



# CENTRAL ENGINEERING SERVICES (PVT) LTD.



## ANNUAL REPORT 2016



A FULLY OWNED SUBSIDIARY OF CECB  
MINISTRY OF MAHAWELI DEVELOPMENT AND ENVIRONMENT

We are ISO 9001 and ISO 14001  
Certified Company.







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Inner Back Cover Corporate Information



[www.cesl.lk](http://www.cesl.lk)



The background of the page is a photograph of a construction site at sunset. The sky is a mix of orange, yellow, and blue. In the foreground, several construction workers are silhouetted against the bright light of the setting sun. They are wearing hard hats and work clothes. In the background, there are tall cranes and the skeletal structure of a building under construction, with many vertical rebar rods protruding from the concrete. The overall mood is one of industriousness and the end of a day's work.

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## **About Us**

**“Central Engineering Services (Pvt) Ltd. (CESL) is a fully owned subsidiary of the Central Engineering Consultancy Bureau (CECB), incorporated as a Limited Liability Company in December 2003, under the Companies Act No. 17 of 1982 and re-registered in November 2009 under the Companies Act No. 7 of 2007.”**

CESL became actively operational at the beginning of 2011, to make use of the opportunity created by the high demand for construction services, as a result of the construction boom during this period. CESL took up the challenges which the industry offered, gaining construction management and technical exposure, as well as its project management know how by working alongside CECB. The Core business of CESL is centered on the construction of Buildings, Roads, Bridges, Irrigation Structures and other Special Projects. The company is also involved in the production of concrete and asphalt for its projects.

CESL construction serves clients in the public sector as well as the private sector. CESL has earned the trust of Government officials, business leaders and administrators by meeting time targets, again on all types of institutional construction projects. Our early entry into the industry as Consultants, under the CECB umbrella, way back in 1973, has taught us many lessons, that presently act as a source of motivation. Also the construction experience obtained under the EPC division of CECB creates a sustainable business environment.



# VISION

To be a unique model for the construction industry in Sri Lanka.

# MISSION

Acquiring excellence in construction technology and process innovation with a highly motivated, trained staff whose contribution is adequately recognized.



# CORPORATE GOALS

- ➔ Integrated and Transparent Management System for all Functional Areas.
- ➔ Unique Quality, Environment, Health and Safety System.
- ➔ Maintaining adequate working capital by diversified investments.
- ➔ The best Human Resource base in the construction industry.
- ➔ Effective management of assets as an independent profit making entity.
- ➔ Maintaining adequate work in hand and develop organizational sustainability.
- ➔ Adopting system improvement methodologies using modern technologies to optimize construction cost.





# Service Sectors



**BUILDINGS**

**ROADS**



**BRIDGES**



**IRRIGATION  
STRUCTURES**



**OTHER SPECIAL  
PROJECTS**





## BUILDINGS



CESL has been in the fore-front of Design and Construction of Buildings on Design and Build basis. Construction work undertaken so far, ranges from Buildings (multi-storied buildings, factory type, iconic, etc.) to entire townships developments throughout the island.

Recently, CESL has also undertaken the rehabilitation and refurbishment of buildings, of archaeologically important nature.

CESL largely depends on its In-house expertise. However, in special cases CESL engages relevant personnel such as reputed Architects to strengthen its project teams, to handle specific requirements of the project.

### Building Types;

- Hospital Buildings
- Commercial Buildings
- Admin and Office Buildings
- Accommodation Buildings
- Recreational Buildings
- Terminal Buildings
- Public Buildings
- Prison Complexes
- Court Complexes
- Sports Stadia

## ROADS

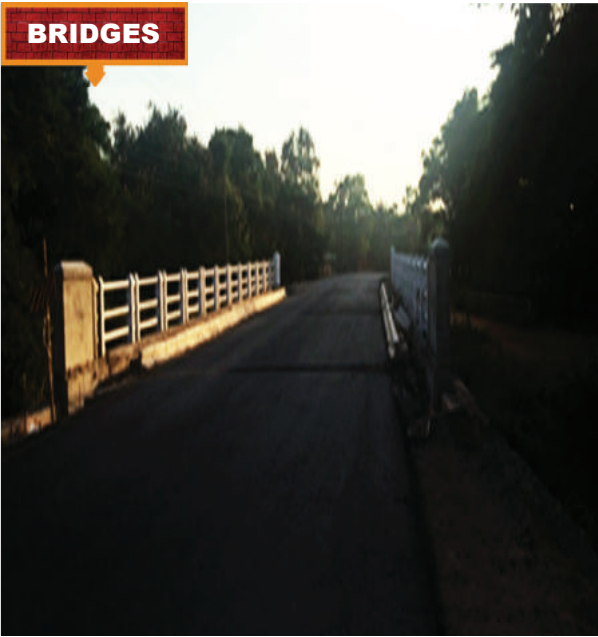


CESL with years of experience in planning, designing and construction of Roads in Sri Lanka, is an expert in the sector.

The firm's rich experiences include,

- Construction of Trunk Roads, Arterial Roads, Elevated Roads, etc., and widening, rehabilitation, upgrading, resurfacing of existing roads.
- Construction of Guard Rails, Road Furniture, etc.

## BRIDGES

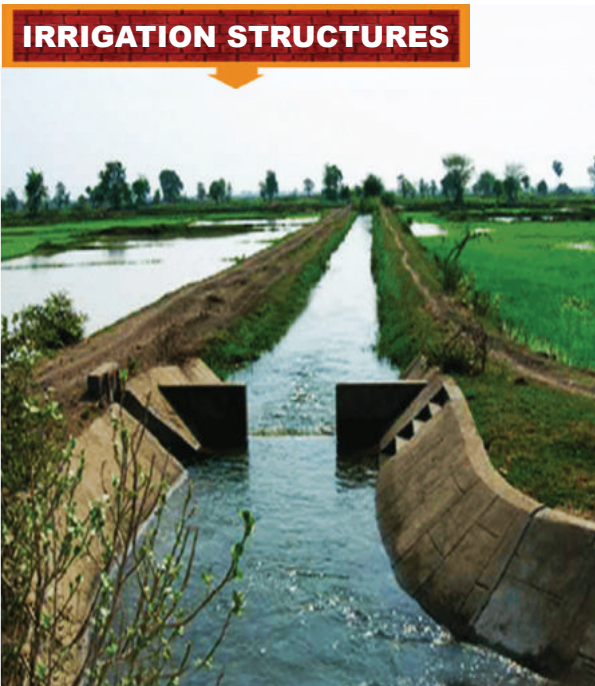


CESL is an expert in Bridge engineering and has a vast experience in the design and construction of bridges and culverts in the country.

Over the years CESL has been able to gain a high reputation in design, construction and installation of;

- Concrete and Steel Flyovers
- Concrete, Steel and Composite Bridges
- Pedestrian Bridges, Overpass Bridges
- Rehabilitation and strengthening of existing bridges
- Drainage structures such as culverts, lined roadside drains and lead way drains

## IRRIGATION STRUCTURES



The engineering expertise of the CESL in the field of Irrigation extends to the designing, planning, execution & commissioning of large scale Irrigation projects, including the following;

- Augmentation
- Rehabilitation & construction of reservoirs
- Canals
- Anicuts
- Earthen dams
- Regulation structures
- Weirs
- Hydraulic structures

## OTHER SPECIAL PROJECTS



CESL has contributed to the planning, designing and construction of special projects in other sectors, such as;

- Developing Zoological Garden and Safari Parks
- Bio-Diversity Parks
- Play Grounds
- Sewerage and Water Treatment Plants



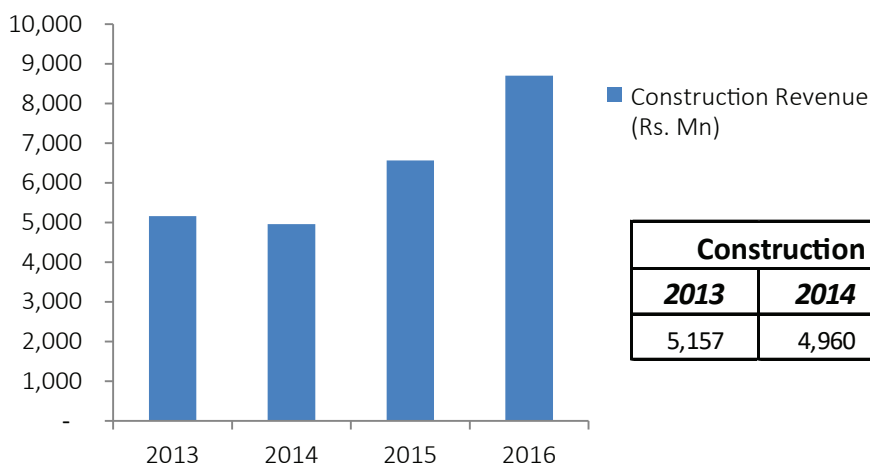
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# Financial Highlights



