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நேஷனல் பேப்பர் கம்பெனி லிமிடட்

National Paper Company Limited

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ஆண்டு அறிக்கைகள்

Annual Report

2013 - 2014

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தொழில்துறை அமைச்சகம்

Ministry of Industries

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For the Year ended as at 31.03.2014

Message from the Chairman

Titled as the pilot of Sri Lanka's paper industry under the name of National Paper Company Limited, this Institution, registered as a Government Company in 1992, has fulfilled an enormous service by accomplishing the paper requirements of the Nation for nearly seven decades since 1956 up to the present, and has been honoured with the National Productivity Award in the years 1995 and 1996.

When the present Board of Directors including myself was appointed as the Comptrollers of the National Paper Company in February 2020, both the Valaichchenai and Embilipitiya Mills were idling, and except for a limited number of workers, all other employees had retired under the Voluntary Retirement System (VRS) implemented since 2016. Thus, at a time when the nation's paper industry was facing a setback, I would like to recall that the assigned challenge, to place the National Paper Company in a self-financing position in the paper market, was taken up by me with pleasure.

Even though the audited financial reports of the National Paper Company from April 2012 to March 2015 were available, the other challenge we were faced with was that they had not been prepared and presented as Annual Reports, and also the Annual Accounts had not been prepared since April 2015. As the year-end accounts and annual reports since the year 2020 were required to be systematically and properly prepared based on previous data, preparation and submission of Annual Reports for the years 2012 – 2015 within a very short period of time, was a hesitant responsibility I took upon myself during my tenure, and I'm pleased that I'm able to submit at least this type of report based on the data we had possessed.

I recall with gratitude His Excellency the President, Hon. Minister and his Staff as well as the Staff of the Treasury for encouraging me and giving me all assistance at all times, and taking decisions required to expand the autonomy of the National Paper Company again in the present competitive market by avoiding various obstacles that existed in the past.

Further, I recall with heartfelt gratitude the Secretary to the Ministry and his Staff for having placed confidence in us and constant supervision of the Company's activities, offering us necessary guidance, and also the Board of Directors of our Company for giving me immense strength in building the future of the local paper industry, and I recollect with wholehearted pleasure the devoted Staff of our Company, the fore-runners of the paper industry who, as a strong team, works hand-in-hand with me for the uplift of the National Paper Company.

Wimal Rupasinghe
Chairman
National Paper Company Limited

2022

Incumbent Board of Directors including Chairman

Mr. K.A. Wimal Rupasinghe
Chairman

Mrs. Ruvini Senarathna
Director

Mr. J.B. Heenkenda
Director

Mr. Dinundu Munidasa
Director

Mr. S.S. Ketawalagedara
Director

Mrs. H.D. Himali C. Wijetunga
Director

Mr. G.P.S.S. Weerasuriya
Director

Corporate Vision & Mission

Our Vision

To become the forerunner in Sri Lanka in the marketing of printing paper, photocopy paper and computer stationery, etc. and billboards, which are not produced at present, to contribute for the progress of Sri Lanka's paper industry.

Our Mission

To become a profit-making, environment-friendly, customer-driven, exceptionally innovative and diversified paper company with human resources and an excellent management, by producing and marketing all kinds of paper and billboards**.**

National Paper Company Limited

Content

Financial Year 2013/2014

National Paper Company Limited

Corporate information: **2013/2014**

Competent Authority	-	Mr. Mangala C. Senarath
Director	-	Mrs. R.M. Damitha Kumari Ratnayaka
Director	-	Mr. P.B. Wickrama Munige

Company Secretaries

M. Ananda Tissa Jayasena Fernando
No. 519/2A,
Elvitigala Mawatha,
Colombo - 05.

Registered Office

No. 93, Jawatta Road,
Colombo - 05.

Auditors

Dayananda Samarawickrama & Company
Chartered Accountants
No. 20/26, Railway Avenue,
(Public Market Road)
Nugegoda, Sri Lanka.

Bankers

People's Bank
Bank of Ceylon
National Development Bank

Report from the Directors

The Annual Report with Audited Accounts for the year ended as at 31.03.2014 is hereby submitted by the Board of Directors of the National Paper Company Limited.

1. Main operational activity

   The main operational activity of the Company is marketing of paper and paper boards produced in Valaichchenai Paper Mill.

2. Share Capital

   The National Paper Company Limited is a State-Owned Enterprise with the Secretary to the Treasury having a 100% share-ownership. Its share capital is Rupees 323 million (i.e. consisting of 32,300,000 capital shares @ Rupees 10/- a capital share).

3. Turnover

   The net turnover of the Company for the financial year ended as at 31.03.2014 was Rupees 77,132 million.

4. Cost of Production of the Company

   The Cost of Production of the Valaichchenai Mill during the period under review was Rupees 258,628 million.

5. Capital Expenditure

   Since the day allotted to restructuring of the National Paper Company Limited, its capital expenditure was limited to a lesser extent.

6. The keenness that was shown by the Directors to venture into agreements regarding the Company.

   During the year ended as at 31.03.2014, the Directors of the Company were not able to venture into agreements with the Company directly or indirectly.

7. Auditors

   The Financial Statements of the Company for the year ended as at 31.03.2014 were audited by Chartered Accountants, Dayananda Samarawickrama & Company.

NATIONAL PAPER COMPANY LIMITED

2013 / 2014

Dayananda Samarawickrema & Co.,
CHARTERED ACCOUNTANTS

Partners
H.G. Dayananda F.C.A.
J. Rajasuriya F.C.A., B.A.
K.G. Chandana Kumara A.C.A..

No. 20/26, Station Lane,
NUGEGODA, SRI LANKA.
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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF NATIONAL PAPER COMPANY LIMITED (NPCL)

Report on the Financial Statements

We have audited the accompanying Financial Statements of **National Paper Company Limited** which comprises the Statement of Financial Position as at 31st March 2014 and the Statement of Comprehensive Income, Statement of Changes in Equity and Cash Flow Statement for the year then ended, and a summary of significant Accounting Policies and other Explanatory Notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these Financial Statements in accordance with Sri Lanka Accounting Standards. This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of Financial Statements that are free from material misstatements, whether due to fraud or error, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Scope of Audit and Basis of Opinion

Our responsibility is to express an opinion on these Financial Statements based on our audit. We conducted our audit in accordance with Sri Lanka Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the Financial Statements are free from material misstatements.

