

**MINISTRY OF INDUSTRY AND ENTREPRENEURSHIP
DEVELOPMENT**

KAHATAGAHA GRAPHITE LANKA LIMITED

Fully Government owned Company



ANNUAL REPORT

2 0 2 2 / 2 0 2 3

HEAD OFFICE

561/3,
Elvitigala Mawatha,
Narahenpita,
Colombo 05.

MINES

Kahatagaha Mine
Maduragoda,
Dodangaslanda.

Telephone : 011 - 2368738

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Email : kgll@slt.net.lk

Website : www.kgraphite.lk

Telephone : 037-2252015

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CONTENTS

Introduction	03
Chairman’s Review	04
Audit Committee Report	08
Corporate Vision, Mission & Objectives	09
Organizational Structure	10
Report of the Directors	11
Financial Highlights	14
Annual Accounts	15
Notice of Meeting	16
Form of Proxy	17

Introduction

Kahatagaha Graphite Mines

Kahatagaha Mines are located in North Western Province of Sri Lanka at Maduragoda, **Dodangaslanda** in Kurunegala District, approximately 90 km. from the capital of Colombo, and managed by **Kahatagaha Graphite Lanka Limited** (KGLL). It is a fully government owned public limited liability Company, established under the Companies Act No. 07 of 2007, previewed by the **Ministry of Industries**. The major shareholder of the company is the **Secretary to the Treasury**. Main policymaking body of KGLL is the Board of Directors, headed by Executive Chairman and KGLL derives the essence of its corporate policy fromline Ministry and the Treasury.

Kahatagaha Mines is at the elevation of 25 meters in a hilly terrain at Maduragoda, Dodamgaslanda, in Ridigama Divisional Secretary Division and the extent of the land is approximately 102 acres. Out of 102 acres of surface land, 76 acres of coconut cultivation is managed by KGLL.

There are two major mines in Sri Lanka namely - Bogala mines and Kahatagaha mines. Kahatagaha Mine is a combination of two mines, which were operated since 1872 as Kahatagaha and Kolongaha Mines and after undertaking by the government in 1973, the two mines are amalgamated and work as a single mine.

The Mine is 2000 feet (610 meters) deep and it is the deepest mine in Sri Lanka. Accessibility to the mine is by 2 shafts. The shaft at Kahatagaha reaches to 1132 feet (345 meters) level and Kolongaha goes up to 330 feet (101 meters) level. The shafts are sinking to the mines from two different locations. The below the shafts, bottom levels are accessed by series of winches, which goes up to 2000 feet (610 meters) level. Main shaft and the winches are used to mobilize underground workers to various levels of the mine, from 1132 to 2000 feet levels and to extract run off mine. The mine extends as far as 500 meters, at its widest point.

Uniqueness of Kahatagaha product

Sri Lanka is the only commercial source of supply of high Carbon Natural Crystalline Vein Graphite and particularly Kahatagaha Mine is capable of mining high purity Natural Vein Graphite over 99% carbon, in fully crystallized form. It is found as needles, lumps, rossets, and flakes, enjoying monopoly of high carbon crystalline vein graphite, with low ash content, having a proven reputation of world market acceptance as an unique product.

Chairman's Review

I am pleased to present my review as Chairman of Kahatagaha Graphite Lanka Limited (KGLL) for the Annual Report of 2022-2023. During this period KGLL underwent a successful revival and turn-around process. KGLL is proud to have contributed +99% high purity natural crystalline vein graphite to the global market.

I assumed duties as Chairman of KGLL on 28th September 2022. I am pleased to note that the year under review has been particularly positive with KGLL demonstrating exceptional performance.

I am pleased to report that KGLL has successfully overcome the challenges it faced during the previous year and has emerged stronger than ever before. Our team's hard work, dedication, and commitment have been instrumental in achieving these positive results.

We remain committed to our mission of providing high-quality natural graphite to the global market and are confident that we will continue to exceed our customers' expectations.

My gratitude goes out to each of our stakeholders, especially our customers for being true partners in this Journey

PRODUCTION

During the 2022/23 fiscal year, our company extracted 439 metric tons (M/T) of graphite Run of Mine, representing a 28.4% increase from the previous year's output of 342 M/T. However we have noticed that our employees tend to produce only around the target, and monthly production has not kept pace with labour expenses.

To address this issue and improve our company's overall effectiveness, management is considering implementing a new production incentive scheme. This scheme would aim to motivate employees to exceed production targets and improve the efficiency of our operations.

We believe that the introduction of this incentive scheme will help us to achieve our production goals while minimizing labour costs. We are confident that this measure will improve our overall performance and drive our company towards greater success.

SALES & MARKETING

During the year KGLL exported 345.6 metric tons (M.T) of processed graphite, which generated a revenue of Rs. 179.52 million. However, we observed a Increase in revenue of approximately Rs. 56.10 million as compared to the previous year's revenue of Rs. 123.42 million.

The primary reason for the increased income was due to increased the USD dollar rate. We were facing difficulties to find ships for exportation and international operations which slowdown in both national and international level. particularly the 97/99% grade C, This segment of our product line lead challenges in the market, which resulted in lower demand and reduced revenue.

We recognize that the decline in revenue is a matter of concern and are actively exploring ways to address this issue. Our team is evaluating alternative markets and potential buyers for our higher-grade processed graphite products. Additionally, we are considering implementing marketing strategies to increase awareness and demand for these products.

We remain committed to delivering high-quality products and achieving sustainable revenue growth in the long term.

FINANCIAL POSITION

Historically, our company has focused on controlling expenses to increase profits as most of our cost components were fixed in nature. I am pleased to report that the company has achieved a profit of Rs. 57.11 million for the current year before tax. This represents a significant increase of Rs. 46.03 million in profit compared to the previous year's profit of Rs. 11.08 million.

This achievement is the result of our ongoing efforts to optimize operations and increase efficiency while maintaining a high level of product quality. Our management team has made a concerted effort to reduce expenses where possible, without compromising the integrity of our processes or products.

We are proud of our team's hard work and dedication, which has enabled us to generate sustainable profits and improve our financial performance. Going forward, we will continue to prioritize cost control measures and seek out new opportunities to grow our business and deliver value to our stakeholders.

UNDERGROUND DEVELOPMENTS

Despite operating with limited finances, we remained committed to investing in the necessary plants and equipment to support our underground development works. Over the year, we invested a total of Rs. 1.9 million in this area.

We recognize the critical role that these investments play in enabling us to maintain our operations and meet our production targets. As such, we made every effort to allocate resources in a manner that would enable us to make the most significant impact while operating within our financial constraints.

We are proud of the progress that we have made, and we remain committed to continued investment in our operations to support our growth and development. By prioritizing strategic investments and leveraging our resources effectively, we are confident that we can achieve sustained success in the years to come.

COCONUT PLANTATION AND ESTATE DEVELOPMENT

We have made significant progress in our efforts to maintain and expand our coconut plantation. To date, we have successfully re-planted 52 acres of coconut plantation, and have ensured that the estate is well-managed, providing regular employment opportunities for five individuals who maintain the estate, as well as necessary infrastructure facilities and fertilizer support. We received the support from coconut cultivation board in achieving this target.

Furthermore, as part of our inter-plantation project, we have also initiated a pepper, cinnamon & banana plantation with the assistance of the Export Development Board, which is being maintained effectively.

Also we explore the cultivation project to plant medical plants in the land as well. However, we face some challenges with regard to our mining land. Currently, about 50 acres of the 102-acre land are not being utilized due to a court case, which has ordered that neither party is permitted to use the particular land. As a result, the area has grown into a jungle and is being used by villagers.

Additionally, we have encountered issues with a few ex-employees who are occupying the company's quarters by force. Furthermore, over 9 acres of land is being used by the Yowun Senankaya and Samurधि Bank without any interest or benefit to the Company. There are also instances where parts of the land belonging to the Company have been illegally occupied, and houses have been built without permission or authorization.

We are taking active steps to address these issues and are working closely with relevant authorities to resolve these matters in a timely and efficient manner. We remain committed to ensuring that all of our land assets are used productively and are generating sustainable value for the Company and its stakeholders.