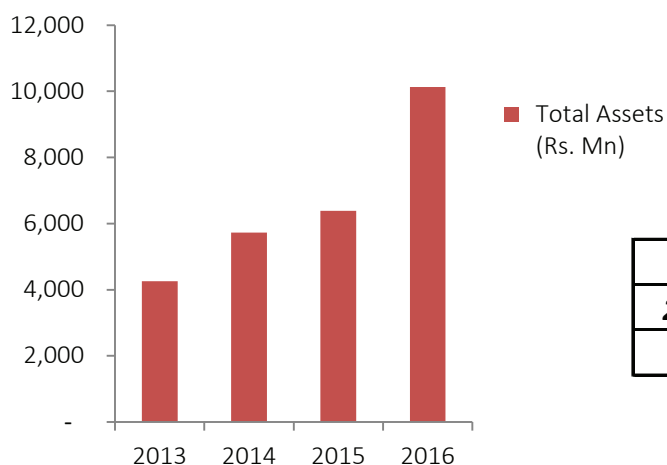
	2016 Rs. Mn	2015 Rs. Mn
Construction Revenue	8,691	6,561
Gross Profit	621	448
Net Profit Before Tax	110	118
Net Profit After Tax	84	81
Total Assets	9,943	6,385
Contributed Capital	10	10
Total Equity	302	218
Total Equity Equilibrium	9,943	6,385
Current Assets	9,544	5,978
Current Liabilities	8,245	5,001

### Construction Revenue (Rs. Mn)



Construction Revenue (Rs. Mn)			
2013	2014	2015	2016
5,157	4,960	6,561	8,691

### Total Assets (Rs. Mn)



Total Assets (Rs. Mn)			
2013	2014	2015	2016
4,261	5,729	6,385	9,943





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## Chairman's Message



*Since the establishment of the Company, its success is being crafted by the continuous practices in providing quality construction products and services to our customers by maintaining the highest level of integrity, reliability, safety and innovative techniques, while enhancing the living hood of company's employees and the society as a whole.*



I have the pleasure and honor of reporting to you that the Company, Central Engineering Services (Pvt) Limited has completed yet another successful year, the details of which are elaborated in this Report. It was another successful year for CESL with positive results in all the operational perspectives of the company. As a leading construction company in Sri Lanka highly dedicated, innovative, dynamic and futuristic team, we have created value to all the stakeholders of CESL, by achieving the quality expectations, innovative design and construction techniques and with the application of sustainable construction concepts and practices.

***“CESL has recorded its highest revenue of LKR 8.69 Billion for the financial year under review with a tremendous growth of 32% with compared to the previous year.”***

We have continuously committed to meet the needs of the stakeholders of CESL, and this integrated annual report has been prepared to tabularize our results for the financial year ended 31st December 2016.

We strongly believe that CESL has a greater potential for a sustainable future in the market by satisfying the stakeholder expectations through its core business of value engineering. CESL has recorded its highest revenue of LKR 8.69 Billion for the financial year under review with a tremendous growth of 32% with compared to the previous year. Moreover, the financial position of the Company has been strengthened with an asset base of LKR 9.94 Billion as at 31st December 2016.

Also CESL has taken the initiatives to broaden the supply chain of the Company. Furthermore, the Company has taken initiatives to enhance the assets base of CESL by operating an integrated assets module to cater the requirements of the internal and external customers. Moreover, CESL has taken collective efforts to address the dynamic nature of the industry in a successful manner in collaboration with its parent organization, CECB.

I wish to appreciate the members of the Board for their invaluable guidance with the government support and the dedication for the success of the company.

Finally, on behalf of the Board, I would like to thank our stakeholders including the dedicated employees of CESL for their continuous commitment, dedication and invaluable support for the Company's success towards its goals.



Eng. G. D. A. Piyatilake

Chairman



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## CEO's Message



*Central Engineering Services (Pvt) Ltd., in the year 2016, has completed many projects with state of the art technology supported by innovative designs, with the help of its Mother Company CECB.*



The total revenue of Central Engineering Services (Pvt) Ltd., the fully owned subsidiary of Central Engineering Consultancy Bureau, has reached a record of LKR 8.7bn in the financial year 2016. The growth rate compared to the previous year, ie 2015, is 32%, which is a record in the history of the company.

The Chief contributory factor of this phenomenal growth is the human capital of our company, which in the backbone of our business. It is no secret that we have inherited the life long experience in the field of buildings, roads, bridges, etc. of the parent institution which is another contribution to our success.

It is our cherished hope to increase our revenue, currently a single digit in Billions of LKR to double digit as soon as possible. I am indebted to the guidance and the direction given by the Chairman and the Board of Directors in performing my duties. I am delighted at the team spirit shown by the Chief Operation Engineers, the Senior Operation Engineers and other subordinate staff, in achieving this growth. I expect them to perform in the same spirit in the years to come.

The Auditor General's opinion; "the financial statements give a true and fair view of the financial position of the CESL as at 31st December 2016, and its financial performance and cash flows for the year then ended in accordance with Sri Lanka Accounting Standards" is a clear indication of our commitment to accountability and professionalism.

Finally I would like to thank, our shareholder, the CECB, our clients and our employees for the continuous trust placed on us. Without you, our success today & tomorrow would not be possible.



**Eng. U. S. Karunaratne**

Chief Executive Officer



**(1.) Eng. G. D. A. Piyatilake - Chairman**

*BSc.Eng. (Hons), PG.Dip. (Const.Mgt), PG.Dip. (Ports & Coastal Eng.) Norway, MIE (SL), C.Eng., MASCE*

**(2.) Eng. S. P. P. Nanayakkara - Executive Director / COM**

*BSc.Eng., C.Eng., MICE (UK), MIE (SL)*

**(3.) Eng. N. Rupasinghe - Director**

*BSc.Eng. (Hons), PG.Dip. (Hydropower) Norway, C.Eng., MIE (SL), MICE (London), Licd. Surveyor*

**(4.) Mr. M. R. G. Ranathunga - Director**

*LLB (Sri Lanka), Attorney-at-Law, Notary Public, Company Secretary, Actg. Magistrate*

**(5.) Eng. K. L. S. Sahabandu - Director**

*BSc.Eng. (Hons), PG.Dip. (Hydro Eng.), MSC (Structural Eng.), C.Eng., MIE (SL), MICE (London), M Cons. E (SL), FSSE (SL)*

**(6.) Eng. T. D. Wickramaratna - Director**

*BSc.Eng. (Hons), M.Eng. PG.Dip. (Hydrology), MICE (UK), FIE (SL), C.Eng.*

**(7.) Eng. A. Galketiya - Director**

*BSc.Eng., C.Eng., MIE (SL)*

**(8.) Mr. H. M. U. N. B. Mawathgama - Director**

*CBA (ICASL), Dip in Acct, SAT*

**(1.) Eng. G. D. A. Piyatilake - Chairman**

*BSc.Eng. (Hons), PG.Dip. (Const.Mgt), PG.Dip. (Port & Coastal Eng.) Norway, MIE (SL), C.Eng., MASCE*

Appointed to the Board as a Director in 2011 and serving as the Chairman of the Board from 2015 to date. Functions concurrently as Chairman of the Central Engineering Consultancy Bureau, parent organization of CESL.

He started his career in CECB as a Design Engineer in 1983. In 1985, he became Resident Engineer in Victoria Hydropower Project. He has worked as Project Manager/ Consultant and Project Manager/Construction as well. He served as Deputy General Manager (WP 1) in 2005 and Additional General Manager (WP 1) in 2007. In 2010, he was appointed as the Corporate Additional General Manager of EPC division of CECB. He counts more than 33 years' experience in the field of Civil Engineering.

**(2.) Eng. S. P. P. Nanayakkara - Executive Director / COM**

*BSc.Eng., C.Eng., MICE (UK), MIE (SL)*

Appointed to the Board as a Director in 2015. Since 2016, serves as an Executive Director. Further, he currently serves as a Director of Central Engineering Consultancy Bureau, parent organization of CESL. He served as Chief Executive Officer from 2014 to 2016 to CESL.

He obtained his BSc in Civil Engineering and started his career as a shift Engineer of Maduru Oya Irrigation and Hydropower Project in 1980. He served as a Civil engineer in Randenigala Hydropower project in 1984 and Senior Engineer at Samanlawewa Hydropower project in 1988. In 2001 he started the EPC – Southern Province Section as a Project Manager and served there as a Deputy General Manager (EPC-SP) from 2006 to 2007 and as an Additional General Manager (EPC-SP) from 2007 to 2015 and as Corporate Additional General Manager (EPC) till September 2016. He counts over 36 years of extensive Engineering and Management experience in the Bureau and CESL as well.

**(3.) Eng. N. Rupasinghe - Director**

*BSc.Eng. (Hons), PG.Dip. (Hydropower) Norway, C.Eng., MIE (SL), MICE (London), Licd. Surveyor*

Appointed to the Board as a Director in 2011 and served as a Chairman of CESL from 2011 to 2014. He is concurrently serving as a Director of Central Engineering Consultancy Bureau (CECB) and served as a Chairman of a CECB from 2005 to 2014.

He holds nationally important development responsibilities as Secretary, Ministry of Megapolis and Western Development since 2015. He counts over 35 years of extensive Engineering and Management experience in the Bureau having joined CECB as Civil Engineer in 1981 and served as Civil Engineer, Resident Engineer, Chief Resident Engineer, Project Manager, Additional General Manager and General Manager. Pioneered the establishment of Engineering Procurement and Construction (EPC) Division starting as the Project Manager (Infrastructure Construction) and as Additional General Manager (EPC).



**(4.) Mr. M. R. G. Ranathunga - Director**

*LLB (Sri Lanka), Attorney-at-Law, Notary Public, Company Secretary, Actg. Magistrate*

Appointed to the Board as a Director in 2015. Concurrently serves as Working Director, Central Engineering Consultancy Bureau, parent organization of CESL. Further he was a working Director to CECB during the period of 2007 to 2010.

He is an Attorney-at-law of Supreme Court of Sri Lanka and he called to the Bar in year 1985.

