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ஆண்டறிக்கையும் கணக்குகளும்

ANNUAL REPORT & ACCOUNTS

01-04-2022---31-03-2023

ජාතික ලුණු සමාගම

தேசிய உப்பு நிறுவனம்

NATIONAL SALT LIMITED

ජාතික ලුණු සමාගම
தேசிய உப்பு நிறுவனம்
NATIONAL SALT LIMITED

කර්මාන්ත අමාත්‍යාංශය

கைத்தொழில் அமைச்சு

Ministry of Industries

රජයට අයත් සමාගමකි

அரசுக்குச் சொந்தமான கம்பனி

Government Owned Company

වාර්ෂික වාර්තාව සහ ගිණුම්

ஆண்டறிக்கையும் கணக்குகளும்

ANNUAL REPORT & ACCOUNTS

2022.04.01 – 2023.03.31

CONTENT

1. CHAIRMAN'S REVIEW

I, as the current Chairman of National Salt Ltd, I do hereby express my review of the company Annual Accounts for the year 2022/2023. I have the pleasure in welcoming you to the 2022/ 2023 Annual General Meeting of the Company and present to you the Annual Report & Accounts for the year ended 31st March 2023.

During the year of under review, National Salt Ltd has achieved a turnover of Rs. 343,140,970.00 generating Rs. 192,871,896.00 profit before tax. Looking back on our performance from the beginning we can justifiable and be proud of our achievements. Production and trading activity during the year showed a remarkable improvement of year 2022/2023 and company has paid the payment of Rs. 58,065,642.00 as government taxes.

I am pleased to report to the share holders that the company was able to play the roll as the facilitator to develop & sustain the viable salt industry in Sri Lanka. The results achieved during the year 2022/2023, the earnings per share was Rs. 449.35

As at 31.03.2023 a total approved cadre for the year was 167. The existing permanent cadre strength was 52 and the balance cadre was filled on contract and causal/seasonal basis as per the requirement. I am pleased to record that we continue to receive the fullest cooperation from all employees at all levels.

National Salt Ltd needs to strengthen its current capital base through infusion of new equity capital in order to fulfill the desired objectives successfully.

As a Chairamn I have planned to increase the value addition process by purchasing a Table Salt plant and to increase the sales of table salt in the market thereby increase the sales income. Further the Elephantpass saltern will be renovated to operate in full capacity and our board of management is in the process of developing the Kurinchattivu saltern and to ensure the supply to Paranthan Chemical Company ltd.

We are also gratified by the continuous encouragement & support given to us by Ministry of Industries, Department of Public Enterprise, Ministry of Finance, State Authorities as well as the customers.

National Salt Ltd is thus geared to meeting all challengers and responds quickly and effectively to the needs of our customers and thus ensure its continued success.

I dedicate my sincere thanks to my colleagues in the board and the management & staff for the support extended to me.

D.R.Anura Bandara
Chairman

2. MESSAGE FROM THE GENERAL MANAGER

It is a great opportunity to express my message in the occasion of Annual General Meeting that National Salt Ltd. carried out its activities, functions progressively and made profit in the period from 1st April 2022 to 31st March, 2023.

In the current financial year it was able to operate Mannar Saltern and Elephant pass saltern successfully. The Elephantpass saltern administration again has come under National Salt Limited from February 2015 as per the Extra Ordinary Gazette Notification No. 1897/15 of 15th January 2015. The 90% ofrenovation works are completed with the financial assistantce of Treasury.

In this financial year our team could able to manufacture 2245MT of salt for the year 2022/2023 against the budgeted quantity of 5500 MT in Mannar Saltern and could able to Manufacture 6288MT of salt for the year 2022/2023, against the budgeted quantity of 16,000 MT in Elephant pass Saltern. The production ratio was reduced due the unfavourabe climate condition. 2,132. MT of salt was sold in the Mannar Saltern against the budgeted quantity of 5500 MT & 6,734. MT of salt was sold in the Elephant Pass Saltern against the budgeted quantity of 16,000 MT in the forms of Common salt, iodized salt 1 Kg packets, industrial salt & crushed salt and the total net turnover for the year is Rs. 343,140,970.00 Million. Profit before taxation for this year Rs 192,871,896.00 as per accounts prepared.

We are very proud to say that our company not only providing service to the customers by selling the salt in reasonable price, but also have paid Rs. 58.06 million as an income tax to the government, further the reasonable dividend amount to Treasury also will be paid.

The Management has set the goal to make National Salt Limited to be one of the key salt producer in Sri Lanka with 18% of market share in 2026.

In this financial year the existing staff have been empowered through different kind of activities such as training for set target, appreciations, made provisions for basic facilities, bonus facilities and etc.

In conclusion I personally thank the Hon. Minister & Secretary, Ministry of Industries, the Chairman, Board of Directors and my staff for their heartiest contribution to the success of this company.

M.J.Thuwan Manzil.
General Manager

3. CORPORATE INFORMATION

Name of the Company	National Salt Limited (Government Owned Company)
Line Ministry	Ministry of Industries
Head Office	561/3, Elvitigala Mawatha, Colombo 05.
Mannar Saltern	Grand Bazaar, Mannar.
Elephantpass Saltern	A9 Road , Elephantpass, Kilinochchi.
Company Registration No.	[N(PBS)942] New No. PB 1078
Shares Holders	General Treasury
Board of Directors	1. Mr A.P Morogoda – Chairman Up to 09/12/2022 Mr.D.R. Anura Bandara – Chairman from 13/12/2022 2. Mr. L.P. Wewalage– Treasury Representative 3. Mr.W.P. Happuarachchi 4. Mr. Shantha Kumara 5. Mr. L.K.J. Priyankara 6. Dr. S.M.J. Dharmakeerthi 7. Dr. M.H.N. Karunasiri 8. Mr. W.M.N. Jayantha Pushpakumara 9. Mr. W.M. Janaka. R. Wickramasinghe 10. Mr. R.M. Srilal. Thilakarathna 11. Mr. Sepala Senevirathne 12. Mr.H.M. Dhammika. K. Premathilaka
Observer	Mrs. S.N. Balasubramaniam – Observer
Board Secretary	Corporate Affairs (Pvt) Ltd.
Auditor	Government Auditors National Audit Office, SriLanka
Bankers	Bank of Ceylon

4. INTRODUCTION

4.1 Company Profile

National Salt Ltd. has long history in salt production in Sri Lanka. the company manufactures common salt, iodine mixed salt, crush salt and Industrial salt. The major production areas are located in Mannar and Elephantpass (Kilinochchi) District and its administrative office located in Colombo.

The salt department was started in 1938 and went through different administrative control and finally it was named as Mantai Salt Ltd from 2001and in June 2021 it is renamed as National Salt Limited and now functioning under the purview of Ministry of Industries. The salt is being recognized as best in quality (96% is Nacl) in compare to the harvested salt in other part of the country. Currently Mannar Saltern has capacity to produce 6,000MT of raw salt and the Elephnatpass Saltern has capacity to produce 17,000MT per annum.

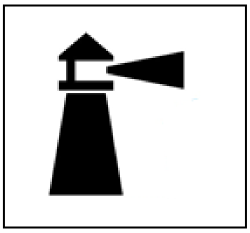
The National Salt not only functions as a natural resource extracting center also giving employment opportunities to the vulnerable people in the Mannar and Kilinochchi Districts. As at today there are 63 permanent staff, 7 contract/casual and roughly 242 seasonal staff are employed by the institution.

National Salt Ltd is governing by the board which comprised by the members represent from Treasury and other government /private institutions and it comes under the purview of Ministry of Industries. The Corporate Division of the Ministry is monitoring and facilitating the development, legal and accountable matters of the company. As it is a government enterprise it is registered under the company Act. No. 7 of 2007 as a Limited Company to abide for the company rules. Meanwhile the institution is certified by the Sri Lanka Standard Institution to ensure the quality of the product and also, the company is being audited by the National Audit Office.

History profile

Year		**Name of Institute**
From	**To**	
1938	1965	Salt Department
1966	1990	Sri Lanka National Salt Corporation
1991	1996	Lanka Salt Limited.
1997	Sept./2001	Mannar Saltern under G.A. Mannar
Oct./2001	June 2021	Mantai Salt Limited. (Salterns in Northern Province)
June 2021	Up to date	National Salt Limited (Salterns in Northern Province)

Vision Statement



In keeping with the nature of the business the company has the following vision.

"Development of salt - based enterprises in the Northern Province by exploration of natural resources connected with chemical and other processes and thereby upgrades the living of the people".

Mission Statement

The Mission of the company is as follows.

"Operation of Salterns, manufacture, value addition and marketing of salt and by-products.

4.2 Details about Production site

a) Mannar Saltern

Total production area of Mannar Saltern is 163 acres. Annual salt production is 6000 MT approximately, which is 3.3% of total salt production in Sri Lanka. As it is being a profit making organization it manages to do some development and maintenance activities along with staff salaries and welfare through the profit.

b) Elephant Pass Saltern

The total operational area of Elephantpass saltern is 750 acres and the production capacity is 25000 metric ton per annum in average.

The Saltern has been successfully renovated up to 90% and the production process started in year 2016 and has achieved 5283MT at 2021/2022.

Both Salterns are currently producing Common salt and preparing to do large scale value addition process by installing table salt plants in near future.

4.3 Production details

Saltern	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023
Mannar	6284	6249	6683	2,786	2378	2245
E.Pass	7130	10314	16089	8,496	5283	6288
Total	**13414**	**16,563**	**22772**	**11,282**	**7661**	**8533**

4.4 Sales

Year	Sales(MT)	Revenue(MN) Rs
2015/2016	5063	62.3
2016/2017	3337	93.8
2017/2018	6094	83.7
2018/2019	16,146	155.38
2019/2020	13,063	103.47
2020/2021	23,484	201.56
2021/2022	14312	249.05
2022/2023	8,866	343.14

5 <u>Proposed future development plant</u>

a) <u>Mannar Saltern</u>

1) The company has sucessfuly commissioned a 2MT /H crystal salt plant, at the moment the packeting process isnongoing and selling through the distributors/wholesale buyers in the district.

   The company is in the process of expanding the crystal salt packet process for 3000MT/annum and is in the process of developing marketing and sales unit accordingly.

   Further, it has been planned to upgrade the plant by fixing a table salt plant annexure and to produce table salt.

2) The office building for Mannar administrative work to be constructed.
3) The field office for Mannar saltern to be constructed.

b) Elephant Pass Saltern

1. Rehabilitate the saltern with full capacity to start production in 750 acres.
2. Commissiong a 5MT/H Table Salt Plant is in process.

5.1 Considerable out-put of these development activities.

- The production and sales of the crystalized salt and powder salt by the new plant will help to penetrate and expand the market area and it will ensure the viability in market to the company.
- The storing or stock holding period will be reduced by the increased and faster sales.
- The employment opportunities will be created based on the expansion of needs.
- The increasing profit will lead to give more welfare facilities and benefits to the employees.
- The requirement of the Sri Lanka Standard Institute will be fulfilled and the quality is maintained.
- The production and retail sales will contribute to eradicate Iodine deficiency problem by making product available in the rural market for reasonable price.
- Considerable dividend will be paid to the Treasury and also the Government will receive taxes such as VAT and NBT for nation development which will lead ultimate benefit for public.

