution:	1.67%
Equipments	10%
Furniture & fittings	10%
Computers Peripherals & Mobile Phones	20% - 33.3%
Motor Vehicles	10% - 20%
Lease hold Vehicles	14.3%

3.1.2 Capital Work In Progress

Capital expenses incurred during the year, which are not capitalized as at the reporting date are shown as capital work in progress, whilst the capital assets which have been capitalized during the year and put to use have been transferred to Property Plant & Equipment.

3.1.3 Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date, whether fulfillment of the arrangement is dependent on the use of a specific asset or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

3.1.4 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the income statement in the year in which the expenditure is incurred. Acquisition of computer software are recognized as intangible assets and amortized over the period of 7 years.

3.1.5 Research and development costs

Research costs are expensed as incurred. Development expenditures on an individual project are recognized as an intangible asset when NWS&DB can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is completed and the asset is available for use. It is amortized over the period of expected future benefit. During the period of development, the asset is tested for impairment annually.

3.1.6 Impairment of Non-Financial Assets

The NWS&DB assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the NWS&DB estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units (CGU) fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

3.2.1 Inventories

Inventories are valued at cost or net realizable value whichever is lower after making due allowance for obsolete and slow moving items which are valued at 'weighted average cost' basis. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Measurement of inventories

3.2.2 Cost of Inventories

Raw Materials

Cost of purchases together with any incidental expenses.

Other Stocks

Cost is arrived at weighted average basis.

3.3. Cash and Cash Equivalents

Cash and cash equivalents comprise cash in hand and bank balances and short term investment, net of outstanding bank overdrafts if any

4. LIABILITIES, PROVISIONS AND EQUITY

4.1. Retirement Benefit Obligation

4.1.1 Retirement Benefit Obligations (LKAS 19)

a) Defined Benefit Plan – Gratuity

Provision has been made for retiring gratuity from the first year of service for all employees, in conformity with Sri Lanka Accounting Standard No. 19 (LKAS 19). The cost of the defined benefit plans and the present value of their obligations are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates. Due to the long term nature of these plans, such estimates are subject to significant uncertainty. All assumptions are reviewed at each reporting date. In determining the appropriate discount rate, it is considered the interest rates of Sri Lanka Government bonds with maturities corresponding to the expected duration of the defined benefit obligation. The mortality rate is based on publicly available mortality tables. Future salary increases are based on expected future salary increase rate of the Board.

b) Retirement Benefit Cost

NWSDB operates a defined benefit pension plan. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. Actuarial gains and losses for the defined benefit plan are

recognized in full in the period in which they occur in other comprehensive income. Such actuarial gains and losses are also immediately recognized in retained earnings and are not reclassified to profit or loss in subsequent periods.

Unvested past service costs are recognized as an expense on a straight line basis over the average period until the benefits become vested. Past service costs are recognized immediately if the benefits have already vested immediately following the introduction of, or changes to, a pension plan.

The defined benefit asset or liability comprises the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less unrecognized past service costs and less the fair value of plan assets out of which the obligations are to be settled.

Retirement benefit obligation is measured through the service of an actuarial valuer in every three years interval and maintains such liability over the period of three years in line with the salary revision. Hence, the gratuity liability occurred for the next two consecutive years are treated as expense immediately after the actuarial liability is identified in the first year.

Defined Contribution Plans- EPF & ETF

Employees are eligible for Employees' Provident Fund Contributions and Employees' Trust Fund Contributions in line with respective Statutes and Regulations. The Board contributes 12% and 3% of gross emoluments of employees to EPF and ETF respectively.

4.2 Provisions

General

Provisions are recognized when NWS&DB 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. When NWS&DB expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the income statement net of any reimbursement.

4.3 Government Grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the costs, which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

When NWS&DB receives non-monetary grants, the asset and the grant are recorded at nominal amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset by equal annual installments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favorable interest is regarded as a government grant.

As per the Cabinet Paper No 20/0974/204/029-VI is to provide necessary budgetary allocations as equity contribution for the NWSDB to settle interest and other costs which will be arisen from loans facilitated by General Treasury for the period of 15 years. Further, capital portion of such loans are being recognized as equity and interest component will be recognized as revenue grant in compliance with LKAS.

5. INCOME STATEMENT

For the presentation of the Income Statement, the function of the expenses method is adopted, as it represents fairly the elements of NWS&DB performance.

The financial assets of NWS&DB include cash and short-term investment, trade and other receivables, staff loans, and other receivables.

6.1.2 Subsequent measurement

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

6.1.2.1 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 to sell or repurchase in the near term. NWS&DB did not have any financial assets at fair value through profit or loss during the years ended.

6.1.2.2 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 amortized cost using the effective interest rate method (EIR), less impairment. Amortized 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 amortization is included in finance income in the income statement.

The financing of loans is implemented as per the Cabinet Decision number ए व ०/ 16/0158/719/005 where the 50% of the capital and interest of the loan on urban water supply projects, 75% of the rural water supply projects and 100% of the sewerage and waste water projects are borne by the Treasury.

6.1.2.3 Held-to-maturity investments

Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held to maturity when the NWS&DB has a positive intention and ability to hold it to maturity. After initial measurement, held-to-maturity investments are measured at amortized cost using the effective interest method, less impairment. Amortized 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 amortization is included in finance income in the income statement. The losses arising from impairment are recognized as a finance cost in the income statement in finance cost.

6.1.2.4 Available-for-sale financial investments

Available-for-sale financial investments 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 time and which may be sold in response to needs for liquidity or in response to changes in the market conditions. After initial measurement, available-for-sale financial investments are subsequently measured at fair value with unrealized gains or losses recognized as other comprehensive income in the available-for-sale reserve until the investment is derecognized.

6.1.2.5 Derecognition

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognized when,

- i) The rights to receive cash flows from the asset have expired
- ii) NWS&DB has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
 - (a) NWS&DB has transferred substantially all the risks and rewards of the asset, or
 - (b) NWS&DB has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

1.2.6 Impairment of financial assets

The NWS&DB assesses at each reporting date whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is 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 or the group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors or a group of debtors are experiencing significant financial difficulty, default, or delinquency, the probability that they will enter bankruptcy or other financial reorganization, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

1.2.7 Financial assets carried at amortized cost

For financial assets carried at amortized cost, the NWS&DB first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the NWS&DB determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognized are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the assets carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate.

1.2 Financial Liabilities

Initial Recognition and Measurement

Financial liabilities within the scope of LKAS/SLFRS are classified as financial liabilities at fair value through profit or loss, at amortized cost, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. NWS&DB determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings, carried at amortized cost. This includes directly attributable transaction costs. NWS&DB's financial liabilities include trade and other payables.

Subsequent Measurement

Subsequent measurement of financial liabilities is at amortized cost.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or canceled or expires.

National Water Supply And Drainage Board

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2021

	Actual 2021 Rs.	Restated 2020 Rs.
7. REVENUE		
Metered Sales	25,258,459,667	25,218,395,326
Bulk Sales	302,786,383	309,583,406
Bowser Supply	174,226,590	80,113,424
Income from Main Operations	7.1 <u>3,199,971,893</u>	<u>2,153,683,639</u>
	<u>28,935,444,532</u>	<u>27,761,775,794</u>
7.1 Income from Main Operations		
Income related to New Connection and Other Main Operations	4,097,909,691	2,850,936,522
Capital Recovery Charges	1,058,843,764	706,609,881
Expense related to New Connection	<u>(1,956,781,562)</u>	<u>(1,403,862,765)</u>
	<u>3,199,971,893</u>	<u>2,153,683,639</u>
8. COST OF SALES		
Personnel Cost	8,265,455,789	6,995,067,804
Pumping Cost	4,751,630,799	4,615,722,138
Chemicals	1,242,760,106	1,065,876,772
Repairs & Maintenance	2,204,735,725	1,817,938,416
Establishment Expenses	819,171,330	676,380,644
Rent, Rates, Taxes, Security & Other Expenses	1,772,169,781	1,487,318,903
Rebates	<u>107,022,009</u>	<u>96,340,699</u>
	<u>19,162,945,539</u>	<u>16,754,645,376</u>
9. OTHER OPERATING INCOME		
Other Income	9.1 1,768,137,060	1,468,557,203
Staff Loan Benefit	<u>27,987,416</u>	<u>13,524,354</u>
	<u>1,796,124,476</u>	<u>1,482,081,558</u>
9.1 Other Income		
Sewerage and Ground Water Income	389,053,519	348,766,415
Miscellaneous Income including Surcharge, Penalties etc.	<u>1,379,083,541</u>	<u>1,119,790,788</u>
	<u>1,768,137,060</u>	<u>1,468,557,203</u>

National Water Supply And Drainage Board
NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2021

	Actual 2021 Rs	Restated 2020 Rs.
10. ADMINISTRATIVE EXPENSES		
Repairs & Maintenance	243,593,490	217,803,115
Establishment Expenses	897,881,429	744,179,117
Rent,Rates,Taxes, Security & Other Expenses	633,122,909	605,098,526
Staff Cost 10.1	6,902,380,259	5,736,876,187
Depreciation 10.2	4,970,880,560	4,721,091,062
Audit Fee Department of Auditor General	<u>10,000,000</u>	<u>10,000,000</u>
	<u>13,657,858,647</u>	<u>12,035,048,008</u>
10.1 Staff Cost		
Staff Cost on Loan Granted	27,987,416	13,524,354
Personnel Cost	<u>6,874,392,843</u>	<u>5,723,351,833</u>
	<u>6,902,380,259</u>	<u>5,736,876,187</u>
10.2 Depreciation		
Building and structure	1,616,406,486	1,557,184,971
Plant & Machinery	4,739,139,990	4,498,239,994
Equipments	512,992,293	434,054,026
Furniture and Fittings	51,410,565	44,157,624
Computers & Periparels	111,414,242	106,911,165
Motor Vehicles	<u>358,507,720</u>	<u>274,428,131</u>
Total Depreciation	7,389,871,297	6,914,975,913
Less: Depn. for Grant funded Assets	(2,411,900,057)	(2,202,508,903)
Less: Depn. for Rechargeable funded Assets	(9,041,487)	(9,569,738)
Add: Amortization of leased Assets	-	15,949,142
Add: Amortization of Intangible Assets	<u>1,950,807</u>	<u>2,244,648</u>
Depreciation Cost	<u>4,970,880,560</u>	<u>4,721,091,062</u>
Depreciation amounting 20,081,608 has been adjusted to the year 2020		
11. OTHER OPERATING EXPENSES		
Bad & Doubtful Debts	87,833,212	233,007,208
Provision for Obsolete Stock	92,426,248	-
Retiring Gratuity	710,138,294	485,960,193
Revenue Grant	<u>107,514,823</u>	<u>120,306,058</u>
	<u>997,912,577</u>	<u>839,273,459</u>
12. FINANCE INCOME		
Investment Income	<u>842,533,384</u>	<u>1,571,188,666</u>
	<u>842,533,384</u>	<u>1,571,188,666</u>
13. FINANCE COST		
Interest On Loans	9,055,650,555	12,449,809,359
Less: Capitalised Interest on Construction Projects	<u>(8,303,578,676)</u>	<u>(11,906,511,308)</u>
	<u>752,071,879</u>	<u>543,298,051</u>
14. INCOME TAX		
Economic Service Charges	<u>138,860,749</u>	<u>133,867,482</u>
	<u>138,860,749</u>	<u>133,867,482</u>

ESC Paid in 2019 & 2018 are recognised as expense in 2021 & 2020 respectively.