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Financial Statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall Financial Statement presentation.

We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit. We therefore believe that our audit provides a reasonable basis for opinion.

Originally NPCL consisted of 2 Paper Mills. One at Embilipitiya and the other at Valachchenai. The Financial Statements for the year ended 31st March 2014 has not complied with the following Accounting Standards as described below;

DAYANANDA SAMARAWICKREMA & CO.
No. 20/26,
Station Lane,
Nugegoda.
Chartered Accountants

01) We cannot be satisfied with the Financial Statements that were presented to us for our examination as they did not comply with the proper presentation of Financial Statements as required under accounting standards on **Framework for the preparation and presentation of Financial Statement LKAS 01- (Presentation of Financial Statements)**. The value of five plantations consisting 525 acres at Rs. 11,188,275/-, shown as cultivation stock of Embilipitiya Mills (Note 15) continuing unchanged for several years, is unverifiable.

02) Out of the two mills which operated under the NPCL Embilipitiya Mill, has been disposed on 15th November 2011 to Aus Lanka Paper Company (Pvt) Limited(under the Ministry of State Resource and Enterprise Development by tender, The terms and conditions of the Disposal Agreement were not comprehensive and the acceptable accounting records has not been maintained in respect of the Disposal of Embilipitiya Mill. FCID (Investigation No. FCID/145/15) and Presidential Investigation Commission (Investigation No. PCI 859/2015) are holding investigations regarding this disposal at present. This situation precludes us from making any comments further on this matter.

03) No proper records had been maintained for Property, Plant and Equipment and some fixed assets could not be traced by us. The company has not followed the correct procedure for disposal of Scraped items. Further we have noted that some fixed assets were fully depreciated and the Company has not revalued those Plant & Machinery which were still being used. **LKAS 16**. According to the Policy for Accounting of Property, Plant and Equipment and other assets residual values, useful lives and methods of depreciation are required to be reviewed and adjusted as appropriate at the end of each financial year. **(LKAS 16)**

04) The following four cases are pending before legal authorities regarding the disposal of scraped items at Valachchenai Mill.

Legal Authority	**Case No. / Investigation File No.**
1. Bribery Commission	B/C 3067/2012 B/15
2. Fraud Bureau	IR 606/03/15
3. Department of Criminal Investigations	B 201-2016
4. Magistrate Court - Valachchenai	B 661/12

In addition to the items raised in the above four cases the NPCL has not followed the proper procedure regarding disposal of scraped items as there instances where scrapped items had been released before the realization of cheques received by them.

No. 20/26
Station Lane,
Nugegoda.
Chartered Accountants

05) We observed that the Company has several Court cases in connection with Labour Disputes. Statutory requirements for E.P.F. and E.T.F. have not been paid as at the date of 31.03.2014.

However after implementing Voluntary Retirement Scheme (VRS) these types of payments due to them had been paid according to the samples we examined.

Provisions and disclosures are required for contingent liabilities such as Statutory Requirements and Court Cases. Hence the financial statements of the company have not complied with the LKAS 37.

06) **Directors' interest in contracts with the Company**

We were not produced with any information on Directors' interest in contracts with the Company, during the financial year ended 31st March 2014 and we note that the Board of Directors has been replaced by a Competent Authority to manage the Company with effect from 02nd April 2012.

Opinion

In our opinion, because of the effects of the matters discussed in the preceding paragraphs, the Statement of Financial Position and related Statements of Comprehensive Income, Changes in Equity, Cash Flow and the Accounting Policies and Notes thereto of the Company, do not give a true and fair view of the Financial Position and of its operations for the year ended 31st March 2014.

Emphasis of Matter

In addition to that we draw your attention to **Note 30** in the Financial Statements which describes the significant doubts regarding the Going Concern concept of the Company. There are several court cases filed by the staff claiming the staff obligations of the company (**Note 31**). The outcome of which remains unsettled at the date of 31.03.2014. No provision had been provided to settle such obligations in the financial statements.

Report on Other Legal and Regulatory Requirements

In our opinion, we could not discover any instances where NPCL has violated the Companies Act No.07 of 2007.

DAYANANDA SAMARAWICKREMA & CO.,
Chartered Accountants,
Nugegoda.
02.02.2017

Dayananda Samarawickrema & Co.,
CHARTERED ACCOUNTANTS

Partners
H.G. Dayananda F.C.A.
K.G. Chandana Kumara A.C.A..
T.H. Dharmasena F.C.A., B.A.

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National Paper Company Limited
Statement of Comprehensive Income
For The Year Ended 31st March 2014

	Note	2013/2014 Rs' 000	2012/2013 Rs' 000
Revenue	4	**77,132**	88,194
Cost of Sales	5	**(258,628)**	(163,233)
Gross Profit/(Loss)		**(181,497)**	(75,039)
Other Operating Income	6	**20,665**	59,306
		(160,832)	(15,733)
Administration Expenses	7	**(30,529)**	(42,774)
Selling & Distribution Expenses	8	**(7,256)**	(5,082)
Other Operating Expenses	9	**(2,574)**	(2,574)
Profit/(Loss) From Operations		**(201,191)**	(66,164)
Finance Expenses	10	**(7,378)**	(7,550)
Profit/(Loss) Before Taxation		**(208,569)**	(73,714)
Taxation		-	-
Profit/(Loss) After Taxation		**(208,569)**	(73,714)
Discontinued Operation Expenses			
E.P.F,E.T.F,& Gratuity	11	**(95)**	(1,329)
Others	12	**(562)**	(582)
		(658)	(1,911)
Profit/(Loss) After Taxation & Discontinued Operating Expenses		**(209,227)**	(75,625)

No. 20/26, Station Lane, Nugegoda. Chartered Accountants

Dayananda Samarawickrema & Co.,

CHARTERED ACCOUNTANTS

Partners
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National Paper Company Limited
Statement of Financial Position
As at 31st March 2014