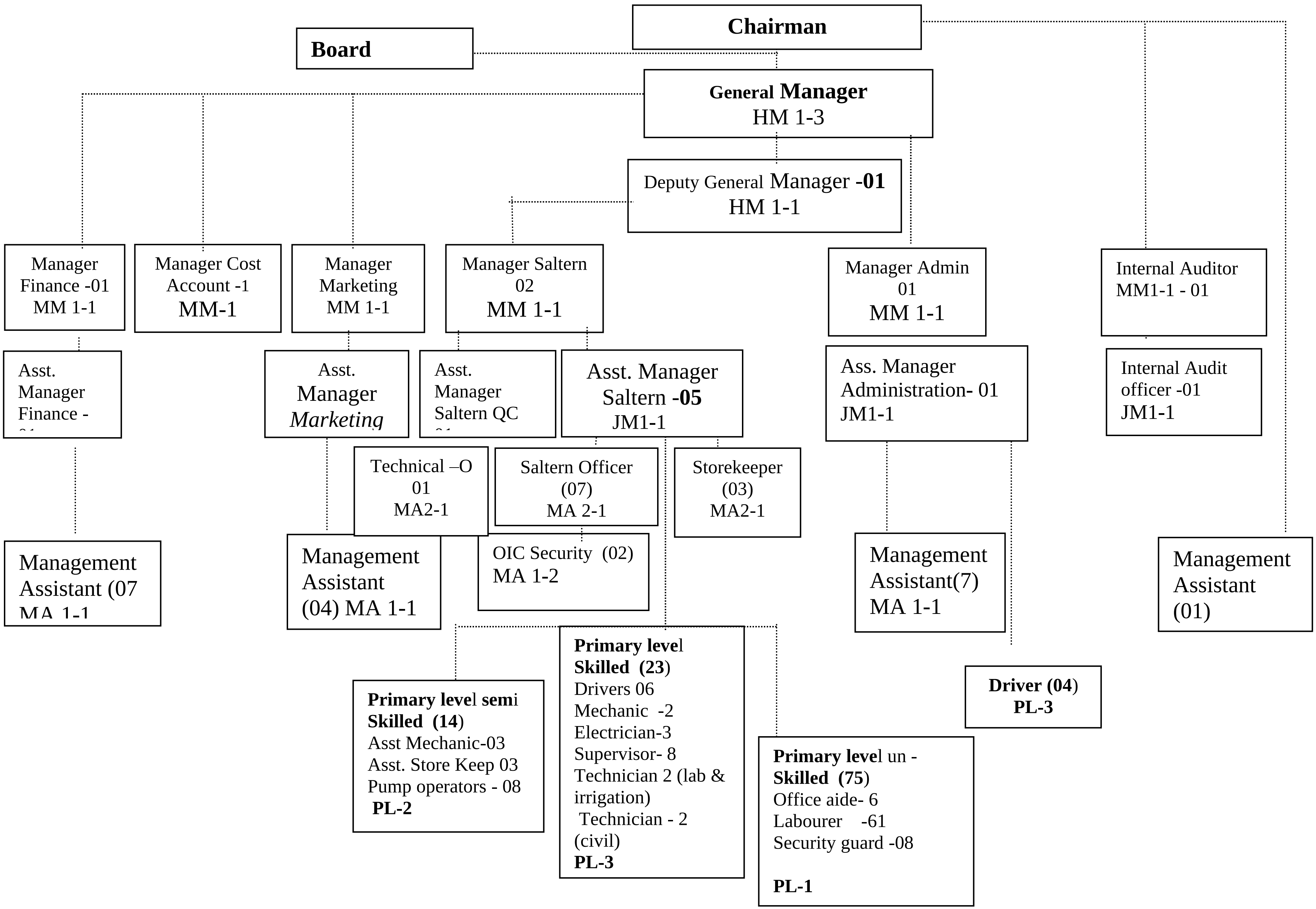
6. FINANCIAL HIGHLIGHTS

For the Year ended 31st March	unit	2022/2023	2021/2022	2020/2021	2019/2020	2018/2019
Production	MT	8,533	7,661	11,283	22,772	16,563
Sales	MT	8,866	14,312	23,484	13,063	16,146
Revenue	Rs.	343,140,970	249,051,040	201,568,231	103,473,982	155,380,640
Gross Profit	Rs.	175,379,118	132,998,887	72,039,111	19,170,216	47,041,469
Net Profit	Rs.	134,806,255	109,940,047	60,170,921	12,796,333	35,176,712
Net Assets						
Total Non-Current Assets	Rs.	141,149,360	132,385,413	276,402,270	149,768,539	198,751,368
Total Current Assets	Rs.	442,553,826	306,829,638	74,059,721	146,737,592	103,592,678
Less-Non-Current Liabilities	Rs.	(26,671,517)	(11,901,537)	(10,003,783)	(9,296,086)	(11,387,535)
Less-Current Liabilities	Rs.	(63,356,504)	(27,177,932)	(18,712,426)	(12,657,428)	(19,574,079)
		493,675,165	**400,135,582**	**321,745,782**	**274,552,617**	**271,382,432**
Shareholder's Funds						
Issued Share Capital	Rs.	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000
Reserves	Rs.	463,675,165	370,135,582	291,745,782	244,552,617	241,382,432
		493,675,165	400,135,582	**321,745,782**	**274,552,617**	**271,382,432**
Revenue to Government						
Income Tax	Rs.	36,358,203	21,051,885	9,997,609	498,090	6,559,465
Earning per share	Rs.	449.35	366.46	**200.56**	**42.65**	**117.25**

7. DETAILS OF KEY STAFF OFFICERS

Name	Designation	Qualification	Period of Service at MSL
Mr. M.J.Thuwan Manzil	General Manager	BSc. MBA, Dip in HRM, Dip in Eng. AAT-1	Since Sep 2014.
Mr. R.V.Vinoharan	Manager Finance	ACMA	Since January 2017.
Mr. A. Kishotharan	Manager- Saltern	B.Sc /PGD	Since April 2008.
Mr. D.J.H.S.Pushpa Kumara	Assistant Manager-Finance	CASL (Inter)	Since Feb. 2019
Mr.M.F. Faizal	Assistant Manager-Saltern	Dip in Mec Eng.	Since Nov.2010
Ms. S.J.Jinadasa	Internal Audit Officer	AAT satge 1& 2 & Dip in HR	Since April 2012
Mr. E.Vijayan	Assistant Manager-Saltern	G.C.E. Advance level	Since Apr. 2002
Mr. S. Robinson	Manager- Saltern	BSc.	Since Sep. 2022

8. THE ORGANISATION STRUCTURE



9. DIRECTORS' REPORT

The Directors of the company present herewith their report together with the audited Balance Sheet and Statements of Income for the year ended 31st March 2023.

Principal Activities

The principal activities of the Company during the year under review were the manufacture and sale of salt.

Financial Highlights

Financial year ended 31 st March 2023

	Rs.
Total Turnover	343,140,970
Gross Profit	175,379,118
Profit before tax	192,871,896
Net Profit / (after tax) for the period	134,806,255
Earnings per share	**449.35**

Directors.

The following were the Directors of the company during the year 2022/23.

1. Mr. A.P. Morogoda – Chairman Up to 09/12/2022

   Mr. D.R. Anura Bandara – Chairman from 13/12/2022

2. Mr. L.P. Wewalage– Treasury Representative - from 09/12/2022

3. Mr. W.P. Happuarachchi - Up to 09/12/2022

4. Mr. L.K.J. Priyankara - Up to 09/12/2022

5. Dr. S.M.J. Dharmakeerthi - Up to 09/12/2022

6. Dr. M.H.N. Karunasiri - Up to 09/12/2022

7. Mr. Shantha Kumara - Up to 09/12/2022

8. Mr. W.M.N. Jayantha Pushpakumara - from 13/12/2022

09. Mr. W.M. Janaka. R. Wickramasinghe - from 13/12/2022

10. Mr. R.M. Srilal. Thilakarathna - from 13/12/2022

11. Mr. Sepala Senevirathne - from 13/12/2022

12. Mr. H.M. Dhammika. K. Premathilaka - from 13/12/2022

Directors' Shareholding

The Directors do not hold any shares of the Company.

Directors' Interest in contracts

The Directors had no direct or indirect interest in any contract with the Company.

Auditors

The present auditor of the company is National Audit Office, SriLanka.

By order of the Board

Company Secretary

AUDITED ACCOUNTS

2022/2023

NATIONAL AUDIT OFFICE

My No: IMT/A/NSL/FA/2022-23-06 Your No: Date :- 05 Feb, 2024

Chairman

National Salt Limited

Report of the Auditor General on the Financial Statements and Other Legal and Regulatory Requirements of the National Salt Limited for the year ended 31 March 2023 in terms of Section 12 of the National Audit Act, No. 19 of 2018.

The above mentioned report is sent herewith.

Signed illegibly

W.P.C. Wickramarathna

Auditor General

Copy:- Secretary - Ministry of Finance, Economic Stabilization and National Policies

NATIONAL AUDIT OFFICE

My No: IMT/A/NSL/FA/2022-23-06 Your No: Date :- 05 Feb, 2024

Chairman
National Salt Limited

Report of the Auditor General on the Financial Statements and Other Legal and Regulatory Requirements of the National Salt Limited for the year ended 31 March 2023 in terms of Section 12 of the National Audit Act, No. 19 of 2018.

l. Financial Statements

1.1. Qualified Opinion

The audit of the financial statements of the National Salt Ltd (“Company") for the year ended 31 March 2023 comprising the statement of financial position as at 31 March 2023 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. My report to Parliament in pursuance of provisions in Article 154 (6) of the Constih1tion 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 Company as at 3l March 2023 and of its financial performance and its cash flows for the year then ended in accordance with Sri Lanka Financial Reporting Standards for Small and Medium-sized Entities. (SLFRS for SMEs)

1.2 Basis For the Qualified Opinion

(a) As per paragraph l7.2 of the Sri Lanka Financial Reporting Standards for Small and Medium-sized Entities. (SLFRS for SMEs) on property. Plants and equipment, although the vehicles, and equipment of the Elephant Pass Saltern valued Rs. 6,828,395/= was included in to the Board of Survey Report, that assets has not been included in Financial Statements.

(b) As per paragraph 17.19 of the Sri Lanka Financial Reporting Standards for Small and Medium-sized Entities. (SLFRS for SMEs) on property, plant, and equipment, the Company had not reviewed the asset estimated useful life at the end of the reporting year. As a result, the fully depreciated equipment worth Rs.7,856,096/= had been used in the year under reviewed.

(c) As per paragraph 23.10 of the Sri Lanka Accounting Standards for Small and Medium-sized Entities, at the time of withdrawal by the buyer of the stock of salt sold by the company, its value should be credited to revenue, but the amount received for the sales invoice was shown in full as revenue in the financial statements. Therefore, since that amount was recognized as the revenue of 2021/2022, the amount of Rs.10,164,900/= had not been included in the revenue in 2022/2023 and the revenue of Rs.7,500,600/= which is belongs to 2023/2024 had been included as a revenue in 2022/2023, Therefore, the revenue of the year under review was reduced in Rs. 2,664,300/-.