He was formerly a secretary to Rakna Lanka (Pvt) Ltd. He has held Director positions at Water Resource Board and Fertilizer Corporation and Department of Health. He was the former Zonal President of North Central Province Bar association of Sri Lanka. Presently he is one of the Directors of "Api Wenuwen Api" programme under Ministry of Defense.

**(5.) Eng. K. L. S. Sahabandu - Director**

*Bsc.Eng. (Hons), PG.Dip. (Hydro Eng.), MSC (Structural Eng.), C.Eng., MIE (SL), MICE (London), M Cons. E (SL), FSSE (SL)*

Appointed to the Board as a Director in 2011. Since 2013 he holds the position of General Manager of Central Engineering Consultancy Bureau, parent organization of CESL. He obtained his BSc in Civil Engineering and also obtained MSC in Structural Engineering from the University of Newcastle upon Tyne, U.K.

He assumed duties as Site Engineer of Central Engineering Consultancy Bureau in 1980. In 1983 he was appointed as a Structural Design Engineer for Randenigala and Rantambe Hydropower projects. He became the Senior Design Engineer of the Structural Design Division of CECB in 1988. From 1994 to 2000 he served CECB as Chief Design Engineer of Central Bank, Head Office construction and subsequently was appointed as Project Manager (EPC Design Unit) in 2001. In 2006, he became the Additional General Manager (Design, Research & Development). He served as a Corporate Additional General Manager (Consultancy) of CECB from 2010 to 2013.

He counts more than 33 years' experience in the field of Civil Engineering.

**(6.) Eng. T. D. Wickramarathna - Director**

*BSc.Eng. (Hons), M.Eng. PG.Dip. (Hydrology), MICE (UK), FIE (SL), C.Eng.*

Appointed to the Board in 2014. Currently serves as a Corporate Additional General Manager (Consultancy) in Central Engineering Consultancy Bureau, parent organization of CESL.

He obtained his BSc in Civil Engineering and joined Central Engineering Consultancy Bureau in 1981 as a Civil Engineer. He worked as a Design Engineer, Resident Engineer, Project Manager, Deputy General Manager and appointed as Additional General Manager (Water Resources) in 2006. He was appointed as Corporate Additional General Manager of consultancy Bureau in year 2015. He counts more than 35 years' experience in the field of Civil Engineering.

**(7.) Eng. A. Galketiya - Director**

*BSc.Eng., C.Eng., MIE (SL)*

Appointed to the Board in 2015. Currently serves as a Corporate Additional General Manager (EPC -Division) in Central Engineering Consultancy Bureau, parent organization of CESL.

He obtained his BSc in Civil Engineering and started his career as a Trainee Engineer in CECB in 1986. In 1987, He was appointed as the Shift Engineer (Power House) at Samanalawewa Hydropower project. Subsequently he served as a Resident Engineer, Project Manager in Uva province. In 2005, he was promoted as Additional General Manger (EPC-North of Colombo). Thereafter he became the Additional General Manger (EPC-Uva) and Sabaragamuwa. He counts more than 30 years' experience in the field of Civil Engineering.

**(8.) Mr. H. M. U. N. B. Mawathgama - Director**

*CBA (ICASL), Dip in Acct, SAT*

Appointed to the Board in 2015. Currently serves as Deputy General Manager- Finance, in Central Engineering Consultancy Bureau, parent organization of CESL.

He started his career in 1979, as a payment officer at Mahaweli Development Board. In 1988, he became a Project Accountant, Nuwara Eliya special area of Mahaweli Authority of Sri Lanka. From 1990 to 1993, he was the project Accountant of Kothmale Project and MEA head office under Mahaweli Programme.

He was working as a Finance & Administrative Executive at Enterprise Promotion Centre under RRRDP Kandy since 1999, until he joined CECB as an Accountant in year 2000.

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# Directors Report





## Annual Report of the Board of Directors on the Affairs of the Company

The Directors of Central Engineering Services (Pvt) Ltd have pleasure in presenting their Annual Report together with the Audited Financial Statements of the Company for the year ended 31st December 2016. This Annual Report of the Board of Directors on the affairs of the Company contains the information required in terms of the Companies Act No. 07 of 2007.

### GENERAL

Central Engineering Services (Pvt) Ltd was incorporated in terms of the Companies Act No. 17 of 1982 and was re-registered as per the Companies Act No. 07 of 2007 on 6th November 2009 with PV 16723 as the new number assigned to the Company.

### PRINCIPAL ACTIVITIES OF THE COMPANY AND REVIEW OF PERFORMANCE DURING THE YEAR

The principal activities of the Company are referred to in Note 1.2 of the Notes to the Financial Statements. This Report together with the Financial Statements reflects the state of affairs of the Company.

### FINANCIAL STATEMENTS

The Financial Statements of the company prepared in-line with applicable accounting standards and regulatory requirements, inclusive of specific disclosures, duly signed by two Directors on behalf of the Board and the Auditors are included in this Annual Report and forms part and parcel hereof.

### INDEPENDENT AUDITORS' REPORT

The Report of the Independent Auditors on the Financial Statements of the Company is given on page 32.

### ACCOUNTING POLICIES

The accounting policies adopted in the preparation of Financial Statements of the Company are given on pages 40 to 56 of the Annual Report. The Financial Statements of the Company have been prepared in accordance with the Sri Lanka Accounting Standards (SLFRSs and LKASs) and the policies adopted thereof are given on pages 40 to 56.

## Annual Report of the Board of Directors on the Affairs of the Company (Continued)

### DIRECTORS' RESPONSIBILITY FOR FINANCIAL REPORTING

The Directors are responsible for the preparation of Financial Statements of the Company to reflect a true and fair view of the state of its affairs. The Directors are of the view that these Financial Statements have been prepared in conformity with the requirements of the Sri Lanka Accounting Standards (SLFRS/LKASs) and the Companies Act No. 07 of 2007.

### AUDITORS

The Department of Auditor General (AGDSL) served as the Auditors during the year under review.

### STATED CAPITAL

The stated capital of the Company is Rs10,000,020/- representing 100,002 ordinary shares.

### RESERVES

The reserves of the Company with the movements during the year are given in the Statement of Changes in Equity on page 37.

### STATUTORY PAYMENTS

The Directors confirm that to the best of their knowledge, all taxes, duties and levies payable by the Company and all contributions, levies and taxes payable on behalf of, and in respect of employees of the Company and all other known statutory dues as were due and payable by the Company as at the Statement of Financial Position date have been paid or, where relevant provided.

### EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

There are no material events as at the date of the Auditors' Report which require adjustment to or disclosure in the Financial Statements.

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# Audit Committee Report





## Role of the Audit Committee

The Audit Committee of CESL is appointed by the Board of Directors of the CESL.

## Members of the Committee

Name	Designation
Mr. P. A. B. S. Nonis Chairman of the Committee	Director - CECB
Mr. M. R. G. Ranathunga	Director - CESL
Eng. T. D. Wickramarathna	Director - CESL

## Scope of the Committee

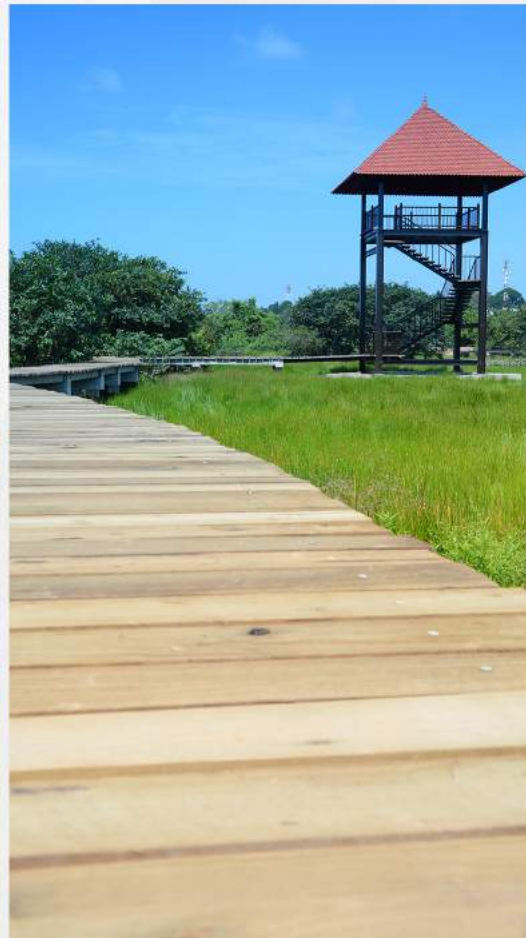
- a) Determination of the responsibilities of the Internal Audit Unit and review of the annual Audit Plan.
- b) Review and evaluate internal control systems for all activities of the entity.
- c) Review performance at regular intervals for cost effectiveness and to eliminate wasteful expenditure etc.
- d) Liaise with external auditors and follow up on Auditor General's/external auditors Management letters.
- e) Ascertain whether statutes, regulations, rules, and circulars are complied with.
- f) Review financial statements to ensure compliance with Accounting Standards.
- g) Review internal audit/external audit reports, Management Letters for remedial action.
- h) Review implementation of recommendations/directives of the Committee on Public Enterprises.

## Authority

- i. The Committee is authorized by the Board to perform activities within its terms of reference. It is authorized to seek any information it requires from any employee and all employees are directed to co-operate with any request made by the Committee.
- ii. The Committee shall report to the Board any suspected frauds or irregularities, failures of internal control or suspected infringements of laws, rules and regulations which come to its attention.
- iii. Obtain outside legal or independent professional advice and secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.