	Note	31.03.2014 Rs' 000	31.03.2013 Rs' 000
ASSETS			
NON CURRENT ASSETS			
Property Plant & Equipment	13	56,600	55,054
Capital Work In Progress	13A	34,224	33,017
Long Term Investments	14	56,484	53,206
		147,308	141,277
CURRENT ASSETS			
Stock-Raw Material & Consumables	15	129,491	123,175
Stock-Work In Progress	16	975	2,488
Stock-Finished Goods	17	3,328	35,707
Trade Debtors	18	35,187	26,361
Deposits & Prepayments	19	922	2,382
Other Current Assets	20	250,290	253,124
Cash at Bank and in Hand	21	2,204	1,496
Total Current Assets		422,398	444,734
TOTAL ASSESTS		569,706	586,011
EQUITY & LIABILITIES			
CAPIAL & RESERVES			
Stated Capital	22	323,000	323,000
Foreign Grants	23	41,777	41,777
Capital Reserve	24	45,088	45,088
Profit & Loss Account	24A	(1,377,261)	(1,177,288)
Total Equity		(967,396)	(767,423)
NON CURRENT LIABILITIES			
Lease Creditors	25	4,599	5,527
Long Term Loans	26	160,005	160,005
		164,604	165,532
CURRENT LIBILITIES			
Lease Creditors	25	1,395	863
Dues to Government	27	36,859	27,795
Trade, Other Creditors & Provisions	28	1,271,847	1,103,177
Bank Over Draft	29	62,397	56,068
Total Current Liabilities		1,372,498	1,187,903
TOTAL EQUITY AND LIABILITIES		569,706	586,011

133,794
286,399

I certify that these financial statements comply with the requirements of the Companies Act No. 07 of 2007

for.............
Chief Accountant

The Board of Directors are responsible for the preparation and presentation of these financial statements.
Signed for and on behalf of Directors by the following.

....
Competent Authority

S. M. S. B. Niyangoda
Competent Authority
National Paper Company Limited
61, Stratford Avenue, Colombo 05.
Tel: 075 9885053 / 011 2554191

.... 02/14
General Manager

Nugegoda
Chartered Accountants

NATIONAL PAPER COMPANY LIMITED
ANNUAL ACCOUNTS - 2013/2014

Partners
H.G. Dayananda F.C.A.
K.G. Chandana Kumara A.C.A..
T.H. Dharmasena F.C.A., B.A.

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National Paper Company Limited
Statement of Changes In Equity
For The Year Ended 31st March 2014

Description	Stated Capital	Foreign Grants	Capital Reserves	Revenue Reserves	Rs '000 Total
Balance as at 01.04.2012	**323,000**	41,777.00	45,088	(999,216)	(589,351)
Adjustments on Profit	-	-	-	(102,446)	(102,446)
Net Profit/(Loss) for the Period	-	-	-	(75,625)	(75,625)
Balance as at 31.03.2013	323,000	41,777.00	45,088	(1,177,288)	(767,422)
Balance as at 01.04.2013	323,000	41,777.00	45,088	(1,177,288)	(767,422)
Adjustments on Profit	-	-	-	**9,255**	9,255
Net Profit/(Loss) for the Period	-	-	-	(209,227)	(209,227)
Balance as at 31.03.2014	323,000	41,777.00	45,088	(1,377,261)	(967,394)

Dayananda Samarawickrema & Co.,
CHARTERED ACCOUNTANTS

Partners
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National Paper Company Limited
Statement of Cash Flow
For The Year Ended 31st March 2014

	2013/2014 Rs' 000	2012/2013 Rs' 000
Cash Flow from Operating Activities		
Net Profit/(Loss) Before Taxation	(209,227)	(75,625)
Prior Year adjustment for Opening Balance Difference	9,255	(102,447)
Adjustments for		
Depreciation	6,007	4,208
Adjustments for Accumulated Depreciation - Embilipitiya	(6,949)	-
Gain on Disposal of Scrap Items	-	(17,059)
Interest Income	(7,203)	(5,295)
Lease Interest Expenses	1,469	483
Operating Profit Before Working Capital Changes	(206,648)	(195,735)
(Increase)/Decrease in Inventories	27,576	(25,649)
(Increase)/Decrease in Receivables	(4,532)	103,383
Increase/(Decrease) in Payables	168,670	87,398
Cash Generated from Operation	(14,934)	(30,603)
Interest on Trust Loans	5,714	6,855
Net Cash Flow from Operating Activities	(9,221)	(23,748)
Cash Flow from Investing Activities		
Acquisition of Property, Plant & Equipment	(603)	(4,693)
Amount Received from Disposal of Scrap Items	-	17,449
Working In Progress Capital Job	(1,207)	(6,079)
Investment in Fixed Deposit	(3,279)	362
Interest Received	7,203	5,295
Net Cash Flow from Investing Activities	2,115	12,333
Cash Flow from Financing Activities		
Receipts/(Payment) Due from Government	9,064	3,210
Receipts/(Payment) Long Term Loan	-	350
Lease Interest Paid	(1,469)	-
Interest Paid on Trust Loans	(5,714)	(6,855)
Lease Rentals Paid	(396)	(731)
Net Cash Used in Financing Activities	1,486	(4,026)
Net Increase in Cash & Cash Equivalents	(5,620)	(15,441)
Cash & Cash Equivalents at the Beginning of the Period (Note A)	(54,572)	(39,132)
Cash & Cash Equivalents at the Ending of the Period (Note B)	(60,193)	(54,573)

Note-A

Balance at Bank	20	1,211
Petty Cash	1,476	95
Bank Over Draft	(56,068)	(40,438)
	(54,572)	(39,132)

Note-B

Balance at Bank	2,005	20
Petty Cash	199	1,476
Bank Over Draft	(62,397)	(56,068)
	(60,193)	(54,572)

Dayananda Samarawickrema & Co.,
CHARTERED ACCOUNTANTS

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NATIONAL PAPER COMPANY LIMITED

ACCOUNTING POLOCIES AND NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2014

1. COPARATE INFORMATION

1.1 General

The Company is a fully owned government limited liability company incorporated and domiciled in Sri Lanka since01st July 1992. The registered office of the company is located at No.93, Jawatta,Colombo 05.

The principal place of business is located at the Valachchenai mills and the head office in Colombo.

1.2 Principal Activities and Nature of Operations

Principle activity of the Company is manufacture of Paper & Paper boards.

2 SUMMARIES OF SIGNIFICANT ACCOUNTING POLICIES

2.1 GENERAL ACCOUNTING POLICIES

2.1.1 Basis of Preparation

These Financial Statements were presented in Sri Lankan under the historical cost basis & in accordance withgenerally accepted accounting principles. These financial statements were authorized to issue by the directors on

2.1.2 Comparative Information

The accounting policies have been consistently applied by the company and are consistent with those of the previousyear. The previous year figures and phases have been rearranged wherever necessary to conform current yearpresentation, except for the Manufacturing Account.