WORKER WELFARE AND PROBLEMS

At KGLL, we have always maintained positive and collaborative relationships with our workers, with the goal of enhancing their efficiency, effectiveness, and motivation. We recognize that the nature of underground work is different from surface work, and as such, we take extra care to ensure that the unique needs and challenges of our underground workers are met.

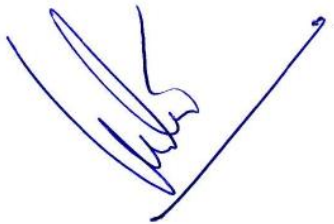
We are proud to acknowledge that the success we have achieved during the year under review is a direct result of the hard work, commitment, and dedication of all our employees, especially the underground workers who are exposed to significant risks in their line of work. We value and appreciate their contributions and will continue to prioritize their safety and well-being.

We are also grateful for the stunted support and cooperation of our co-directors, who have played an instrumental role in driving our progress and success during the year.

I would like to express my sincere thanks to the Honourable Minister and State Ministers of the Ministry of Industries, as well as the Secretary and staff of the Ministry of Industries, and the Secretary to the Treasury and staff who have extended their invaluable support to KGLL.

I would also like to thank the members of the Board of Directors and all employees of KGLL for their unwavering commitment and dedication to the organization.

Finally, I would like to extend a heartfelt thank you to the Auditor General of the Auditor General's Department and the staff who have provided their services to KGLL this year with professionalism and dedication. We appreciate their efforts and look forward to their continued support in the future.



Thusira Malawwe Thantri (LL.B)
Attorney-at-Law
Chairman
KAHATAGAHA GRAPHITE LANKA LIMITED

31st July 2024

Audit Committee Report

Role of the Audit Committee

The main object of the Audit Committee is encourage and safeguards the highest standards of integrity in financial reporting risk management. Compliance with statutory and regulatory requirements and maintenance of sound internal controls system.

Composition of the Audit Committee

The Audit Committee comprises three Non-Executive Directors and is chaired by a non-Executive Director nominated by the General Treasury. Board Secretary performed as the converter of the committee. The composition of the Audit Committee is as follows.

Mr . R. L.Weerasekara - Chairman Treasury Rep:/Director Appointed on 22.3.2022

Mr.K K S S G Perera - Director / Member (Appoint on 09.12.2022)

Mr.D M Gunasekara - Director / Member (Appoint on 09.12.2022)

Mrs .Vindya- Rep. Auditor General's Dept.- Observer

Mrs. B K M J Rodrigo - Chief Internal Auditor, Ministry of Industries Observer

Meetings and Attendance

Meetings of the committee are convened quarterly and meetings have been held during the year ended 31st March 2023. The Managerial officers of the company including the Accountant and the Auditor appointed by the Ministry of Industries are invited to attend the meetings as and when required.

Activities

The Audit Committee discharges its duties by reviewing and discussing the Draft final Accounts, Internal and External Audit Reports. The Audit Committee has reviewed these reports including recommended Additional controls and risk mitigation strategies for minimizing the possibility of occurrence and impact of fraud and errors, and operational and financial risks faced by the Company. In every meeting the committee discussed the matters in the internal Audit Reports in-depth and instructions / recommendations were given to the Management for rectifying the issues highlighted. Some matters were referred to the Board of Directors for decisions to be taken after further discussion.

The committee observed that the external Auditor has submitted a qualified opinion with regard to the final accounts of the year 2022/ 2023

On Behalf of the Committee

Chairman of the Audit Committee

05.06.2024

Corporate Vision

“TO BE THE UNIQUE SOURCE OF THE NATURAL CRYSTALLINE VEIN GRAPHITE IN THE WORLD”

Corporate Mission

“TO BE A DYNAMIC PARTNER WHO IS EFFECTIVE AND EFFICIENT IN THE ECONOMIC AND SOCIAL DEVELOPMENT OF SRI LANKA BY EARNING FOREIGN EXCHANGE WITH OPTIMUM UTILIZATION OF GRAPHITE MINERAL RESOURCE IN THE COUNTRY”

Corporate Objectives

“THE BUSINESS OBJECTIVES OF THE COMPANY ARE, MINING AND PROCESSING FOR EXPORT OF HIGH PURITY QUALITY GRAPHITE AND MAXIMUM VALUE ADDITION AND DEVELOPING GRAPHITE BASED INDUSTRIES”

Organization Structure

Kahatagaha Graphite Lanka Limited is organized under an Executive Chairman and a Board of Directors.

The operations of the Company are organized under the following areas:

- ✓ Mining
- ✓ Processing
- ✓ Mechanical & Electrical Engineering
- ✓ Marketing
- ✓ Personnel
- ✓ Administration
- ✓ Finance & Accounting
- ✓ Supplies & Stores
- ✓ General Civil Engineering
- ✓ Security

KAHATAGAHA GRAPHITE LANKA LIMITED

ANNUAL REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31ST MARCH 2023

The Directors present herewith the audited Financial Statements for the year ended 31st March 2023. The Board of Directors is responsible for preparing and presenting the Financial Statements set out therein in accordance with the Sri Lanka Accounting Standards.

The Audited Financial Statements together with the Report of the Auditors thereon were approved by the Directors on 20th October 2023.

Principal Activities

The principal activities of the Company were.

1. To carry on the business of the part designated in Kolongaha, Kahatagaha Mines of the State Mining and Mineral Development Corporation which was created by Gazette Order published under the State Industrial Corporation Act No 49 of 1957.
2. To succeed to the ownership of property movable and immovable owned by and used by the part designated as Kolongaha – Kahatagaha Mines of the said State Mining and Mineral Development Corporation.

Review of Operations and Financial Highlights

The Financial Statements which include statement of profit or loss and comprehensive income, statement of financial position, statement of changes in equity and the notes to the financial statements of the company for the year ended 31st March 2023 are set out on page 9 of the Annual Report.

Respective Responsibilities of Directors and Auditors for the Financial Statements

The Directors are responsible for the preparation of the Financial Statements so that they present a true and fair view of the state of affairs of the Company. The Directors are of the view that these Financial Statements have been prepared in conformity with the requirements of the Companies Act No.07 of 2007, the Sri Lanka Accounting and Auditing Standard Act.

Accounting Policies

The details of the accounting policies adopted by the Company in preparation of the financial statements and the impact thereon, of changes in the Sri Lanka Accounting standard made during the year are disclosed on pages 7 to 14 of the Annual Report.

Property, Plant and Equipment

The movements in property, plant and equipment during the year are set out in Note ... to the Financial Statement.

Investments

Company has invested Rs.21.21 Mn in fixed deposits to discharge employees' gratuity obligation.

Donation

Company has made no donations during the accounting period.

Retirement of Directors

In terms of Article 92 and 93 of the Articles of Association Mr. kurukula Sooriyage Susitha Gayan Perera and Dissanayake Mudiyansele Gunasekara retire by rotation and eligible for re-election as Directors with the unanimous support of the continuing Directors.

Directors as at 31st March 2023

The names of the Directors who held office as at 31st March 2023 are as follows:

Full Name

Mr. Thusira Chinthaka Malawwe Thantri
Mr. Kukula Sooriyalage Susitha Gayan Perera
Mr. Dissanayake Mudiyansele Gunasekara
Mr. Hewanayake Mudiyansele Sunil Shantha Hewanayake
Mr. Mahalaksha Mudiyansele Priyantha Anura Kumara
Mr. Ruchira Layan Weerasekara

The Board of Directors declare as follows:

- (1) the Company has not engaged in any activity which contravenes laws and regulations
- (2) All material interests in contracts involving the Company and refrained from voting on matters in which they were materially interested;
- (3) The Company has made all endeavors to ensure the equitable treatment of shareholders;
- (4) The business is a going concern, with supporting assumptions or qualifications as necessary; and they have conducted a review of the internal controls, covering financial, operational and compliance controls and risk management, and have obtained reasonable assurance of their effectiveness and successful adherence therewith and, if it is unable to make any.

Remuneration of Directors

The total remuneration of the Board of Directors during the year under review is given in Note 13 of the Financial Statements.

Directors interest in contracts and proposed contracts with the Company

The Directors interest in contracts and proposed contracts with the Company are disclosed in the Note 6 financial statements.