(d) According to the audit calculation, although the value of the final stocks of both Mannar and Elephant Pass saltern was Rs. 19,302,311/=, since the value of the final stock was mentioned in the final accounts as Rs. 16,939,168/=, the value of the stocks was understated in Rs. 2,363,143/=.

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 Company's 2022/2023 Annual Report.

The other information comprises the information included in the Company's 2019120 Annual Report but does not include the financial statements and my auditor's report thereon, which is expected to be made available to me after 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.

When I read the Company's 2022/2023 Annual Report, if I conclude that there are material misstatements therein, I am required to communicate that matter to those charged with governance for correction. If further material uncorrected misstatements are existed those will be included in my report to Parliament in pursuance of provisions in Article I54 (6) of the Constitution that will be tabled in due course.

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 the Sri Lanka Financial Reporting Standards for Small and Medium-sized Entities. (SLFRS for SMEs) 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 Company'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 Company or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Company's financial reporting process.

As per Section 16(1) of the National Audit Act No. 19 of 2018, the Company 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 Company

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 misstatements 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 Company'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 Company 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

2.1 National Audit Act, No. 19 of 2018 and Companies Act, No. 7 of 2001 include specific provisions for following requirements.

2.1.1 Except for the effect of the matters described in the Basis for Qualified Opinion paragraph my report, 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 Company as per the requirement of section 163 (2) of the Companies Act, No. 7 of 2007 and section 12(a) of the National Audit Act, No. 19 of 2018.

2.1.2 The financial statements of the Company comply with previous year as per the requirement of the Section 6(1) (d) (iii) of the National Audit Act, No. 19 of 2018.

2.I.3 The financial statements presented is consistent with the recommendation which were presented by me in preceding year as per the requirement of section 6(1)(d)(iv) of the National Audit Act, No. 19 of 2018 except the observations I mentioned in the (a) and (B) of the Basis of the Qualified Opinion section in my report.

2.2 Based on the procedures performed and evidence obtained which limited to matters that are material, nothing has come to my attention;

2.2.1 to state that any member of the governing body of the Company has any direct or indirect interest in any contract entered into by the Company 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.

2.2.2 to state that the Company has not complied with any applicable written law, general and special directions issued by the governing body of the Company as per the requirement of section 12(f) of the National Audit Act, No. 19 of 2018.

Reference to law/ direction	**Description**
a) Chapter 6.6 of the Hand Book for the Public Enterprises of the Public Enterprises Circular No. 01/2021 of 16 November,2021	The Financial Statements and draft of the annual report should be rendered to the Auditor General within 60 days after the close of the financial year. However, the Company had submitted the financial statements for the year under reviewed on 01st of November 2023 by delaying 5 months Further, the draft of the Annual report had not been rendered for audit until the 25th October 2023.
b) Chapter 3.2(v) of the Hand Book issued under the Finance Ministry Circular No. 01/2021 of 16 November, 2021 and Chapter 2.5 of Ministry of Finance, Economic Stabilization & National Policies circular No: PED 04/2022 of 08 August 2022	A monthly allowance valued Rs. 5,000/= had been paid to all employees by the Company from June in 2022 to December in 2022, and stopped paying that amount and Rs.10,032,098/- had been paid as Crisis Situation Allowance valued Rs. 500/- - Rs. 850/- for 111 employees based on the position (rank) for six months from January 2023 on the approval of the Director Board, contradiction to the provisions of the circulars from
C) Ministry of Finance, Economic Stabilization & National Policies circular No: 09/2022 of 21 December 2022	Although an allowance of Rs.20,000/- may be paid for establishments paying bonus on attendance performance or other form of bonus on profit for the year 2022, since the allowances of Rs.25,000/-had been paid for 123 seasonal employees, Rs. 615,000/- had been overpaid.

2.2.3 to state that the Company 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.

2.2.4 to state that the resources of the Company 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.

A paper notice was published on 15th October 2021 to purchase 1,200,000 number of Linear Low Density Polyethylene (LLDPE) for Mannar Saltern, and an institute who agreed to supply for Rs. 5.08 had been selected on December 2021. However, the making of the order has been delayed till February 2022, taking into account the depreciation of the rupee, although the selected supplier already agreed to supply at a price of Rs. 14/- per bag, 500,000 numbers of bag had been purchased at the price of Rs. 14/- per bag from another supplier who did nit bided. Since the Company had to purchase bags at high price due to delaying place the order and the company had to incur a loss of Rs.4,462,000/-.

2.3 Other Issue

a) Although it had been estimated to produce the 5,500 MT of Common salt in Manar Saltern and 16,000 MT of common salt in Elephant Pass Saltern in examining the budget data of the year under review, actual production of common salt was 2,215 MT and 6,167 MT in Mannar saltern and Elephant Pass Saltern respectively. i.e. The Company had failed to produce 3,285 MT and 9,833 MT of salt respectively.

b) 825 MT of Common Salt Super grade from Elephant Pass Saltern had been sold to a buyer during the year at Rs.55,000/- per 1 MT. As the Company determines the grading of common salt at eye level, the same criterion was applied to the Common Salt Super grade sold. Therefore, the purchasing institute had informed the Company that the 825 MT of Common Salt Super grade shows variation of colour and presence of extraneous matters and mud and sand particles.

Signed illegibly
W.P.C. Wickramarathna
Auditor General

NATIONAL SALT LTD.

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2023

NATIONAL SALT LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 ST MARCH 2023

	Note	2023 Rs. cts	2022 Rs. cts
Total Revenue	3	**343,140,970**	**249,051,040**
Less			
Value Added Tax			
Net Revenue		**343,140,970**	**249,051,040**
Cost of Sales	4	167,761,852	116,401,374
Gross Profit		**175,379,118**	**132,649,666**
Other Operating Income	5	15,579,808	8,514,700
		190,958,926	141,164,366
Selling & Distribution Cost	6	(6,731,065)	(103,832)
dministrative Expenses	7	(31,952,185)	(15,535,141)
Other Operating Expenses	8	(3,228,650)	(1,928,179)
		(41,911,900)	**(17,567,152)**
Operating Profit/(Loss)		**149,047,026**	**123,597,214**
Finance Income	9	43,960,568	7,681,573
Finance Cost		(135,698)	(286,855)
Profit before Income Tax for the year		**192,871,896**	**130,991,932**
Income Tax Expenses	10	58,065,642	21,051,885
Profit after Income Tax for the year		**134,806,255**	**109,940,047**
Net Profit for the Year		**134,806,255**	**109,940,047**
Other Comprehensive Income			
Deferred Tax Effect on Revaluation Gain / (loss)		(720,000)	-
al Comprehensive Income		**134,086,255**	**109,940,047**
Basic Earning Per Share	11	447	366

NATIONAL SALT LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31ST MARCH 2023

	Notes	2023 Rs.	2022 Rs.
ASSETS			
Non-Current Assets			
Property, Plant & Equipment	12	141,149,360	132,385,413
		141,149,360	132,385,413
Current Assets			
Inventories	13	59,421,160	21,663,605
Financial Assets	14	272,561,908	217,190,208
Trade & Other Receivables	15	33,225,220	6,300,797
Cash & Cash Equivalents	16	77,345,538	61,675,028
		442,553,826	306,829,638
Total Assets		**583,703,186**	**439,215,050**
EQUITY & LIABILITIES			
Capital and Reserves			
Stated Capital	17	30,000,000	30,000,000
Revaluation Reserve		1,680,000	2,400,000
Revenue Reserve	18	426,713,139	317,628,963
Total Equity		458,393,139	350,028,963
Non-Current Liabilities			
Government Grants	19	35,282,026	50,106,618
Deferred Tax Liability/ (Assets)	20	16,124,684	2,258,522
Retirement Benefit Obligations	21	10,546,833	9,643,015
		61,953,543	62,008,155
Current Liabilities			
Trade & Other Payables	22	26,998,301	16,253,506
Income Tax Payable /(Recoverable)	23	36,358,203	10,924,427
		63,356,504	27,177,932
Total Equity and Liabilities		**583,703,186**	**439,215,050**

These Financial Statements are in compliance with the requirements of the Companies Act No. 07 of 2007.

FINANCE MANAGER

13/10/2023
DATE

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 by,

	NAME	SIGNATURE
DIRECTOR 1.	D. R. Anura Bandara	
DIRECTOR 2.	L. P. Wewalage	
DATE OF APPROVAL BY THE BOARD	13/10/2023	

NATIONAL SALT LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31ST MARCH 2023

	Stated Capital Rs.	Revaluation Reserves Rs.	Revenue Reserves Rs.	Total Rs.
Balance as at 31st March 2020	30,000,000	2,400,000	174,269,603	206,669,603
Net Profit for the year			60,170,921	60,170,921
Dividend payments			(3,351,608)	(3,351,608)
Balance as at 31st March 2021	30,000,000	2,400,000	231,088,916	263,488,916
Net Profit for the year			109,940,047	109,940,047
Dividend payments			(23,400,000)	(23,400,000)
Balance as at 31st March 2022	30,000,000	2,400,000	317,628,964	350,028,964
Prior year Adjustment of lease rental -mannar			(5,722,080)	(5,722,080)
Net Profit for the year			134,806,255	134,806,255
Deferred Tax Effect on Revaluation Gain		(720,000)	-	(720,000)
Dividend payments			(20,000,000)	(20,000,000)
Balance as at 31st March 2023	30,000,000	1,680,000	**426,713,139**	458,393,139

NATIONAL SALT LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31st MARCH 2023

	2023	2022
	Rs.	Rs.
Cash Flow from Opreating Activities	192,871,896	130,991,933
Opreation Profit /(Loss) Before Tax		
Adjustments For		
Depreciation and Amortization	22,323,450	13,288,480
Amortization	(14,824,592)	(8,150,249)
Profit on disposal of assets	(230,350)	
Gratuity Provision	1,219,457	
Income Tax provision		(214,884)
Write -off Income VAT Receivable		
Fixed Deposit Interest Income	(42,841,697)	(6,612,175)
Savings Interest Income		
Savings Interest Income WHT	(19,252)	
	(34,372,984)	(1,688,828)
Operating Profit for the year before Changes in Working Capital	158,498,912	129,303,105
Changes in Working Capital		
(Increase)/ Decrease in Inventories	(37,757,555)	27,307,046
(Increase)/ Decrease inTrade & Other Receivables	(231,436)	1,078,380
(Increase)/ Decrease in Trade & Other Payables	10,744,795	1,068,880
	(27,244,196)	29,454,306
Cash Generated From Opreations	131,254,716	158,757,410
Gratuity Paid	(315,638)	(758,120)
Income Tax/WHT Paid	(19,330,000)	(10,784,502)
	(19,645,638)	(11,542,622)
Net cash flow from Opreating Activities	111,609,078	147,214,788
Cash Flow From Investing Activities		
Property,Plant & Equipment	(20,724,021)	(2,672,800)
Disposal of Fixed assets	230,350	(2,964,765)
Working Progress	(10,386,613)	20,000,000
Investment Withdrawals	214,759,032	(95,000,000)
Investment Fixed Deposits	(260,000,000)	1,610,596
Fixed Deposit Interest income	5,881,528	
Mannar Lease Rental	(5,722,080)	
Net Cash out flow from Investing Activites	(75,961,804)	(79,026,969)
Cash Flow From Financing Activites		
Dividend paid	(20,000,000)	(23,400,000)
Government Grant received		
Net csah in flow from Financing Acitivies	(20,000,000)	(23,400,000)
Net Increase in Cash & Cash Equivalents during the year		
Cash & Cash Equivalents at the beginning of the year	15,670,510	44,787,819
Cash & Cash Equivalents at the end of the year	61,675,028	16,887,208
	77,345,538	61,675,027
Analysis of Cash and cash Equivalents at the end of the year		
Cash at Bank	77,345,538	61,675,027

Page 04

NATIONAL SALT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2023

1. CORPORATE INFORMATION

1.1 Reporting Entity

National Salt Limited is a limited liability company incorporated and domiciled in Sri Lanka and public enterprise under the Ministry of Finance .Fully owned by the Democratic Socialist Republic of Sri Lanka . The registered office of the Company is located at 561/3 Elvitigala Mawatha, Colombo 05 and the principal place of business is situated at Mannar and Elephant pass.