2.1.3 Discontinued Operations

As at the balance sheet date, the company has disconnected operations at Embilipitiya.

No. 20/26, Station Lane, Nugegoda. Chartered Accountants

2.2 ASSESTS AND BASES OF THEIR VALUATION

2.2.1 Property, Plant & Equipment

a) Cost

Property, Plant and Equipment are recorded at cost.

b) Depreciation

Provision for depreciation is calculated by using straight line method on the cost of original Property, Plant & Equipment other thanfreehold land, in order to write off such amounts over the estimated useful lives of such assets.

The principal annual rates used are as follows.

Building	2.5%
Furniture, Fittings & Equipment	10%
Motor Vehicles	25%
Process Equipment	6.25%

Depreciation of assets begins when it is available for use.

Depreciation is not provided for in the year of acquisition or commissioning.

c) Restoration Costs

Expenditure incurred on repairs or maintenance of Property, Plant & Equipment in order to restore or maintain the futureeconomic benefits expected from originally assessed standard of performance is recognized as an expense whenincurred.

2.3 LIABILITIES AND PROVISIONS

2.3.1 Liabilities

Liabilities stated under current liabilities in the balance sheet are those expected to fall due within one year from thebalance sheet date. Items stated as long term liabilities are those expected to fall due at point of time, after one yearfrom balance sheet date.

Trade and Other Payable

Trade creditors and other payables are stated at their book values.

Dayananda Samarawickrema & Co. No. 20/26, Station Lane, Nugegoda. * Chartered Accountants *

2.3.1.2 Retirement Benefit Obligation

a) Defined Benefit Plan – Gratuity

Provision has not been made for retirement gratuities when the employees were eligible for it. Therefore the entire gratuity provision has been adjusted during this financial year. Further considerable number of retired employees hadclaimed their gratuity by way of legal action and still those court cases are under hearing.

b) Defined Contribution Plans -EPF & ETF

Employees are eligible for Employees' Provident Funds Contributions and Employees' Trust Fund contributions in line with respective statues and regulations. The company contributes 12% and 3% of gross emoluments of employees tothe Employees' Provident Fund and to the Employees' Trust Fund respectively.

However the company policy was not to deduct the EPF & ETF from contract employees which is not acceptableunder The Employees' Provident Fund Act No.15 of 1958 and Employees' Trust Fund Act No. 46 of 1980.

2.3.2.2. Taxation

a) Current Taxes

Current income tax liability for the current and prior periods is measured at the amounts expected to be recoveredfrom or paid to commissioner General of Inland Revenue.

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

According to the Value Added Tax Act No.14 of 2002, company is liable for payment of VAT which they havecollected in the normal cause of business. The company has not paid any VAT on their operations since VAT came to operation.

b) Deferred Taxation

Deferred taxation has not been provided due to tax losses.

2.3 Contingencies and Unrecognized Contractual Commitments

There are legal cases filed by staff claiming their staff obligations and promotions. Those are still under hearing.

Dayananda Samarawickrema & Co.
No. 20/26,
Station Lane,
Nugegoda.
Chartered Accountants

3 Non Moving Account Balances

Account balances (Debits & credits) which are non-moving for over last several years appearing in the Balance Sheetunder respective headings have been listed bellow.

Non Moving Account Balances from 2010/2011

#	Non Moving Item	Amount Rs. Cts.
01	**DEPOSITS & PREPAYMENTS**	
	01.1. Head Office	
	01.1.1. Sri Lanka Ports Authority	340,155.63
	01.1.2. Rent Deposit	1,007,597.50
	01.1.3. Franking Machine	16,000.00
	01.1.4. Telephone Deposits	64,878.50
	01.1.5. Deposit on Advertisement Contract	5,750.00
02	**DEPOSITS**	
	02.1. HEAD OFFICE	
	02.1.1. Refundable Deposits with Salaka	3,000.00
	02.1.2.Purchase Clg.(materials) A/C	46,921.42
	02.1.3.Indent Clearing Raw Materials (Vch)	191,695.26
	02.1.4. Indent Clearing Raw Materials (Emb.)	641,998.82
	02.1.5. Indent Clearing Spares (Emb.)	48,604.86
03	**PREPAYMENTS**	
	03.1. Head Office	
	03.1.1. General Prepayment	246,080.5
	Total in Debits	**2,366,601.13**
04	**PROVISION FOR LIABILITIES**	
	04.1. Valaichchenai Mills	
	04.1.1 Indent Clearing Charges	2,367,662.14
	04.1.2. Provision - Clearing Charges (Indent -Raw Materials)	923,247.24
	04.1.3 Pro: for Income Tax	3,291,167.14
05	**CREDITORS & ACCURED CHARGES**	
	05.1. Head Office	
	05.1.1. Refundable Turnover Tax	1,741,638.00
	05.1.2. Cash Sales Collection	167,630.19
	05.1.3. Cash Sales Collection - R.S.R.	7,650,641.33
06	**DEPOSITS**	
	06.1. Head office	
	06.1.1. Cash Paid in Advance (Suspense) A/C	24,500.00
	Total in Credit	**16,166,486.04**

Dayananda Samarawickrema & Co. No 20/26, Station Lane, Nugegoda. Chartered Accountants