Statutory Payments

To the best of their knowledge and belief, the Directors are satisfied that all statutory payments in relation to the Government and to the employees have been settled to date or provided for in the books of the Company.

Contingent Liabilities and Capital Commitment

The Contingent liabilities and capital commitment made on account of capital expenditure as at 31st March 2023 are given in Note 8 of the Financial Statements.

Events after balance sheet date

The materiality of events after balance sheet was considered and where necessary, appropriate adjustments or disclosures have been made.

Post Balance Sheet Events

There are no significant events that have occurred after the balance sheet date which would have any material effect on the Company that require adjustments.

Going Concern

The Directors are confident that the Company has adequate resources to continue business operations. Accordingly, the Directors consider that it is appropriate to adopt the going concern basis in preparing the Financial Statements.

Auditor's Report

The Report of the Auditors on the Financial Statements is included in the Annual Report.

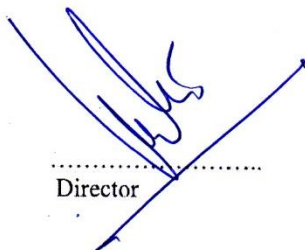
Auditors

The Auditor General served as the Auditor during the year under review as the Auditor of the Company. The Auditor General has confirmed that he has had no interest in or relationship other than that of Auditors. They confirm that they are independent in accordance with the Code of Ethics of the Institute of Chartered Accountants of Sri Lanka.

Fees payable to the Auditors for the financial year is given in Note 14 to the Financial Statements.

The Auditor General as per PED Circular 01 of the Finance Ministry is proposed for appointment for the ensuing year and a resolution to appoint them and to authorize the Directors to fix their remuneration will be proposed at the Annual General Meeting.

BY ORDER OF THE BOARD OF KAHATAGAHA GRAPHITE LANKA LIMITED



Director



Director

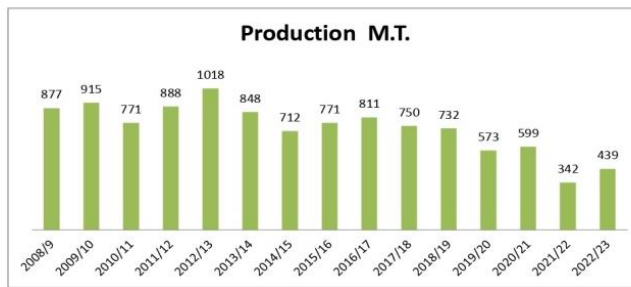
DELOITTE CORPORATE SERVICES (PRIVATE) LIMITED
PV 4190

DIRECTOR/COMPANY SECRETARY
Deloitte Corporate Services (Pvt) Ltd

Financial Highlights

Production

Year	M.T.
2008/9	877
2009/10	915
2010/11	771
2011/12	888
2012/13	1018
2013/14	848
2014/15	712
2015/16	771
2016/17	811
2017/18	750
2018/19	732
2019/20	573
2020/21	599
2021/22	342
2022/23	439



Sales

Year	M.T.
2008/9	497
2009/10	295.2
2010/11	760.3
2011/12	850.3
2012/13	537.8
2013/14	793
2014/15	708.5
2015/16	558.6
2016/17	530
2017/18	537
2018/19	530
2019/20	413
2020/21	446
2021/22	385
2022/23	346



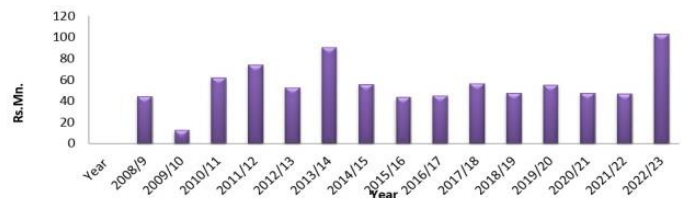
Revenue

Year	Rs.Mn.
2008/9	60.4
2009/10	21.1
2010/11	105
2011/12	128
2012/13	91.6
2013/14	143.6
2014/15	122.5
2015/16	109
2016/17	112.4
2017/18	123.4
2018/19	127.55
2019/20	126.62
2020/21	126.14
2021/22	123.42
2022/23	179.52



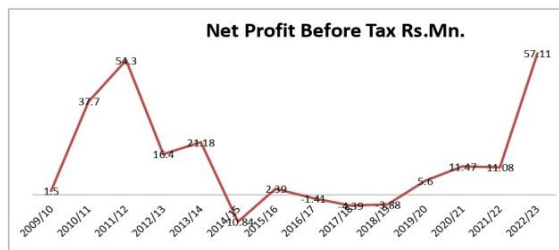
Gross Profit

Year	Rs.Mn.
2008/9	44.8
2009/10	13.1
2010/11	62.4
2011/12	74.9
2012/13	53.5
2013/14	91.36
2014/15	56.35
2015/16	44.08
2016/17	45.47
2017/18	57.19
2018/19	47.89
2019/20	55.4
2020/21	47.79
2021/22	47.31
2022/23	103.62



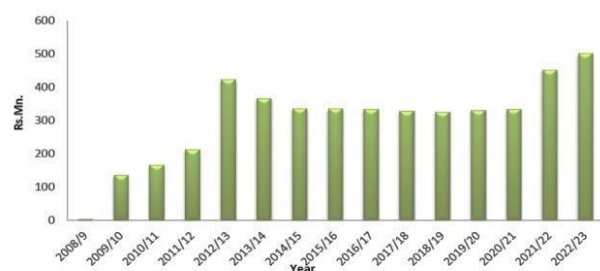
Net Profit Before Tax

Year	Rs.Mn.
2008/9	37.3
2009/10	1.5
2010/11	37.7
2011/12	54.3
2012/13	16.4
2013/14	21.18
2014/15	-10.84
2015/16	2.39
2016/17	-1.41
2017/18	-4.39
2018/19	-3.88
2019/20	5.6
2020/21	11.47
2021/22	11.08
2022/23	57.11



Net Profit After Tax

Year	Rs.Mn.
2008/9	4.4
2009/10	137
2010/11	166
2011/12	214
2012/13	423.4
2013/14	367.5
2014/15	337
2015/16	336
2016/17	334
2017/18	329.7
2018/19	325.82
2019/20	331.42
2020/21	335.16
2021/22	452.4
2022/23	501.9



KAHATAGAHA GRAPHITE LANKA LIMITED

ANNUAL ACCOUNTS 2022/23

FROM 01 APRIL 2022 TO 31 MARCH 2023

KAHATAGAHA GRAPHITE LANKA LIMITED
ACCOUNTS 2022/23

CONTENTS	PAGE
Corporate Information	01
Auditors' Report	02
Statement of Comprehensive Income	10
Statement of Financial Position	11
Statement of Changes in Equity	12
Statement of Cash Flow	13
Significant Accounting Policies	14 - 20
Financial Statement Disclosures	21
Notes to the Accounts	22 - 30
Tax Computation	31 - 33

KAHATAGAHA GRAPHITE LANKA LIMITED

CORPORATE INFORMATION AS AT 31ST MARCH 2023

NAME OF THE COMPANY
KAHATAGAHA GRAPHITE LANKA LIMITED

LEGAL FORM
LIMITED LIABILITY COMPANY UNDER THE MINISTRY OF FINANCE

SHAREHOLDING & OWNERSHIP
100% OWNED BY SECRETARY TO THE TREASURY ON BEHALF OF THE GOVERNMENT OF SRI LANKA

REGISTERED OFFICE (HEAD OFFICE)
No. 561/3, ELVITIGALA MAWATHA, NARAHENPITA, COLOMBO 05

MINES
KAHATAGAHA MINE, MADURAGODA, DODANGASLANDA

COMMUNICATION

<u>HEAD OFFICE</u>	<u>MINES</u>
TEL. : 011-2368737	TELE : 037-2252015
FAX : 011-2058062	FAX : 037-4931711
E MAIL : kgll@sltnet.lk	
WEBSITE : www.kgraphite.lk	

STATUTORY STATUS
LIMITED LIABILITY COMPANY INCORPORATED IN SRI LANKA UNDER
THE COMPANIES ACT NO. 7 OF 2007

COMPANY REGISTRATION NO
PB 1513

DIRECTORS AS AT 31ST MARCH 2023

THUSIRA CHINTHAKA MALAWWE THANTRI
THUDUWAGE DONA RASIKA PRABODANI
DISSANAYAKA MUDIYANSELAGE GUNASEKARA
HEWANAYAKA MUDIYANSELAGE SUNIL SHANTHA HEWANAYAKA
KULA KULA SOORIYALAQE SUSITHA GAYAN PERERA
MAHALAKSHA MUDIYANSELAGE PRIYANTHA ANURA KUMARA

SECRETARY
ACCOUNTING SYSTEMS SECRETARIAL SERVICES (PVT) LTD
No. 11, CASTLE LANE, COLOMBO 04.