.1.2 Principal Activities and Nature of Operations

During the year, the principal activity of the Company was to carry on the long history of salt production in Sri Lanka. It manufactures common salt and distributes in the form of Iodated Salt, Crush salt and Industrial Salt in Sri Lanka.

1.3 The notes to the Financial Statements on pages 05 to 42 form an integral part of the Financial Statements.

1.4 The number of permanent employees at the end of the year was 57 (2022- 53)

1.5 Date of Authorization & Approvals of Finance Statement

The Financial statements of National Salt Limited for the year 31 st March 2023 were authorized for issue in accordance with a resolution by the board of directors on 13 October2023.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

2.1 General Policies

2.1.1 Statement of Compliance

The Financial Statements have been prepared on historical cost basis in accordance with the Sri Lanka Accounting Standard for Small and Medium-sized Entities issued by the Institute of Chartered Accountants of Sri Lanka and the requirements of the Companies Act No.7 of 2007.

2.1.2 Basis of Preparation

These financial statements have been prepared in accordance with the Sri Lanka Accounting Standard for Small and Medium-sized Entities issued by the Institute of Chartered Accountants of Sri Lanka. These Financial Statements are presented in Sri Lankan Rupees (Rs.) and all financial information presented in Sri Lankan Rupees has been rounded to the nearest rupee.

The Financial Statements of the Company have been prepared on a historical cost convention.

The Accounting Policies applied by the Company are, unless otherwise stated, consistent with those used in the previous year unless otherwise stated. Comparative information has, where necessary, been re-classified to conform with the current year presentation.

2.1.3 Going Concern

The directors have made an assessment of the Company's ability to continue as a going concern and they do not intend either to liquidate or to cease trading.

2.1.4 Use of Estimates and Judgments

The preparation of the Financial Statements in conformity with Sri Lanka Accounting Standard for Small and Medium-sized Entities issued by the Institute of Chartered Accountants of Sri Lanka requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, Income and Expenses. Actual results may differ from estimates.

Estimates and underlying assumptions are based on historical experience and other various factors, including expectations of future events that are believed to be reasonable under the circumstances.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods which are affected.

2.1.5 Materiality and Aggregation

Each material class of similar items is presented separately in the Financial Statements. Items of dissimilar nature or function are presented separately unless they are immaterial.

2.1.6 Events Occurring after the Reporting Period

The materiality of the events occurring after the Reporting Date has been considered and appropriate adjustments or disclosures have been made in the Financial Statements where necessary.

2.1.7 Taxation

2.1.7 (a) **Current Taxes**

The charge for taxation is based on the income for the year adjusted for disallowable items in accordance with the provisions of the Inland Revenue Act No. 24 of 2017.

2.1.7 (b) Deferred Taxation

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and amounts used for taxation purposes. The measurement of deferred tax reflects the tax consequences that would follow the manner in which the company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or oh different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized for unused tax losses and deductible temporary differences to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related benefit will be realised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantially enacted by the reporting date.

2.1.8 Borrowing Costs

Borrowing Costs are recognized as an expense in the period in which they are incurred.

2.2 Valuation of Assets and their Measurement Bases

Assets classified as current assets in the Statement of Financial Position are cash and those which are expected to be realized in cash during the normal operating cycle of the Company's business or within one year from the Reporting Date.

Non – current assets are those which the Company intends to hold beyond a period of one year from the Reporting Date.

2.2.1 Cash and Cash Equivalents

Cash and cash equivalents are defined as cash in hand, demand deposits and short term highly liquid investments readily convertible to known amounts of cash and subject to insignificant risk of changes in value. For the purpose of cash flow statement, cash & cash equivalents consist of cash in hand and deposits in banks net of outstanding bank overdrafts that are repayable on demand.

Statement of Cash Flows

The Statement of Cash Flows has been prepared using the "indirect method." Interest paid, interest received and dividend received is classified as operating cash flows, while dividends paid are classified as financing cash flows for the purpose of presenting the Statement of Cash Flows.

2.2.2 Property, Plant & Equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets include the following:

Property, Plant & Equipment (Contd..)

- The cost of materials and direct labor;
- Any other costs directly attributable to bringing the assets to a working condition for their intended use;
- When the company has an obligation to remove the asset or restore the site, an estimate of the costs of dismantling and removing the items and restoring the site on which they are located;

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment. When part of an item of property, plant and equipment has different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in other operating income in the Statement of Income. When revalued assets are sold, any related amount included in the revaluation surplus reserves are transferred to retained earnings.

Subsequent costs

The cost of replacing a component of an item of property or equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of day-to-day servicing of property and equipment are recognised in the statement of income as incurred.

Repairs and Maintenance

Repairs and maintenance are charged to the Statement of Comprehensive Income during the financial period in which they are incurred. The cost of major renovations are included in the carrying amount of the assets when it is probable that future economic benefits in excess of the most recently assessed standard of performance of the existing assets will flow to the Company and the renovation replaces an identifiable part of the asset. Major renovations are depreciated during the remaining useful life of the related asset.

Depreciation

Depreciation is recognised in the Statement of Comprehensive Income on a straight-line basis over the estimated useful lives of each part of an item of property and equipment since this most closely reflects the expected pattern of consumption of the future economic benefits embodied with the asset. Land is not depreciated. The estimated useful lives of the current and comparative periods are as follows:

Asset Class	Basis
All Building	Over 20 years @ 5%
Machinery & water pump	Over 05 years @20%
Office Equipment	Over05 Years @ 20%
All Furniture	Over 10 years @ 10%
All Motor Vehicles	Over 10 years @ 10%
Computrt Equipment	Over 05 years @20%
Tractors	Over 05 years @20%

Depreciation method, useful lives and residual values are reassessed at each reporting date and adjusted if appropriate.

Capital work-in-progress

Capital work-in-progress is stated at cost. These are expenses of a capital nature directly incurred in property, plant and equipment as well as system development, awaiting capitalization. In our organization Capital work-in-progress have been capitalized in 31st March 2023 Hence relevant property have not been made depreciation during the year in 2022/2023 .

2.2.3 Leases

Finance Leases

Property, Plant and Equipment on finance leases, which effectively transfers to the Company substantially the entire risk and benefits incidental to ownership of the leased item are capitalised at their cash price and disclosed as Property, Plant & Equipment and depreciated over the period the Company is expected to benefit from the use of the leased assets.

The corresponding principal amount payable to the lessor is shown as a liability, lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. The interest payable over the period of the lease is transferred to an interest in suspense account. The interest element of the rental obligations applicable to each financial year is charged to the Income Statements over the period of the lease.

2.2.4 Investments & Other Financial Assets

Classification

Financial assets within the scope of SLFRS 09, classifies its financial assets in the following measurement

categories:

Those to be measured subsequently at fair value (either through OCI or through profit or loss), and those to be measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

The company reclassifies debt investments when and only when its business model for managing those assets changes.

A) Recognition & De recognition

Regular way purchases and sales of financial assets are recognized on trade-date, the date on which the company commits to purchase or sell the asset. Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the company has transferred substantially all the risks and rewards of ownership.

B) Measurement

At initial recognition, the company measures a financial asset at its fair value plus, inthe case of a financial asset not at fair value through profit or loss (FVPL), transactioncosts that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when

determining whether their cash flows are solely payment of principal and

(C) **Debt instruments**

Subsequent measurement of debt instruments depends on the company's businessmodel for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the company classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.

FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the statement of profit or loss

FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises

(D) Impairment

The company assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Basic Financial Instruments Financial assets are classified as financial assets held for trading, held to maturity, loans and receivables and financial assets available-for-sale. The Company determines the classification of its financial assets at initial recognition.

Loan and Receivable

Loans and receivables include cash and short-term deposits, fixed deposit and trade and other receivables. All financial instruments are measured initially at their fair value plus transaction costs, except in the case of financial assets at fair value through profit or loss.

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. The losses arising from impairment are recognized in the statement of Comprehensive Income.

Financial Liabilities

Financial liabilities are classified as financial liabilities at fair value through profit or loss or other financial liabilities in accordance with the substance of the contractual agreement and the definition of financial liabilities.

All financial instruments are measured initially at their fair value plus transaction costs, except in the case of financial liabilities recorded at fair value through profit or loss.

Financial liabilities including Interest bearing loans and borrowings and other financial liabilities (trade and other payable) are initially measured at fair value less transaction cost that are directly attributable to the acquisition and subsequently measured at amortized cost using the EIR method. Amortized cost is calculated by taking into account any discount or premium on the issue and costs that are an integral part of the EIR. A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. Where an existing financial liability is replaced by another from the same party on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability.The difference between the carrying value of the original financial liability and the consideration paid is recognized in the income statement.

2.2.4 Inventories

Inventories are valued at lower of cost and net realizable value. Cost is determined on first in first out basis and includes all expenditure incurred in acquiring the inventories and bringing them to their present condition and location. Cost includes all direct expenditure and production overheads. Work in progress is to be valued at cost.

2.2.5 Liabilities and Provisions

Liabilities classified as current liabilities in the Statement of Financial Position are those obligations payable on demand or within one year from the Reporting Date. Items classified as non – current liabilities are those obligations which expire beyond a period of one year from the Reporting Date.

All known liabilities have been accounted for in preparing the financial statements. Provisions and liabilities are recognized when Company has a legal or constructive obligation as a result of past events and it is probable that an out flow of economic benefits will require settling the obligation.

2.2.5.1 Retirement Obligation Benefits

a) Retirement Obligation Benefit - Gratuity

Gratuity is a Defined Benefit Plan. In order to meet this liability, a provision is carried forward in the Statement of Financial Position, based on formula method as stated in Sri Lanka Accounting Stranded for SME's. However under the payment of Gratuity Act No.12 of 1983, the liability to an employee arises only on completion of 5 years of continued service.

b) Defined Contribution Plans - Employees' Provident Fund & Employees' Trust FundA defined contribution plan is a post-employment benefit plan under which an entity pays fixed contribution into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contribution to Employee Provident and Employee Trust Funds covering all employees are recognized as an expense in profit or loss as incurred.The Company contributes 12% and 3% of gross emoluments of employees as Provident Fund and Trust Fund contribution respectively.

2.3 Statement of Comprehensive Income

2.3.1 Revenue Recognition

Revenue is recognized 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 the purpose of recognition of revenue.