Notes to the Financial Statements
For The Year Ended 31st March 2014

	2013/2014 Rs. Cts.	2012/2013 Rs. Cts
Note-04-Revenue		
Sales Income	77,131,693.25	88,193,918.04
	77,131,693.25	88,193,918.04
Note-05-Cost of Sales		
Cost of Production	261,934,330.20	198,940,640.86
Less: Closing Stock	(3,306,054.25)	(35,707,492.05)
	258,628,275.95	163,233,148.81
Note-06-Other Operating Income		
Note-06A-Other Operating Income-Head Office	18,386,069.43	58,551,481.59
Note-06B-Other Operating Income-Valachchenai	251,281.15	-
Note-06C-Waste Paper Sales	2,027,707.50	754,354.70
	20,665,058.08	59,305,836.29
Note-06A-Other Operating Income-Head Office		
Interest Received on Fixed Deposit	7,203,079.89	5,294,535.66
Other Income	1,216,994.54	47,802,210.93
Pasikuda Project Income	9,965,995.00	5,454,735.00
	18,386,069.43	58,551,481.59
Note-06B-Other Operating Income-Valachchenai		
Library Fines	7,910.85	-
Fund for loss of Identity Cards	210,885.05	-
Mini Bus fane for employee transport	32,485.25	-
	251,281.15	-
Note-06C-Waste Paper Sales		
Sales of Waste Paper	2,027,707.50	754,354.70
	2,027,707.50	754,354.70
Note-07-Administrative Expenses		
Director's Fee	-	-
Salaries & Wages	19,520,722.97	12,660,834.50
Risk Allowance	12,000.00	12,000.00
Contract Staff Allowances	949,275.74	2,872,453.20
Employee Provident Fund	1,965,479.47	1,276,689.69
Telephone & Postage Charges	826,314.21	665,588.41
Lighting & Power	225,879.97	988,216.87
Rent, Rates & Taxes	3,378,917.67	2,010,932.00
Printing & Stationery	710,756.60	1,578,023.18
Water Expenses	103,948.50	68,760.96
Legal Expenses	349,500.00	115,010.00
General Expenses	13,078.00	690,652.24
Staff Welfare Expenses	884,995.31	405,606.14
Fine & Surcharges	-	18,107,369.52
Audit Fees	77,000.00	69,900.00
Repairs & Maintenance (Building/Computer)	175,412.91	538,040.00
Depreciation for Buildings	4,902.12	4,902.12
Depreciation for Furniture & Equipment	4,750.00	375.00
Depreciation for Computer Equipment	114,149.00	54,413.00
Depreciation for Fax Machine	7,980.00	4,025.00
Insurance Expenses	233,675.62	555,548.58
Donation	6,600.00	95,000.00
Vehicle Rent Expenses	47,500.00	-
ETF Expenses	491,369.89	-
Secretarial Expenses	425,000.00	-
	30,529,207.98	42,774,340.41

Dayananda Samarawickrema & Co. No. 20/26, Station Lane, Nugegoda Chartered Accountants

Notes to the Financial Statements
For The Year Ended 31st March 2014

	2013/2014 Rs. Cts.	2012/2013 Rs. Cts
Note-08-Selling & Distribution Expenses		
Travelling & Subsistence	478,605.33	275,514.00
Repairs & Maintenance (Vehicle)	2,820,903.75	3,334,742.16
Depreciation for Motor Vehicle	1,659,598.29	553,199.43
Advertisement Expenses	770,963.00	384,572.00
Entertainment Expenses	714,340.23	410,022.34
Exhibition Expenses	400,397.30	123,015.00
Carriage Outward & transport Charges	50,000.00	1,300.00
Business promotion	361,330.00	-
	7,256,137.90	5,082,364.93
Note-09-Other Operating Expenses		
Waste Paper Salaries	2,570,812.05	2,559,816.05
Waste Paper Cleaning Expenses	-	14,000.00
Waste Paper Purchasing	3,686.00	-
	2,574,498.05	2,573,816.05
Note-10-Finance Expenses		
Bank Charges	195,299.40	212,462.43
Lease Default Interest	36,528.75	-
Interest on Trust Loan & Overdraft	5,713,752.98	6,855,027.21
Lease Interest	1,432,228.63	482,604.65
	7,377,809.76	7,550,094.29
Discontinued Operation Expenses		
Note-11-EPF,ETF & Gratuity		
Gratuity	-	1,008,637.00
Gratuity Surcharge	95,023.60	-
E.T.F 3%	-	320,372.43
	95,023.60	1,329,009.43
Note-12-Others		
Legal Fee	131,500.00	121,500.00
Transport Charges	430,999.67	397,350.00
Printing & Stationeries	-	1,700.00
Security Charges	-	25,000.00
Staff Welfare	-	17,108.00
Entertainment Expenses	-	17,688.00
Repairs & Maintenance	-	1,307.00
	562,499.67	581,653.00

Dayananda Samarawickrema & Co
No 20/26, Station Lane, Nugegoda
Chartered Accountants

National Paper Company Limited
Notes to the Financial Statements
For The Year Ended 31st March 2014

Note-13-Property Plant & Equipment (Cost)

	Balance as at 01.04.2013			Additions/(Disposals)				Balance as at 31.03.2014		
	Valachchenai	Embilipitiya	Head Office	Additions Valachchenai	(Disposals) Valachchenai	Additions Embilipitiya	Head Office	Valachchenai	Embilipitiya	Head Office
Land & Buildings	-	-	656,611.32	-	-	-	-	-	-	656,611.32
Furniture & fittings	-	-	15,630,800.17	-	-	-	85,000.00	-	-	15,715,800.17
Vehicles	-	-	10,844,304.67	-	-	-	-	-	-	10,844,304.67
Land	164,778.27	9,233,765.78	-	-	-	-	-	164,778.27	9,233,765.78	-
Land Development	2,260,699.17	-	-	-	-	-	-	2,260,699.17	-	-
Building & Structure	16,104,244.31	79,760,220.09	-	-	-	-	-	16,104,244.31	79,760,220.09	-
Building Services	4,393,952.89	5,848,478.68	-	-	-	-	-	4,393,952.89	5,848,478.68	-
Process Equipment	85,689,755.88	257,911,981.10	-	-	(308,397.63)	-	-	85,381,358.25	257,911,981.10	-
Utilities	25,050,777.10	59,655,606.92	-	-	-	-	-	25,050,777.10	59,655,606.92	-
Process Appurtenance	1,952,853.41	42,912,338.88	-	-	-	-	-	1,952,853.41	42,912,338.88	-
Non Process Equipment	22,931,065.97	18,883,093.34	-	226,300.00	-	-	-	23,157,365.97	18,883,093.34	-
Building & Structure	10,260,298.01	-	-	-	-	-	-	10,260,298.01	-	-
Building Services	3,591,645.23	-	-	-	-	-	-	3,591,645.23	-	-
Process Equipment	82,678,414.76	-	-	-	(308,397.64)	-	-	82,370,017.12	-	-
Utilities	1,567,956.97	-	-	-	-	-	-	1,567,956.97	-	-
Process Appurtenance	42,493,048.94	-	-	-	-	-	-	42,493,048.94	-	-
Non Process Equipment	3,229,658.52	-	-	-	-	-	-	3,229,658.52	-	-
Vehicle & Agr Equipment	5,858,205.49	9,668,089.03	-	-	-	-	-	5,858,205.49	9,668,089.03	-
Housing Scheme	3,258,792.17	15,884,472.69	-	-	-	-	-	3,258,792.17	15,884,472.69	-
Computer Equipment	-	-	431,550.00	-	-	-	291,590.00	-	-	723,140.00
Fax Machine	-	-	39,900.00	-	-	-	-	-	-	39,900.00
	311,486,147.09	499,758,046.51	27,603,166.16	226,300.00	(616,795.27)	-	376,590.00	311,095,651.82	499,758,046.51	27,979,756.16

Dayananda Samarawickrema & Co. Chartered Accountants No. 20/26, Station Lane, Nugegoda.