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# Review of Business Operations





➤ **Balance Work of Construction of Police Station at Jaffna**

**Client:** Police Headquarters

**Contract Sum:** LKR 432 Mn.

**Date of commencement:** 14.06.2012

**Date of completion:** 15.06.2016

**Duration:** 48 Months

**Type of Contract:** Assigned through CECB

**Location:** Jaffna







## **> Construction and Completion of New District General Hospital at Hambantota**

**Client:** Ministry of Health

**Contract Sum:** LKR 1,654 Mn.

**Date of commencement:** 05.2013

**Date of completion:** 05.2016

**Duration:** 1096 days

**Type of Contract:** Assigned through CEGB

**Location:** Hambantota



## ➤ ***Design and Construction of New Building for Dental Institute Ward Place***

**Client:** General Hospital, Colombo

**Contract Sum:** LKR 590 Mn. (Excluding VAT)

**Date of commencement:** 01.03.2011

**Date of completion:** 04.04.2016

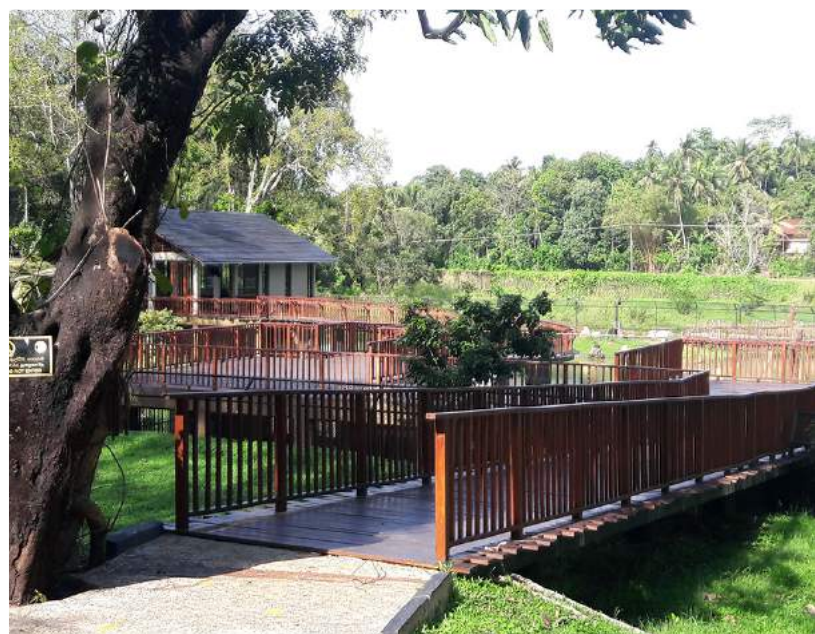
**Duration:** 61 Months

**Type of Contract:** Assigned through CECB

**Location:** Colombo 07







## ➤ **Construction of Crocodile Enclosure at Pinnawala Zoological Gardens**

**Client:** Department of National Zoological Gardens

**Contract Sum:** LKR 59 Mn.

**Date of commencement:** 25.07.2015

**Date of completion:** 24.03.2016

**Duration:** 8 Months

**Type of Contract:** Assigned through CECB

**Location:** Pinnawala



## ➤ **Balance Work of Construction of Police Station at Point Pedro**

**Client:** Police Headquarters

**Contract Sum:** LKR 157 Mn.

**Date of commencement:** 15.03.2012

**Date of completion:** 31.06.2016

**Duration:** 51 Months

**Type of Contract:** Assigned through CECB

**Location:** Jaffna







**> Construction of Proposed Multi Storied Building for Central Bank of Sri Lanka**

**Client:** Director, Facilities management, Centre for Banking Studies

**Contract Sum:** LKR 129 Mn. (Excluding VAT)

**Date of commencement:** 02.09.2013

**Date of completion:** 29.02.2016

**Duration:** 29 Months

**Type of Contract:** Assigned through CEGB

**Location:** Colombo



## ➤ **Balance Work of Provincial Level Sport Complex Digana**

**Client:** Ministry of Sports

**Contract Sum:** LKR 10 Mn.

**Date of commencement:** 21.07.2016

**Date of completion:** 21.11.2016

**Duration:** 04 Months

**Type of Contract:** Assigned through CECB

**Location:** Kandy







➤ ***Design and Construction of Proposed Maternity Ward Complex for Teaching Hospital at Kurunagala***

**Client:** Ministry of Health

**Contract Sum:** LKR 860 Mn.

**Date of commencement:** 15.10.2014

**Date of completion:** 15.10.2016

**Duration:** 02 Years

**Type of Contract:** Assigned through CECB

**Location:** Kurunagala

# Financial Statements



***Independent Auditors' Report***

***Statement of Comprehensive Income***

***Statement of Financial Position***

***Statement of Changes In Equity***

***Statement of Cash Flow***

***Notes to the Financial Statements***



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# Independent Auditors' Report



## විගණකාධිපති දෙපාර්තමේන්තුව கணக்காய்வாளர் தலைமை அபிபதி திணைக்களம் AUDITOR GENERAL'S DEPARTMENT



මගේ අංකය  
எனது இல. }  
My No. }

CEN/B/CESL/FA/2016

ඔබේ අංකය  
உமது இல. }  
Your No. }

දිනය  
திகதி }  
Date }

02 April 2018

To the Shareholders of the  
Central Engineering Services (Pvt) Limited.

### Report of the Auditor General on the Financial Statements of the Central Engineering Services (Pvt) Limited for the year ended 31 December 2016

The audit of the financial statements of the Central Engineering Services (Pvt) Ltd ("the Company") for the year ended 31 December 2016 comprising the statement of financial position as at 31 December 2016 and the statement of, comprehensive income, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information, was carried out under my direction in pursuance of provisions in Article 154(1) of the Constitution of the Democratic Socialist Republic of Sri Lanka.

#### Board's Responsibility for the Financial Statements

Board of Directors ("Board") is responsible for the preparation and fair presentation of these financial statements in accordance with Sri Lanka Accounting Standards and for such internal control as the Board determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

#### Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Sri Lanka Auditing Standards. Those Standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Board, as well as evaluating the overall presentation of the financial statements.

අංක 306/72, පොල්දූව පාර, බත්තරමුල්ල, ශ්‍රී ලංකාව, . - இல. 306/72, பொல்தூவ வீதி, பத்தரமுல்லை, இலங்கை. - No. 306/72, Polduwa Road, Battaramulla, Sri Lanka



+94-11-2887028-34



+94-11-2887223



oaggov@slt.net.lk



www.auditorgeneral.gov.lk





## 10

## Comprehensive Income

## STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 <sup>ST</sup> DECEMBER	Note	CESL	
		2016 Rs.	2015 Rs.
<b>Revenue</b>	5	8,691,161,524	6,560,768,391
Cost of Sales	6	(8,069,937,247)	(6,112,658,003)
<b>Gross Profit</b>		<b>621,224,277</b>	<b>448,110,388</b>
Other Income	7	46,621,086	84,164,616
Administration Expenses		(604,316,429)	(424,256,493)
Selling and Distribution Expenses		(9,363,911)	(1,746,646)
<b>Results from Operating Activities</b>		<b>54,165,023</b>	<b>106,271,865</b>
Finance Income		71,930,786	18,758,514
Finance Cost		(15,871,771)	(7,417,830)
<b>Net Finance Income</b>	8	<b>56,059,015</b>	<b>11,340,685</b>
<b>Profit before income tax</b>		<b>110,224,038</b>	<b>117,612,550</b>
Income tax expense	9	(25,666,678)	(36,422,731)
<b>Profit/(Loss) for the Year</b>		<b>84,557,360</b>	<b>81,189,819</b>
Other Comprehensive Income			
Actuarial Gain on Defined Benefit Plans	17.(d)	15,094	-
Other comprehensive income for the year		15,094	-
<b>Total comprehensive income for the year</b>		<b>84,572,454</b>	<b>81,189,819</b>

Figures in brackets indicates deductions.

The Notes to the Financial Statements set out on Pages 40 to 56 form an integral part of these Financial Statements.



## 11

## Financial Position

## STATEMENT OF FINANCIAL POSITION

AS AT 31 <sup>ST</sup> DECEMBER	Note	CESL	
		2016 Rs.	2015 Rs.
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	10	380,999,284	399,062,800
Work In Progress	11	15,888,052	2,785,714
Investments	12	1,532,442	5,224,296
<b>Total Non-Current Assets</b>		<b>398,419,778</b>	<b>407,072,810</b>
<b>Current Assets</b>			
Inventories	13	768,199,221	502,190,731
Trade and Other Receivables	14	7,522,684,395	4,526,395,716
Short term Investments	12	1,045,717,492	770,871,913
Cash and Cash Equivalents	15	207,708,894	178,965,136
<b>Total Current Assets</b>		<b>9,544,310,002</b>	<b>5,978,423,496</b>
<b>Total Assets</b>		<b>9,942,729,780</b>	<b>6,385,496,305</b>
<b>Equity and Liabilities</b>			
Contributed Capital		10,000,020	10,000,020
Retained Earnings		292,681,581	208,109,117
		<b>302,681,601</b>	<b>218,109,137</b>
<b>Non-Current Liabilities</b>			
Lease Creditors	16	-	-
Retirement Benefit Obligation	17	1,476,231	1,018,922
Differed Tax	18	21,820,956	17,617,814
Amounts Due to Related Companies		1,371,069,905	1,147,466,027
<b>Total Non-Current Liabilities</b>		<b>1,394,367,091</b>	<b>1,166,102,763</b>

<b>Current Liabilities</b>			
Trade and Other Payables	19	8,222,467,092	4,977,324,574
Income Tax Payables	20	23,213,996	23,076,004
Lease Creditors	16	-	883,827
<b>Total Current Liabilities</b>		<b>8,245,681,088</b>	<b>5,001,284,405</b>
<b>Total Equity and Liabilities</b>		<b>9,942,729,780</b>	<b>6,385,496,305</b>

Figures in brackets indicates deductions.