AUDITORS
AUDITOR GENERAL OF SRI LANKA

BANKERS
BANK OF CEYLON
KOLLUPITIYA AND RIDIGAMA.
NATIONAL SAVINGS BANK RIDIGAMA



ජාතික විගණන කාර්යාලය

தேசிய கணக்காய்வு அலுவலகம்

NATIONAL AUDIT OFFICE



මගේ අංකය
எனது இல. }
My No. }

අයිඩබ්ලිව්එම්/සී/කේජීඑල්එල්/1/23
உமது இல. }
Your No. }

දිනය
திகதி }
Date }

2024 පෙබරවාරි 29 දින

සභාපති,

කහටගහ ග්‍රැෆයිට් ලංකා සමාගම

කහටගහ ග්‍රැෆයිට් ලංකා සමාගමේ 2023 මාර්තු 31 දිනෙන් අවසන් වර්ෂය සඳහා වූ මූල්‍ය ප්‍රකාශන සහ වෙනත් නෛතික හා නියාමන අවශ්‍යතා පිළිබඳව 2018 අංක 19 දරන ජාතික විගණන පනතේ 12 වන වගන්තිය ප්‍රකාරව විගණකාධිපති වාර්තාව

1. මූල්‍ය ප්‍රකාශන

1.1 තත්ත්වගණනය කළ මතය

කහටගහ ග්‍රැෆයිට් ලංකා සමාගමේ (“සමාගම”) 2023 මාර්තු 31 දිනට මූල්‍ය තත්ත්ව ප්‍රකාශනය සහ එදිනෙන් අවසන් වර්ෂය සඳහා වූ විස්තීර්ණ ආදායම් ප්‍රකාශනය, හිමිකම් වෙනස්වීමේ ප්‍රකාශනය සහ එදිනෙන් අවසන් වර්ෂය සඳහා මුදල් ප්‍රවාහ ප්‍රකාශනය සහ මූල්‍ය ප්‍රකාශනවලට අදාළ සටහන්, සාරාංශගත වැදගත් ගිණුම්කරණ ප්‍රතිපත්තිවලින් සමන්විත 2023 මාර්තු 31 දිනෙන් අවසන් වර්ෂය සඳහා වූ මූල්‍ය ප්‍රකාශන ශ්‍රී ලංකා ප්‍රජාතාන්ත්‍රික සමාජවාදී ජනරජයේ ආණ්ඩුක්‍රම ව්‍යවස්ථාවේ 154(1) ව්‍යවස්ථාව සමඟ සංයෝජිතව කියවිය යුතු 2018 අංක 19 දරන ජාතික විගණන පනතේ විධිවිධාන ප්‍රකාර මාගේ විධානය යටතේ විගණනය කරන ලදී. ආණ්ඩුක්‍රම ව්‍යවස්ථාවේ 154(6) ව්‍යවස්ථාව ප්‍රකාරව මාගේ වාර්තාව යථා කාලයේදී පාර්ලිමේන්තුවේ සභාගත කරනු ලැබේ.

මාගේ වාර්තාවේ තත්ත්වගණනය කළ මතය සඳහා පදනම කොටසේ විස්තර කර ඇති කරුණුවලින් වන බලපෑම හැර, සමාගමේ මූල්‍ය ප්‍රකාශන තුළින් 2023 මාර්තු 31 දිනට මූල්‍ය තත්ත්වය සහ එදිනෙන් අවසන් වර්ෂය සඳහා එහි මූල්‍ය ක්‍රියාකාරිත්වය හා මුදල් ප්‍රවාහ කුඩා හා මධ්‍ය පරිමාණ ව්‍යවසායන් සඳහා වූ ශ්‍රී ලංකා ගිණුම්කරණ ප්‍රමිතීන්ට අනුකූලව සත්‍ය හා සාධාරණ තත්ත්වයක් පිළිබිඹු කරන බව මා දරන්නා වූ මතය වේ.



1.2 තත්වගණනය කළ මතය සඳහා පදනම

- (අ) සුළු හා මධ්‍ය පරිමාණ ව්‍යවසායන් සඳහා වූ ශ්‍රී ලංකා ගිණුම්කරණ ප්‍රමිතියේ 2.52 ඡේදය ප්‍රකාරව ඉඩදුන් අවස්ථාවන් වලදී හැර වත්කම් හා වගකීම් හිලවී නොකළ යුතු වුවද, සමාගමේ ගැණුම්කරුවෙකු විසින් ගෙවා තිබුණු රු.8,537,430 ක අත්තිකාරම් මුදලක් ගෙවිය යුතු ශේෂයක් ලෙස දැක්වීම වෙනුවට සමාගම වෙත ලැබිය යුතු මුදල් වලින් අඩු කර දක්වා තිබුණු අතර සැපයුම්කරුවන් 03 දෙනෙකු වෙත ගෙවූ රු.1,097,175 ක් වූ අත්තිකාරම් මුදල් ලැබිය යුතු ශේෂ ලෙස දැක්වීම වෙනුවට සැපයුම්කරුවන්ට ගෙවිය යුතු වටිනාකමින් අඩුකර දක්වා තිබුණි.
- (ආ) ශ්‍රී ලංකා ගිණුම්කරණ ප්‍රමිති 16 හි 79(ඇ) ඡේදය ප්‍රකාරව දැනට භාවිතා නොකරන රු.23,210,000 ක් වූ යන්ත්‍රෝපකරණ පිළිබඳව මූල්‍ය වාර්තාවල හෙළිදරව් කර නොතිබුණි.
- (ඇ) සමාලෝචිත වර්ෂය අවසානයේ මෙට්‍රික් ටොන් 7 ක මිනිරන් තොගයක් අවසන් තොගයට ගෙන නොතිබීම හේතුවෙන් තොග වටිනාකම රු.1,629,269 ක් අඩුවෙන් මූල්‍ය ප්‍රකාශනවල දක්වා තිබුණි. ඒ හේතුවෙන් වර්ෂයේ ලාභයද එම ප්‍රමාණයෙන් අඩුවෙන් දක්වා තිබුණි.
- (ඈ) සමාලෝචිත වර්ෂයේ අවසානයේ පාරිභෝගික ද්‍රව්‍ය තොග වටිනාකම රු.19,964,342 ක් ලෙස මූල්‍ය ප්‍රකාශනවල දක්වා තිබුණු අතර භෞතික තොග සත්‍යාපන වාර්තාව අනුව එම වටිනාකම රු.19,503,359 ක් වීමෙන් රු.460,983 ක වෙනසක් නිරීක්ෂණය විය.
- (ඉ) වර්ෂ කිහිපයක සිට ඉදිරියට ගෙන එමින් පැවති රු.3,387,101 ක් වූ ගෙවිය යුතු ආරක්ෂක වියදම් මුදල විධිමත් අනුමැතියකින් හෝ තහවුරු කර ගැනීමකින් තොරව, සමාලෝචිත වර්ෂයේ ආරක්ෂක වියදම් ගිණුමට බැර කරමින් ලියාහැර තිබුණි. මේ හේතුවෙන් සමාලෝචිත වර්ෂයේ ලාභය සමාන වටිනාකමකින් වැඩියෙන් දක්වා තිබුණි.
- (ඊ) ලැබිය යුතු එකතු කළ අගය මත බදු වශයෙන් දක්වා තිබුණු රු.6,176,996 ක ශේෂ තහවුරු කිරීමට අවශ්‍ය තොරතුරු විගණනයට ඉදිරිපත් නොකෙරුණු අතර ශේෂය නිරවුල් කර ගැනීමට කටයුතු කර ද නොතිබුණි.