National Paper Company Limited
Notes to the Financial Statement
For The Year Ended 31st March 2014

196,084.80

Note-13-Property Plant & Equipment (Acc. Depreciation)

	Balance as at 01.04.2013			For the year				Balance as at 31.03.2014		
	Valachchenai	Embilipitiya	Head Office	Dep. of Valachchenai	Dep. Of Embilipitiya	Correction of Dep. Of Embilipitiya	Dep. Of Head Office	Valachchenai	Embilipitiya	Head Office
Land & Buildings	-	-	470,330.74	-	-	-	4,902.12	-	-	475,232.86
Furniture & fittings	-	-	15,626,175.17	-	-	-	4,750.00	-	-	15,630,925.17
Vehicles	-	-	4,759,110.96	-	-	-	1,659,598.29	-	-	6,418,709.25
Land Development	2,193,340.39	9,233,765.78	-	67,358.78	-	-	-	2,260,699.17	9,233,765.78	-
Building & Structure	11,789,780.68	70,144,272.00	-	230,698.08	-	274,559.71	-	12,020,478.76	70,418,831.71	-
Building Services	2,272,166.39	5,834,477.50	-	110,341.33	-	(7,150.19)	-	2,382,507.72	5,827,327.31	-
Process Equipment	84,624,856.57	257,483,861.56	-	198,586.75	-	(6,148,271.10)	-	84,823,443.32	251,335,590.46	-
Utilities	22,367,022.57	59,620,025.37	-	2,485,227.52	-	(68,728.21)	-	24,852,250.09	59,551,297.16	-
Process Appurtenance	1,939,651.38	42,416,695.09	-	2,779.33	-	(165,384.22)	-	1,942,430.71	42,251,310.87	-
Non Process Equipment	22,849,658.25	18,883,093.34	-	72,721.86	-	(87,889.77)	-	22,922,380.11	18,795,203.57	-
Building & Structure	10,260,298.01	-	-	-	-	-	-	10,260,298.01	-	-
Building Services	1,483,418.73	-	-	105,411.33	-	-	-	1,588,830.06	-	-
Process Equipment	57,463,652.34	-	-	323,853.00	-	-	-	57,787,505.34	-	-
Utilities	1,567,956.97	-	-	-	-	-	-	1,567,956.97	-	-
Process Appurtenance	42,493,048.94	-	-	-	-	-	-	42,493,048.94	-	-
Non Process Equipment	3,229,658.52	-	-	-	-	-	-	3,229,658.52	-	-
Vehicle & Agr Equipment	5,858,205.49	9,652,565.00	-	-	-	(5,040.46)	-	5,858,205.49	9,647,524.54	-
Housing Scheme	3,253,992.17	15,437,089.94	-	1,600.00	-	(214,773.15)	-	3,255,592.17	15,222,316.79	-
Over Dep.Housing Scheme	-	5,210.00	-	-	-	(5,210.00)	-	-	-	-
Depreciation Error Correction	-	521,043.41	-	-	-	(521,043.41)	-	-	-	-
Computer Equipment	-	-	54,413.00	-	-	-	114,149.00	-	-	168,562.00
Fax Machine	-	-	4,025.00	-	-	-	7,980.00	-	-	12,005.00
	273,646,707.40	489,232,098.99	20,914,054.87	3,598,577.98	-	(6,948,930.80)	1,791,379.41	277,245,285.38	482,283,168.19	22,705,434.28
W.D.V	37,839,439.69	10,525,947.52	6,689,111.29					33,850,366.44	17,474,878.32	5,274,321.88
Total W.D.V	55,054,498.50							56,599,566.64		

Dayananda Samarawickrema & Co. Chartered Accountants No. 20/26, Station Lane, Nugegoda.

	2013/2014 Rs. Cts.	2012/2013 Rs. Cts.
Note-13A-Work In Progress-Capital Job		
Valachchenai Mills	7,286,125.47	6,079,330.20
Capital Work In Progress	26,938,147.40	26,938,147.40
	34,224,272.87	33,017,477.60
Note-14-Long Term Investment		
Valachchenai Mills		
Fixed Deposit-Peoples Bank-Valachchenai	-	96,086.72
Security Deposit-National Saving Bank Batticaloa	4,086.94	29,825.68
Fixed Deposit-Peoples Bank-Batticaloa	11,232.88	11,232.88
Fixed Deposit-Medical Scheme Fund N.S.B-Batticaloa	323,259.66	323,259.66
Fixed Deposit	-	100,000.00
Saving A/C for Distress Loan Payment	29,190.22	29,190.22
	367,769.70	589,595.16
Embilipitiya Mills		
Security Deposit	14,706.00	14,706.00
Fixed Deposit-Workmen Compensation Fund	377,005.07	377,005.07
	391,711.07	391,711.07
Head Office		
Fixed Deposit With Peoples Bank	23,310,864.58	21,997,713.29
Fixed Deposit With Bank of Ceylon	32,401,016.47	30,213,461.97
Staff Security Deposit	12,783.43	13,042.18
	55,724,664.48	52,224,217.44
Total-Long Term Investments		
Discontinued Operation	391,711.07	391,711.07
Continued Operation	56,092,434.18	52,813,812.60
	56,484,145.25	53,205,523.67
Note-15-Stock-Row Materials & Consumables		
Row Materials		
Valachchenai Mills	9,194,795.98	4,971,494.39
Head Office	1,414,928.29	791,953.42
	10,609,724.27	5,763,447.81
Engineering Spares		
Valachchenai Mills	80,926,075.60	78,726,597.48
	80,926,075.60	78,726,597.48
Other Consumables		
Valachchenai Mills	26,767,257.31	27,496,971.69
	26,767,257.31	27,496,971.69
Cultivation Stock-Embilipitiya Mills		
Mirijjawela Plantation	425,313.02	425,313.02
Agunakolapalassa Plantation	175,516.04	175,516.04
Buluthota Plantation	855,183.12	855,183.12
Mahagama Plantation	114,555.36	114,555.36
Mills Farm Plantation	9,617,707.45	9,617,707.45
	11,188,274.99	11,188,274.99
Total-Stock Row Materials & Consumables		
Discontinued Operation	11,188,274.99	11,188,274.99
Continued Operation	118,303,057.18	111,987,016.98
	129,491,332.17	123,175,291.97