(a) Revenue is principally recognized on an accrual basis when the ownership and risk has passed or the services are provided to the customers.

(b) Other Income

Other income is recognized on an accrual basis.

(c) Government Grant

Government grant is recognized as income as per section 24.4 of SLFRS for SME.

2.3.2 Expenditure Recognition

Expenses are recognized in the Income Statement on the basis of a direct association between the cost incurred and the earning of specific items of income. All expenditure incurred in the running of the business and in maintaining the Property, Plant & Equipment in a state of efficiency, has been charged to income in arriving at the profit for the year.

Expenditures incurred on saltern rehabilitation for which Government Grant received is shown under expenses.

2.4 Reporting Period

The financial report is prepared for period from April 1, 2022 to March 31, 2023

2.5 DISCLOSURES –

2.5.1. Presentation of The Financial Statements

The Financial Statements of National Salt limited has not been presented our Manufacturing process in the statements since longer tenure. It's have not been reflected profits of salt plants in Elephant pass and Mannar and also work in progress , raw material , Unfinished goods and cost center overheads were not presented. Our main activity of National salt limited is Production and distribution of salt. Hence, National Salt limited efforts to present the efficiency of our Financial Statements include manufacturing process and also it will give results for make a decision to Top management. There are Trading and Profit and loss Accounts have been prepared for Elephants Pass plant and Mannar plant separately. Its will give results for make a decision to Top management and as well as States Holders.

2.5.2. Lease Payment – lease hold land –Mannar

The Board of Directors has approved the payment of Rs 6.115,000.00 as lease for Mannar Land. Relevant payment amount was paid to Divisional Secretariat Mannar from 2013 – 2022.

2.5.3. Lease Agreement of Elephant Pass Land its going concern

Reviewing and discussing with officials of government. The Board of Directors ensures and is responsible to make engage an agreement.These assets were actually purchased by the Ministry of small scale industries and subsequently handed over to National salt Limited. Action will be taken to

recognize the unrecorded assets by valuing them by suitable values and will be taken action In due course.

2.5.4 Disclosure –Note on change of Comparative Figures -2022/2021

Change of Comparative figures discloses the adjustments that have been made in accordance with the develop in accounting presentation. Therefor National Salt limited efforts to present the efficiency of our Financial Statements include manufacturing process and also it will give results for make a decision to Top management. There are Trading and Profit and loss Accounts have been prepared for Elephants Pass plant and Mannar plant separately. Hence Financial Statements for the year ended 31st March 2023. And reclassification of prior year's comparative to conform with current year presentation

Following comparative figures were changed due to change of presentation

	Audited Accounts Rs	comparative figures in 2023/2022 Accounts Rs
Cost of sales	116,052153.	116,401374.
Other operating income	16,196,273	8,514,700
Seles and Distribution	(913.567)	(103,832)
Administrative Expenses	(17,002.805)	(15.535.141)

2.5.4 **Socials Security Contribution Levy (SSCL)** -All Taxes have been borne by The NSL relevant decision was taken by The Pricing Committee meeting held on 01 st December 2022 and authorized for issue accordance with a resolution by The board of directors on 06th December 2022

NATIONAL SALT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
Note - 3

Revenue

FOR THE YEAR ENDED 31ST MARCH, 2023

Plants	Sub Note	Gross Sales Rs.cts	VAT Rs.cts	Net Sales Rs.cts
Elephant Pass	Note 4 A	250,658,205	-----	250,658,205
Mannar	Note 4 B	92,482,765	-----	92,482,765
TOTAL		343,140,970		343,140,970

NATIONAL SALT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
Note - 4

COST OF SALES

FOR THE YEAR ENDED 31ST MARCH, 2023

Plants	Sub Note	Gross Sales Rs.cts	VAT Rs.cts	Net Sales Rs.cts	Cost of sales Rs.cts	Gross Profit Rs.cts	Gross Profit 2022 RS
Elephant Pass	Note 4 A	250,658,205	-----	250,658,205	94,505,072	156,153,133	109,052,383
Mannar	Note 4 B	92,482,765	-----	92,482,765	73,256,780	19,225,985	23,597,283
TOTAL		343,140,970		343,140,970	167,761,852	175,379,118	132,649,666

NOTES TO THE FINANCIAL STATEMENTS

Note - 4 A

TRADING ACCOUNT - SALTERN PLANT ELEPHANT PASS

FOR THE YEAR ENDED 31ST MARCH 2023

		2023	2022
	M.T	**Rs.cts**	**Rs.cts**
Revenue			
Sales of Salt	6,734	**250,658,205**	**174,366,595**
<u>**Deduct -- Cost of Sales**</u>			
Stock as at the beginning of the year			
Common salt stock	850	**8,650,548**	23,612,676
working in progress			
Add :			
Comman salt Production during the year	6,288	**94,615,359**	50,352,084
Stores Expenses			
Expenses of Service Centers			
Less:			
Stocks as at end of the Year			
Common salt stock	404	**8,760,835**	8,650,548
Cost of Sales	6,734	**94,505,072**	65,314,212
Gross Profit		**156,153,133**	109,052,383

NATIONAL SALT LIMITED
SALTERN PLANT ELEPHANT PASS
NOTES TO THE FINANCIAL STATEMENTS
Sub Note - 4 A -1
COMMON SALT PRODUCTION COST DURING THE YEAR
COST OF PRODUCTION

		2023 Rs.cts	2022 Rs.cts
DIRECT EXPENSES	**Sub Note**		
Brine Curculation & Preparation of Beds	4A-1.1	**10,496,372**	3,853,477
Collection & transport of Salt	4A-1.2	**34,963,975**	18,896,627
		45,460,347	22,750,104
INDIRECT EXPENSES			
General Stores & Transport	4A-1.3	**1,650,173**	1,152,832
Workshop & Tools	4A-1.4	**4,479,986**	1,678,278
Maintenance of Salten	4A-1.5	**4,032,563**	228,027
		10,162,722	3,059,137
PRIME COST			
Staff Amenitites	4A-1.6	**15,561,812**	12,872,487
Estabilishment Expenses	4A-1.7	**6,616,363**	2,726,329
Depreciation & Amortization	4A-1.8	**16,814,115**	8,944,028
		38,992,289	24,542,843
Cost of Production		94,615,359	50,352,084

NATIONAL SALT LIMITED
SALTERN PLANT ELEPHANT PASS
NOTES TO THE FINANCIAL STATEMENTS
Note - 4 A .1
SUMMARY OF COST OF PRODUCTION

		2023	2022
		Rs.cts	Rs.cts
DIRECT EXPENSES	**Sub Note**		
Brine Curculation & Preparation of Beds	4A-1.1		
Fuel charges		5,320,371	1,790,071
Electricity -Pump		2,540,057	1,004,415
Pump Maintance		2,635,944	1,058,991
		10,496,372	3,853,477
Collection & Transport of Salt	4A-1.2		
Casual Wages		18,597,389	13,599,512
Casual Wages -weekly		1,355,376	943,445
Monthly Encourage Allowance		4,121,926	1,441,468
Crisis Situation Allowance		5,483,698	
Overtime payment		371,402	229,402
Leave Payment		184,850	169,336
Tea Allowance		1,047,089	292,813
Laboratory Expenses		13,833	3,188
Packing Materials		989,481	179,074
Employee Provident Fund		2,239,383	1,630,329
Employee Trust Fund		559,547	408,063
		34,963,975	18,896,627
INDIRECT EXPENSES			
General Stores & Transport	4A-1.3		
Tractor & Tailler Maintance		1,522,570	677,720
Vehicle Expneses		127,603	475,112
		1,650,173	1,152,832
Workshop & Tools	4A-1.4		
Machinery Maintence		24,359	27,670
Machinery Maintence -other		6,100	13,850
Production Tools & Equipment Maintance		4,223,787	1,628,458
Electrician Payment		219,740	
Production Tools & Equipment		6,000	8,300
		4,479,986	1,678,278

Maintenance of Salten	4A-1.5		
Hospitality		651,790	98,054
News Papers & Periodicals			
Water		290,564	112,627
Insurance		47,803	17,346
Saltern plant Maintance		3,042,406	
		4,032,563	228,027
PRIME COST			
Staff Pay & Salaries	4A-1.6		
Salaries		9,999,593	10,165,320
Empoyee Allowance		468,000	
Staff uniform		145,786	236,495
Employee Provident Fund		1,172,339	1,219,838
Employee Trust Fund		293,811	304,960
Tea Allowance -Perment Staff		394,925	131,300
Staff Welfare		3,600	139,573
Profit Bonus		3,083,758	675,000
		15,561,812	12,872,487
Estabilishment Expenses	4A-1.7		
Press Notice		39,120	
Building Maintance		974,374	19,903
Procurement & TEC fees		54,000	
Office Equipment Maintance		111,600	100,715
Office Maintance		272,045	134,995
Postage		221,617	18,068
Printing & Stationery		243,015	54,937
Professional Expenses		55,200	38,200
Telephone		130,758	128,473
Stationery Expenses		17,900	28,856
Transport & Travelling Expenses		2,624,735	1,467,033
Quality Assurance Testing Charges		239,806	
Vehicle Maintance		804,820	78,150
Security Service		796,872	657,000
Office Administative		30,500	
		6,616,363	2,726,329
Depreciation & Amortization	4A-1.8		
PPE- Elephant Pass		1,989,522	793,781
Rehabitation salten plant Elephant Pass			
Amortization		14,824,593	8,150,247
		16,814,115	8,944,028
Cost of Production		**94,615,359**	50,352,084

NATIONAL SALT LIMITED
NOTES TO THE FINANCIAL STATEMENTS

Note - 4 B

TRADING ACCOUNT - SALTERN PLANT MANNAR
FOR THE YEAR ENDED 31ST MARCH 2023

	M.T	2023 Rs.cts	2022 Rs.cts
Revenue			
Sales of Salt	2,132	**92,482,765**	74,684,445
<u>**Deduct -- Cost of Sales**</u>			
Stock as at the beginning of the ye	264	**2,691,372**	17,640,015
Common salt stock			
working in progress			
Add			
Comman salt Production during th	2,245	**78,743,734**	36,138,518.96
Stores Expenses			
Expenses of Service Centers			
Stocks as at end of the Year			
Common salt stock	377	**8,178,326**	2,691,372
Cost of Sales	2,132	**73,256,780**	51,087,162
Gross Profit		**19,225,985**	23,597,283

NATIONAL SALT LIMITED
SALTERN PLANT MANNAR
NOTES TO THE FINANCIAL STATEMENTS
Sub Note - 4 B-1
COMMON SALT PRODUCTION COST DURING THE YEAR
COST OF PRODUCTION

		2023	2022
		Rs.cts	Rs.cts
DIRECT EXPENSES	**Sub Note**		
Brine Curculation & Pr(	4 B-1.1	**4,280,944**	1,611,727
Collection & transport	4 B-1.2	42,301,082	13,421,400
Storage of Salt			
		46,582,027	15,033,127
INDIRECT EXPENSES			
General Stores & Trans	4 B-1.3	**300,255**	98,284
Workshop & Tools	4 B-1.4	**6,210,170**	1,196,063
Maintenance of Salten	4 B-1.5	**293,293**	97,666
		6,803,717	1,392,013
PRIME COST			
Staff Amenitites	4 B-1.6	**16,557,601**	13,876,169
Estabilishment Expens(	4 B-1.7	**3,824,109**	1,660,472
Depreciation	4 B-1.8	**4,976,280**	4,176,738
		25,357,990	19,713,379
Cost of Production		**78,743,734**	**36,138,519**