The Notes to the Financial Statements set out on Pages 40 to 56 form an integral part of these Financial Statements.

It is certified that the Financial Statements have been prepared in compliance with general accepted accounting policies.



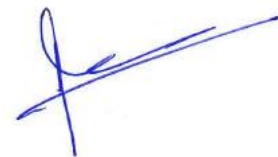
Mr. J. M. B. Jayaweera  
Finance Manager

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

Approved and signed for and on behalf of the Board:



Eng. G. D. A. Piyatilake  
Chairman



Eng. S. P. P. Nanayakkara  
Executive Director

26th February 2018



## 12

## Changes In Equity

## STATEMENT OF CHANGES IN EQUITY

	CESL		
	Contributed Capital Rs.	Capital Reserve Rs.	Retained Earnings Rs.
Balance as at 01 <sup>st</sup> January 2015	10,000,020	-	126,919,298
Profit For the Year	-	-	81,189,819
Balance as at 31 <sup>st</sup> December 2015	10,000,020	-	208,109,117
Balance as at 01 <sup>st</sup> January 2016	10,000,020	-	208,109,127
Profit For the Year	-	-	84,557,360
Other Comprehensive Income	-	-	15,094
Balance as at 31 <sup>st</sup> December 2016	10,000,020	-	292,681,581

Figures in brackets indicates deductions.

The Notes to the Financial Statements set out on Pages 40 to 56 form an integral part of these Financial Statements.

# 13 Cash Flow

## STATEMENT OF CASH FLOW

FOR THE YEAR ENDED 31 <sup>ST</sup> DECEMBER	CESL	
	2016 Rs.	2015 Rs.
<b>Cash Flows from Operating Activities</b>		
Profit Before Tax	110,224,038	117,612,550
<b>Adjustments for:</b>		
Depreciation on Property, Plant and Equipments	141,341,912	156,615,722
Provision for Bad and Doubtful Debts	-	-
Provision for Expected Losses	-	-
Assets Written Off	2,791,065	-
Provision for Gratuity	481,064	1,018,922
Lease Interest	-	507,698
Profit on disposal of Property, Plant and Equipments	-	80,455
Profit on disposal of Investment	-	-
Dividend Income	-	-
Net Finance Income	(56,059,015)	(11,340,685)
<b>Operating Profit before Working Capital Changes</b>	<b>198,779,065</b>	<b>264,494,662</b>
(Increase)/Decrease in Inventories	(266,008,490)	(161,331,294)
(Increase)/Decrease in Trade and Other Receivables	(2,996,288,679)	(7,467,721)
Increase/(Decrease) in Trade and Other Payables	3,245,142,518	698,438,832
Increase/(Decrease) in Amounts Due to Related Companies	223,603,877	(130,560,946)
Increase in Staff loans and Advances	-	-
Increase in General Suspense Account Credit Balance	-	-
<b>Cash Generated from Operating Activities</b>	<b>405,228,291</b>	<b>663,573,533</b>
Interest paid	(15,871,772)	(7,417,830)
Tax paid	(21,325,544)	(23,064,264)
Gratuity paid	(8,662)	-
<b>Net Cash Flows from Operating Activities</b>	<b>368,022,313</b>	<b>633,091,439</b>



## STATEMENT OF CASH FLOW (CONTINUED)

FOR THE YEAR ENDED 31 <sup>ST</sup> DECEMBER	CESL	
	2016 Rs.	2015 Rs.
<b>Cash Flows from Investing Activities</b>		
Acquisition of Property, Plant and Equipment	(139,171,800)	(173,105,237)
Investment in Capital Work in Progress	-	(213,724)
Proceeds from sale of Property, Plant and Equipment	-	17,000,000
Acquisition of Subsidiary	-	-
Investment in Short Term Deposit	(275,536,835)	(513,752,766)
Investment Long Term Investment	3,691,854	33,466,685
Dividend Income	-	-
Interest Income	72,622,044	18,758,514
<b>Net Cash Flows from Investing Activities</b>	<b>(338,394,737)</b>	<b>(617,846,528)</b>
<b>Cash Flows from Financing Activities</b>		
Proceed from Issue of Shares	-	-
Dividends paid	-	-
Repayment of Loan	-	-
Payment of Finance Lease Liabilities	(883,827)	(7,864,212)
<b>Net Cash from Financing Activities</b>	<b>(883,827)</b>	<b>(7,864,212)</b>
Net Increase/(Decrease) in Cash and Cash Equivalents	28,743,749	7,380,699
Cash and Cash Equivalent at the beginning	178,965,135	171,584,436
<b>Cash and Cash Equivalent at the end</b>	<b>207,708,894</b>	<b>178,965,135</b>

Figures in brackets indicates deductions.

The Notes to the Financial Statements set out on Pages 40 to 56 form an integral part of these Financial Statements.

## NOTES TO THE FINANCIAL STATEMENTS

### 1 CORPORATE INFORMATION

#### 1.1 General Information

Central Engineering Services (Private) Limited., is a private limited liability Company incorporated and domiciled in Sri Lanka. The registered office of the Company is situated at No.415, Bauddhaloka Mawatha, Colombo 7, Sri Lanka.

#### 1.2 Principal Activities and Nature of Operations

The Company is engaged in the business of undertaking, carrying out, executing and performing consultancy and construction projects connected with any type of engineering or any engineering related activity.

#### 1.3 Principal Office

No. 415, Bauddhaloka Mawatha, Colombo 07.

#### 1.4 Company Secretary

Mrs. S. H. H. C. U. Senanayake

415, Bauddhaloka Mawatha, Colombo 07.

#### 1.5 Significant Shareholdings

The significant shareholders of the Company at the end of the year were as follows:

Shareholders	No. of Shares	Percentage of Holding
Central Engineering Consultancy Bureau	100,002	100%

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

#### 2.1 Basis of Preparation

The financial statements are prepared in accordance with and comply with Sri Lanka Financial Reporting Standards (SLFRSs). The financial statements are prepared under the historical cost convention.

The preparation of financial statements in conformity with SLFRSs requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 2.1 Basis of Preparation (Cont'd)

Where necessary, the presentation and classification of figures for the corresponding period of the previous year have been amended to be comparable with those for the current year.

Central Engineering Services (Pvt) Ltd., was incorporated on 16th December, 2003 under the Companies Act, No. 17 of 1982 and has been re-registered on 6th November, 2009 under the Companies Act, No. 7 of 2007. However, the Company has commenced its operations only in the year 2011 and had no operations before that year.

### 2.2 Foreign Currency Translation

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements are presented in Sri Lanka Rupees, which is the Company's presentation currency.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in currencies other than the functional currency are recognised in the statement of comprehensive income.

### 2.3 Property, Plant and Equipment

All property, plant and equipment is stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes purchase price of the asset and all other costs directly attributable to bring the asset to the intended location and operating condition.

The cost of self-constructed assets include the cost of materials, direct labour and other directly attributable costs. Cost also includes site restoration costs.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Depreciation is calculated using the straight line method to write down the cost of property, plant and equipment to their residual values over their estimated useful lives. Freehold Land is not depreciated.



## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 2.3 Property, Plant and Equipment (Cont'd)

The estimated useful lives are as follows:

Building	13 1/3 years
Plant and Machinery	5 years
Computer, Welfare and Communication Equipment	5 years
Office Equipment and Furniture and Fittings	8 years
Tools and Implements	5 years
Motor Vehicle	5 years
Container	5 years
Library Books	8 years

The depreciation method and residual values of assets are reviewed when indications are present that the residual value or useful life of an asset has changed. If there has been a significant change in the current expectations, residual value, depreciation method or useful life is amended to reflect such changes.

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

### 2.4 Financial Assets

#### Initial Recognition and Measurement

The Company classifies its financial assets in the following categories; at fair value through profit or loss, loans and other receivables, available for sale and held to maturity investments. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at every reporting date.

All financial assets are recognised initially at fair value plus transaction costs, except in the case of financial assets at fair value through profit or loss.

The financial assets include cash and short term deposits, trade and other receivables, loans and other receivables, quoted and unquoted financial instruments and derivative financial instruments.

#### Subsequent Measurement

Subsequent measurement of financial assets depends on their category as follows;

#### Financial Assets at fair value through profit or loss

Financial assets at fair value through profit or loss includes financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 2.4 Financial Assets (Cont'd)

#### Financial Assets at fair value through profit or loss (Cont'd)

Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial Assets at fair value through profit or loss are carried in the statement of financial position at fair value with changes in fair value recognised in the statement of comprehensive income.

#### Loans and Receivables

Loans and receivables are non derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate method (EIR), less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

The EIR amortisation is included in finance income in the statement of comprehensive income.

#### Held to Maturity Investments

Non derivate financial assets with fixed or determinable payments and fixed maturities are classified as held to maturity when the Company has the positive intention and ability to hold it to maturity. After initial measurement, held to maturity investments are measured at using the EIR method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

The EIR amortisation is included in finance income in the statement of comprehensive income.

#### 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 period of time and which may be sold in response to needs for liquidity or in response to changes in the market conditions.