National Water Supply And Drainage Board
NOTES TO THE FINANCIAL STATEMENTS
 Year ended 31 December 2021

15. **PROPERTY, PLANT AND EQUIPMENT**

15.1 Gross Carrying Amounts	Restated Balance As at 01.01.2021 Rs.	Additions after Adjustments Rs.	Transfers Rs.	Disposals Rs.	Balance As at 31.12.2021 Rs.
Cost					
Freehold Assets					
Land Freehold	8,690,701,194	1,736,151	(2,738,529)	-	8,689,698,816
Land Leasehold	599,500,254	-	700,000	-	600,200,254
Infrastructure	9,506,383,424	(72,607,438)	454,060,418	-	9,887,836,404
Building - Freehold	19,552,776,472	2,872,261,864	1,499,744,620	(34,548,191)	23,890,234,765
Structures	59,845,898,666	1,055,029,798	(1,623,727,463)	-	59,277,201,001
Plant & Equipment-Pumping Treatme	47,907,978,613	4,181,844,702	(939,701,356)	-	51,150,121,959
Service Meter	3,698,907	90,910	(2,487,912)	-	1,301,905
Bulk Water Meter	671,812,651	28,369,499	73,954,384	-	774,136,535
Transmission & Distribution	135,049,364,481	10,875,155,944	145,209,945	-	146,069,730,369
Mobile Equipments	1,312,832,020	60,526,701	179,072,437	-	1,552,431,157
Survey Equipments	100,013,530	37,093,623	8,930,526	-	146,037,679
Laboratory Equipments	941,709,863	34,579,555	(10,510,706)	-	965,778,712
Other Equipment	3,651,532,182	(11,747,918)	44,059,778	-	3,683,844,042
Furniture & fittings-computer	672,093,233	88,548,963	(113,593,355)	-	647,048,841
Computers & Periparels	822,397,959	99,907,273	4,262,140	-	926,567,373
Motor vehicles cars	999,664,718	(243,058,517)	921,697,045	(700,000)	1,677,603,247
Van busses & jeeps	414,841,354	88,244,998	(127,612,759)	(2,400,000)	373,073,593
Lorries & Trucks	1,963,849,283	220,568,857	(835,892,610)	(1,703,261)	1,346,822,270
Tractors & Trailers	55,570,191	-	1,320,000	-	56,890,191
Water Browsers, Heavy veh:	1,709,634,338	57,485,577	(48,083,132)	-	1,719,036,783
Motor Cycles	27,605,559	(216,575)	(720,595)	(202,021)	26,466,368
Three Weelers	45,970,519	-	406,514	-	46,377,033
Total Value of Depreciable Assets	294,545,829,412	19,373,813,968	(371,650,610)	(39,553,473)	313,508,439,297

National Water Supply And Drainage Board
NOTES TO THE FINANCIAL STATEMENTS
 Year ended 31 December 2021

15. **PROPERTY, PLANT AND EQUIPMENT**

15.1 Gross Carrying Amounts	Restated Balance As at 01.01.2021 Rs.	Additions after Adjustments Rs.	Transfers Rs.	Disposals Rs.	Balance As at 31.12.2021 Rs.
Cost					
Freehold Assets					
Land Freehold	8,690,701,194	1,736,151	(2,738,529)	-	8,689,698,816
Land Leasehold	599,500,254	-	700,000	-	600,200,254
Infrastructure	9,506,383,424	(72,607,438)	454,060,418	-	9,887,836,404
Building - Freehold	19,552,776,472	2,872,261,864	1,499,744,620	(34,548,191)	23,890,234,765
Structures	59,845,898,666	1,055,029,798	(1,623,727,463)	-	59,277,201,001
Plant & Equipment-Pumping Treatme	47,907,978,613	4,181,844,702	(939,701,356)	-	51,150,121,959
Service Meter	3,698,907	90,910	(2,487,912)	-	1,301,905
Bulk Water Meter	671,812,651	28,369,499	73,954,384	-	774,136,535
Transmission & Distribution	135,049,364,481	10,875,155,944	145,209,945	-	146,069,730,369
Mobile Equipments	1,312,832,020	60,526,701	179,072,437	-	1,552,431,157
Survey Equipments	100,013,530	37,093,623	8,930,526	-	146,037,679
Laboratory Equipments	941,709,863	34,579,555	(10,510,706)	-	965,778,712
Other Equipment	3,651,532,182	(11,747,918)	44,059,778	-	3,683,844,042
Furniture & fittings-computer	672,093,233	88,548,963	(113,593,355)	-	647,048,841
Computers & Periparels	822,397,959	99,907,273	4,262,140	-	926,567,373
Motor vehicles cars	999,664,718	(243,058,517)	921,697,045	(700,000)	1,677,603,247
Van busses & jeeps	414,841,354	88,244,998	(127,612,759)	(2,400,000)	373,073,593
Lorries & Trucks	1,963,849,283	220,568,857	(835,892,610)	(1,703,261)	1,346,822,270
Tractors & Trailers	55,570,191	-	1,320,000	-	56,890,191
Water Bowsers, Heavy veh:	1,709,634,338	57,485,577	(48,083,132)	-	1,719,036,783
Motor Cycles	27,605,559	(216,575)	(720,595)	(202,021)	26,466,368
Three Weelers	45,970,519	-	406,514	-	46,377,033
Total Value of Depreciable Assets	294,545,829,412	19,373,813,968	(371,650,610)	(39,553,473)	313,508,439,297

National Water Supply And Drainage Board

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2021

15.2 Depreciation	Restated Balance As at 01.01.2021 Rs.	Charge for the Period Rs.	Adjustments Rs.	Disposal Rs.	Balance As at 31.12.2021 Rs.
Depreciation					
Freehold Assets					
Land Freehold	-	-	-	-	-
Land Leasehold	-	-	-	-	-
Infrastructure	1,150,443,109	193,102,290	(0)	-	1,343,545,399
Building - Freehold	2,322,618,242	429,179,679	0	(9,194,741)	2,742,603,179
Structures	7,154,394,195	994,124,518	(0)	-	8,148,518,713
Plant & eq: Pumping Treatme	12,934,449,945	2,376,942,037	(0)	-	15,311,391,982
Service Meter	3,309,458	12,642	(2,553,034)	-	769,065
Bulk Water Meter	367,800,363	61,772,392	2,553,034	-	432,125,789
Transmission & Dist:	12,993,100,793	2,300,412,919	0	-	15,293,513,712
Mobile Equipments	469,161,116	122,309,016	6,875	-	591,477,007
Survey Equipments	22,927,408	8,599,841	-	-	31,527,249
Laboratory Equipments	485,192,959	71,369,485	(0)	-	556,562,444
Other Equipment	1,621,607,565	310,713,952	11,058	-	1,932,332,575
Furniture & Fittings-Compute	384,703,404	51,410,565	(9,892,506)	-	426,221,462
Computers & Periparels	664,836,570	111,414,242	9,869,625	-	786,120,438
Motor Vehicles Cars	373,729,993	161,075,988	22,117,170	-	556,923,152
Van Busses & Jeeps	294,995,986	35,351,929	(9,686,849)	(1,603,030)	319,058,036
Lorries & Trucks	785,285,182	71,019,368	(3,424,034)	(1,307,786)	851,572,730
Tractors & Trailers	30,240,380	3,931,116	-	-	34,171,496
Water Bowsers, Heavy veh:	477,528,556	81,259,694	(0)	-	558,788,250
Motor Cycles	13,616,882	1,754,291	24,462	(171,604)	15,224,032
Three Wheelers	3,699,757	4,115,333	-	-	7,815,090
	<u>42,553,641,865</u>	<u>7,389,871,297</u>	<u>9,025,801</u>	<u>(12,277,161)</u>	<u>49,940,261,802</u>

National Water Supply And Drainage Board

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2021

15. PROPERTY, PLANT AND EQUIPMENT (Contd...)

15.3 Net Book Values	2021	2020
	Rs.	Rs.
At Cost		
Land Freehold	8,689,698,816	8,690,701,194
Land Leasehold	600,200,254	599,500,254
Infrastructure	8,544,291,005	8,355,940,315
Building - Freehold	21,147,631,586	17,230,158,231
Structures	51,128,682,288	52,691,504,470
Plant & Equipment-Pumping Treatment	35,838,729,977	34,973,528,668
Service Meter	532,840	389,450
Bulk Water Meter	342,010,746	304,012,288
Transmission & Distribution	130,776,216,657	122,056,263,687
Mobile Equipments	960,954,150	843,670,903
Survey Equipments	114,510,430	77,086,122
Laboratory Equipments	409,216,268	456,516,904
Other Equipments	1,751,511,468	2,029,924,617
Furniture & fittings-computer	220,827,379	287,389,829
Computers & Periparels	140,446,935	157,561,389
Motor vehicles Cars	1,120,680,095	625,934,725
Van Busses & Jeeps	54,015,557	119,845,368
Lorries & Trucks	495,249,538	1,178,564,101
Tractors & Trailers	22,718,695	25,329,811
Water Bowsers, Heavy veh:	1,160,248,533	1,232,105,782
Motor Cycles	11,242,336	13,988,677
Three Wheelers	38,561,943	42,270,762
Total Carrying Amount of Property, Plant & Equipment	<u>263,568,177,496</u>	<u>251,992,187,547</u>

National Water Supply And Drainage Board
NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2021

	Actual 2021 Rs.	Restated 2020 Rs.
16. INTANGIBLE ASSETS		
Computer Software	<u>20,429,157</u>	<u>14,122,453</u>
	<u>20,429,157</u>	<u>14,122,453</u>
<p>Durring the year Rs 3,286,735 has been provided for amortization for above software and new software amounting to 8,667,181 was added .</p>		
17. CAPITAL WORK IN PROGRESS		
Construction Work	435,882,107,400	366,959,156,027
Rehabilitation	<u>7,855,021,373</u>	<u>6,503,499,543</u>
	<u>443,737,128,772</u>	<u>373,462,655,570</u>
18. FINANCIAL ASSETS		
HDFC Investment for Staff Housing Loans	434,368	441,068
Bank of Ceylon Saving - II	<u>1,455,412</u>	<u>1,412,440</u>
	<u>1,889,780</u>	<u>1,853,507</u>
19. INVENTORIES		
PVC Steel Pipe	34.2 6,309,746,897	5,034,648,952
Water Meter & Fitting & Brass Items	652,421,298	745,219,930
Chemical Material	34.2 266,035,627	330,636,834
Electricals	34.2 766,970,906	727,923,643
Building Material	62,798,913	70,345,208
Pump & Spare Parts	34.2 1,138,476,173	1,248,510,037
Vehicle Spare Parts	97,758,030	308,596,261
Stationary & Office Equipment	96,557,311	76,141,325
Other Items	34.2 917,466,285	555,826,008
Stock Adjustments	<u>155,974,054</u>	<u>35,732,252</u>
	<u>10,464,205,491</u>	<u>9,133,580,448</u>
Less- Major Spares		
Property Plant and Equipment at Stores	(396,328,070)	(606,941,540)
Provision for Obsolete Stock	<u>(236,958,510)</u>	<u>(144,532,262)</u>
	<u>9,830,918,912</u>	<u>8,382,106,647</u>

Rs 546,969,384 worth of inventories have been received for Water for All projects was recorded as at 31.12.2021.

National Water Supply And Drainage Board
NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2021

		Actual 2021 Rs.	Restated 2020 Rs.
20. TRADE AND OTHER RECEIVABLES			
Trade Debtors	34.2	7,494,937,600	7,958,524,363
Other Debtors		459,708,385	359,403,706
Less : Debtors Impairment		(1,516,901,595)	(1,466,952,481)
Debtors Collection Control	34.2	735,918,131	421,699,404
VAT Receivable		3,019,434	11,888,233
WHT Receivable		246,511,483	247,129,963
ESC Receivable		33,795,903	172,656,652
Advances to Staff		14,169,556	19,984,791
Loans To Employees		2,509,912,053	2,704,816,354
Dues from General Treasury		659,277,280	659,277,280
Receivable on Interest & Others		69,569,989	48,456,634
		<u>10,709,918,219</u>	<u>11,136,884,898</u>
21. DEPOSITS AND ADVANCES			
Pre Payments		2,387,651	956,151
Mobilization and Other Advances		28,469,734,734	28,412,896,392
Deposits	34.2	<u>394,113,267</u>	<u>294,161,356</u>
		<u>28,866,235,652</u>	<u>28,708,013,898</u>
22. INVESTMENTS			
Held to Maturity (Including rechargeable funded investments)		<u>24,349,404,858</u>	<u>23,598,991,188</u>
		<u>24,349,404,858</u>	<u>23,598,991,188</u>
23. CASH AND CASH EQUIVALENTS			
Cash In Bank *		4,013,569,719	1,575,845,777
Cash Imprest Head Office		2,225,000	4,107,362
Cash Imprests Regions		6,394,030	6,272,935
Cash In Transit		155,495,984	166,479,620
Savings Account		55,645,599	82,231,943
		<u>4,233,330,332</u>	<u>1,834,937,637</u>
* Rs 2,343,418,124 was remaining in cash in bank for bill payment of Water for All projects and Debt Repayments.			
24. ASSETS TAKEN OVER FROM GOVERNMENT			
Assets Taken Over from Government Dept.		<u>185,480,387</u>	<u>185,480,387</u>
		<u>185,480,387</u>	<u>185,480,387</u>
25. GOVERNMENT EQUITY			
Equity Loan Conversion		86,363,339,295	74,631,444,685
Government Contribution (bond)		<u>13,899,983,925</u>	<u>13,899,983,925</u>
		<u>100,263,323,220</u>	<u>88,531,428,611</u>

Policy decision has been taken by government of Sri Lanka to convert foreign funded loans and interest payable thereon as at 31.12.2014 to government equity.