NATIONAL SALT LIMITED
SALTERN PLANT MANNAR
NOTES TO THE FINANCIAL STATEMENTS
Sub Note - 4 B-1
SUMMARY OF COST OF PRODUCTION

	Sub Note	2023 Rs.cts	2022 Rs.cts
DIRECT EXPENSES	**Sub Note**		
Brine Curculation & Preparation c	4 B-1.1		
Fuel charges		1,688,272	685,917
Electricity -Pump		1,809,689	590,208
Pump Maintance		782,983	335,602
		4,280,944	1,611,727
Collection & transport of Salt	**4 B-1.2**		
Casual Wages		12,465,655	8,177,482
Casual Wages -weekly		948,891	602,475
Monthly Encourage Allowance		3,316,267	931,135
Crisis Situation Allowance		3,779,467	
Overtime payment		313,602	433,629
Leave Payment		292,909	308,626
Tea Allowance		685,875	163,312
Laboratory Expenses		1,027,048	34,084
Packing Materials		17,604,692	1,545,874
Employee Provident Fund		1,493,342	980,211
Employee Trust Fund		373,336	244,572
		42,301,082	13,421,400
INDIRECT EXPENSES			
General Stores & Transport	4 B-1.3		
Tractor & Tailler Maintance			
Vehicle Expenses		300,255	98,284
		300,255	98,284
Workshop & Tools	4 B-1.4		
Machinery Maintence		4,407,992	61,200
Machinery Maintence -other		1,750	72,377
Production Tools & Equipment Maintance		1,800,427	1,023,493
Production Tools & Equipment			38,994
		6,210,170	1,196,063

Maintenance of Salten	4 B-1.5		
Hospitality		163,353	16,692
News Papers & Periodicals		14,160	8,970
Water		115,480	72,004
Insurance			
Saltern plant Maintance		300	
		293,293	97,666
PRIME COST			
Staff Pay & Salaries	4 B-1.6		
Salaries		11,850,167	10,968,459
Empoyee Allowance		317,000	
Staff uniform		58,800	257,708
Employee Provident Fund		1,365,061	1,314,131
Employee Trust Fund		341,266	328,533
Tea Allowance -Perment Staff		419,425	135,450
Staff Welfare		135,435	141,888
Profit Bonus		2,070,447	730,000
		16,557,601	**13,876,169**
Estabilishment Expenses	4 B-1.7		
Rates & Taxes		14,152	14152.06
Land Lease Rental		524,160	
Building Maintance		300,641	64,322
Procurement & TEC fees		12,500	
Office Equipment Maintance		151,480	137,341
Office Maintance		227,109	145,957
Postage		49,336	20,329
Printing & Stationery		640,512	285,235
Professional Expenses		17,800	
Telephone		149,081	108,050
Stationery Expenses			13,785
Transport & Travelling Expenses		405,292	210,102
Quality Assurance Testing Charges		213,024	
Vehicle Maintance		315,960	4,200
Security Service		796,872	657,000
Office Administative		6,190	
		3,824,109	**1,660,472**
Depreciation & Amortization	4 B-1.8		
PPE- Mannar		4,976,280	4,176,738
		4,976,280	**4,176,738**
Cost of Production		**78,743,734**	**36,138,519**

NATIONAL SALT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2023

Note 5	**2023**	**2022**
	Rs	**Rs**
OTHER INCOME AND GAINS		
Amortisation Of Government grants	**14,824,592**	8,150,247
Rent Received From a Quarter	**172,610**	180,653
Profit on Disposal of Fixed Assets	**273,506**	
Sundry Income	**309,100**	183,800
	15,579,808	8,514,700

NOTE 6	**2023**	**2022**
	Rs	**Rs**
SELLING & DISTRIBUTION EXPENSES		
Business Promotion		103,832
Sales Reps Taget expenses	**526,558**	
Social Security Leave Tax	**6,204,507**	
	6,731,065	103,832

NOTE 7 **ADMINISTRTIVE EXPENSES**	2023 Rs	2022 Rs
Salaries & Wages	**6,461,192**	6,314,903
Employee Provident Fund	**747,202**	737,943
Employee Trust Fund	**186,800**	184,486
Over time & Holiday Pay	**167,835**	20,796
Employee Allowance	**81,000**	
Crisise situtation Allowance	**768,933**	
Leave Payment	**147,678**	221,969
Monthly Encourage Allowance	**556,800**	133,583
Gratuity Provision	**1,219,457**	(214,885)
Profit & Annual Bonus	**175,681**	140,000
Staff Uniform	**18,000**	12,000
Professional Allowance -Staff	**109,100**	215,487
Staff welfare(Including Tea Allowance)	**514,592**	206,155
Conference Expenses	**330,675**	
Travelling &Subsistence	**941,038**	571,181
News Papers & Periodicals	**43,900**	12,190
Audit Remunerration - External Audit	**352,000**	350,000
Internal Audit Fees	**172,819**	137,701
Rates & Taxes	**177,942**	
Consultancy & Professional Charges	**1,187,162**	325,417
Accounting Software Systems Development	**223,200**	224,590
Training Development Investment	**700,770**	25,000
Water Utility Bill	**154,837**	76,604
Press Notice	**3,086,743**	809,735
Postage	**55,472**	14,001
Telephone	**303,650**	356,535
Electricity Charges	**786,623**	981,583
Inspection & Visiting Charges	**219,626**	97,129
Testing charges	**47,715**	28,344
TEC Board fees	**97,850**	92,000
Price Fixing Commette Expenses	**17,519**	
Audit& Management Committee fee	**363,050**	215,500
Annual Registaion Fees	**7,245**	
Company Secretarial fees	**89,643**	90,000
Printing & Stationery	**1,176,602**	616,131
Motor Vehicle Running Expenses	**2,847,069**	
Motor Vehicle Running Expenses-Fuel & Lubricants	**613,620**	51,500
Motor Vehicle Rent	**1,554,353**	
Motor Vehicle -Rent Allowance	**968,333**	1,192,117
Motor Vehicle- Fuel Allowance	**789,392**	281,845
Packing Expenses	**250**	
Insurance	**30,379**	
Maintenance of F.F. & O. Equipmrnt	**1,141,311**	215,935
Hospitality	**176,638**	89,074
Maintenance of Office Building	**1,572,935**	510,379
websit Development	**14,500**	30,500
Donation	**20,000**	
Depreciation	**533,055**	167,714
	31,952,185	15,535,141

NOTE 8	2023 Rs	2022 Rs

OTHER OPERATING EXPENSES

Chairman Allowances	**1,552,735**	1,213,408
Fuel & Lubricants chiar	**76,620**	56,271
Director's Fees	**1,201,500**	618,000
Board Meeting Expenses	**397,795**	40,500
	3,228,650	1,928,179

NOTE 9	2023 Rs	2022 Rs

FINANCE COST AND INCOME

Finance Cost

Bank Charges	**47,740**	45,455
Bank Loan Interest	**87,958**	
Foreign Exchange Fluctuation		241,400
	135,698	286,855

Finance Income

Interest on Fixed Deposit	**42,841,697**	6,612,175
Interest on saving	**987,205**	939,219
Interest on Staff Loan	**131,666**	130,179
	43,960,568	7,681,573

NATIONAL SALT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2023

NOTE 10		2023 Rs	2022 Rs
INCOME TAX SUMMARY			
Income Tax Provision for the Year		44,919,479	18,181,128
Deferred Tax Provision for the Year		13,146,163	2,870,757
		58,065,642	21,051,885
Accounting Profit Before Tax		192,871,896	130,991,933
Income does not part from Trade or Business		-58,244,071	-7,551,394
Adjustments related to Disallowable Items		23,562,906	5,138,006
Adjustments related to Depreciation Allowances		-12,760,215	-11,658,593
Adjustments related to Allowances			
Fixed Asset Disposal Tax Profit		230,350	
Profit/(Loss)from Trade or Business		145,660,866	116,919,952
Statutory Income from Interest		43,145,973	7,551,394
Brought forward Loss Claimable			
Statutory Income		**188,806,839**	124,471,346
1st 06 Months			
Income Tax on Business Income	14%	10,196,261	16,368,793
Income Tax on Investment Income	24%	278,815	
1st 06 Months			
Income Tax on Business Income	30%	21,849,129	1,812,335
Income Tax on Investment Income	30%	**12,595,274**	
Provision for the year		**44,919,479**	18,181,128

NOTE 11	2023 Rs	2022 Rs
Net Profit (Loss) attributable to Ordinary Shareholders	134,086,255	109,940,047
Weighted Average Number of Ordinary Shares In issue during the year	300,000	300,000
Basic Earning Per share (Rs.)	447	366

BASIC EARNING PER SHARE

The calculation of Basic Earning Per share is based on the Net Profit attributable to Ordinary Share holders divided by the Weighted Average Number of Ordinary Shares outstanding during the year.

NATIONAL SALT LIMETED - HEAD OFFICE
PROPERTY,PLANT & EQUIPMENT

Items of PPE	Gross Carring Amounts					Depreciation					Net Values	
	Cost as at 01.04.2022	Additions	Disposals	Transfer (In & Ou	Cost as at 31.03.2023	Acc. Dep. As 01.04.2022	Charge for the year	Dispos Acc.Dep	Transf In & Ou	Acc. Dep. As 31.03.2023	WDV '31/03/2023	WDV 31/03/2022
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Funiture & Fitting												
Furniture	405,291	869,537			1,274,828	335,969	86,270			422,239	852,589	69,323
Chairman Room Furnitu	98,839	-			98,839	69,187	19,768			88,955	9,884	29,652
Iron Cupboard 2 No's	58,329	-			58,329	44,000	11,666			55,666	2,663	14,329
Office Equipment												
Photocopier	90,950	402,500			493,450	90,950	27,127			118,077	375,373	-
Fax Machine	20,000	-			20,000	20000 19,999	-			19,999	1	-
Cellular Phone	26,490	-			26,490	26490 26,489	-			26,489	1	-
Calculator	2,740	-			2,740	2740 2,739	-			2,739	1	-
Camera	26,100	-			26,100	26100 26,099	-			26,099	1	-
Office Equipment - Wall	2,600	-			2,600	2600 2,599	-			2,599	1	-
Other Equipment - Fans	4,750	-			4,750	3,139	950			4,089	661	1,611
Petty Cash Box	2,800	-			2,800	2,637	162			2,799	1	163
Finger Print Machine	201,170	-			201,170	82,069	40,234			122,303	78,867	119,101
Intercom system	-	177,700			177,700	-	25,087			25,087	152,613	-
CCTV	-	282,100			282,100	-	23,959			23,959	258,141	-
Office Equipment -Vioce	-	19,900			19,900	-	2,344			2,344	17,556	-
Projector	68,000	-			68,000	13,600	13,600			27,200	40,800	54,400
Computer & Accessories												
Computer with Accessori	833,600	-			833,600	583,400	69,500			652,900	180,700	250,200
Laptop	808,079	462,000			1,270,079	369,464	196,095			565,559	704,519	438,614
Web Page Designing	23,500	-			23,500	16,450	5,875			22,325	1,175	7,050
Dialog Dongle	5,390	-			5,390	5,389	-			5,389	1	5,390
Printer Machine HP	52,000	-			52,000	36,907	10,400			47,307	4,693	15,093
Other Equipment												
Name Board	35,400	-			35,400	35400 35,399	-			35,399	1	-