After initial measurement, available for sale financial investments are subsequently measured at fair value with unrealised gains or losses recognised as other comprehensive income in the available for sale reserve until the investment is derecognised, at which time the cumulative gain or loss is recognised in other operating income, or determined to be impaired, at which time the cumulative loss is reclassified to the statement of comprehensive income in finance costs and removed from the available for sale reserve.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 2.4 Financial Assets (Cont'd)

#### Impairment of Financial Assets

The Company 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 group of financial assets that can be reliably estimated.

### 2.5 Financial Liabilities

#### Initial Recognition and Measurement

The Company classifies its financial liabilities in the following categories; at fair value through profit or loss and loans and borrowings. All financial liabilities are recognised initially at fair value and in the case of loans and borrowings, plus directly attributable transaction costs.

The financial liabilities include trade and other payables, bank overdrafts, loans and borrowings and derivative financial instruments.

#### Subsequent Measurement

Subsequent measurement of financial liabilities depends on their category as follows;

#### Financial Liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Gains or losses on financial liabilities held for trading are recognised in the statement of comprehensive income.

#### Loans and Borrowings

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

The EIR amortisation is included in finance costs in the statement of comprehensive income.



## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 2.6 Inventories

Inventories are measured at the lower of cost and net realisable value. The Cost of inventories include costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

### 2.7 Trade and Other Receivables

Trade receivables are amounts due from customers for goods sold or services provided in the ordinary course of business. Most sales are made on the basis of normal credit terms, and the trade receivables do not bear interest. Where credit is extended beyond normal credit terms, trade receivables are measured at amortised cost using the effective interest rate method. Other receivables that are not financial assets measured at the cost.

At the end of each reporting period, the carrying amounts of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, impairment loss is recognised immediately in the statement of comprehensive income.

### 2.8 Impairment of Assets

If there is an indication of possible impairment, the recoverable amount of any affected asset or group of related assets is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in the statement of comprehensive income.

If an impairment loss subsequently reverses, the carrying amount of the asset or group of related assets is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset or group of related assets in prior years. A reversal of an impairment loss is recognised immediately in the statement of comprehensive income.

### 2.9 Cash and Cash Equivalents

Cash and cash equivalents are defined as cash in hand, demand deposits and short term liquid investments, readily convertible to identified amounts of cash and subject to insignificant risk of changes in value.

For the purposes of the cash flow statement, cash and cash equivalents comprise cash in hand, deposits held at call with banks, other short-term highly liquid Investments with original maturities of three months or less, net of bank overdrafts. In the statement of financial position, bank overdrafts are included in borrowings in current liabilities.

### 2.10 Stated Capital

Ordinary shares are classified as equity.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 2.11 Liabilities, Provisions and Contingencies

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, and 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. The expense relating to any provision is presented in the statement of comprehensive income net of any reimbursement.

Neither contingent assets nor contingent liabilities are recognised by the Company and disclosures are made in the financial statements when it is required. Other liabilities are recorded at the cash value to be realised when settled.

### 2.12 Employee Benefits

#### Defined Contribution Plans

Defined contribution plan is a plan under which the Company pays a fixed contribution into a separate entity. Employees of the Company are eligible for Employees' Provident Fund Contribution and Employees' Trust Fund Contributions in line with respective statutes and regulations. The Company contributes 12% and 3% of gross emoluments of employees to Employees Provident Fund and Employees Trust Fund respectively.

The Company has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expenses when they are due.

#### Defined Benefit Obligation

A defined benefit plan is a plan that is not a defined contribution plan. Defined benefit plan defines an amount of benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The Company is liable to pay gratuity to its eligible staff in accordance with the Gratuity Act, No. 12 of 1983, which is a defined benefit plan. However, a provision has not been recognised in the financial statements in respect of gratuity payable by the Company.

### 2.13 Current and Deferred Tax

#### Current Tax

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

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 2.13 Current and Deferred Tax (Cont'd)

#### Deferred Tax

Deferred tax is recognised using the liability method on all temporary differences arising between the tax bases of assets and liabilities and their carrying values in the financial statements. Deferred tax is determined using tax rates that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred tax asset is realised or the deferred tax is settled.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

### 2.14 Leases

#### Finance Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership.

#### Initial Recognition and Subsequent Measurement

Initially, assets held under financial lease and financial lease liabilities are recognised as assets and liabilities in the statement of financial position at the lower of the fair value of the leased asset and present value of the minimum lease payments, determined at the inception of the lease.

Subsequent lease payments are apportioned between the finance charge and the reduction of the outstanding liability using the effective interest method.

### 2.15 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue and associated costs incurred or to be incurred can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable net of trade discounts and sales taxes, the following specific criteria are used for recognition of revenue.

#### Construction Contracts

Contracts require Standard Technical Committee (STC) approval for the measurement of contract revenue.

The projects pending STC approval, the contract revenue is recognized only 90% of initial amount agreed in the contract plus any variations in contract work, claims and incentive payments, to the extent that it is probable that they will result in revenue and can be measured reliably. And contract revenue is revised to the STC approved contract revenue once it is received.



## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 2.15 Revenue Recognition (Cont'd)

#### Other Contracts

The contract revenue includes the initial amount agreed in the contract plus any variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue and can be measured reliably.

As soon as the outcome of construction contract can be estimated reliably, contract revenue is recognized in profit or loss in proportion to the stage of completion of the contract. The stage of completion is assessed with reference to the proportion that contract cost incurred for work performed to date bears to the estimated total contract costs. When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognized only to the extent of contract costs incurred that are likely to be recoverable.

#### Sale of Goods

Revenue from the sale of goods is recognised when the significant risk and rewards of ownership of the goods have passed to the buyer with the Company retaining neither a continuing managerial involvement to the degree usually associated with ownership, nor an effective control over the goods sold.

#### Rendering of Services

Revenue associated with the rendering of services is recognised by reference to the stage of completion of the transaction at the end of the reporting period.

#### Interest Income

Interest income is recognised on a time proportion basis using the effective interest method unless collectability is in doubt.

#### Dividend Income

Dividend income is recognised when the shareholder's right to receive payment is established.

#### Other Income

Other income is recognised on a cash basis.

### 2.16 Expenditure Recognition

#### Construction Contracts

Total cost incurred in respect of each contract during the year, which can be attributed has been included in construction costs.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 2.16 Expenditure Recognition (Cont'd)

#### Other Expenses

All expenditure incurred in the running of the business and in maintaining the property, plant and equipment in a state of efficiency has been charged to the statement of comprehensive income.

For the purpose of presentation of the statement of comprehensive income the management is of the opinion that, the "function of expenses" method presents fairly the elements of the Company's performance, and hence this presentation method is adopted.

#### Interest Expense

Interest expense is recognised on a time proportion basis using the effective interest method.

#### Dividend Distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the period in which the dividends are approved by the Company's shareholders.

### 2.17 Events after the Reporting Date

All the material events after the date of the statement of financial position have been considered and appropriate adjustments / disclosures have been made in the financial statements.

## 3 FINANCIAL RISK MANAGEMENT

### 3.1 Financial Risk Factors

The Company's activities expose it to three types of financial risks, namely market risk, credit risk and liquidity risk.

### 3.2 Market Risk

Market Risk faced by the Company include currency risk, interest rate risk and other price risks.

#### Interest Rate Risk

The Company has interest bearing bank deposits which may cause risks to it as a result of the adverse movements in interest rates.

### 3.3 Credit Risk

Credit Risk is the risk that the Company may incur losses due to the failure of its customers to discharge their obligations to the Company. The maximum exposure to credit risk at the reporting date was;

	<b>Trade Debtors</b>
	<b>Rs.</b>
As at 31st December, 2015	2,232,493,806
As at 31st December, 2016	4,033,243,692

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 3.4 Liquidity Risk

The Company mitigates its liquidity risk through proper working capital management including cash management.

## 4 CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

In the process of applying the Company's accounting policies, management has exercised judgments and estimates in determining the amounts recognised in the financial statements. The most significant uses of judgements and estimates are as follows:

### Going Concern

The Company's management has made an assessment of its ability to continue as a going concern and is 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 Company's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis.

### Estimated Useful Lives of Property, Plant and Equipment (PPE)

The Company reviews annually the estimated useful lives of PPE based on factors such as business plan and strategies, expected level of usage and future developments. Future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned. A reduction in the estimated useful lives of PPE would increase the recorded depreciation charge and decrease the PPE balance.

### Allowance for Doubtful Debts

The Company assesses at the reporting date whether there is objective evidence that trade receivables have been impaired. Impairment loss is calculated based on a review of the current status of existing receivables and historical collections experience. Such provisions are adjusted periodically to reflect the actual and anticipated impairment.



## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 <sup>ST</sup> DECEMBER	CESL	
	2016 Rs.	2015 Rs.
<b>5 Revenue</b>		
Construction Revenue	8,691,161,524	6,560,768,391
Consultancy Revenue	-	-
	<b>8,691,161,524</b>	<b>6,560,768,391</b>
<b>6 Cost of sales</b>		
Materials	3,299,198,779	2,378,847,427
Labour	2,378,032,062	1,473,378,315
Transport Charges	807,585,766	525,856,904
Tools	18,115,530	14,850,935
Miscellaneous Expenses	63,966,297	64,155,989
Construction Services	1,503,038,812	1,655,568,432
	<b>8,069,937,247</b>	<b>6,112,658,003</b>
<b>7 Other Income</b>		
Hiring Income	19,267,247	45,105,409
Machinery Hiring	353,102	-
Commission Income	17,000	-
Sundry Income	5,285,912	1,600,722
Miscellaneous Revenue	17,407,343	37,458,485
Bad Debt Provision Reversal	4,290,482	-
	<b>46,621,086</b>	<b>84,164,616</b>
<b>Operating Profit</b>		
The following items have been charged / (credited) in arriving at the Operating Profit		
Director's Emoluments	1,563,250	1,439,821
Auditor's Remuneration	500,000	1,000,000
Depreciation on Property, Plant & Equipment	141,341,912	156,615,722
Charity and Donations	990,863	9,392,475
Allowance for Bad and Doubtful Debts	9,843,380	3,753,570
Employee Benefit Costs	280,620,548	141,500,273
<b>Employee Benefit Costs</b>		
Salaries & Wages	243,683,954	117,199,622
Contribution to Defined Contribution Plans	4,653,046	1,533,774
Over Time, Incentive and Other Allowances	32,283,548	22,766,877
<b>8 Net Finance Income</b>		
<b>Finance Income</b>		
Interest Income	71,930,786	18,758,514
	<b>71,930,786</b>	<b>18,758,514</b>
<b>Finance Cost</b>		
Interest Expenses	(15,871,771)	(7,417,830)
	<b>(15,871,771)</b>	<b>(7,417,830)</b>
<b>Net Finance Income</b>	<b>56,059,015</b>	<b>11,340,685</b>
<b>9 Tax Expenditures</b>		
Deferred Tax for the Year	4,203,142	11,140,808
Income Tax for the Year	21,463,536	25,281,923
	<b>25,666,678</b>	<b>36,422,731</b>

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 <sup>ST</sup> DECEMBER		Land	Buildings	Furniture & Fittings	Construction & Instrument & Equipment	Office Equipment	Plant & Machinery	Containers	Computers	Motor Vehicles	Library Books	Total
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
<b>10 Property, Plant and Equipment</b>												
<b>Cost</b>												
<b>Balance as at 1st January 2016</b>		8,415,147	52,371,505	13,178,413	101,426,307	14,741,629	181,049,785	10,428,466	23,677,118	387,712,386	81,950	793,082,700
Additions during the year		-	4,352,929	4,689,012	56,184,123	9,740,524	28,984,501	5,381,000	11,427,153	4,945,000	365,220	126,069,462
Disposals during the year		-	-	(17,900)	(1,124,647)	(6,099)	(7,850)	-	(28,500)	(4,945,000)	-	(6,129,996)
<b>Balance as at 31st December 2016</b>		<b>8,415,147</b>	<b>56,724,434</b>	<b>17,849,525</b>	<b>156,485,784</b>	<b>24,476,054</b>	<b>210,026,436</b>	<b>15,809,466</b>	<b>35,075,771</b>	<b>387,712,386</b>	<b>447,170</b>	<b>913,022,167</b>
<b>Accumulated Depreciation</b>												
<b>Balance as at 1st January 2016</b>		-	12,595,004	3,064,668	37,188,289	4,545,306	53,442,141	4,295,117	8,562,335	270,321,656	5,387	394,019,901
Additions during the year		-	3,171,948	1,932,209	29,367,500	2,899,446	38,579,490	4,413,540	5,342,265	55,624,514	11,000	141,341,912
Disposals during the year		-	-	(3,628)	(881,374)	(4,609)	(5,200)	-	(19,036)	(2,425,082)	-	(3,338,930)
<b>Balance as at 31st December 2016</b>		<b>-</b>	<b>15,766,952</b>	<b>4,993,249</b>	<b>65,674,416</b>	<b>7,440,143</b>	<b>92,016,430</b>	<b>8,708,657</b>	<b>13,885,563</b>	<b>323,521,088</b>	<b>16,387</b>	<b>532,022,883</b>
<b>Net Book Value</b>												
Balance as at 31st December 2015		8,415,147	39,776,501	10,113,745	64,238,018	10,196,323	127,607,644	6,133,349	15,114,783	117,390,730	76,563	399,062,800
<b>Balance as at 31st December 2016</b>		<b>8,415,147</b>	<b>40,957,482</b>	<b>12,856,276</b>	<b>90,811,368</b>	<b>17,035,911</b>	<b>118,010,006</b>	<b>7,100,809</b>	<b>21,190,208</b>	<b>64,191,298</b>	<b>430,782</b>	<b>380,999,284</b>

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

AS AT 31 <sup>ST</sup> DECEMBER	CESL	
	2016 Rs.	2015 Rs.
<b>11 Capital Work In Progress</b>		
<u>Internal Developed Software</u>		
Balance B/F -	2,785,714	-
Cost Incurred During the Year	2,000,000	2,785,714
	<b>4,785,714</b>	<b>2,785,714</b>
<u>Building Construction</u>		
Cost Incurred During the Year	11,102,338	-
	<b>15,888,052</b>	<b>2,785,714</b>
<b>12 Investments</b>		
Long term investment (Note 12.1)	1,532,442	5,224,296
Short term investment (Note 12.2)	1,045,717,492	770,871,913
	<b>1,047,249,934</b>	<b>776,096,209</b>
<b>12.1 Long term investment</b>		
<b>Loans and receivable financial assets</b>		
Investment in Fixed Deposit	1,532,442	5,224,296
	<b>1,532,442</b>	<b>5,224,296</b>
<b>12.2 Short term investment</b>		
Repo	-	-
Short term investments	1,045,717,492	770,871,913
	<b>1,045,717,492</b>	<b>770,871,913</b>
<b>13 Inventories</b>		
Inventories	768,199,221	502,190,731
	<b>768,199,221</b>	<b>502,190,731</b>
<b>14 Trade and Other Receivables</b>		
Trade Receivables (Note 14.1)	7,321,478,714	4,466,045,387
Other Receivables (Note 14.2)	17,551,556	7,103,796
Deposits, Prepayments and Advances (Note 14.3)	183,654,125	53,246,533
	<b>7,522,684,395</b>	<b>4,526,395,716</b>
<b>14.1 Trade Receivables</b>		
Debtors	4,043,087,071	2,240,537,858
Due from customers	1,936,294,825	1,262,785,459
Retention receivables	1,351,940,198	970,766,122
Less - Provision for Impairment (Note 14.1.1)	(9,843,379)	(8,044,052)
	<b>7,321,478,714</b>	<b>4,466,045,387</b>
<b>14.1.1 Provision for Impairment</b>		
Debtors	9,843,379	3,753,570
Provision for Expected Losses	-	4,290,482
	<b>9,843,379</b>	<b>8,044,052</b>
<b>14.2 Other Receivables</b>		
Staff Loans	-	480,000
General Suspense	-	(18,750)
Sundry Debtors	17,542,027	6,642,546
WHT Receivable	9,529	-
	<b>17,551,556</b>	<b>7,103,796</b>
<b>14.3 Deposits, Prepayments and Advances</b>		
Mobilization Advance Paid	7,276,636	-
Deposits	3,755,289	3,544,918
Advances	161,659,651	43,771,870
Prepayments	10,962,549	5,929,745
	<b>183,654,125</b>	<b>53,246,533</b>



## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

AS AT 31 <sup>ST</sup> DECEMBER	CESL	
	2016 Rs.	2015 Rs.
<b>15 Cash and Cash Equivalents</b>		
<b>Favorable Balances</b>		
Cash in hand and at bank	195,883,249	159,145,097
Bank Impress	-	-
Cash in Transit	11,825,645	19,820,039
	<b>207,708,894</b>	<b>178,965,136</b>
<b>Unfavorable Balances</b>		
Bank Overdraft	-	-
Cash and Cash Equivalents for the Cash Flow Purpose	<b>207,708,894</b>	<b>178,965,136</b>
<b>16 Lease Creditors</b>		
Balance as at 1st January	883,827	8,240,342
Repayments during the year	(883,827)	(7,356,514)
Gross Lease Obligation at the end of the year	-	-
Balance as at 31st December	-	<b>883,827</b>
Amount payable within one year	-	883,827
Amount payable after one year	-	-
	-	<b>883,827</b>
<b>17 Defined Benefit Obligations</b>		
<b>(a) The amounts recognised in the Financial Position are determined as follows:</b>		
Balance at the beginning of the year	372,908	-
Current service cost	1,089,787	1,018,922
Interest cost	37,291	-
Actuarial (gain)/Loss during the year	(15,094)	-
	<b>1,484,892</b>	<b>1,018,922</b>
Benefits paid	(8,661)	-
Balance at the end of the year	<b>1,476,231</b>	<b>1,018,922</b>
<b>(b) Liability Recognized in the Financial Position</b>		
Present Value of Obligation as at 31st December 2016	1,476,231	1,018,922
Un Recognised Actuarial Gains / (Losses)	-	-
Net Liability in Financial Position	<b>1,476,231</b>	<b>1,018,922</b>
<b>(c) The amounts recognised in the Statement of Comprehensive Income are as follows:</b>		
Interest Cost	37,291	-
Current Service Cost	1,089,787	1,018,922
	<b>1,127,078</b>	<b>1,018,922</b>
<b>(d) The amounts recognised in the Statement of Other Comprehensive Income are as follows:</b>		
Actuarial (Gain) / Loss recognized	(15,094)	-
	<b>(15,094)</b>	-

The Retirement Benefit Obligation of the company as at 31st December 2016 is based on the formula method as recommended by the Sri Lanka Accounting Standard No. 19 (Revised 2012) Employee Benefits.