National Water Supply And Drainage Board
NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2021

		Actual 2021 Rs.	Restated 2020 Rs.
26. STAFF WELFARE & OTHER FUNDS			
* Opening Balance		20,608,827	29,411,874
Received/(Paid) during the year		<u>12,506,981</u>	<u>(8,803,047)</u>
		<u>33,115,808</u>	<u>20,608,827</u>
27. GOVERNMENT GRANT			
Tresuary Grant		<u>117,548,897,076</u>	<u>109,812,274,767</u>
		<u>117,548,897,076</u>	<u>109,812,274,767</u>
28. CAPITAL GRANTS			
Foreign Grants	34.2	290,279,249,382	265,544,944,453
Local Grants		<u>1,777,297,524</u>	<u>1,744,061,642</u>
		<u>292,056,546,906</u>	<u>267,289,006,096</u>
29. LOAN PAYABLE			
Foreign Loans		195,618,735,427	163,342,347,199
Local Loans		<u>31,802,198,974</u>	<u>34,833,424,166</u>
Long term Portion of Loan Payable		<u>227,420,934,401</u>	<u>198,175,771,364</u>
Current Portion Loan Payable		<u>12,578,838,828</u>	<u>2,920,569,236</u>
Loan Payable		<u>239,999,773,229</u>	<u>201,096,340,601</u>
Further, General Treasury has signed LKR 196.35 Bn worth of loan for 10 projects of the Board as at 31.12.2021 and some of which includes to grant balance of the accounts as of the date.			
30. OTHER DEFERRED LIABILITIES			
Provision for Defined Benefit Plan	30.1	4,368,425,143	4,003,984,078
Customer and Employee Security Deposits		<u>46,407,941</u>	<u>15,425,526</u>
		<u>4,414,833,084</u>	<u>4,019,409,604</u>
30.1 Movement of Retiring Gratuity Provision			
Balance at the Beginning of the Period		4,003,984,078	4,003,984,078
Add Provision for the Period and Current Service & Interest Cost Adjustment		933,357,983	485,960,193
Less: Gratuity Payments during the Period		<u>(568,916,918)</u>	<u>(485,960,193)</u>
Provision for defined benefit plan		<u>4,368,425,143</u>	<u>4,003,984,078</u>
Actuarial Assumptions are ; Mortality: A 1967/70 Mortality Table was used, Disability : Standard, Normal Retirement Age : 62 years, Rate of Discount : 11.60% p.a., Salary Escalation Rate : 2% p.a. and 20% once in 3 years with next increment on 2024, Staff turnover Rates : 1% p.a. across the board up to age 54 .			
31. TRADE AND OTHER PAYABLES			
Rechargeable Work - Customer Advances	34.2	9,724,152,467	9,285,082,967
Contractors Retention		17,334,616,810	15,016,366,516
Creditors Control	34.2	2,771,618,480	2,108,187,891
Other Creditors		351,925,188	339,170,471
Accrued expenses	34.2	9,172,705,908	6,314,247,943
Deposits		315,536,883	283,501,586
VAT Payable		220,602,860	200,605,713
With Holding Tax		129,122	141,677
Salaries and Other Payables		<u>219,736,570</u>	<u>177,572,741</u>
		<u>40,111,024,288</u>	<u>33,724,877,505</u>

National Water Supply And Drainage Board

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2021

32. RELATED PARTY TRANSACTIONS

Transactions with State and State Controlled Entities

In the normal course of its operations, the Board enters into transactions with related parties. Related parties include the Government of Sri Lanka (State: as the ultimate owner of the Board), various government departments, and State controlled entities. Particulars of transactions, and arrangements entered into by the Board with the State and State controlled entities which are individually significant and for other transactions that are collectively, but not individually significant.

33. EVENTS AFTER THE BALANCE SHEET DATE

All the material events after the balance sheet date have been considered and appropriate adjustment and disclosures have been made in to the financial statement, where necessary.

National Water Supply And Drainage Board

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2021

34.1.2 Depreciation	Balance As at 31.12.2020 Rs.	Prior Year Adjustments Rs.	Restated Balance As at 31.12.2020 Rs.
Freehold Assets			
Land Freehold	-	-	-
Land Leasehold	-	-	-
Infrastructure	1,137,308,141	13,134,968	1,150,443,109
Building - Freehold	2,296,632,162	25,986,079	2,322,618,242
Structures	7,173,131,092	(18,736,897)	7,154,394,195
Plant & eq: Pumping Treatment	12,970,537,339	(36,087,394)	12,934,449,945
Service Meter	3,309,458	-	3,309,458
Bulk Water Meter	366,647,551	1,152,812	367,800,363
Transmission & Dist:	12,999,114,528	(6,013,734)	12,993,100,793
Mobile Equipments	450,616,514	18,544,603	469,161,116
Survey Equipments	22,648,228	279,180	22,927,408
Laboratory	486,984,590	(1,791,631)	485,192,959
Other Equipment	1,604,277,373	17,330,192	1,621,607,565
Furniture & fittings-computer	389,826,225	(5,122,821)	384,703,404
Computers & Periparels	677,865,440	(13,028,870)	664,836,570
Motor Vehicles Cars	177,656,629	196,073,364	373,729,993
Van Busses & Jeeps	435,685,995	(140,690,008)	294,995,986
Lorries & Trucks	825,894,414	(40,609,231)	785,285,182
Tractors & Trailers	52,398,339	(22,157,958)	30,240,380
Water Bowsers, Heavy veh:	462,168,738	15,359,818	477,528,556
Motor Cycles	13,217,557	399,325	13,616,882
Three Wheelers	3,699,757	-	3,699,757
Total Value of Depreciation	<u>42,549,620,070</u>	<u>4,021,795</u>	<u>42,553,641,865</u>

34.2 In addition to the prior year adjustments for Property Plant & Equipments, the following items also have been adjusted retrospectively.

	Balance As at 31.12.2020 Rs.	Prior Year Adjustments Rs.	Adjustments For 2020 Rs.	Restated Balance As at 31.12.2020 Rs.
Inventories (Note 19)				
PVC Steel Pipe	5,032,247,170		2,401,782	5,034,648,952
Chemical Material	328,604,834	2,032,000		330,636,834
Electricals	735,849,788	(7,926,145)		727,923,643
Pump & Spare Parts	1,249,805,822	(2,035,456)	739,671	1,248,510,037
Other Items	561,631,653	(4,185,053)	(1,620,592)	555,826,008
Trade And Other Receivable (Note 20)				
Trade Debtors	8,030,015,131	(1,243,209)	(70,247,558)	7,958,524,363
Debtors Collection Control	479,699,404	-	(58,000,000)	421,699,404
Deposits & Advances (Note 21)				
Deposits	294,461,356	(300,000)		294,161,356
Capital Grant (Note 28)				
Foreign Grants	265,549,744,453	(4,800,000)		265,544,944,453
Trade And Other Payable (Note 31)				
Rechargeable Work - Customer Advance	9,285,334,967		(252,000)	9,285,082,967
Creditors Control	2,127,054,981	-	(18,867,090)	2,108,187,891
Accrued Expenses	6,314,782,183	-	(534,240)	6,314,247,943





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தேசிய கணக்காய்வு அலுவலகம்

NATIONAL AUDIT OFFICE



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எனது இல.
My No.

WSS/A/NWSDB/FA/01/2021

ඔබේ අංකය
உமது இல.
Your No.

දිනය
திகதி
Date

31 May 2022

The Chairman
National Water Supply and Drainage Board

Report of the Auditor General on the Financial Statements and Other Legal and Regulatory Requirements of the National Water Supply and Drainage Board for the year ended 31 December 2021 in terms of Section 12 of the National Audit Act, No. 19 of 2018.

1 Financial Statements

1.1 Qualified Opinion

The audit of the financial statements of the National Water Supply and Drainage Board (NWSDB) (“Board”) for the year ended 31 December 2021 comprising the statement of financial position as at 31 December 2021 and the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, was carried out under my direction in pursuance of provisions in Article 154(1) of the Constitution of the Democratic Socialist Republic of Sri Lanka read in conjunction with provisions of the National Audit Act No.19 of 2018 and Finance Act, No.38 of 1971. My report to Parliament in pursuance of provisions in Article 154 (6) of the Constitution will be tabled in due course.

In my opinion, except for the effects of the matters described in the basis for Qualified Opinion section of my report, the accompanying financial statements give a true and fair view of the financial position of the Board as at 31 December 2021, and of its financial performance and its cash flows for the year then ended in accordance with Sri Lanka Accounting Standards.

1.2 Basis for Qualified Opinion

1.2.1 Deviating from application of Sri Lanka Accounting Standards (LKAS/SLFRS)

- (i) Contrary to paragraph 32 of the Sri Lanka Accounting Standard on Presentation of Financial Statements (LKAS 01), an abnormal credit balance of trade receivables amounting to Rs.8,506,031 which represent the current assets had been set off against payables and identified as non-operating liabilities in the statement of financial position at the end of the year under review. Similarly, a debit balance of retention received amounting to Rs.1,078,112 which represent the current liabilities had been set off against receivables and identified as non-operating assets in the statement of financial position at the end of the year under review. Apart from that a sum of Rs.51,411,173 and Rs. 65,226,954 written off as bad debts during the year under review in relation to Dehiwala Manager office and Moratuwa area engineer office had been set off against the metered sales instead of recognized as other operating expenses.
- (ii) Contrary to paragraph 60 of the Sri Lanka Accounting Standard on Presentation of Financial Statements (LKAS 01), board had identified non-operating assets amounting to Rs.149,681,812 which includes stocks, debtors, advances and cash book balances and presented it as highly illiquid items without considering liquidity of each item separately.
- (iii) Contrary to paragraph 9 of the Sri Lanka Accounting Standard on Inventories (LKAS 02), stocks with an aggregate value of Rs.632,408,899 which had not moved more than three years period had been recorded at its cost without assessing their net realizable values.
- (iv) Contrary to paragraph 07 of the Sri Lanka Accounting Standard on Statement of Cash flows (LKAS 07), a deposit made in a saving account amounting to Rs.1,455,412 and a deposit made in Escrow Savings Account amounting to Rs.11,828.23 million had been categorized under Financial assets and Investments respectively in the Statement of Financial Position. However, it was observed that an amount equivalent to Rs.2,065.8 million had been utilized during the year out of balance in escrow saving account.

- (v) Contrary to Paragraph 41 and 42 of the Sri Lanka Accounting Standard on Accounting Policies, Changes in Accounting Estimates and Errors (LKAS 08), rental income received from Ministry of Water Supply for the year 2020 amounting to Rs.3,797,412 and Sewerage income of Rs.354,080 and Rs.1,078,301 received in respect of the year 2020 in Seethawaka manager office and Galle manager office respectively had been identified as income for the year under review. Further, sewerage income during the year had been debited by Rs.436,090 to rectify the error made on 07 February 2020 in relation to Greater Colombo Sewerage Section and a sum of Rs.700,000 which should have been identified as a prior year adjustment to the cost of Leased Hold Lands had been erroneously identified as transfer of lease hold land during the year under review. Apart from that Rs.22,696,939 which had been recognized as billing income of the proceeding years in relation to Regional Support Centre Western-Central (Maligawatta) had been identified as deductible adjustments during the year due to erroneous bills raised. However, without taking action to adjust it as per the Paragraph 41 and 42 of the Sri Lanka Accounting Standard on Accounting Policies, Changes in Accounting Estimates and Errors (LKAS 08), it had been charged to the metered sales of the year.
- (vi) Repair expense of Wakwella Water Treatment Plant & Building amounting to Rs.5,855,591 incurred during the year 2018 and 2019 had erroneously been identified as work-in progress. However, in order to make the correction similar amount had been identified as expenditure incurred during the year instead of being adjusted in terms of section 42 of Sri Lanka Accounting Standard on Accounting Policies, Changes in Accounting Estimate and Error (LKAS 08). Further, a sum of Rs.1,224,986 received during the year 2017 as interest in respect of the fixed deposit bearing the number 80836249, had been erroneously credited to cash in transit account during the year 2017. However, it had been corrected during the year under review after recognizing as income for the year instead of being adjusted to the retained loss at the beginning of the year as per the above provision.
- (vii) An additional provision for depreciation of Rs.293,125 had been made during the year under review due to changing the five (05) categories of eight (08) fixed assets instead of being recognized in terms of section 42 of Sri Lanka Accounting Standard on Accounting Policies, Changes in Accounting Estimate and Errors (LKAS 08).