NATIONAL SALT LIMETED - ELEPHANTPASS

PROPERTY,PLANT & EQUIPMENT

Item Of PPE	Gross Carring Amounts					Depreciation					Net Values	
	Cost as at 01.04.2022	Additions	Disposals	Transfers (In & Out)	Cost as at 31.03.2023	Acc.Dep.As 01.04.2022	Charge for the Year	Disposal Acc.Dep	Transfers In & Out	Acc.Dep.As 31.03.2023	WDV 31.03.2023	WDV 31.03.2022
	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)
Building On Plant												
Control room building	277,311	-		-	277,311	124,790	13,866			138,656	138,656	152,521
Building On Office												
Buildings	75,330	-		-	75,330	19,533	3,767			23,300	52,030	55,797
Building	26,601,895	-		-	26,601,895	11,970,853	1,330,095			13,300,948	13,300,948	14,631,042
Factory Machinery & Equiment												
Water tank	86,000	15,000		170,255	271,255	8,600	19,345			27,945	243,310	77,400
Digital Scale	67,750	-		-	67,750	6,775	13,550			20,325	47,425	60,975
Transformer Meter cabin building	357,057	-		-	357,057	160,676	17,853			178,529	178,529	196,381
Diesel Engine With Pump	302,950	-		-	302,950	151,475	60,590			212,065	90,885	151,475
Pulley model with 15 HP Engine	269,000	-		-	269,000	107,600	53,800			161,400	107,600	161,400
Pulley model with 24 HP Engine	159,500	-		-	159,500	63,800	31,900			95,700	63,800	95,700
Pulley model with 24 HP Engine	169,500	-		-	169,500	67,800	33,900			101,700	67,800	101,700
Office Equiment												
Photocopy Machine	194,400	-		-	194,400	20,228	38,878			59,106	135,294	174,173
Finger Print Machine	54,500	-		-	54,500	5,450	10,900			16,350	38,150	49,050
Airconditioners	309,000	-		-	309,000	154,500	61,800			216,300	92,700	154,500
Refridgerator	55,250	-		-	55,250	22,100	11,050			33,150	22,100	33,150
CCTV	-	394,964		-	394,964	-	70,120			70,120	324,844	-
Furniture & Fittings												
Furniture	708,140	373,000		-	1,081,140	318,052	151,047			469,099	612,041	390,088
Computer & Accessories												
Lap top	396,350	-		-	396,350	131,975	99,087			231,062	165,288	264,375
Computer Accessories	12,500	340,950		-	353,450	5,000	29,047			34,047	319,403	7,500
Printer	22,500	-		-	22,500	2,063	5,624			7,687	14,813	20,438
Projector	89,500				89,500	8,950	17,900			26,850	62,650	80,550
Laboratory Equipments												
Lab equipment-Moisture analyser	370,800	-		-	370,800	148,320	74,160			222,480	148,320	222,480
Laboratory Incubator	207,000	-		-	207,000	82,800	41,400			124,200	82,800	124,200
Motor vehicles												
Tractor trailor	864,000	-		-	864,000	432,000	172,800			604,800	259,200	432,000
Tractor Trailor	620,000	-		-	620,000	248,000	124,000			372,000	248,000	372,000
Trailor for Land master	125,000	-		-	125,000	50,000	25,000			75,000	50,000	75,000

Plant & Machneries

Crushing Plant	2,787,050	-		-	2,787,050	557,410	279,303			836,713	1,950,337	2,229,640
Tools & Equip	-	152,400		-	152,400	-	21,608			21,608	130,792	-
Generator	-	495,000		-	495,000	-	19,529			19,529	475,471	-
Weigh Bridge foundation & cabin build	2,281,774	-		-	2,281,774	1,026,798	114,089			1,140,887	1,140,887	1,254,976
Weigh Bridge	4,126,106	-		-	4,126,106	2,063,053	825,221			2,888,274	1,237,832	2,063,053
Deep Well & Water Pump												
Solex Submersible Pumps	300,000	4,249,293		-	4,549,293	180,000	458,347			638,347	3,910,946	120,000
6 - 6" Centrifuge Pumps 01 Nos	753,000	-		-	753,000	75,300	150,600			225,900	527,100	677,700
Water Pumps	498,200	286,000		-	784,200	288,120	127,961			416,081	368,119	210,080
Submersible Pump 10"	963,500	-		-	963,500	481,750	192,700			674,450	289,050	481,750
Pump carts	386,040	-		-	386,040	193,020	77,208			270,228	115,812	193,020
Pump-2"	253,500	-		-	253,500	126,750	50,700			177,450	76,050	126,750
Pump-4"	290,900	-		-	290,900	145,450	58,180			203,630	87,270	145,450
Pump-6"	315,000	-		-	315,000	157,500	63,000			220,500	94,500	157,500
Saltern Plant												
Construction in saltern	-	504,748		-	504,748	-	21,739			21,739	483,009	-
Salt pan Renovation	-	-		7,972,292	7,972,292	-	-				7,972,292	-
Land Field Vehicle												
Double drumroller	1,560,000	-		-	1,560,000	780,000	156,000			936,000	624,000	780,000
Tractor	-	7,118,000		-	7,118,000	-	222,316			222,316	6,895,684	-
Capital Work in Progress												
Capital WIP	170,255	-		- 170,255	-	-	-				-	170,255
Saltern Pan Rehabilitation	57,320,658				57,320,658	28,352,435	11,464,132			39,816,567	17,504,087	28,968,219

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NATIONAL SALT LIMITED - MANNAR

PROPERTY,PLANT & EQUIPMENT

Item Of PPE	Gross Carring Amounts					Depreciation					Net Values	
	Cost as at 01.04.2022	Additions	Disposals	Transfers (In & Out)	Cost as at 31.03.2023	Acc.Dep.As 01.04.2022	Charge for the Year	Disposal Acc.Dep	Transfer In & Out	Acc.Dep.As 31.03.2023	WDV 31.03.2023	WDV 31.03.2023
	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)
Lease Hold Land												
Factory Land (Lease)	42,900,000	-	-	-	42,900,000	-	-	-	-	-	42,900,000	42,900,000
Building On Plant												
Factory Building	3,302,504	-	-	-	3,302,504	1,775,958	165,125	-	-	1,941,083	1,361,421	1,526,546
Pump House Building	271,653	-	-	-	271,653	178,838	13,583	-	-	192,420	79,232	92,815
Drying Pad Building	17,205	-	-	-	17,205	7,764	861	-	-	8,625	8,580	9,441
Crystal Salt Plant- Building	4,639,638	-	-	-	4,639,638	695,946	231,982	-	-	927,928	3,711,711	3,943,692
Building On Office												
Buildings	1,272,115	-	-	1,714,817	2,986,932	865,558	63,606	-	-	929,164	2,057,768	406,557
Factory Machinery & Equiment												
Machinery & Equipment	1,847,887	-	7,490	-	1,840,397	1,847,886	-	7,490	-	1,840,396	1	-
Electric Weighing Machine	177,636	179,994	8,000	-	349,630	177,636	29,387	8,000	-	200,322	149,308	-
Push Carts	88,380	-	21,640	-	66,740	88,380	-	21,640	-	66,739	1	-
Aluminium Folding Ladder	4,100	-	-	-	4,100	4,099	-	-	-	4,099	1	-
Crushing Machine	356,845	-	8,000	-	348,845	356,845	-	8,000	-	348,844	1	-
Tools	44,090	-	9,750	-	34,340	39,257	4,832	9,750	-	34,339	1	4,833
Sprayer	25,900	-	2,365	-	23,535	25,899	-	2,365	-	23,534	1	-
Plate Compactor	135,000	-	-	-	135,000	134,999	-	-	-	134,999	1	-
Welding Plant	56,900	-	-	-	56,900	56,899	-	-	-	56,899	1	-
Water Tank - Cart	37,500	-	-	-	37,500	37,499	-	-	-	37,499	1	-
Equipment	15,261	-	-	-	15,261	15,260	-	-	-	15,260	1	-
Refrigerator	33,500	-	-	-	33,500	33,499	-	-	-	33,499	1	-
Fan	36,315	-	10,000	-	26,315	31,881	4,434	10,000	-	26,314	1	4,434
ADSL Router	3,190	-	-	-	3,190	2,233	798	-	-	3,031	159	957
Water Tank	10,900	23,000	-	-	33,900	10,900	3,289	-	-	14,189	19,711	-
Photocopier	395,273	-	-	-	395,273	225,173	37,800	-	-	262,973	132,302	170,100
Water Filter	7,550	-	6,250	-	1,300	7,549	-	6,250	-	1,299	1	-
Telephone	4,600	20,605	1,850	-	23,355	3,109	1,375	1,850	-	2,634	20,715	1,491
Generator	100,929	495,000	-	-	595,929	100,928	5,153	-	-	106,081	489,848	-
Fax Machine	40,500	-	-	-	40,500	40,499	-	-	-	40,499	1	-
Printer	90,000	-	-	-	90,000	9,000	18,000	-	-	27,000	63,000	81,000