ශ්‍රී ලංකා විගණන ප්‍රමිතිවලට (ශ්‍රී.ලං.වි. ප්‍ර) අනුකූලව මා විගණනය සිදු කරන ලදී. මෙම විගණන ප්‍රමිති යටතේ වූ මාගේ වගකීම, මෙම වාර්තාවේ මූල්‍ය ප්‍රකාශන විගණනය සම්බන්ධයෙන් විගණකගේ වගකීම යන කොටසේ තවදුරටත් විස්තර කර ඇත. මාගේ තත්වගණනය කළ

විගණන මතය සඳහා පදනමක් සැපයීම උදෙසා මා විසින් ලබාගෙන ඇති විගණන සාක්ෂි ප්‍රමාණවත් සහ උචිත බව මාගේ විශ්වාසයයි.

1.3 සමාගමේ 2022/2023 වාර්ෂික වාර්තාවේ ඇතුළත් අනෙකුත් තොරතුරු

මෙම විගණන වාර්තාවේ දිනට පෙර මා ලබාගත් සමාගමේ 2022/2023 වාර්ෂික වාර්තාවේ ඇතුළත් කර ඇති නමුත් මූල්‍ය ප්‍රකාශන සහ ඒ පිළිබඳව වූ මගේ විගණන වාර්තාවේ ඇතුළත් නොවන තොරතුරු, අනෙකුත් තොරතුරු යන්නෙන් අදහස් වේ. මෙම අනෙකුත් තොරතුරු සඳහා කළමනාකරණය වගකිව යුතුය.

මූල්‍ය ප්‍රකාශන සම්බන්ධයෙන් වූ මගේ මතයෙන් අනෙකුත් තොරතුරු ආවරණය නොකරන අතර මම ඒ පිළිබඳ කිසිදු ආකාරයක සහතිකවීමක් හෝ මතයක් ප්‍රකාශ නොකරමි.

මූල්‍ය ප්‍රකාශන පිළිබඳ මගේ විගණනයට අදාළව, මගේ වගකීම වන්නේ ඉහත හඳුනාගත් අනෙකුත් තොරතුරු ලබා ගත හැකි වූ විට කියවීම සහ එයේ කිරීමේදී අනෙකුත් තොරතුරු මූල්‍ය ප්‍රකාශන සමඟ හෝ විගණනයේදී හෝ වෙනත් ආකාරයකින් ලබාගත් මගේ දැනුම අනුව ප්‍රමාණාත්මක වශයෙන් නොගැළපෙනවාද යන්න සලකා බැලීමයි.

මෙම විගණන වාර්තාවේ දිනට පෙර මා ලබාගත් අනෙකුත් තොරතුරු මත හා මා විසින් කරන ලද කාර්යයන් මත පදනම්ව, මෙම අනෙකුත් තොරතුරු ප්‍රමාණාත්මක වශයෙන් වැරදි ලෙස දක්වා ඇති බව මම නිගමනය කරන්නේ නම්, එම කරුණ මා විසින් වාර්තා කිරීමට අවශ්‍ය වේ. මේ සම්බන්ධයෙන් මට වාර්තා කිරීමට කිසිවක් නැත.

1.4 මූල්‍ය ප්‍රකාශන පිළිබඳ කළමනාකරණයේ සහ පාලනය කරන පාර්ශවයන්ගේ වගකීම

මෙම මූල්‍ය ප්‍රකාශන කුඩා හා මධ්‍ය පරිමාණයේ ව්‍යවසායන් සඳහා වූ ශ්‍රී ලංකා ගිණුම්කරණ ප්‍රමිතීන්ට අනුකූලව පිළියෙල කිරීම හා සාධාරණ ලෙස ඉදිරිපත් කිරීම සහ වංචා හෝ වැරදි හේතුවෙන් ඇතිවිය හැකි ප්‍රමාණාත්මක සාවද්‍ය ප්‍රකාශනයන්ගෙන් ඉතාරව මූල්‍ය ප්‍රකාශන පිළියෙල කිරීමට හැකිවනු පිණිස අවශ්‍ය වන අභ්‍යන්තර පාලනයන් තීරණය කිරීම කළමනාකරණයේ වගකීම වේ.

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



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

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

1.5 මූල්‍ය ප්‍රකාශන විගණනය සම්බන්ධයෙන් විගණකගේ වගකීම

සමස්තයක් ලෙස මූල්‍ය ප්‍රකාශන, වංචා සහ වැරදි නිසා ඇතිවන ප්‍රමාණාත්මක සාවද්‍ය ප්‍රකාශනයන්ගෙන් තොර බවට සාධාරණ තහවුරුවක් ලබාදීම සහ මාගේ මතය ඇතුළත් විගණන වාර්තාව නිකුත් කිරීම මාගේ අරමුණ වේ. සාධාරණ සහතිකවීම උසස් මට්ටමේ සහතිකවීමක් වන නමුත්, ශ්‍රී ලංකා විගණන ප්‍රමිති ප්‍රකාරව විගණනය සිදු කිරීමේදී එය සැමවිටම ප්‍රමාණාත්මක සාවද්‍ය ප්‍රකාශනයන් අනාවරණය කරගන්නා බවට වන තහවුරු කිරීමක් නොවනු ඇත. වංචා සහ වැරදි තනි හෝ සාමූහික ලෙස බලපෑම නිසා ප්‍රමාණාත්මක සාවද්‍ය ප්‍රකාශනයන් ඇතිවිය හැකි අතර, එහි ප්‍රමාණාත්මකභාවය මෙම මූල්‍ය ප්‍රකාශන පදනම් කරගනිමින් පරිශීලකයන් විසින් ගනු ලබන ආර්ථික තීරණ කෙරෙහි වන බලපෑම මත රඳා පවතී.

ශ්‍රී ලංකා විගණන ප්‍රමිති ප්‍රකාරව විගණනයේ කොටසක් ලෙස මා විසින් විගණනයේදී වෘත්තීය විනිශ්චය සහ වෘත්තීය සැකමුසුබවින් යුතුව ක්‍රියා කරන ලදී. මා විසින් තවදුරටත්,

- ප්‍රකාශ කරන ලද විගණන මතයට පදනමක් සපයා ගැනීමේදී වංචා හෝ වැරදි හේතුවෙන් මූල්‍ය ප්‍රකාශනවල ඇති විය හැකි ප්‍රමාණාත්මක සාවද්‍ය ප්‍රකාශනයන් ඇතිවීමේ අවදානම් හඳුනාගැනීම හා තක්සේරු කිරීම සඳහා අවස්ථාවෝචිතව උචිත විගණන පරිපාටි සැලසුම් කර ක්‍රියාත්මක කරන ලදී. වරදවා දැක්වීම හේතුවෙන් සිදුවන ප්‍රමාණාත්මක සාවද්‍ය ප්‍රකාශනයන්ගෙන් සිදුවන බලපෑමට වඩා වංචාවකින් සිදුවන්නා වූ බලපෑම ප්‍රබල වන්නේ ඒවා දුස්සන්ධානයෙන්, ව්‍යාජ ලේඛන සැකසීමෙන්, වෙනතාන්විත මහඟුරීමෙන්, වරදවා දැක්වීමෙන් හෝ අභ්‍යන්තර පාලනයන් මඟ හැරීමෙන් වැනි හේතු නිසා වන බැවිනි.
- අභ්‍යන්තර පාලනයේ සඵලදායීත්වය පිළිබඳව මතයක් ප්‍රකාශ කිරීමේ අදහසින් නොවුවද, අවස්ථාවෝචිතව උචිත විගණන පරිපාටි සැලසුම් කිරීම පිණිස අභ්‍යන්තර පාලනය පිළිබඳව අවබෝධයක් ලබාගන්නා ලදී.