Further, an amount equivalent to Rs.1,252.33 million exceeding the additions made to the non-current assets during the year had been transferred from the cost of Property Plant and Equipment instead of being recognized in terms of section 42 of the above standard. Apart from that as per the calculations made by audit an under provision for depreciation of Rs.845,272 had been made to the retained loss at the beginning of the year as retrospective adjustments for changing the five (05) categories of eight (8) fixed assets. Hence the retained loss and the provision for depreciation at the beginning of the year had been understated by similar amount.

- (viii) As per paragraph 51 of the Sri Lanka Accounting Standard on Property, Plant & Equipment (LKAS 16), the useful life of the asset shall be reviewed at least at each financial year end and if expectations differ from previous estimates, the changes shall be accounted in accordance with LKAS 08. However, useful lives of the fully depreciated assets amounting to Rs.2,604,392,336 related to 17 categories of fixed assets still in use had not been reviewed and accounted accordingly. Apart from that major spares amounting to Rs.396,328,070 which had been remained more than 20 years period had also been depreciated using the rate of 5 percent without reviewing their expected useful lives.
- (ix) Contrary to the provisions in the Sri Lanka Accounting Standard on Accounting for Government Grants and Disclosure of Government Assistance (LKAS 20), foreign grant balances aggregating to Rs.10,445.59 million relating to 29 Projects which remained without being amortized over 15 years and Rs.3,258.98 million relating to 05 projects which remained without being amortized over 12 years had been brought to the accounts as at 31 December 2021. The impact on non-amortization to the financial statements could not be ascertained in audit as there were no details available relevant to those foreign grants. Further, contrary to the paragraph 12 of the standard an amount equivalent to Rs. 110,142,908 identified as depreciation of 13 categories of fixed asset items had been debited to separate foreign grant accounts as amortization without separately identifying the specific project relating to each of the foreign grant. And hence an abnormal debit balance aggregating to Rs.110,142,908 was observed in foreign grant.

- (x) Inventory items valued at Rs.27,669,420 received from the contractor of Ruhunupura Water Supply Scheme which had been identified during the stock verification of the year under review in Hambanthota Manager Office and stock items valued at Rs.52,739,979 received to the Akkareipattu Manager office as grants had been recognized as foreign capital grants without properly identifying the source as per the paragraph 03 of the Sri Lanka Accounting Standard on Accounting for Government Grants and Disclosure of Government Assistance (LKAS 20).
- (xi) Board had not recognized relationship with related parties that affect assessment of board's operations in terms of the section 8 of the Sri Lanka Accounting Standard on Related Party Disclosures (LKAS 24). Further, it had not been introduced a methodology to identify and disclose related party transactions in the financial statements or its draft annual report even by the end of the year under review. Hence the nature and amount of related party transactions could not be ascertained during the audit.
- (xii) Contrary to the provisions in the Sri Lanka Accounting Standard on Investment Property (LKAS 40), the Carrying value of Investment Property amounting to Rs.328,259,619 had been shown as Property Plant & Equipment, instead of been shown as Investment Property as at 31 December 2021. Further, as per the paragraph 75 (f) (i) and 79 of the standard, income from Investment Property had not been disclosed and the Board had not made proper disclosures with regard to methods of depreciation, useful lives or rates of depreciation, the gross carrying amount and the accumulated depreciation at the beginning and end of the period and amount of impairment.
- (xiii) Contrary to section 5.5 of the Sri Lanka Financial Reporting Standard on Financial Instruments (SLFRS 09), a provision of Rs.30,617,873 for impairment on sewerage debtors and other debtors had been done based on a fixed rate without identifying the expected credit loss.
- (xiv) Contrary to section 12 of Sri Lanka Accounting Standard on Intangible Assets (LKAS 38), a sum of Rs.9,593,438 which had been identified as furniture & fitting, other equipmet, plant & equipment etc. during proceeding years, had been identified as intangible assets in relation to Regional Support Centre (Central) during the year

without properly satisfying the criteria of identifiable intangible assets. However it was observed that proper adjustments had not been made in relation to the cost, accumulated depreciation and retained losses at the beginning of the year to reflect the effect of changing the category of above intangible assets as required by Sri Lanka Accounting Standard on Accounting Policies, Changes in Accounting Estimate and Error (LKAS 08) instead of that it had been shown as additions to the intangible assets during the year under review.

- (xv) In terms of Section 118 of Sri Lanka Accounting Standard on Intangible Assets (LKAS 38), relevant disclosure requirements such as the amortization methods used for intangible assets with finite useful lives and the gross carrying amount and any accumulated amortization at the beginning and end of the period had not been made in the financial statements. Further, the board had failed to review the period of amortization and method of amortization for intangible assets at least each financial year as specified in section 104 Sri Lanka Accounting Standard on Intangible Assets (LKAS 38).

1.2.2 Accounting Deficiencies

- (i) As per section 3.2.1 of accounting policies submitted with the financial statements, the balance of inventory at the end of the year under review is to be valued at weighted average cost method. However during the audit test check it was observed that the inventory balance taken from the management information system had not complied with the weighted average cost method due to abnormal price deviations between stock receipts and issues. Hence, accuracy of balance of inventories in the financial statements cannot be verified in audit.
- (ii) As per section 3.2.1 of accounting policies submitted with the financial statements, a provision for obsolete and slow moving stocks should be made out of balance of inventory. However, as per the books of accounts provision for obsolete and unserviceable stocks amounting to Rs.236,958,510 had only been made without making any provision for slow moving stocks.

- (iii) Economic Service Charges (ESC) paid during the year 2019 amounting to Rs.138,860,749 had been erroneously identified as income tax expense in the statement of comprehensive income of the year under review without making detailed income tax computation in order to recognize actual income tax expense for the year under review.
- (iv) Economic Service Charge for the year of assessment 2016/2017 had been paid based on 0.25 percent even though rates had been revised to 0.5 percent with effect from 01 April 2016. As a result an assessment had been made by the Department of Inland Revenue for Rs.128.76 million including penalty. According to the records of the board Rs.66.37 to be paid by the board (excluding penalty) due to rate changes. However, no provisions had been made for the balance tax payable in the books of accounts even at the end of the year under review.
- (v) During the board of survey of the year 2015, it was observed that fixed assets with an aggregate value of Rs.65,852,393 in relation to 16 water supply schemes in Kurunegala Regional office were not in usable condition and remaining as fixed assets for a long period. However, no proper actions had been taken to remove them from books of accounts even at the end of the year under review. Further, as per calculations made by audit, it was revealed that Rs.851,398 had been made for provision for depreciation during the year under review as well for proceeding year for the 42 depreciable items valued at Rs.40,605,148.
- (vi) Three vehicles bearing the number 252-7905,252-8054 and PA-2052 belonging to Soysapura and Kolonnawa Sewerage sections valued at Rs.4,900,000 had not been accounted in the books of accounts even by the end of the year under review. Further, as per calculations made by audit a provision for depreciation amounting to Rs.445,000 should have been made for those vehicles annually.
- (vii) Four items of fixed assets which had not been recorded in the fixed assets registers or books of accounts of the board had been disposed during the year under review. However, the sale proceeds of disposal amounting to Rs.1,178,000 had been recognized as profit for the year without making any prior year adjustments properly for provision for depreciation after taking into account the date of purchase.

- (viii) In relation to five (05) cost centers in Ampara ,Jaffna,Batticloa and Central North region fixed assets with an aggregate value of Rs.24,797,847 could not be verified and physically not existed as per the physical verification reports and fixed assets registers. However, without taking actions to remove them from books of accounts, a provision of Rs.605,749 had been made for depreciation during the year under review.
- (ix) As per physical verification reports of Central North Regional Support Centre, Vavunia, Jaffna, Eastern,Ampara,Akkareipattu and Batticloa regions it was observed that Free Hold Buildings, Structures, Infrastructure, Computer & Other Equipment, Survey equipment, Mobile Equipment etc. with an aggregate value of Rs.52,399,850 in relation to twenty two cost centers had been damaged, removed from usage and demolished. However, without taking any actions to remove them books of accounts, a provision of Rs.1,637,717 had been made for depreciation during the year under review.
- (x) Sixty six (66) items of fixed assets amounting to Rs.946,780,882 which had not been clearly identified during board of surveys of Central North Regional Support Centre,Mathale, Katugasthota, Vavunia,and Jaffna regions had been included in the fixed assets registers and books of accounts and provision for depreciation amounting to Rs.39,211,284 had been made on them.
- (xi) As per the financial statements of the year under review, the balance of trade debtors including new connection debtors as at 31 December 2021 were Rs.7,733,111,838. However, provision for impairment had been made only for debtors amounting to Rs7,662,021,591. Hence no provision had been made for the debtors aggregating to Rs.71,090,247. Apart from that no provisions had been made for the other debtors of Rs.3,743,920 included in non-operating assets of financial statements and remained in the books of accounts for more than 5 years.
- (xii) Trade debtors amounting to Rs.1,243,209 which had been approved to write off by the Department of Public Enterprise on April 2021 had been adjusted to the retained losses at the beginning of the year as prior year adjustment instead of charge to the profit for the year under review. And hence profit for the year had been understated by similar amount.

- (xiii) A sum of Rs.12,697,619 paid by the board as value added tax to the contractors for the projects had been erroneously identified as work in progress instead of accounted them as vat receivables even though they have been already claimed against output vat of the board. Hence balance of work in progress had been overstated and vat receivables had been understated in the financial statements by similar amount.
- (xiv) As per the information received, the cost of one hundred fourteen (114) completed and commissioned Water Supply and Rehabilitation Projects amounting to Rs.70,625.98 million had remained in the work-in- progress as at 31 December 2021 without being capitalized.
- (xv) Out of advances received for rechargeable works, a sum of Rs.171,985,691 relating to 44 projects in Akkareipattu and Ampara Region, Western Central Regional Support Centre and Western South Regional Support had been completed from the year 2014 to end of the year under review. However, actions had not been taken to capitalize them or transfer the remaining balance to relevant income account even by 30 April 2022.
- (xvi) It was observed that the Board had made prior year adjustments in the financial statements of the year 2020 and 2021 pertaining to years 2018, 2019, and 2020. As a result, the retained loss as at the end of year 2020 is distorted by Rs.123.22 million. Hence, the possibility for making adjustments to the profit for the year under review in the forthcoming year could not be ruled out in audit. The details of such prior year adjustments made in the year under review and the previous years are given below.