Finger print machine	54,500	-	-	-	54,500	5,450	10,900	-	-	16,350	38,150	49,050
CCTV	225,400	4,000	-	-	229,400	22,540	45,880	-	-	68,420	160,980	202,860
Fax Machinery	17,250	-	-	-	17,250	17,249	-	-	-	17,249	1	-
CDMA Phone	4,620	-	-	-	4,620	4,619	-	-	-	4,619	1	-
Furniture & Fittings												
Furniture & Fittings	1,112,758	-	71,900	-	1,040,858	635,516	208,172	71,900	-	771,788	269,069	477,241
Bed	14,000	-	-	-	14,000	13,999	-	-	-	13,999	1	-
Steel Cabinet 4 Drawers	27,028	-	-	-	27,028	25,555	1,473	-	-	27,027	1	1,473
Lamp Charger	1,550	-	-	-	1,550	1,549	-	-	-	1,549	1	-
Furniture	61,500	-	-	-	61,500	61,499	-	-	-	61,499	1	-
Computer & Accessories												
Computers	651,442	-	14,250	-	637,192	535,467	115,975	14,250	-	637,191	1	115,975
Laptop	466,100	-	-	-	466,100	112,110	116,528	-	-	228,638	237,462	353,990
Pen Drive	2,000	-	-	-	2,000	1,999	-	-	-	1,999	1	-
Key Board	3,000	-	3,000	-	-	3,000	-	3,000	-	-	-	-
Ink Jet Printer	1,016,500	-	-	-	1,016,500	203,300	203,300	-	-	406,600	609,900	813,200
Laboratory Equipments												
Laboratory Equipment	1,013,780	-	26,698	-	987,083	969,314	42,534	26,698	-	987,082	1	44,466
Motor vehicles												
Motor Bicycle	99,475	-	-	-	99,475	99,474	-	-	-	99,474	1	-
Tractor Trailer	303,000	1,830,000	292,000	-	1,841,000	274,100	37,600	292,000	-	19,700	1,821,300	28,900
Cycle	12,750	-	-	-	12,750	12,749	-	-	-	12,749	1	-
Truck TATA	1,156,250	-	-	-	1,156,250	1,156,249	-	-	-	1,156,249	1	-
Hero Push Bicycle	21,060	-	-	-	21,060	21,059	-	-	-	21,059	1	-
Plant & Machneries												
Water Proof Weighing Scale ,	91,673	-	-	-	91,673	91,672	-	-	-	91,672	1	-
Sealer Machine 8"	14,000	-		-	6,200	4,200	3,600		-	7,800	6,200	9,800
Band Sealer Machine	110,000	575,000	7,800	-	685,000	22,000	164,345	7,800	-	178,545	498,655	88,000
Weighbridge	1,995,773	-	-	-	1,995,773	1,995,772	-	-	-	1,995,772	1	-
Stitching Charge for tarpaulin	17,010	-	-	-	17,010	17,009	-	-	-	17,009	1	-
Spring Balance	19,500	-	3,500	-	16,000	19,499	-	3,500	-	15,999	1	-
Tools -Sprayer	8,500	-		-	8,500	8,500	-		-	8,499	1	-
Generator	100,928	-	-	-	100,928	100,927	-	-	-	100,927	1	-
Deep Well & Water Pump												
Water Pump	723,714	-	128,500	-	595,214	723,715	-	128,500	-	595,214	1	-
Submersible Pump	2,548,558	1,453,330	1,624,517	-	2,377,371	1,828,480	413,848	1,624,517	-	617,803	1,759,564	720,078
Water Pump	336,625	-	-	-	336,625	336,624	-	-	-	336,624	1	-
Saltern Plant												
Tent for Salt Heap	22,000	-	-	-	22,000	11,000	4,400	-	-	15,400	6,600	11,000

Crystal Salt Plant	19,461,295	-	-	-	19,461,295	5,838,389	1,946,130	-	-	7,784,518	11,676,777	13,622,907
Salt pan develop	-	-	-	3,494,014	3,494,014	-	-	-	-	-	3,494,014	-
Land Field Vehicle												
Tractor	3,297,300	-	-	-	3,297,300	2,452,370	653,950	-	-	3,133,067	164,233	831,566
Capital Work in Progress												
Capital WIP	2,794,510	-	-	-2,794,510	-	-	-	-	-	-	-	2,794,510
Circuit Bungalow Const												
Circuit Bungalow Const.	8,548,421	-	-	-	8,548,421	2,137,105	427,421	-	-	2,564,526	5,983,895	6,411,316
Other Euipment												
Name Board	32,300	-	10,000	-	22,300	32,300	-	10,000	-	22,299	1	-
	209,468,683	20,724,021	2,257,510	10,386,613	238,321,806	77,106,510	22,323,446	2,257,510		97,172,446	141,149,361	

NATIONAL SALT LIMITED

NOTES TO THE FINANCIAL STATEMENTS
AS AT 31 ST MARCH 2023

		2023 Rs	2022 Rs
(13)	INVENTORIES		
	Finished Goods	16,939,168	11,341,920
	Diesel & Kerosene Oil	1,429,681	818,520
	Packing Material	26,951,006	2,936,574
	Building Materials	267,865	1,677,564
	Pump Spare Parts	3,450,054	3,300,807
	Printing & Stationery	850,250	590,516
	Thatching Materials		
	Tool Items	1,014,514	643,544
	Other inventory items	5,152,652	222,312
	Chemical Items	2,726,183	40,853
	Office Maintenance items		
	Machinery Spare Parts	639,787	90,994
		59,421,160	21,663,605

Note 14		2023 Rs.	2022 Rs.
FINANCIAL ASSESTS			
Held to Maturity Financial Asset's			
Fixed Deposit - BOC	85912331	11,330,700	10,740,000
Fixed Deposit - BOC	86060727	25,149,016	21,691,176
Fixed Deposit - BOC	85912342	-	-
Fixed Deposit - BOC	85912313	-	-
Fixed Deposit - BOC	86060767	-	37,100,000
Fixed Deposit - BOC	86548386	-	52,659,032
Fixed Deposit - BOC	87832025	-	30,000,000
Fixed Deposit - BOC	88670491	-	30,000,000
Fixed Deposit - BOC	88670487	-	35,000,000
Fixed Deposit - BOC	89012273	11,216,438	
Fixed Deposit - BOC	89012315	11,216,438	
Fixed Deposit - BOC	89012317	11,216,438	
Fixed Deposit - BOC	89012318	11,216,438	
Fixed Deposit - BOC	89012322	11,216,438	
Fixed Deposit - BOC	89012263	10,000,000	
Fixed Deposit - BOC	89012274	10,000,000	
Fixed Deposit - BOC	89012278	10,000,000	
Fixed Deposit - BOC	89012282	10,000,000	
Fixed Deposit - BOC	89012285	10,000,000	
Fixed Deposit - BOC	89012290	10,000,000	
Fixed Deposit - BOC	89012299	10,000,000	
Fixed Deposit - BOC	89012302	10,000,000	
Fixed Deposit - BOC	89012308	10,000,000	
Fixed Deposit - BOC	89012312	10,000,000	
Fixed Deposit - BOC	90450449	40,000,000	
Fixed Deposit - BOC	90450435	40,000,000	
		272,561,908	217,190,208

NOTES TO THE FINANCIAL STATEMENTS
AS AT 31 ST MARCH 2023

Note - 15	2023 Rs.	2022 Rs.
TRADE & OTHER RECEIVABLES		
Trade Debtors		34,211
Treasury Fund (Elephant Pass Saltern Project)		811,706
Deposits & Advances		
Interest income receivable	29,378,531	2,685,544
Staff debtors		
Festival advances	639,750	321,250
Staff Loans	3,056,939	2,370,586
Staff Advance	150,000	77,500
	33,225,220	6,300,797

Note - 16		2023 Rs.	2022 Rs.
CASH & CASH EQUIVALENTS			
Cash at bank			
Bank of Ceylon	: Wellawatte Branch	31,166,850	20,170,712
	: Mannar Branch	38,970	500,933
	: Killinochi Branch	360,403	192,020
	: Savings A/c	45,779,316	40,811,363
		77,345,538	61,675,028

Note - 17	2023 Rs.	2022 Rs.
STATED CAPITAL		
Stated Capital -300,000 Ordinary Shares (Issued and Fully paid)	30,000,000	30,000,000

NATIONAL SALT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 ST MARCH 2023

Note - 18	2023 Rs.	2022 Rs.
REVENUE RESERVE		
Balance as at 01st April	317,628,964	231,088,916
Less: Dividenc Prior year Adjustment of lease rental	(5,722,080)	
Add: Profit for the year	134,806,255	109,940,047
Less: Dividend Payable /Paid During the Year	(20,000,000)	(23,400,000)
Balance as at 31st March	426,713,139	317,628,964

Note - 19	2023 Rs.	2022 Rs.
Government Grant		
Balance Brought Forward	50,106,618	58,256,865
During the Year Grant from Government		
Charge to Proft & Loss during the Year	(14,824,592)	(8,150,247)
Carried forward	**35,282,026**	50,106,618

Note - 20	2023 Rs.	2022 Rs.
DEFERRED TAX LIABILITIES		
Balance as at 01st April	2,258,522	(612,236)
Provision / (Reversal) for the year through P&L	13,146,163	2,870,757
Provision / (Reversal) for the year through OCI	720,000	-
Balance as at 31st March	16,124,684	2,258,522

NATIONAL SALT LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023

Note (20.1)

[redacted]

Description	2022/2023
Balance as at 01.04.2022	2,258,521.90
Provision / (Reversal) for the year through P&L	13,146,162.58
Provision / (Reversal) for the year through OCI	720,000.00
Balance as at 31.03.2023	16,124,684.48

[redacted]

	Temporary difference - Taxable / (Deductible)	DT rate	DT provision
Provision through P&L			
Property, Plant & Equipment	61,895,781.27	30%	18,568,734.38
Lease Liability	-	30%	-
Retirement Benefit Obligation	(10,546,833.00)	30%	(3,164,049.90)
Carried forward Business Losses for tax purpose	-	30%	-
Carried forward Repair & Maintenance Expenses for tax pı	-	30%	-
Carried forward Interest expense for tax purpose	-	30%	-
	51,348,948.27		15,404,684.48
Provision through OCI			
Revaluation Surplus	2,400,000.00	30%	720,000.00
	2,400,000.00		720,000.00
Total	**53,748,948.27**		**16,124,684.48**

NATIONAL SALT LIMITED

NOTES TO THE FINANCIAL STATEMENTS
AS AT 31 ST MARCH 2023

Note - 21	2023 Rs.	2022 Rs.
RETIREMENT BENEFIT OBLIGATIONS		
Balance as at 01st April	9,643,015	**10,616,019**
(+) Charge for the year	775,794	786,053
(+) Interest for the year	892,347	849,432
(+) Deficit/(Surplus) charge for the year	(448,686)	(1,850,370)
Add: Provision for the year	1,219,456	(214,884)
	10,862,471	10,401,135
Less: Payments During the year	(315,638)	(758,120)
Balance as at 31st March	**10,546,833**	**9,643,015**
Normal Retirement Age (Years)	60	60
Expected Rate of Future Salary Increments	5%	5%
Discount Rate (d)	10%	10%
Staff Turnover Factor	10%	10%

Note - 22	2023 Rs.	2022 Rs.
TRADE & OTHER PAYABLES		
Refundable Deposits	2,618,512	1,309,600
Accrued Expenses	8,375,269	2,905,335
Salaries Payable	8,893,127	4,263,197
Uncollcted Salaries	254,270	
PAYE -(H/O & Mannar)	18,536	
EPF Payable	**1,581,034**	1,146,126
ETF Payable	236,599	171,918
Audit Fee Payable	760,800	1,751,600
Bonus Provisions	3,422,839	3,834,496
Provision Company Registration		100,000
Retention Payable	514,228	711,138
Sales Advance	104,000	52,021
Stamp Duty payable	11,975	8,075
Chairman Allownce payable	(2,888)	
Salary Advance	210,000	
	26,998,301	16,253,506

NATIONAL SALT LIMITED

NOTES TO THE FINANCIAL STATEMENTS
AS AT 31 ST MARCH 2023

Note - 23	2023 Rs.	2022 Rs.
INCOME TAX		
Balance as at 01st April	10,924,427	3,527,801
Add: Provision for the year	44,919,479	18,181,128
ESC Paid		
Paid During the year	(19,330,000)	-10,784,502
WHT Paid	(155,703)	
Balance as at 31st March 2023	**36,358,203**	**10,924,427**

Note - 24	2023 Rs.	2022 Rs.
COMPENSATION FOR KEY MANAGEMENT PERSONNEL		
Directors' Emoluments	1,552,735	1,269,678
	1,552,735	1,269,678

CAPITAL COMMITMENTS

There have been no material Capital Commitment that needs disclosure in the Financial Statements.

CONTINGENT LIABILITIES

Elephant pass saltern land is subject to lease payment for which the amount payable is uncertain

RELATED PARTY TRANSACTIONS

Therewere no transaction between the company and the related party during the year.