- භාවිතා කරන ලද ගිණුම්කරණ ප්‍රතිපත්තිවල උචිතභාවය, ගිණුම්කරණ ඇස්තමේන්තුවල සාධාරණත්වය සහ කළමනාකරණය විසින් කරන ලද සම්බන්ධිත හෙළිදරව් කිරීම් අගයන ලදී.
- සිද්ධීන් හෝ තත්ත්වයන් හේතුවෙන් සමාගමේ අඛණ්ඩ පැවැත්ම පිළිබඳ ප්‍රමාණාත්මක අවිනිශ්චිතතාවයක් තිබේද යන්න සම්බන්ධයෙන් ලබාගත් විගණන සාක්ෂි මත පදනම්ව ගිණුම්කරණය සඳහා සමාගමේ අඛණ්ඩ පැවැත්ම පිළිබඳ පදනම යොදා ගැනීමේ අදාළත්වය තීරණය කරන ලදී. ප්‍රමාණවත් අවිනිශ්චිතතාවයක් ඇති බවට මා නිගමනය කරන්නේ නම් මූල්‍ය ප්‍රකාශනවල ඒ සම්බන්ධයෙන් වූ හෙළිදරව්කිරීම්වලට මාගේ විගණන වාර්තාවේ අවධානය යොමු කළ යුතු අතර, එම හෙළිදරව්කිරීම් ප්‍රමාණවත් නොවන්නේ නම් මාගේ මතය විකරණය කළ යුතුය. කෙසේ වුවද, අනාගත සිද්ධීන් හෝ තත්ත්වයන් මත අඛණ්ඩ පැවැත්ම අවසන් වීමට හැකිය.
- මූල්‍ය ප්‍රකාශනවල ව්‍යුහය හා අන්තර්ගතය සඳහා පාදක වූ ගනුදෙනු හා සිද්ධීන් උචිත හා සාධාරණව ඇතුළත් වී ඇති බව සහ හෙළිදරව් කිරීම් ඇතුළත් මූල්‍ය ප්‍රකාශනවල සමස්ථ ඉදිරිපත් කිරීම අගයන ලදී.

මාගේ විගණනය තුළදී හඳුනාගත් වැදගත් විගණන සොයාගැනීම්, ප්‍රධාන අභ්‍යන්තර පාලන දුර්වලතා හා අනෙකුත් කරුණු පිළිබඳව පාලනය කරනු ලබන පාර්ශ්වයන් දැනුවත් කරමි.

2. වෙනත් නෛතික හා නියාමන අවශ්‍යතා පිළිබඳ වාර්තාව

- 2.1 2018 අංක 19 දරන ජාතික විගණන පනතේ සහ 2007 අංක 7 දරන සමාගම් පනතේ පහත සඳහන් අවශ්‍යතාවයන් සම්බන්ධයෙන් විශේෂ ප්‍රතිපාදන ඇතුළත් වේ.
 - 2.1.1 මාගේ වාර්තාවේ තත්ත්වගණනය කළ මතය සඳහා පදනම කොටසේ විස්තර කර ඇති කරුණු වලින් වන බලපෑම හැර ,2007 අංක 7 දරන සමාගම් පනතේ 163(2) වගන්තියේ සහ 2018 අංක 19 දරන ජාතික විගණන පනතේ 12(අ) වගන්තියේ සඳහන් අවශ්‍යතාවයන් අනුව, විගණනය සඳහා අවශ්‍ය සියලු තොරතුරු සහ පැහැදිලි කිරීම් මා විසින් ලබාගන්නා ලද අතර, මාගේ පරීක්ෂණයෙන් පෙනී යන ආකාරයට නිසි මූල්‍ය වාර්තා සමාගම පවත්වා ගෙන ගොස් තිබුණි.
 - 2.1.2 2018 අංක 19 දරන ජාතික විගණන පනතේ 6(1)(ඇ)(iii) වගන්තියේ සඳහන් අවශ්‍යතාවය අනුව සමාගමේ මූල්‍ය ප්‍රකාශන ඉකුත් වර්ෂය සමඟ අනුරූප වේ.



- 2.1.3 2018 අංක 19 දරන ජාතික විගණන පනතේ 6(1)(ඇ)(iv) වගන්තියේ සඳහන් අවශ්‍යතාවය අනුව මාගේ වාර්තාවේ ඉකුත් වර්ෂයේදී මා විසින් සිදුකරන ලද නිර්දේශයන් ඉදිරිපත් කරන ලද මූල්‍ය ප්‍රකාශනවල ඇතුළත්ව ඇත.
- 2.2 අනුගමනය කරන ලද ක්‍රියාමාර්ග සහ ලබා ගන්නා ලද සාක්ෂි මත හා ප්‍රමාණාත්මක කරුණුවලට සීමා කිරීම තුළ, පහත සඳහන් ප්‍රකාශන කිරීමට තරම් කිසිවක් මාගේ අවධානයට ලක් නොවීය.
 - 2.2.1 2018 අංක 19 දරන ජාතික විගණන පනතේ 12(ඇ) වගන්තියේ සඳහන් අවශ්‍යතාවය අනුව සමාගමේ පාලක මණ්ඩලයේ යම් සාමාජිකයෙකුට සමාගම සම්බන්ධව යම් ගිවිසුමක් සම්බන්ධයෙන් සෘජුව හෝ අන්‍යාකාරයකින් සාමාන්‍ය ව්‍යාපාරික තත්ත්වයෙන් බැහැරව සම්බන්ධයක් ඇති බව.
 - 2.2.2 2018 අංක 19 දරන ජාතික විගණන පනතේ 12(ඊ) වගන්තියේ සඳහන් අවශ්‍යතාවය අනුව පහත සඳහන් නිරීක්ෂණ හැර යම් අදාළ ලිඛිත නීතියකට හෝ සමාගමේ පාලක මණ්ඩලය විසින් නිකුත් කරන ලද වෙනත් පොදු හෝ විශේෂ විධානවලට අනුකූල නොවන ලෙස ක්‍රියා කර ඇති බව.

නීතිරීති / විධානයට යොමුව -----	නිරීක්ෂණ -----
(අ) 2018 අංක 19 දරන ජාතික විගණන පනතේ 40 වගන්තිය	සමාගම සඳහා අභ්‍යන්තර විගණකවරයෙකු පත්කර නොතිබුණි.
(ආ) 2021 නොවැම්බර් 16 දිනැති අංක 01/2021 දරන රාජ්‍ය ව්‍යාපාර වක්‍රලේඛය මගින් හඳුන්වා දී ඇති මෙහෙයුම් අත්පොතෙහි 6.6. ඡේදය	ගිණුම් වර්ෂය අවසාන වී දින 60 ක් ඇතුළත කෙටුම්පත් වාර්ෂික වාර්තාව හා මූල්‍ය ප්‍රකාශන විගණකාධිපති වෙත ඉදිරිපත් කළ යුතු වුවත් සමාගමේ 2022/2023 ගිණුම් වර්ෂයට අදාළ මූල්‍ය ප්‍රකාශන හා කෙටුම්පත් වාර්ෂික වාර්තාව විගණනයට ඉදිරිපත් කර තිබුණේ 2023 නොවැම්බර් 13 දිනිදීය.

- 2.2.3 2018 අංක 19 දරන ජාතික විගණන පනතේ 12(උ) වගන්තියේ සඳහන් අවශ්‍යතාවය අනුව සමාගමේ බලතල, කර්තව්‍ය සහ කාර්යයන්ට අනුකූල නොවන ලෙස කටයුතු කර ඇති බව.
- 2.2.4 2018 අංක 19 දරන ජාතික විගණන පනතේ 12(ඌ) වගන්තියේ සඳහන් අවශ්‍යතාවය අනුව සමාගමේ සම්පත් සකසුරුවම් ලෙස, කාර්යක්ෂම ලෙස සහ ඵලදායී ලෙස කාලසීමාවන් තුළ අදාළ නීතිරීති වලට අනුකූලව ප්‍රසම්පාදනය කර භාවිතා කර නොමැති බව.