Year	Amount Debited	Amount Credited	Net effect to the accumulated Profit/Loss
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	Rs.	Rs.	Rs.
2020	128,247,558.00	34,863,912.00	(93,383,646)
2019	29,519,766.00	24,240,710.00	(5,279,056)
2018	37,682,729.00	13,121,667.00	(24,561,062)

- (xvii) In respect of seven (07) Projects, the balances aggregating to Rs.198,729,791 shown under the work-in-progress are remained unchanged over twelve years without being investigated in order to make necessary adjustments in the financial statements.
- (xviii) It was observed that a sum of Rs.12,506,980 in welfare fund had been adjusted against source of income of capital recovery charges in the financial statements submitted to audit without any reason and hence net profit for the year under review had been overstated by similar amount in the statement of comprehensive income. Further, it was observed that it includes Rs.1,199,700 which had been received in respect Corporate Social Responsibility Fund for the year 2020.
- (xix) In terms of the Memorandum of Understanding entered in to between Kurunegala Urban Council and board during March 2021 for the maintenance of the Greater Kurunegala Sewerage System a monthly income of Rs.2.5 million is to be received from the urban council. However, the income for the five months commencing from August to December 2021 amounting to Rs.12.5 million had not been recognized in the books of accounts.
- (xx) Long outstanding balances of assets and liabilities amounting to Rs.149,748,448 and Rs.71,927,749 respectively which includes other debtors, advances, trade creditors, unclaimed salaries, etc. had been identified as non-operating assets and non-operating liabilities without taken actions to clear such balances. Further, an unidentified prior year balance of Rs.95,796,513, stock balance of Rs.22,007,307 in four regions and bank balances of Rs.5,906,882 remained in the above mentioned balance as non-operating assets without taking actions to investigate and settled.
- (xxi) Stolen stocks in Kelaniya region six years back amounting to Rs.2,549,788 and Stock shortage of Rs.1,211,323 Western Central Regional Support Centre (Kohuwala) had been included in the inventory even as at 31 December 2021. However, actions had not been taken to recover such losses from respective officers.
- (xxii) As per the cabinet decision taken on 02 July 2020 , the interest cost on loan of Rs. 30 billion obtained from National Savings bank is to be born by the General treasury and the board had incurred Rs.699,702,314 as interest on that loan during the previous year.

However, only Rs.659,277,279 had been identified as receivables from treasury in the financial statements even for the year under review and it had not been recovered from treasury even by the end of March 2022.

(xxiii) A sum of Rs.821,996,056 which should have been identified as interest expense for the preceding year (including board and treasury portion) had been erroneously identified as interest for the year under review in respect of on-going six foreign funded projects. Hence the work in progress at the beginning of the year had been understated by similar amount.

(xxiv) As compared with the confirmations received from banks in respect of accrued interest on loans of seventeen (17) local and foreign funded projects, it was observed an under provision of Rs.318,850,651 had been made. Hence, the profit for the year under review and accrued interest at the end of the year had been understated by similar amount.

(xxv) In relation to Biyagama and Seethawaka Manager offices, Sewerage income of Rs.5,013,530 for the month of September and sewerage income of Rs.8,040,601 for the month of August had been accounted twice. Hence, the loss for the year under review had been understated and sewerage debtors at the end of the year had been overstated by Rs.13,054,131.

(xxvi) As per the calculations made by audit the balance of interest receivable on investments at the end of the year under review had been overstated by Rs.1,500,542. As a result, retained loss at the beginning of the year and loss for the year under review had been understated by Rs.1,476,322 and Rs.24,220 respectively.

(xxvii) An interest of Rs.302,055 relating to the year 2020 (28/12/2020 to 31/12/2020) with respect to fixed deposit bearing the number 85304025 had been identified as interest income for the year instead of being recovered from the opening balance of interest receivable. Further, opening balance of interest receivable with respect to the fixed deposit bearing the number 85304053 had been recovered with a decrease of Rs.86,302 during the year.

- (xxviii) An interest of Rs.4,986,301 relating to the period of 30 September 2021 to 30 December 2021 had not been recognized as interest income during the year under review with regard to the fixed deposit bearing the number 83641912.Hence profit for the year under review had been understated by similar amount.
- (xxix) General expenses of Rs.2,816,590 (including special advance of Rs.80,198) incurred in respect of Greater Colombo Water & Waste Water Improvement Investment Programme had been accounted twice in work in progress and cash imprest account (00/2/59/289/1) of the board. As a result an abnormal credit balance of Rs.2,816,590 was observed in cash imprest account. Similarly, work in progress balance at the end of the year had been overstated by similar amount (including special advance of Rs.80,198).
- (xxx) A sum of Rs.206,361 had been made as amortization for intangible assets in the financial statements for intangible assets recognized during the year. However as per the calculation made by audit Rs.342,622 should have been recognized as amortization. Hence amortization expense had been understated and carrying value of intangible assets shown in the financial statements had been overstated by Rs.136,261.
- (xxxii) Without taking action to dispose actionable stock items amounting to Rs.131,828,414 in forty regions , it had also been identified as inventory in the financial statements.
- (xxxiii) A Pipe Cutting machine with a cost of Rs.2,000,000 purchased prior to the year 2000 and remained at warehouse of Western Production Regional Support Centre had been identified as an Inventory item even by the end of the year under review without taking any actions to capitalize.
- (xxxiiii) A Water bowser valued at Rs.3,197,000 condemned during the year in kaluthara Region had not been removed from books of accounts even by the end of the year under review and a provision of Rs.159,850 had been made as depreciation in the books of accounts during the year under review.

- (xxxiv) Action had not been taken to record the value of stock items received during November 2018 from Road Development Authority to Waskaduwa warehouses under Western South Regional Support Center in the books of accounts even at the end of the year under review. However, the impact on omission to the financial statements could not be ascertained in audit as there were no details available.
- (xxxv) An unidentified balance of Rs.155,974,054 remained in stock adjustment account at the end of the year under review had been taken into account as inventory in the financial statements without taking any actions to clear them. However as per the random test check it was observed that an identified stock shortage of Rs.2,086,329 in Mathale, Kohuwala, Jaffna Kilinochchi warehouses, Bandaragama IOC office and Wariyapola Ground Water section had also been included in it without taking actions to remove them from books of accounts after proper investigation. Further out of stock adjustment balance of Rs.81,407,868 relating to Matale regional office, variation of Rs.41,739,680 had been recognized due to failure of recording stock transactions during preceding years. However, proper actions had not been taken to clear them or take actions against the responsible officers even by the end of the year under review instead in had been identified as inventory in the financial Statements.
- (xxxvi) A sum of Rs.23,805,258 had been incurred by the respective contractor as demurrages during the year under review for consignment imported for the “Water for all project”. However, no provisions had been made in the books of accounts for the same at the end of the year under review.
- (xxxvii) As per the information furnished to audit, it was observed that the lands situated at Hambanthota region proposed to acquire for Kirama Katuwana Water Supply Project had been legally acquired by the Board during the year 2013 and 2014. However, the advance paid amounting to Rs.6,626,000 on such lands had been accounted in land advances as well as in fixed assets of the board.
- (xxxviii) As per random audit test check it was observed that stock items worth Rs.1,234,790 purchased during the year 2014,2017 and 2020 had not been taken to the Inventory Management System and the books of accounts in Rathnapura region. Hence the value of inventory at the end of the year had been understated by similar amount.

- (xxxix) It was observed that building rent for three months period amounting to Rs.900,000 had been over recovered and exchange gain amounting to Rs. 3,029,984 had been accounted twice in relation to advances to contractors of Greater Colombo Water & Wastewater Management Improvement Investment Programme (Project 01) during the year. Hence, balance of advances to contractors and work in progress at the end of the year had been overstated by Rs.2,129,984 and Rs.900,000 respectively while loss for the year in the board financial statement had been understated by Rs.3,029,984. In addition to that advance recovered amounting to Rs.32,933,980 from the interim bills submitted by the contractor of Kandy City Waste Water Management Project during 3rd quarter of the year had been accounted twice in the books of accounts of the board. Hence, balance contractor advances had been understated and work in progress had been overstated by similar amount.
- (xl) In relation to Kandy City Waste Water Management Project retention kept by the board out of bills submitted by the contractor, a sum of Rs. 52,336,400 for the third quarter of the year had been accounted twice. Hence the retention payable to contractors and work in progress at the end of the year under review had been overstated by similar amount.

1.2.3 Un-Reconciled Balances

- (i) Differences of Rs.56,043,212 in trade debtors and Rs.127,184,503 in new connection debtors were observed between balances shown in the financial statements and the balances shown in the age analysis schedules submitted by the commercial division of the Board.
- (ii) An un-reconciled difference of Rs.3,939.7 million was observed between the value of metered sales, bulk sales and bowser supply shown in the reports of commercial section and the financial statements.
- (iii) A difference aggregating to Rs.12,316.62 million was observed in foreign grants of Dry Zone Urban Water and Sanitation Project, Jaffna Kilinochchi Waste Water Supply & Sanitation Project and Kaluganga Water Supply Expansion Project when compared

financial statements of the board with the individual financial statements of the respective projects.

- (iv) As per the audit test check carried out, an aggregate difference of Rs.10,633.08 million was observed between the work- in- progress balance shown in the financial statements of the Board and the corresponding balances shown in the individual financial statements of six (06) foreign funded projects. Further, when analyzing the reconciliation prepared for Greater Colombo Water & Waste Water Management Improvement Investment Programme (Project i,ii & iii) –ADB and Greater Colombo Water & Waste Water Management Improvement Investment Programme AFD, it was observed in audit that provision for gratuity and payment made during the year for project staff amounting to Rs.15.48 million had not recorded in board's financial statements.
- (v) As per the random audit test check, it was observed that an unidentified debit balances and credit balances amounting Rs.6,292,288 and Rs.361,841 respectively shown in the bank reconciliations from the year 2015 to 2020 in respect of five (05) banks accounts had not been cleared.
- (vi) Based on the directions given by the Director General of Department of Public Enterprises by his letter of PE/WS/NWSDB/GEN/2015 dated 08 July 2015 and as per the Cabinet Decision taken on 04 February 2016, the outstanding loans balance amounting to Rs.100,263,323,220 had been transferred to Government Equity account with effect from year 2015 up to the end of the year. However, as per the records of the General Treasury an amount equivalent to Rs.75,388,884,922 had been identified as capital contribution to the board. Hence, it was observed that an amount equivalent to Rs.24,874,438,298 which payable by the board as foreign loans had been transferred to Government Equity without any approval at the end of the year under review.
- (vii) An unidentified credit balance of Rs.7,351,693 remained in cash imprest account in relation to Anuradhapura Water Supply Project (Phase 1) had not been cleared even by 31 December 2021.

1.2.4 Lack of Evidence for Audit

The evidences indicated against each item shown below had not been furnished to audit.

Item	Value	Evidences not Made Available
	Rs.	
(a) Other Debtors	102,867,223	Detailed schedules
(b) Other Creditor	342,938,996	Detailed Schedules
(c) Non- moving & Slow- moving Stocks	1,315,539,477	Age analysis
(d) Tax expense	138,860,749	Detailed income tax computation for the year
(e) Short Term Deposits in Other Institutions	12,779,730	Detailed schedules
(f) HDFC investment for Housing Loans	434,368	Bank Confirmations
(g) Local Bank Loans	26,254,511	Bank Confirmations
(h) With holding Tax	111,540,855	Detailed schedules and Certificates
(i) Security Deposit (Government quarters)	2,354,032	Detailed Schedules (Employee wise)
(j) Advances to Contractors-	5,772,482	Detailed Schedules
(k) Rehabilitation Tax	1,757,515	Detailed Tax Computation, Schedules
(l) Assets taken over from Government Department	185,480,387	Detailed assets list taken over.
(m) Treasury Grant	98,979,261,620	Detailed schedule with project related with the grants
(n) Capital Grants-Local Authorities	854,660,910	Detailed schedule with project related with the grants
(o) Foreign Capital Grants	7,347,045,563	Detailed schedule with project related with the grants
(p) Abatement Creditors	2,321,570	Detailed Schedules

(q) Non-operating Liabilities		
(i) Trade Creditors	4,131,522	Detailed Schedules
(ii) Unclaimed Salaries & Payroll Clearing	20,639,944	Detailed Schedules
(r) Non - operating Assets		
(i) Other Debtors	3,743,920	Detailed Schedules
(ii) Advances	15,274,131	Detailed Schedules

I conducted my audit in accordance with Sri Lanka Auditing Standards (SLAuSs). My responsibilities, under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

1.3 Other information included in the Board's 2021 Annual Report

The other information comprises the information included in the Board's 2021 Annual Report but does not include the financial statements and my auditor's report thereon, which I have obtained prior to the date of this auditor's report. Management is responsible for the other information.

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

In connection with my audit of the financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

Based on the work I have performed on the other information (draft annual report) that I have obtained prior to the date of this auditor's report, I observed following disclosures had not been made as per the Guideline on Corporate Governance for State Owned Enterprises issued by Department of Public Enterprises.

- (a) Details of related party transactions of Board of Directors
- (b) Number/percentage of Board meetings and sub-committee meetings a director has attended during the financial year

- (c) Corporate Governance report etc.
- (d) Risk Committee report

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

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

In preparing the financial statements, management is responsible for assessing the Board's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Board or to cease operations, or has no realistic alternative but to do so.