Dayananda Samarawickrema & Co. Chartered Accountants No. 20/26, Station Lane, Nugegoda

	2013/2014 Rs. Cts.	2012/2013 Rs. Cts.
Note-16-Stock Work In Progress		
Provision for Work in Progress-Vch	975,249.96	2,487,717.74
	975,249.96	2,487,717.74
Note-17-Stock-Finished Goods		
Valachchenai Mills	967,582.97	708,857.72
Stock at Site	1,295,416.59	33,959,829.64
	2,262,999.56	34,668,687.36
Add: Purchase of Stationery Item-Head Office	1,065,054.69	1,038,804.69
	3,328,054.25	35,707,492.05
Note-18-Trade Debtors		
Trade Debtors Control A/C	22,994,124.26	14,232,466.35
Trade Debtors-Old	15,022,588.59	14,957,779.23
Provision for Doubtful Debts	(2,829,234.46)	(2,829,234.46)
	35,187,478.39	26,361,011.12
Note-19-Deposits & Prepayments		
Deposits		
Valachchenai Mills	(3,692,138.73)	130,370.72
Head Office	3,692,122.49	3,687,122.49
Embilipitiya Mills	13,625.00	13,625.00
	13,608.76	3,831,118.21
Prepayments		
Valachchenai Mills	1,736,330.15	1,162,509.52
Head Office	280,480.50	280,480.50
	2,016,810.65	1,442,990.02
Inter Company Accounts		
Head Office	(403,782,129.87)	(293,211,894.85)
Valachchenai Mills	175,031,103.32	59,813,202.18
Embilipitiya Mills	227,642,362.55	230,506,591.67
	(1,108,664.00)	(2,892,101.00)
Total-Deposits & Prepayments		
Discontinued Operation	227,655,987.55	230,520,216.67
Continued Operation	(226,734,232.14)	(228,138,209.44)
	921,755.41	2,382,007.23
Note-20-Other Current Assets		
Staff Debtors		
Valachchenai Mills	1,246,163.88	1,100,860.45
Head Office	149,224.57	162,971.15
	1,395,388.45	1,263,831.60
Other Debtors		
Valachchenai Mills	40,871,202.96	38,084,494.48
Head Office	17,120,476.29	16,531,483.43
	57,991,679.25	54,615,977.91
Advances		
Valachchenai Mills	4,107,195.63	(38,955.91)
Head Office	186,795,754.05	197,283,483.73
	190,902,949.68	197,244,527.82
Total-Other Current Assets		
Continued Operation	250,290,017.38	253,124,337.33
	250,290,017.38	253,124,337.33

Dayananda Samarawickrema & Co.
No. 20/26, Station Lane, Nugegoda.
Chartered Accountants

	2013/2014 Rs. Cts.	2012/2013 Rs. Cts.
Note-21-Cash At Bank & Hand		
Cash at Bank-Valachchenai		
People's bank-Valachchenai	500.00	-
People's bank-Union Place, Colombo	7,931.22	7,931.22
People's Bank-Batticaloa-Town branch	7,590.53	12,090.53
	16,021.75	20,021.75
Cash at Bank-Head Head Office		
People's Bank-A/C.No;210898	1,871,650.43	-
NDB A/C No: 316602	117,252.52	-
	1,988,902.95	-
Cash in Hand-Valachhenai Mills		
Cash in Hand	45,098.04	1,423,876.42
Stamp Imprest	8,856.00	8,431.00
Cash in Transit	-	13,700.00
	53,954.04	1,446,007.42
Cash in Hand-Head Office		
Stamp Imprest	11,415.00	8,630.00
Cash Imprest for Waste Paper-Kirulapone	73,959.00	(224,268.94)
Cash in Hand	24,709.19	24,710.18
Sundry Payment Imprest	196,205.13	134,657.69
Cash Imprest for Waste Paper-Kirulapone	(151,630.94)	73,959.00
Cashier's Imprest	4,974.50	4,974.50
Petty Cash Imprest	(17,658.00)	4,000.00
Retail Sales from Imprest	3,000.00	3,000.00
	144,973.88	29,662.43
Total-Cash & Bank Balances		
Continued Operation	2,203,852.62	1,495,691.60
	2,203,852.62	1,495,691.60
Note-22-Stated Capital		
Stated Capital	323,000,000.00	323,000,000.00
	323,000,000.00	323,000,000.00
Note-23-Foreign Grants		
Canadian Aid	100,000.00	100,000.00
CIDA Capital Aid	10,609,048.08	10,609,048.08
F,R,G,Commodity Grant	21,095,503.54	21,095,503.54
F,R,G,Commodity Grant (Spares)	9,972,500.00	9,972,500.00
	41,777,051.62	41,777,051.62
Note-24-Capitl Reserve		
Capital Reserve	2,988,408.52	2,988,408.52
Loan Redemption Reserve	41,722,450.41	41,722,450.41
CIDA Consultancy Reserve Fund	376,674.69	376,674.69
	45,087,533.62	45,087,533.62
Note-24A-Revenue Reserve		
Profit/(Loss) B/F	(934,990,457.18)	(999,216,092.24)
Adjustments on Profit	(233,043,511.55)	(102,446,104.78)
Profit & Loss for the Year	(209,226,701.58)	(75,624,672.59)
	(1,377,260,670.31)	(1,177,286,869.61)

Dayananda Samarawickrema & Co. Chartered Accountants No. 20/26, Station Lane, Nugegoda.