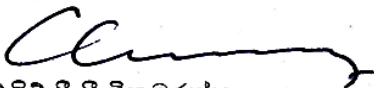
2.3 වෙනත් නිරීක්ෂණ

- (අ) විකුණුම් වලට අදාළ රාජ්‍යභාග ගැනුම්කරුගෙන් අයකර ගැනීම සමාගම විසින් දිගින් දිගටම සිදුකර තිබුණද ඒ පිළිබඳව වූ ප්‍රතිපත්තිය හෙළිදරව් කර නොතිබුණි.
- (ආ) නියමිත දිනට විදුලි වියදම් නොපියවීම හේතුවෙන් සමාගමට රු.163,135 ක අධිභාරයක් ගෙවීමට සිදුවී තිබුණු අතර එය අලාභයක් ලෙස හඳුනා ගැණිනි.
- (ඇ) ඉහළ කාබන් ප්‍රතිශතයකින් යුත් මිනිරන් කැණීම් කර මාසික නිෂ්පාදනය මෙට්‍රික් ටොන් 85 දක්වා වර්ධනය කර ගැනීමට සමාගම සැලසුම් කර තිබුණද සමාලෝචිත වර්ෂයේ මාසික සාමාන්‍ය නිෂ්පාදනය මෙට්‍රික් ටොන් 37 ක් වූ අතර මුළු නිෂ්පාදනය මෙට්‍රික් ටොන් 439.02 ක් වූයෙන් අපේක්ෂිත නිෂ්පාදන ඉලක්ක කරා ළඟාවීමට සමාගම අපොහොසත් වී තිබුණි.
- (ඈ) මිනිතුල සංවර්ධන කාර්යයන් අරමුණු කරගෙන පතලේ පළමු අඩි 1130 මට්ටමේ සිට අඩි 2000 මට්ටම දක්වා පිවිසුමට දෙවන පතල් වල (2nd shaft) ක මූලික කටයුතු වසර කිහිපයකට පෙර ආරම්භ කර, සමාලෝචිත වර්ෂයේ රු.මිලියන 8 ක ප්‍රතිපාදන සලසා තිබුණද ඊට අදාළ ඉදිරි කටයුතු සිදුකර නොතිබුණි.
- (ඉ) මිනිරන් ඛනිජය සඳහා අගය එකතු කිරීමේ ක්‍රියාවලීන් සිදුකිරීම අරමුණු කර ගෙන සමාගමේ විද්‍යාගාරය ස්ථාපිත කර තිබුණද ඊට අදාළ කාර්යයන් කිසිවක් එහි සිදුකර නොතිබුණු අතර අපනයනය සඳහා සකස් කරන ලද මිනිරන් සාම්පල තුළ අන්තර්ගත කාබන් ප්‍රතිශතය මිනුම් කිරීම පමණක් එහිදී සිදුකර තිබුණි. සමාගම වර්තමානය වන විට පියලි (Flake- කාබන් 97%-99%) සහ විජස් (Chips-කාබන් 90%-92%) යන ආකාර වලින් පමණක් මිනිරන් අපනයනය කර තිබුණු අතර අගය එකතු කර නිමි හෝ අර්ධනිමි වශයෙන් නිෂ්පාදනයන් සිදුකර නොතිබුණි.
- (ඊ) තොගයෙන් වැඩි ප්‍රමාණයක් එනම්, සියයට 57 ක් පමණ අඩු කාබන් ප්‍රතිශතයකින් යුත් මිනිරන් වලින් සමන්විත වී තිබීම හේතුවෙන් Flotation යන්ත්‍රයක් මිලදීගෙන, එය ආධාරයෙන් අඩු කාබන් සහිත මිනිරන්වල කාබන් ප්‍රතිශතය ඉහළ නංවා ආදායම වැඩිකර ගැනීමේ අපේක්ෂාවෙන් රු.මිලියන 20.3 ක ප්‍රතිපාදන සලසාගෙන තිබුණද 2023 දෙසැම්බර් 31 වන විටද එම අරමුණු ක්‍රියාත්මක කර නොතිබුණි.
- (උ) කහටගහ පතලට අයත් අක්කර 26.5 ක් සහ අක්කර 6 ක ඉඩම් කොටස් දෙකක් සම්බන්ධයෙන් අයිතිවාසිකම් ඉදිරිපත් කරමින් බාහිර පුද්ගලයින් විසින් පිළිවෙලින් 2004 සහ 2007 වර්ෂ වලදී සමාගමට එරෙහිව නඩු පවරා තිබුණි. එසේ වුවද එම නඩු කටයුතු



විගණන දිනය වූ 2023 මැයි 31 දින වන විටත් නිරවුල් වී නොතිබුණි. තවද, පතලේ සේවය කළ පුද්ගලයින් තිදෙනෙකුද ඇතුළුව 11 දෙනෙකු පතල් භූමිය තුළ පිහිටි රුධි 8 යි පර්චස් 87 ක ප්‍රදේශයක් තුළ පිහිටි නිල නිවාසවල අනවසරයෙන් පදිංචි වී සිටින අතර අනවසර පදිංචිකරුවන් ඉවත් කිරීමට අමාත්‍යාංශ මට්ටමින් කටයුතු කර ඇතත් 2023 දෙසැම්බර් 31 වන විටද නිරවුල් කර ගැනීමට නොහැකි වී තිබුණි.

- (ඌ) 2003 ඔක්තෝබර් 15 දිනැති ප්‍රතිපත්ති සම්පාදන සහ ක්‍රියාත්මක කිරීමේ අමාත්‍යාංශයේ ලේකම්ගේ ලිපියට අනුව දොඩම්ගස්ලන්ද යොවුන් සේනාංක පුහුණු මධ්‍යස්ථානය වෙනුවෙන් අවශ්‍ය ඉඩ පහසුකම් කහටගහ පතලට අයත් ඉඩම්වලින් ලබා දීමට 2003 ඔක්තෝබර් 16 දින පැවති අධ්‍යක්ෂ මණ්ඩල රැස්වීමේදී තීරණය කර තිබුණි. ඒ අනුව 2003 වර්ෂයේ සිට වර්ෂ 03 ක කාලයක් සඳහා ඉඩම නිදහස් කර තිබුණද විගණන දිනය වන විට එම කාලය වසර 19 ක් ඉක්මගොස් ඇතත් බදුකුලී ගිවිසුමකට එළඹීමෙන් හෝ බදුකුලී ගෙවීමෙන් තොරව පුහුණු මධ්‍යස්ථානය සඳහා ඉඩම පාවිච්චි කරනු ලබයි.
- (එ) සමාගමේ පොල් වගාවේ ආදායම වූ රු.1,736,036 වෙනම ආදායම් මූලාශ්‍රයක් ලෙස හඳුනාගැනීම වෙනුවට විවිධ ආදායම් ලෙස දක්වා තිබුණි. ඊට අදාළ වියදම රු.3,222,416 ක් වීමෙන් ඒ තුළින් වූ ශුද්ධ අලාභය රු.1,486,380 ක් විය.
- (ඒ) අනුමත කාර්ය මණ්ඩලය අනුව, සමාගම කොන්ත්‍රාත් පදනම මත බඳවා ගත යුතු 79 දෙනෙකුගෙන් යුතු කාර්ය මණ්ඩලයකින් සමන්විත විය යුතු වුවද, සමාලෝචිත වර්ෂය අවසානයට ස්ථිර කාර්ය මණ්ඩලය 40 ක්ද කොන්ත්‍රාත් පදනම මත 73 ක්ද, හා අනියම් කම්කරුවන් 07 ක්ද, ඇතුළුව කාර්ය මණ්ඩලය 120 දෙනෙකු විය.
- (ඔ) 2006 වර්ෂයේ සිට භාවිතයෙන් ඉවත් කර තිබුණු සමාගමේ ජීප් රථය අළුත්වැඩියා කිරීමට හෝ අපහරණය කිරීමට කටයුතු නොකර සමාගම් භූමියේ නිෂ්කාර්යව ගාල් කර තිබුණි.