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

As per Section 16(1) of the National Audit Act No. 19 of 2018, the Board is required to maintain proper books and records of all its income, expenditure, assets and liabilities, to enable annual and periodic financial statements to be prepared of the Board.

1.5 Auditor's Responsibilities for the Audit of the Financial Statements

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Sri Lanka Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Sri Lanka Auditing Standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Board's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Board to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

2. Report on Other Legal and Regulatory Requirements

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

- Except for the effect of the matters described in the Basis for Qualified Opinion paragraph, I have obtained all the information and explanation that required for the audit and as far as appears from my examination, proper accounting records have been kept by the Board as per the requirement of section 12 (a) of the National Audit Act, No. 19 of 2018.
- The financial statements presented is consistent with the preceding year as per the requirement of section 6 (1) (d) (iii) of the National Audit Act, No. 19 of 2018.
- The financial statements presented includes all the recommendations made by me in the previous year final report as per the requirement of section 6 (1) (d) (iv) of the National Audit Act, No. 19 of 2018 except for paragraph 1.2.1(a), 1.2.1(b), 1.2.1(c), 1.2.1(d), 1.2.1(f), 1.2.1(i), 1.2.1(k), 1.2.1(i), 1.2.2(a), 1.2.2(b), 1.2.2(c), 1.2.2(f), 1.2.2(g), 1.2.2(i), 1.2.2(j), 1.2.2(k), 1.2.2(l), 1.2.2(m), 1.2.2(o), 1.2.2(p), 1.2.2(r), 1.2.3(a), 1.2.3(b), 1.2.3(c), 1.2.3(d), 1.2.3(f).

Based on the procedures performed and evidence obtained which limited to matters that are material, nothing has come to my attention;

- to state that any member of the governing body of the Board has any direct or indirect interest in any contract entered into by the Board which are out of the normal course of business as per the requirement of section 12 (d) of the National Audit Act, No. 19 of 2018.
- to state that the Board has not complied with any applicable written law, general and special directions issued by the governing body of the Board as per the requirement of section 12 (f) of the National Audit Act, No. 19 of 2018 except for;

Reference to Laws/Direction	Description
(a) General Manager's Circulars and Guidelines	
(i) Admin/12/2015 of 12 August 2015	Within three months after the disconnection legal actions should be taken to recover outstanding debtors. However, legal actions had not been taken to recover the outstanding debtors aggregating to Rs.431.5 million in respect of 3,846 disconnected debtors whose bill value over Rs.50,000 as at 31 December 2021. Further, no actions had been taken to disconnect the water supply from main line for 12 government quarters with outstanding bill value of Rs.439,371 in Ratnapura District even though reconnection had not been obtained after lapse of 3 to 11 years from the disconnection.
(ii) Admin/09/2018 of 26 September 2018 & Section 8.1.1 and 8.2.2 of Code of Board Quarters	Monthly rent equivalent to the market rent and 12.5 percent of surcharge from salary shall be charged from employees who occupies official quarters more than 5 years. However, as per random audit test check a surcharge (excluding market rent) as at the end of the year amounting to Rs.29,996,237 from sixty six (66) employees in six Regional Support Centres and head office had not been recovered even as at end of February 2022 although they have occupied quarters over 5 years.
(iii) Section 11.2 of Code of Board Quarters	Six official quarters had been allocated to six employees in Regional Support Centre (Western Production) whose permanent addresses are located less than 25 kilometers from the place of work to official quarters. Further an amount equivalent to Rs.2,997,000 had been paid from February 2019 to November 2021 out of funds of Ambathale Energy Savings Project to six employees

whose permanent addresses are located less than 25 kilometers from the place work.

(iv) Section 2.1 and 2.3 of Admin 16/2020 of 02 September 2020 Seventeen (17) officers attached to Western Production Regional Support Centre, two hundred three (203) officers attached to Ampara region and one hundred thirty eight (138) officers attached to Akkareipattu region renders their service in the same place for period ranging from 06 to 27 years, 05 to 38 years and 5 to 16 years respectively.

(v) Section 12.2 of Code of office Quarters and Section 3 of Board Circular No. Ad18/2015 dated 30 November 2015 Monthly bill value with a surcharge of 10 percent from salary shall be charged from employees whose water bills are outstanding. However, no action had been taken to collect the outstanding water bill charges aggregating to Rs.1,710,387 with surcharge from 201 connections with outstanding value exceeds Rs.1000 for over three months period. Further no any charges on consumption of water had been charged from 9 officers in Regional Support Centre (Western Production) from the occupied date to the end of the year under review and hence board had to incur a loss approximately Rs.255,600.

(b) Management Services Circular No. 30 of 22 September 2006 and Section 3.2(i) of Operational Manual for State Owned Enterprises of Department of Public Enterprises dated 17 November 2021 Approval of the Department of Management Services for the Scheme of Recruitment and Promotion Procedure of the Board had not been obtained even by the end of March 2022.

- (c) Public Enterprise
Department Circular
No.01/2020 of 27 January
2020
- (i) Section 1.2 Two vehicles had been allocated for Chairman during the year under review.
- (ii) Section 1.4 Two vehicles had been allocated for Vice Chairman during the year under review.
- (d) Section 4.3 of Guidance on Corporate Governance for State Owned Enterprises of Department of Public Enterprises dated 17 November 2021 A risk committee had not been appointed even by the end of March 2022 to assess the risks that could have an impact on the operations of the board, quantify the impact of such risk both financial and non-financial.
- (e) Section 2.3.2 of Management Audit Circular No.01/2019 of 05 March 2019 A full time Project Director had not been appointed to Matara Stage (iv) Water Supply Project from September 2021 even up to 31 March 2022.
- (f) Section 3.5 of the Operational Manual for State Owned Enterprises of Department of Public Enterprises dated 17 November 2021 During the year under review, the Board had paid a sum of Rs.28.73 million as salaries and allowances of twenty one (21) employees who had been released to the Line Ministry by 31 December 2021. Accordingly, Ministry of Water Supply should reimburse Rs.216.12 million to the Board for the employees released from December 2015 to 31 December 2021.
- (g) Amended Value Added Tax Act of No.14 Of 2002
- (i) Section 26 (i) Value Added Tax amounting to Rs.2,081,107 relating to sewerage income (value of supply) of Rs.26,123,533 for the month of January 2021 had not been accounted during

January and hence not paid before the end of February 2021.

- (ii) Section 21(i) VAT returns for all of the four quarters of the year 2021 had been submitted to the Department of Inland Revenue with a delay ranging from three to four months.
- (h) Section 1.4 of Department of Inland Revenue Circular No.CGIR/2019/3V (INS & Cir) of 09 July 2019. As per audit test check carried out, Value Added Tax amounting to Rs.2,465,952 had been paid during the year under review to 15 (fifteen) VAT inactive suppliers in fifty two occasions.
- (i) Extraordinary Gazette Notification No.2151/52 dated November 29, 2019 published under section 2A of the Value Added Tax Act No.14 of 2002. A lesser percent instead of 8 percent had been charged on metered sales from 8 regions during January 2021 of domestic, government quarters, commercial institutions and government institutions. Hence Rs.2,088,094 lower than statutory percentage of VAT had been declared and paid by the board. Further, Value Added Tax on metered sales amounting to Rs.10,268,679 in relation to Gampaha, Colombo and Ampara region during first two quarters of the year 2021 had not been declared and paid by the board even by the end of 31 July 2021.
- (j) Section 06 of the Asset Management Circular No. 01/2017 dated 28 June 2017 of Ministry of Finance and Mass Media. Additions and disposal of fixed assets had not been reported to Comptroller General's office except vehicles even by 30 March 2022 after the year 2016.
- (k) Establishment Code of Democratic Socialist Republic of Sri Lanka
- (i) Section 5 of paragraph XIX. As per random audit test check executed in relation to six Regional Support Centres and Head office it was

observed that a monthly rent ranging from Rs.85 to Rs.4,000 only is being charged and no rent had been charged from 20 employees.

(ii) Section 1.8,4.6 and 7.4 of paragraph VII A sum aggregating to Rs.968,517 which consist Rs.328,276, Rs.442,815 and Rs.197,426 respectively in respect of seventeen (17) employees who left their services (vacated of post), resigned and dismiss had been provided in the books of accounts for over three years period although they are not entitled for their personnel emoluments.

(l) Section 113 of Financial Regulations of Democratic Socialist Republic of Sri Lanka An outstanding balance of water bills amounting to Rs.75,868,821 receivable from domestic consumers in relation to Medirigiriya Water Supply Scheme, Colombo urban Council, Colombo City South ,Colombo City North (Mattakkuliya), Manager Kotte(Battaramulla), Dehiwala Manager office, Panadura (Horana) Manager office,ministers quarters had been written off during the year under review based only on board decision without obtaining treasury approval.

(m) Observation (03) of the Minister of Finance bearing the letter No CF17/0453/714/006 dated 13 March 2017 to the Cabinet memorandum No. 17/0453/714/008 dated 27 February 2017 Contrary to the Cabinet Decision a sum of Rs.29,912,098 had been incurred out of funds received from treasury to finance interest on loan obtained from National Savings Bank in respect of Rs.492,381,118 interest payment to the Gampaha Attanagalle and Minuwangoda integarted project for loan obtained from Bank of Ceylon during the year under review.

- to state that the Board has not performed according to its powers, functions and duties as per the requirement of section 12 (g) of the National Audit Act, No. 19 of 2018.
- to state that the resources of the Board had not been procured and utilized economically, efficiently and effectively within the time frames and in compliance with the applicable

laws as per the requirement of section 12 (h) of the National Audit Act, No. 19 of 2018 except for;

- (i) In order to provide water supply for Ampara, Monaragala and Batticloa regions, Ampara Water Supply Project (Phase III) had been commenced with an estimated cost of Rs.20,825 million on November 2010 and scheduled to be completed December 2015. Under the component (ii) of the project, it had been planned to construct six elevated water tanks and award the contracts on January and March 2013 with the schedule completion date of August 2014 and March 2015. However, due to poor performance of the contractor, it had been terminated on 24 August 2020. Accordingly partly constructed six water towers incurring Rs.30,351,710 and DI pipes and fittings worth of Rs.15,790,210 had remained idle even by the end of the February 2022. However, new contracts to complete the balance works had not been awarded even at the end of the year under review. Hence, it had been unable to achieve the objectives of the project on time.
- (ii) Thirteen (13) office quarters in Damana Water Supply Scheme, Irakkaman Water Supply Scheme, Sagamma Water Supply Scheme and Mandana Water Supply Scheme constructed at a cost of Rs.33,148,739 had remained idle at the end of the year under review.
- (iii) The contract for rehabilitation of Water Treatment Plant in Rathnapura Hospital had been awarded with a delay of 3 years on 17 October 2018, even though the required funds had been disbursed by the Ministry of Health during 2015 and 2016. As per the contract agreement, the contract had to be completed on 28 February 2019. Nevertheless, due to poor contractor performances, the contact had not been completed even by the end of November 2021. Further the contractor had failed to commence the works until the validity period of advance bond expired.
- (iv) All the constructions relating to Iginiyagala and Wadinagala Water Supply scheme and Damana Water Supply Scheme valued at Rs. Rs.5,585,337 and Rs.84,235,632 respectively had remained idled at the end of the year under review due to changing the distribution lines to Paragahakele Water Supply Scheme and Hingurana Water Supply Scheme.