Key assumptions used in the computation includes the following;

Rate of Discount	10%
Salary Incremental Rates	10%
Employee Turnover Factor	3%
Retirement Age	60 Years

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

AS AT 31 <sup>ST</sup> DECEMBER	CESL	
	2016 Rs.	2015 Rs.
<b>18 Deferred Tax</b>		
Balance at the beginning of the year	17,617,814	6,477,006
Provision for the year	4,203,142	11,140,808
Balance at the end of the year	<b>21,820,956</b>	<b>17,617,814</b>
<b>19 Trade and Other Payables</b>		
Trade Payables (Note 19.1)	7,765,537,335	4,769,418,040
Other Payables (Note 19.2)	456,929,758	207,906,534
	<b>8,222,467,092</b>	<b>4,977,324,574</b>
<b>19.1 Trade Payables</b>		
Creditors	1,932,241,727	2,466,345,743
Due to Customers	2,274,601,433	138,327,921
Mobilization & Other Advances	3,376,224,889	2,039,280,194
Retention Payables to Contractors	182,469,285	125,464,181
	<b>7,765,537,335</b>	<b>4,769,418,040</b>
<b>19.2 Other Payables</b>		
Refundable Deposits	100,340	-
Sundry Creditors	7,522,885	10,226,404
Accrued Expenses	303,618,919	79,007,197
Unpaid Staff Cost	750,113	407,703
PAYE tax	663,463	188,644
Other Taxes	144,274,038	118,076,586
	<b>456,929,758</b>	<b>207,906,534</b>
<b>20 Income Tax Payables</b>		
<b>Balance at the beginning of the year</b>	<b>23,076,004</b>	<b>20,858,346</b>
Income tax for the year	21,463,536	25,281,923
Provision in respect of the last year	-	-
Payments made during the year	(18,500,000)	(21,858,346)
Withholding Tax (WHT)	(2,825,544)	(1,205,919)
Balance at the end of the year	<b>23,213,996</b>	<b>23,076,004</b>

## 21 RELATED PARTY TRANSACTIONS

## 21.1 Transaction with Parent

a) Eng. G. D. A. Piyatilake is the chairman of CESL and Eng. N. Rupasinghe, Mr. M. R. G. Ranathunaga, Eng. K. L. S. Sahabandu, Eng. T. D. Wickramarathna, Eng. A. Galketiya, Eng. S. P. P. Nanayakkara and Mr. U. N. B. Mawathagama who were Directors of CESL as at 31 December 2016. The Company has carried out transactions with CECB during the year, and the details were as follows.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****21.1 Transaction with Parent (Cont'd)**

Further key management personal of CESL are as follows;

<b>Name</b>	<b>Designation</b>	<b>Base Office</b>
Eng. E. P. U. S. Karunaratne	Chief Executive Officer /COE	WP2
Eng. P. M. P. C. Gunathilake	Chief Operation Engineer	South East
Eng. G. R. A. S. Gunathilake	Chief Operation Engineer	East
Eng. L. W. J. N. Alwis	Chief Operation Engineer	South
Eng. H. R. W. K. Heendeniya	Chief Operation Engineer	WP1
Eng. A. Pushparajah	Chief Operation Engineer	North
Eng. W. E. P. Ranjan Kumara	Chief Operation Engineer	Sabaragamuwa
Eng. M. N. Gunasena	Chief Operation Engineer	Uva
Eng. H. M. Nandasena	Chief Operation Engineer	Central Province
Eng. S. B. A. D. Semasinghe	Chief Operation Engineer	MKDP
Eng. J. A. D. R. Sujith Kumara	Chief Operation Engineer	Anuradhapura
Mr. J. M. B. Jayaweera	Finance Manager	

<b>b) Nature of the Transactions</b>	<b>Amount 2016 Rs.</b>
Construction Revenue	6,252,801,799
Vehicle Hiring Income	19,912,731

**21 .2 Terms and conditions of transactions with related parties**

The Income from related party and expenditure incurred or purchases from related parties are made at terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. This note should be read in conjunction with Note No. 19 to these Financial Statements.

**Transactions with Key Management Personnel**

LKAS 26 'Related Party Disclosures', Key Management Personnel are those having authority and responsibility for planning, directing and controlling the activities of the entity. Accordingly, the Board of Directors (including Executive and Non-Executive Directors) as key management personnel of the CECB/Group have been classified as Key Management Personnel.

Compensation paid to Key Management Personnel

	<b>2016 Rs.</b>	<b>2015 Rs.</b>
Salaries and other Employment Benefits	1,563,250	1,439,821

**22 Commitments and Contingencies**

There were no material Commitments and Contingent liabilities in CESL as at the reporting date.



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## Six Year Summary

### SIX YEAR SUMMARY

Statement of Profit or Loss and Other Comprehensive Income Highlights		2011	2012	2013	2014	2015	2016
Revenue	Rs. Mn	2,308	3,936	5,157	4,960	6560	8691
Gross Profit	Rs. Mn	33.1	63.5	135	254	448	621
EBITDA	Rs. Mn	11.3	71.1	105.3	236	255	192
EBIT	Rs. Mn	4	13.7	25.9	132.8	106	54
Net Finance Income	Rs. Mn	0.80	2.4	(0.7)	(1.0)	11.3	56
Profit After Tax	Rs. Mn	1.90	7.8	13.9	103.0	81.1	84.5
Profit Attributable to Owners	Rs. Mn	1.90	7.8	13.9	103.0	81.1	84.5

### Statement of Financial Position Highlights

Property, Plant and Equipment	Rs. Mn	21	188	227	402	401	396
Total - Non Current Assets	Rs. Mn	21	188	228.5	440	407	398
Cash and Cash Equivalent	Rs. Mn	86	70	129.7	171	178	207
Short Term Deposits	Rs. Mn	2	22	40.6	257.0	771	1,046
Total Assets	Rs. Mn	2,477	2,625	4,259	5,729	6,385	9,942
Stated Capital	Rs.	20	20	20	10,000,020	10,000,020	10,000,020
Retained Earnings	Rs. Mn	1.9	9.8	23.8	127	208.0	292
Equity Attributable to Owners	Rs. Mn	1.9	9.8	23.8	137	218.0	303
Total Non Current Liabilities	Rs. Mn	6	477	1090	1,285	1,166	1,394

### Statement of Cash Flow Highlights

Cash flow from Operating Activities	Rs. Mn	93.5	185	202	605	666	368
Cash Flow used in Investing Activities	Rs. Mn	(4.8)	(189.7)	(119.50)	(523)	(651)	(338)
Cash Flows from / (used in) Financing Activities	Rs. Mn	(2.2)	448.9	(23.40)	(0.07)	(7.8)	(0.88)

**SIX YEAR SUMMARY (CONTINUED)**

2011	2012	2013	2014	2015	2016
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**Key Financial Ratios**

EPS	Rs.	0.9	3.9	6,999,804	6,186	812	845
Net Assets per Share	Rs.	959,362	4,905,964	11,905,768	1,369	2,181	3026
ROE		100.00%	79.59%	58%	75%	37%	28%
Current Ratio		1	0.11	1.3	1.2	1.2	1.2
Quick Ratio		0.99	1.05	1.18	1.16	1.1	1.1

Directors remuneration for the year ended 31st December 2016 is Rs. 1,563,250

Auditors fee for the year ended 31st December 2016 is Rs. 1,500,000



# Corporate Information

## NAME OF THE COMPANY

Central Engineering Services (Pvt) Ltd.

## COMPANY REGISTRATION NO.

PV 16723  
(Under the Companies Act No 7 of 2007)

## REGISTERED OFFICE

No. 415, Bauddhaloka Mawatha,  
Colombo 7, Sri Lanka.  
Tel: (+94)11 2668800 Fax: (+94)11 2668972  
Email: info@cesl.lk Web: www.cesl.lk

## LEGAL FORM

Private Company with Limited Liability

## BANKERS

Bank of Ceylon Sri Lanka  
Peoples Bank Sri Lanka

## COMPANY SECRETARIES

Mrs. S. H. H. C. U. Senanayake  
No. 415, Bauddhaloka Mawatha,  
Colombo 7, Sri Lanka.

## AUDITORS

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

## AUDIT COMMITTEE

Mr. P. A. B. S. Nonis - Director (CECB) - Chairman of the Committee  
Mr. M. R. G. Ranathunga - Director (CESL)  
Eng. T. D. Wickramarathna - Director (CESL)

## BOARD OF DIRECTORS

Eng. G. D. A. Piyathilake - Chairman  
Eng. S. P. P. Nanayakkara - Executive Director  
Eng. N. Rupasinghe - Director  
Mr. M. R. G. Ranathunga - Director  
Eng. K. L. S. Sahabandu - Director  
Eng. T. D. Wickramarathna - Director  
Eng. A. Galketiya - Director  
Mr. U. N. B. Mawathagama - Director

## PRINCIPAL ACTIVITIES

Civil Construction work includes Buildings, Roads, Bridges, Mechanical and Electrical Work, Water Supply and Waste Water Treatment, Earth Moving, Irrigation and Drainage Work.

## CERTIFICATIONS

ISO 9001:2015 for Quality Management System  
ISO 14001:2015 for Environment Management System



## PARENT COMPANY

Central Engineering Consultancy Bureau





**CENTRAL ENGINEERING SERVICES (PVT) LTD.**

**No. 415, Bauddhaloka Mawatha, Colombo 7, Sri Lanka.**

Tel : **(+94) 11 2668 800** Fax : **(+94) 11 2668 972**

Email : ***info@cesl.lk*** Web : ***www.cesl.lk***