	2013/2014 Rs. Cts.	2012/2013 Rs. Cts.
Note-25- Lease Creditors-Head Office		
Lease Creditors	8,583,863.70	10,232,544.00
Interest in Suspense Account	(2,589,573.13)	(3,842,442.21)
	5,994,290.57	6,390,101.79
Lease Creditors Payable Within One Year		
Lease Creditors	2,736,695.70	2,192,678.63
Interest in Suspense Account	(1,341,690.76)	(1,329,734.40)
	1,395,004.94	862,944.23
Lease Creditors Payable After One Year		
Lease Creditors	5,847,168.00	8,039,865.36
Interest in Suspense Account	(1,247,882.37)	(2,512,707.81)
	4,599,285.63	5,527,157.56
Note-26-Long Term Loan		
Head Office		
K.F.W.Loan (Embilipitiya)-Spares	159,654,648.10	159,654,648.10
Paranthan Chemicals - Loan	350,000.00	350,000.00
	160,004,648.10	160,004,648.10
Note-27-Dues to Government		
Provision for income Tax	3,291,167.14	3,291,167.14
Provision for VAT	20,723,757.37	13,095,098.77
Provision for NBT	2,254,257.71	1,236,645.86
Provision for ESC	807,583.17	807,583.17
VAT Payable (Sales)	9,782,393.87	9,364,166.15
	36,859,159.26	27,794,661.09
Note-28-Trade & Other Creditors & Provisions		
Medical Scheme Fund		
Valachchenai Mills	832,850.38	822,638.38
Head Office	18,465.37	17,049.37
	851,315.75	839,687.75
Workmen's Compensation Fund		
Valachchenai Mills	4,051,384.54	4,051,384.54
Head Office	7,617,402.95	7,617,402.95
	11,668,787.49	11,668,787.49
Gratuity Fund		
Provision for Valahchenai Mills	72,727,893.32	67,410,689.95
Embilipitiya Mills	4,856,353.02	4,856,353.02
Head Office	(34,063,242.39)	(34,063,242.39)
	43,521,003.95	38,203,800.58
Term Loan		
Loan from Treasury	50,000,000.00	50,000,000.00
Loan from Ministry	34,260,504.20	34,260,504.20
	84,260,504.20	84,260,504.20
Personal Accident Insurance Fund		
Provision-Personal Accident	2,079,946.49	2,079,946.49
	2,079,946.49	2,079,946.49
Provision for Liabilities		
Valachchenai Mills	162,808,903.25	113,175,538.41
Head Office	3,420,466.90	3,083,656.80
Embilipitiya Mills	1,653,898.82	3,500,604.67
	167,883,268.97	119,759,799.88

Dayananda ... & Co. Chartered Accountants No. 20/26, Station Lane, Nugegoda

Contd.

	2013/2014 Rs. Cts.	2012/2013 Rs. Cts.
Creditors & Accrued Charges		
Valachchenai Mills	99,253,299.44	60,262,485.11
Embilipitiya Mills	475,286,367.74	475,646,367.74
Head Office	157,590,017.96	112,858,021.38
	732,129,685.14	648,766,874.23
Deposits		
Valachchenai Mills	2,295,672.10	597,691.99
Head Office	129,988,345.73	130,875,035.32
	132,284,017.83	131,472,727.31
Salaries & Wages Payables		
Valachchenai Mills	37,161,995.13	14,032,522.55
Head Office	46,391,237.82	43,477,263.58
Embilipitiya Mills	8,615,267.17	8,615,267.17
	92,168,500.12	66,125,053.30
Temporary Loan		
Mineral Sand - Head Office	5,000,000.00	-
	5,000,000.00	-
Total-Trade, Other Creditors & Provision		
Discontinued Operation	490,411,886.75	492,618,592.60
Continued Operation	781,435,143.19	610,558,588.63
	1,271,847,029.94	1,103,177,181.23
Note-29-Bank Overdraft		
Head Office		
BOC A/c No;0000161807	37,086,135.78	29,327,661.13
People's Bank A/c No 100140210899	13,875,165.18	13,833,327.77
People's Bank-A/C.No;210898	-	25,568.65
Bank A/c No;014-001-2-0112479	11,113,604.06	12,615,972.61
	62,074,905.02	55,802,530.16
Valachchenai Mills		
BOC, Batticaloa	321,777.12	1,774.73
Cash at People's Bank, Valaichchenai	-	263,789.02
	321,777.12	265,563.75

Note-30-Going Concern

The Company has continued to make losses and the accumulated losses as at the year under review amounted to Rs.1,377,261/- (2012/2013 Rs.1,177,288/-). The gross revenue of the Company has drastically decreased to Rs.77,131,693/- in the current period from Rs.88,193,918/- during the previous year and the gross loss of the company has increased to Rs.181,496,582/- during the year from Rs.75,039,231/- in 2012/2013

Note-31-Contingent Liabilities

The Company had several court cases filed by the staff requesting the company to satisfy its obligations. The outcome of which remains unsettled at the date of 31.03.2014. No provision had been provided to settle such obligations in the financial statements.

Dayananda Samarawickrema & Co. No. 20/26, Station Lane, Nugegoda. Chartered Accountants

Dayananda Samarawickrema & Co.,

CHARTERED ACCOUNTANTS

Partners
H.G. Dayananda F.C.A.
K.G. Chandana Kumara A.C.A..
T.H. Dharmasena F.C.A., B.A.

No. 20/26, Station Lane,
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NATIONAL PAPER COMPANY LIMITED
COMPUTATION OF INCOME TAX LIABILTY
YEAR OF ASSESSMENT 2013/2014

		Rs.	Rs.
Profit / (Loss) as per Accounts			**(208,569,178)**
Add : **Disallowable Expenses**			
Legal Fees		481,000	
Lease Interest		1,432,229	
Lease Default Interest		36,529	
Advertisement	25%	192,741	
Depreciation		1,791,379	
Entertainment		714,340	
Business Promotion		361,330	
Donation		6,600	**5,016,148**
			(203,553,031)
Less : **Capital Allowance :**			
Building (Rs. 196,085/= @	6.67% - 4th year)		13,079
Building (Rs.2,108,226/= @	10% - 2nd year)		210,823
Building (Rs.2,108,226/= @	10% - 2nd year)		210,823
Taxable Profit / (Loss)			**(203,118,306)**
Tax Loss B/F			513,498,832
Loss for the Year			203,118,306
Tax Loss C/F			**716,617,139**

DAYANANDA SAMARAWICKREMA & CO.
No. 20/26,
Station Lane,
Nugegoda.
Chartered Accountants

National Paper Company Limited
No: 61, Stratford Avenue, Colombo 05