- (v) As per section 2.3.1 of the procurement guideline board had to satisfy whether it has completed land acquisition and resolved compensation, re-settlement issues, including relocation of utilities and such other matters which are necessary for the uninterrupted implementation of the project. However, it was observed that acquisition of proposed lands for resettlements and construction of water towers for Gam paha Attanagalla and Minuwangoda Integrated Water Supply scheme had not been completed even after lapse of period of the 2nd extension granted.
- (vi) After the grace period for loan granted for Gamapaha, Attanagalla & Minuwangoda Water Supply project by the China Development Bank, five loan installments amounting to USD 37.5 had been paid at the end of the year under review. However, as at that date out of loan disbursed by the China Development Bank, a sum of USD 58,267,381.31 equivalent to Rs.11,828.23 million or 30 percent of loan had been retained in Escrow account without utilizing for project activities by the end of the year under review.
- (vii) With respect to sixteen foreign funded projects and six local bank funded projects a considerable delay ranging from 184 days to 1778 days was observed due to poor performance of the contractors, delay in land clearance, environmental and resettlement issues, delay in contract awarding, etc. even after granting extensions ranging from 01 to 09 occasions.
- (viii) Contrary to the section 6.3.3(b) of the Procurement Guideline, 48 days period had been spent to open the bids relating to the contract for extension of Karthivu Officer In charge Office and contrary to the section 7.8.6 of the Procurement Guideline the contract had not been awarded to the substantially responsive bidder.
- (ix) Without preparing an engineering estimate the generator with a capacity of 800 KVA remained at Akkareipattu Officer in charge office had been handed over to the its supplier on 08 July 2019 for the estimated repair cost of Rs.10,466,352. Subsequently, based on decision taken by the Departmental Procurement Committee the contract to repair had been re-awarded to another bidder for a

contract sum of Rs.9,960,575 on 16 August 2021. Later the contract price of rewarded contract had been amended for Rs.12,625,465 or by 27 percent of the original contract price. However, no proper actions had been taken by the management to get the generator repaired even after 2 and 1/2 years of idling as at the end of the January 2022 even though a sum of Rs.195,975 had been incurred for transportation and testing undertaken by the original supplier.

- (x) An amount equivalent to Rs.162,900 had been incurred as default interest due to delay in repayment of installment by the board in respect of loan obtained for Matara Stage (IV) Water Supply Project. Further, an amount equivalent to Rs.1,815,460 had been incurred as default interest due to delay in payment of electricity bill of Western Production Regional Support Centre for the period of April 2020 to October 2021.
- (xi) Contrary to section 5.4.4 of procurement guideline, a sum of Rs.1,417,515 had been paid to suppliers directly during 01 January 2021 to 30 June 2021 in Galle Manager Office without enter into a valid written agreement. And out of above an amount equivalent to Rs.223,000 released in 6 occasions had not been settled by the respective supplier even by 30 June 2021.
- (xii) An increase of 18.3 percent had been observed between two engineer estimates prepared in two occasions for same bill of quantity items for the contract of Renovation of Ground Reservoir in Kaluthara Alwis Place. Hence the reliability of preparation of engineering estimates is in doubts. Further it had been taken nearly one year to award the contract due to inefficiency in procurement process. In addition to that due to failure of identification of scope of the contract properly additional payments of Rs. 3,736,057 had been made for variation orders. Further, the project had been awarded on 15 September 2020 and schedule to be completed within three months. However, two extensions had been given by the board due to failure of completing the contract as expected even by 20 October 2021. As a result out of 14.8 million advance given by the board an amount equivalent to Rs.3.8 million had only been recovered even by 31 July 2021.

- (xiii) An excavator machine procured during the year 2018 incurring Rs. 22.3 million out of funds of Colombo District East Water Supply Project for the usage of Regional Support Center (Western Production). However, it had only been utilized for 60.5 hours even as at December 2021 and had not been utilized from 28 April 2021 for the operational activities of Regional Support Centre (Western Production)
- (xiv) A boowble camera system valued at Rs.10 million remained at Pothuwil Officer in Charge office and sent to Akkareipattu manager office on 03 July 2017. However, it had not been repaired even by the end of the January 2022.

3. Other Audit Issues

- (i) Trade debtors, new connection debtors, sewerage debtors and other debtors aggregating to Rs.1,992.88 million had remained over two years without being recovered. Out of above trade debtors 59 per cent represents in Colombo, Kelaniya, Kotte and Hambanthota regions. Even though new connection debtors are to be recovered from 3 installments, Rs.7,359,256 had remained more than 3 years period without being recovered.
- (ii) A sum of Rs.244.63 million had remained outstanding from 1975 trade debtors relating to 20 consumer categories, whose bill values are over Rs.50,000 and consecutively not paid for 365 days as at 30 November 2021. Out of above balance Rs.4.57 million represents 8 (eight) minister's office quarters.
- (iii) A sum of Rs.6,996,050 in respect of 42 water connections given to ministers quarters had remained without being recovered as at the end of the year under review whose bill values are exceeds Rs. 5,000 and consecutively not paid for 365 days. Out of those connections, 33 connections with a bill value of Rs.2,277,723 were inactive and not paid more than three years.
- (iv) As per the consumer charter of the Board, the first bill should be issued to the consumer within 30 days of the date of new connection. However, a considerable delay ranging from 37 days to 329 days were observed in delivering of 1st bill in Colombo South,

Maharagama, Kesbewa, Kaluthara and Matara regions in 149 occasions as at 30 November 2021.

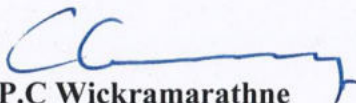
- (v) An outstanding balance of Rs.1,765,352 in respect of two illegal connections of Galle Urban Council for the consumption of water for 19 years had not been recovered even by the end of the year under review. Further, as per random test check audit carried out, relating to three illegal connections of individual households in Galle region, it was observed that a sum of Rs. 921,097 had not been recovered even by the end of the year under review.
- (vi) A sum of Rs.28,519,949 due from Colombo Municipal Council had not been recovered for more than 5 years period even by the end of the year under review.
- (vii) Outstanding disconnected debtors as at 31 December 2021 was Rs.1,334,585,928. Out of that, debtors amounting to Rs.461,330,874 which equivalent to 85 percent had remained outstanding over two years without being recovered.
- (viii) A sum of Rs.103,259,692 and Rs.28,969,283 paid as deposits and advance for the acquisition of lands in Regional Support Centre (Central) and Hambanthota regions respectively had remained in books of account for more than five years without taking actions to investigated and recovered them. Further, in respect of land advances paid in relation to Regional Support Center (Central), the responsible officers were unable to provide information to audit as to whether respective lands are acquired or not.
- (ix) As per the financial statements of the Board, the receivable from Ministry of Education was Rs.960,074 for water supply and sewerage facilities provided. However, as per the financial statements of the Ministry of Education it was shown as Rs.467,916. Hence a difference of Rs.492,158 was observed.
- (x) Loans and advances given to former employees amounting to Rs.17,535,788 had remained in accounts for more than eight years period without taking proper actions to recover. However, as per test check done by audit it was observed that more than 90 percent of the above employees who have obtained loans and advances had been given retirement without recovering the due amounts.

- (xi) Balance of trade creditors amounting to Rs.43,267,366 in Kandy, Kandy North, Kandy South and Dehiwala had remained in books of accounts for more than 5 years period even at the end of the year without taking actions to settle. However, as per information received to audit it was revealed that all of the above creditors had been settled their dues even though it had not been correctly accounted in the books of accounts.
- (xii) No legal actions had been taken to recover the advances given to three contractors for the terminated projects in Regional Support Center (Central) during the year 2008 aggregating to Rs.9,648,214 even by 30 April 2022.
- (xiii) No legal actions had been taken to recover the advance given to contractors during 2010-2016 for terminated project aggregating to Rs. 41.11 million in relation to head office even by the end of the year under review.
- (xiv) A sum of Rs.1,963,560 and Rs.666,375 kept by contractors as retentions in respect of six (06) completed projects and four (04) terminated projects respectively in Regional Support Centre (East), Regional Support Centre (Western South), Regional Support Centre (North Western), Regional Support Centre (Sabaragamuwa), Ruhunupura WSP and Sithulpuwa Water Scheme had not been released to relevant parties or take a proper action even by the end of the year under review.
- (xv) Short term deposits aggregating to Rs.53,408,746 deposited in external institutions including Road Development Authority, Colombo Municipal Council, Provincial Road Development Authority and Beruwala Urban Council had remained outstanding over three years without being recovered. Further, an advance kept at line ministry amounting to Rs.4,378,829 had remained outstanding over nine years without being recovered. However, the recoverability of this advance is in doubt since it had not been shown in the statement of liabilities of the Line Ministry for the year under review.
- (xvi) No remarkable actions had been taken to recover refundable deposits made at Road Development Authority two years ago amounting to Rs.7,068,327 by the Regional Support Centre (North West), even though the projects relating to the refundable deposits had already been completed.

- (xvii) Refundable tender deposits amounting to Rs.4,466,358 had remained over three years without being released to relevant parties. Further, an abnormal debit balance of Rs.188,808 remained in refundable tender deposit of Rathnapura region due to repayment of deposit already transferred to income without taking actions to settle them as per section 571(2) of Financial Regulation of Sri Lanka. However, actions had not been taken to settle the abnormal debit balance even by the end of the year.
- (xviii) Cash frauds amounting to Rs.246.64 million committed at Trincomalee, Kelaniya and Ampara regions during the year 1999 to 2006 had not recovered even as at 31 December 2021. However, in relation to Trincomalee Region Rs.24.15 million had only been recorded as other debtors out of cash fraud of Rs.171.9 million. Further, another Cash fraud amounting to Rs.272,735 committed at Bandarawela Region during the year 2001 had not recovered from responsible persons even as at 31 December 2021.
- (xix) As per the financial statements, the stocks in transit (local purchase) and imported stock in transit as at 31 December 2021 was Rs.61,113,682 and Rs. 2,224,233,337 respectively. Out of that stocks amounting to Rs.454,921,632 had remained over one years without being investigated.
- (xx) As per Corporate Plan for 2020-2025 a new connection target of 301,762 had been established for the year in combined with “water for all” concept under the National Policy Framework and later the target had been amended to 215,000 during the year. However, 192,087 numbers of new connections were given during the year. Nevertheless, the metered sales revenue had only been increased by only 0.1 percent as compared with the preceding year which shows negative growth of 0.06 as compared with growth from 2019 to 2020 even though the number of new connection had been increased by 56 percent as compared with the preceding year.
- (xxi) An abnormal debit balance in trade creditors amounting to Rs.157,743,595 in Bandarawela region, Monaragala, Matara and Galle regions had been remained in accounts without taking actions to investigate and settled. Out of above balance a sum of Rs. 17,482,910 had remained in Bandarawela region even from the year 2015 and 2016 up to the end of the year under review.

- (xxii) National Building Tax amounting to Rs.321,662,628 charged by the contractors in respect of five (05) foreign funded projects had not been paid by the board from the year 2018 even by the end of the year under review.
- (xxiii) An abnormal credit balance of Rs.5,545,062 remained in new connection debtors relating to Panadura Region had not been investigated and settled even by the end of the year under review.
- (xxiv) Abnormal credit balance of Rs.858,379 had remained in cash in transit account of Regional Support Centre (UVA) without being investigated and settled.
- (xxv) An abnormal credit balance of Rs. 1,202,772 was observed in contractor advances in respect of eight projects (00/0/07/242/0 and 00/0/05/242/0) at the end of the year under review without being investigated.
- (xxvi) Considerable delays ranging from 57 to 186 days was observed between the dates of connections given and the date of issuing 1st bill to customers relating to Kaluthara Manager Office.
- (xxvii) Based on Cabinet Memorandum forwarded by the Minister of Finance, Economy and Policy on 18 June 2020 a Cabinet Decision had been granted on 24 June 2020 to obtain a loan amounting to Rs.30 billion from National Savings Bank in order to finance working capital requirement, project financing and financial commitments of the board. However, contrary to the above decision Rs.32 billion loan had been obtained as loans by the board from the National savings Bank in three occasions from 2019 to 2021. Further, a sum of Rs.2,181.17 million had been incurred as interest payment on that loan during the year under review and out of that interest an amount equivalent to Rs.2,080.58 incurred as interest on debt services made out of that loan. Apart from that contrary to the objectives of the loan Rs.66.6 million had been incurred on “Water for all Project” out of loan proceeds during the year under review, even though Rs.17 billion had already been allocated for the same in annual budget of the board. However, as at the end of the year under review Rs.10.43 million had to be reimbursed by the Ministry of Water Supply for the amount incurred on Water For all Project out of loan proceeds of National savings Bank.

- (xxviii) A sum of Rs.245,893,002 had remained as With Holding Tax receivables for more than three years period without taking any actions to get them refund. However, the existence of the balance could not be verified since the detailed scheduled amounting to Rs.111,540,855 had not been provided for audit and the balance was not confirmed through the Department of Inland Revenue.
- (xxix) Out of distress loans of Rs.2,509,328,912 given to employees to be recovered within 5 years and 6 years, a loan balance of Rs.13,773,945 given to 187 employees had not been recovered with in due dates. Similarly, festival advance of Rs.599,250 given to 123 employees during the period from 2011 to 2020 had not been recovered even by the end of the year under review.
- (xxx) A sum of Rs. 1,432,839 had been deprived to the board due to charging of lower rates than the stipulated rates for official quarters occupied by 11 employees in Regional Support Centre (Western Production).
- (xxxi) No actions had been taken to obtain DI pipes and fittings valued at Rs.31.06 million given to an individual contractor of Water Supply and Sanitation project (monitored by the Ministry of Water Supply) without having proper approval as per the section 806 of financial regulations of Sri Lanka.
- (xxxii) A sum of Rs. 1,417,916 had been incurred by North Central region of the board for the projects implemented by Ministry of Rural & Divisional Drinking water supply Project Development without obtaining required funds before commencement of the project. However, actions had not been taken to reimburse the cost incurred even by the end of the year under review.



W.P.C Wickramaratne

Auditor General



Abbreviations

AC	- Asbestos Cement	DSC	- Design & Supervision Consultancy
ADB	- Asian Development Bank	DSD	- Divisional Secretariat Division
ADRA	- Adventist Development and Relief Agency	DZUWSP	- Dry Zone Urban Water and Sanitation Project
AE	- Area Engineer	EIA	- Environmental Impact Assessment
AFD	- Agence Française de Development	EPZ	- Export Processing Zone
AGM	- Assistant General Manager	EWSP	- Ettampitiya Water Supply Project
AIWSP	- Anamaduwa Integrated Water Supply Project	GCWWMIIIP	- Greater Colombo Water and Wastewater Management Improvement Investment Programme
AWSSIP	- Ambatale Water Supply System Improvement & Energy Saving Project	GIS	- Geographic Information System
BMICH	- Bandaranayaka Memorial International Conference Hall	GKWRC	- Greater Kurunegala Water Reclamation Center
BOC	- Bank of Ceylon	GM	- General Manager
BOQ	- Bills of Quantities	GMWSP	- Greater Matale Water Supply Project
BOI	- Board of Investment	GN	- Grama Niladari
CBO	- Community Based Organization	GND	- Grama Niladari Division
CCN	- Colombo City North	GoSL	- Government of Sri Lanka
CCS	- Colombo City South	GPOBA	- Global Partnership on Output-Based Aid
CCTV	- Closed Circuit Television	GR	- Ground Reservoir
CEA	- Central Environment Authority	HDPE	- High Density Poly Ethelene
CEB	- Ceylon Electricity Board	HRM	- Human Resource Management
CETRAC	- Construction Equipment Training Centre	IEC	- International Electrotechnical Commission
CHPB	- Center for Housing Planning and Building	ICT	- Information and Communication Technology
CI	- Cast Iron	ICTAD	- Institute for Construction Training and Development
CIPM	- Chartered Institute of Personal Management	IWA	- International Water Association
CKDu	- Chronic Kidney Disease of Unknown Etiology	IWSP	- Integrated Water Supply Project
CMC	- Colombo Municipal Council	IEE	- Initial Environmental Examination
CP	- Corporate Planning / Corporate Plan	IESL	- Institution of Engineers Sri Lanka
CRIP	- Climate Reliance Improvement Project	IMS	- Inventory Management System
CRIWMP	- Climate Resilient Integrated Water Management Project	IoT	- Internet of Things
CS	- Corporate Services	ISO	- International Organization for Standardization
cu.m	- Cubic meter	IT	- Information Technology
DAB	- Dispute Adjudication Board	ITEC	- Indian Technical and Economic Cooperation
DEWATS	- Decentralized Wastewater Treatment and Disposal System	IPVPN	- Internet Protocol Virtual Private Network
DGM	- Deputy General Manager	JICA	- Japan International Cooperation Agency
DGM(WC)	- Deputy General Manager (Western Central)	JPY	- Japanese Yen
DI	- Ductile Iron	KCWMP-	Kandy City Wastewater Management Project
DMA	- District Metering Areas	Km	- kilo meter
DoNCWS-	Department of National Community Water Supply	KRB	- Kelani Right Bank
DS	- Divisional Secretariat		

LBF	- Local Bank Fund	RSC(WN)	- Regional Support Center (Western North)
LKR	- Sri Lankan Rupee	RSC(W)	- Regional Support Center (Western South)
M&E	- Mechanical & Electrical	RSC(N)	- Regional Support Center (North)
MD&T	- Manpower Development & Training	RSC (NW)	- Regional Support Center (North Western)
MIS	- Management Information System	RWS	- Rural Water Supply
MoU	- Memorandum of Understanding	SBD	- Standard Bidding Documents
MSC	- Master of Science	SCADA	- Supervisory Control and Data Acquisition
MMDC	- Ministry of Mahaveli Development & Environment	SCAPC	- Standing Cabinet Appointed Procurement Committee
NAITA	- National Apprentices & Industrial Training Authority	SDG	- Sustainable Development Goals
NBRO	- National Building Research Organization	SEP	- Sanitation Enhancement Project
NC	- North Central	SHIFT	- Sanitation and Hygiene Initiative for Towns
NCP	- North Central Province	SIDA	- Swedish International Development Agency
NDB	- National Development Bank	SLIDA	- Sri Lanka Institute of Development Administration
NDT	- National Diploma in Technology	SLSI	- Standard Institution of Sri Lanka
NGOs	- Non-Governmental Organisation	SMS	- Short Message Service
NHDA	- National Housing Development Authority	ST	- Small Town
NIBM	- National Institute of Business Management	STP	- Septage Treatment Plants
NPD	- National Planning Department	TA	- Technical Assistance
NRW	- Non-Revenue Water	TCE	- Total Cost Estimate
NWSDB	- National Water Supply & Drainage Board	THM	- Tihalomethane
O&M	- Operation & Maintenance	ToR	- Terms of References
OKP	- Orange Knowledge Programme	ToT	- Training of Trainers
PAM	- Polyacrylamides	UDA	- Urban Development Authority
PE	- Poly Ethelene	UNDP	- United Nations Development Programme
PVC	- Polyvinyl Chloride	UNICEF	- United Nations International Children's Emergency Fund
OIC	- Officer in Charge	UPVC	- Unplasticised Polyvinyl Chloride
P&D	- Planning and Design	USD	- United States Dollar
PAC	- Project Appraisal Committee	VPN	- Virtual Private Network
PDMRC	- Planning & Design Manual Review Committee	VPP	- Vauniya Participatory Planning
PMU	- Project Management Unit	VAT	- Value Added Tax
PRDA	- Provincial Road Development Authority	WaSSIP	- Water Supply & Sanitation Improvement Project
PTB	- Physikalisches Technische Bundesanstalt	WDCE	- Water and Development Congress & Exhibition
PWD	- Public Works Department	WHO	- World Health Organization
R&D	- Research & Development	WSP	- Water Supply Project/Water Safety Plan
RDA	- Road Development Authority	WSS	- Water Supply Scheme
RDB	- Rural Development Bank	WTP	- Water Treatment Plant
RFP	- Request for Proposal	WWDS	- Wastewater Disposal System
RIDEP	- Rural Infrastructure Development Project	WWTP	- Wastewater Treatment Plant
RM	- Regional Manager		
RO	- Reverse Osmosis		
RSC	- Regional Support Center		

Corporate Information

Name of the Organization

National Water Supply & Drainage Board (NWSDB)

Legal Form

Government Owned Statutory Board

Date of Establishment

1974.03.01 by Act of Parliament
NWSDB Law, No. 2 of 1974

1992.03.11 the Act was amended
NWSDB (Amendment) Act, No. 13 of 1992

Tax Identification No.

4090 31820

VAT Registration No.

4090 31820 7000

Contact, Head Office

Galle Road, Ratmalana, Sri Lanka
Tel: +94 11 2638999 (hunting),
+94 11 2637194, +94 11 2611589
Fax: +94 11 2636449
Email: gm@waterboard.lk
Web: www.waterboard.lk

Line Ministry

Ministry of Water Supply

Call Centre

1939 (24 hours)

Customer Care Unit, Head Office

+94 11 2623623 (During office hours)

Banker

Bank of Ceylon

Auditors

Deputy General Manager (Internal Audit)
Government Audit Unit

Board of Directors

Mr. Nishantha Ranatunga - Chairman, NWSDB
(Since 16.01.2020)

Mr. Nimal R. Ranawaka - Vice Chairman, NWSDB
(Since 23.01.2020)

Dr. L. T. Gamlath - Board Member, NWSDB
(Since 22.01.2020)

Mrs. A. R. Wickramasinghe - Board Member, NWSDB
(Since 11.01.2020)

Eng. T. M. R. P. Thennakoon - Board Member, NWSDB
(Since 09.01.2020)

Eng. R. A. S. L. Ranasinghe - Board Member, NWSDB
(Since 18.02.2020)

Mr. B. N. Daminda Kumara - Board Member, NWSDB
(Since 22.06.2020)

Mr. V. T. S. K. Siriwardana - Board Member, NWSDB
(Since 12.03.2021)

Ms. Nayana Nathavitharana - Board Member, NWSDB
(Since 23.09.2021)

Secretary to the Board

Mrs. W. P. Sandamali De Silva

Senior Management

Eng. T. S. Wijethunga - General Manager
Eng. K. D. P. F. Siriwardene - Addl. GM (Central/NW/Sab.)
Eng. M. K. D. J. H. Meegoda - Addl. GM (North/North Central)
Eng. I. V. W. Ediriweera - Addl. GM (Water Reclamation)
Eng. (Mrs.) Wasantha Illangasinghe (Policy and Planning)
Eng. R. A. A. Ranawaka - Addl. GM (Southern/ Uva/ Eastern)
Eng. K. P. R. S. Samarasinghe - Addl. GM (Water Supply Projects)
Eng. C. C. H. S. Fernando - Addl. GM (Western)
Eng. S. G. G. Rajkumar (Corporate Services)
Mr. G. K. Iddamalagoda (Human Resource Management)
Mr. R. A. M. S. Weerasena - Addl. GM (Finance)
Mr. S. A. Rasheed - Addl. GM (CAM)

Deputy General Managers of Divisions

Mrs. N. Y. S. Abeygunawardena (Industrial Relations)
Mr. M. A. S. S. K. Chandasiri (Human Resources)
Mr. R. M. A. Bandara (Supplies & Material Management)
Mrs. M. M. S. Peiris (Finance)
Mr. A. G. S. Kumara (Costing)
Eng. G. A. P. Pathmanatha (Commercial)
Eng. (Mrs.) M. K. A. J. M. Wijesinghe (Corporate Planning)
Eng. M. A. C. Hemachandra (ST /RWS)
Eng. J. A. A. P. Jayasinghe (Development) - covering up
Eng. J. L. Seekkuge (ADB Projects)
Eng. T. V. G. U. Ranjith (M&E)
Eng. A. Munasinghe (Planning & Designs)
Eng. J. Chandradasa (Information Technology)
Eng. Dhanesh Gunethilake (Water Reclamation)
Mr. U. J. Samarasinghe (Internal Audit)

Deputy General Managers of Provinces/ RSCs

Eng. A. K. Kapuruge (Western Central)
Eng. M. T. M. Razil (Western South)
Eng. N. U. K. Ranatunga (Western North)
Eng. L. p. A. P. Perera (Production) - covering up
Eng. D. V. Medawatte (North Western)
Eng. (Mrs.) T. M. M. H. Tennakoon (North Central)
Eng. G. V. Wijerathna (Central)
Eng. A. M. A. Rafeek (North)
Eng. M. M. M. Nazeel (Uva)
Eng. W. G. C. L. Weerasekara (Sabaragamuwa)
Eng. A. Mahathanthila (Southern)
Eng. N. Sudeshan (East)

Addl. GMS/ Deputy General Managers working as Project Directors

Eng. N. H. D. P. Dharmapala (Gampaha Attanagalla Water Supply Project)
Eng. T. Barathidasan (Jaffna Kilinochchi Water Supply Project)
Eng. N. A. S. Shantha (Kelani Right Bank Water Supply Project)
Eng. T. R. J. Fernando (Kalu Ganga Water Supply Project)
Eng. G. M. Thilakarathne (Polgahawela, Pothuhera & Alawwa Water Supply Project)
Eng. (Mrs.) A. P. Gunawardhana (Anamaduwa Integrated Water Supply Project)