 ඩබ්ලිව්.පී.සී.චන්ද්‍රසේන

විගණකාධිපති

KAHATAGAHA GRAPHITE LANKA LIMITED

STATEMENT OF COMPREHENSIVE INCOME

YEAR ENDED 31ST MARCH

	NOTES	2022/2023 LKR	2021/2022 LKR
REVENUE			
Sale of Graphite	10	179,521,839	123,428,333
Direct Cost, Mining Cost	11	(75,901,277)	(76,115,453)
GROSS PROFIT/(LOSS)		103,620,562	47,312,880
Sundry Income	12	(1,470,360)	(888,428)
Interest Income		686,848	2,785,428
LESS: OPERATING COST			
Personnel Cost	13	(18,590,966)	(16,073,342)
Establishment & Administration Cost	14	(9,809,063)	(8,336,222)
Maintenance Cost	15	(3,399,105)	(2,085,165)
Utility Cost	16	(1,110,134)	(922,947)
Depreciation Cost	17	(5,360,262)	(5,305,262)
Foreign Exchange Gain/(Loss)		(2,657,824)	(4,625)
Defined Contribution Plan - Gratuity	21	(1,639,870)	(2,593,101)
Administration Cost		(42,567,223)	(35,320,664)
Selling and Distribution Cost	18	(2,879,659)	(1,827,944)
Finance Cost	19	(279,646)	(975,512)
OPERATING PROFIT/(LOSS)		57,110,521	11,085,760
Impairment		-	-
PROFIT/(LOSS) BEFORE TAXATION		57,110,521	11,085,760
Taxation	30	(8,701,807)	(2,697,714)
Deferred Tax Expenses	26	1,141,160	74,200
PROFIT/(LOSS) AFTER TAXATION		49,549,874	8,462,246
OTHER COMPREHENSIVE INCOME			
Other comprehensive income / (loss) for the year			
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR		49,549,874	8,462,246

KAHATAGAHA GRAPHITE LANKA LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH

	NOTES	2022/2023 LKR	2021/2022 LKR
ASSETS			
Non Current Assets			
Property, Plant & Equipment	20	206,378,834	220,080,244
Non Operating Assets	21	23,210,000	23,210,000
Coconut Plantation Development		-	1,694,235
Gratuity Investment Fund		21,215,997	12,969,507
Deferred Tax Assets	26	1,219,906	78,745
		<u>252,024,736</u>	<u>258,032,731</u>
Current Assets			
Stock	22	265,069,310	218,018,336
Debtors, Deposit & Receivable	23	23,403,443	34,380,827
Cash & Cash Equivalent	24	16,541,490	430,260
		<u>305,014,243</u>	<u>252,829,423</u>
TOTAL ASSETS		<u>557,038,979</u>	<u>510,862,155</u>
EQUITY AND LIABILITIES			
Capital And Reserves			
Stated Capital	25	13,000,000	13,000,000
Revaluation Reserves		108,779,170	108,779,170
Retained Earnings		380,173,925	330,624,051
		<u>501,953,095</u>	<u>452,403,221</u>
Long Term Liabilities			
Gratuity Provision	27	17,824,272	18,091,672
		<u>17,824,272</u>	<u>18,091,672</u>
Current Liabilities			
NSB Loan Account	28	3,590,990	129,027
Trade and Other Creditors	29	5,105,417	6,558,964
Provision For Taxation	30	18,833,456	12,063,082
Accrued Charges	31	9,731,750	21,616,189
		<u>37,261,612</u>	<u>40,367,261</u>
TOTAL EQUITY AND LIABILITIES		<u>557,038,979</u>	<u>510,862,155</u>

I certify that the Financial Statements have been prepared in compliance with requirements of the Companies Act No 7 of 2007.


A.U.M.B. Bokalamulla

Mechanical Engineer/ Acting Manager
Kahatagaha Graphite Lanka Ltd
Maduragoda

Mines Manager



K.A.P.M. Bandaranayake
Accountant

The Board of Directors is responsible for the preparation of these Financial Statements signed for and on behalf of Board by


T.C. Malawwe Thantri (LLB, Attorney-at-Law)
Chairman

Thsiru Malawwe Thantri (LLB)
Attorney-at-Law
Chairman

KAHATAGAHA GRAPHITE LANKA LIMITED


E.D. Rasika Prabodani
Director

KAHATAGAHA GRAPHITE LANKA LIMITED

STATEMENT OF CHANGES IN EQUITY

	Share Capital LKR	Revaluation Reserve LKR	Accumulated Profit/(Loss) LKR	Total LKR
Balance on 01st April 2021	13,000,000	-	326,044,830	339,044,830
Prior year adjustment			(3,883,025)	(3,883,025)
Profit/(Loss) for the Year			8,462,246	8,462,246
Revaluation Adjustments		108,779,170		108,779,170
Balance on 31st March 2022	<u>13,000,000</u>	<u>108,779,170</u>	<u>330,624,051</u>	<u>452,403,221</u>
Balance on 01st April 2022	13,000,000	108,779,170	330,624,051	452,403,221
Prior year adjustment - (Note 1)				-
Profit/(Loss) for the Year			49,549,874	49,549,874
Balance on 31st March 2023	<u>13,000,000</u>	<u>108,779,170</u>	<u>380,173,925</u>	<u>501,953,095</u>

KAHATAGAHA GRAPHITE LANKA LIMITED

STATEMENT OF CASH FLOW

YEAR ENDED 31ST MARCH

	2022/2023	2021/2022
	LKR	LKR
Cash Flows From/(Used in) Operating Activities		
Net Profit/(Loss) before Income Tax Expenses	57,110,521	11,085,760
Adjustments for :		
Gratuity Provision	1,639,870	2,593,101
Depreciation on Tangible Fixed Assets	17,227,258	16,836,061
Forigne Exchange Gain / (Loss)	(2,657,824)	(4,625)
Interest Recived	(686,848)	(2,785,428)
Interest Expences	254,124	958,635
Operating Profit before Working Capital changes	72,887,101	28,683,503
(Increase)/Decrease in Inventories	(47,050,974)	(15,142,386)
(Increase)/Decrease in Receivable	10,977,384	(20,393,605)
(Decrease)/Increase in Loan Outstandings	3,461,963	(3,413,567)
(Decrease)/Increase in Creditors	(1,353,547)	1,341,407
(Decrease)/Increase in Accruals	(11,884,439)	(2,335,402)
Cash Generated from Operations	27,037,488	(11,260,050)
Interest Paid	(254,124)	(958,635)
Income Tax Paid	(1,931,434)	-
Net Cash Flow From/(Used in) Operating Activities	24,851,930	(12,218,685)
Cash Flow From/(Used in) Investing Activities		
Purchase of Tangible Fixed Assets	(1,931,613)	(2,207,455)
Interest Recived	686,848	2,785,428
Gratuity Investment Fund	(8,246,490)	(2,305,217)
Net Cash Flows From/(Used in) Investing Activities	(9,491,254)	(1,727,243)
Cash Flow From/(Used in) Financing Activities		
Gratuity Paid	(1,907,270)	(1,382,756)
Net Cash Flows From/(Used in) Financing Activities	(1,907,270)	(1,382,756)
Effect of Forigne currency exchange of Cash & Cash Equivalent	2,657,824	4,625
Net Increase/(Decrease) Cash & Cash Equivalents	16,111,229	(15,324,060)
Cash and Cash Equivalents at beginning of the year	430,260	15,754,320
Cash and Cash Equivalents at end of the year	16,541,490	430,260
Cash & Cash Equivalents		
Bank Of Ceylon - Redigama	533,418	36,243
Bank Of Ceylon - Kollupitiya	65,692	333,396
DFC \$ A/C - BOC Kollupitiya	15,942,380	60,621
	16,541,490	430,260

KAHATAGAHA GRAPHITE LANKA LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31st MARCH 2023

1. CORPORATE INFORMATION

1.1 GENERAL

KAHATAGAHA GRAPHITE LANKA LIMITED had been a 'Peoplized' Company and re-vested in 1997 with the Government under the Rehabilitation of Public Enterprises Act. No. 29 of 1996. Now it is functioning as a fully government owned business undertaking and Registered under the Companies Act No. 07 of 2007. The Registered Office of the Company is located at No. 561/3, Elvitigala Mawatha, Narahenpita, Colombo 05.

1.2 Principal Activities and Nature of Operations

During the period, principal activities of the Company were Manufacturing and Export of Graphite.

1.3 Directors' Responsibility Statement

The Board of Directors is responsible for preparation and presentation of financial statements.

1.4 Comparative Figures

The previous figures and phrases have been re-arranged to comply with current year presentation.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation

The Financial Statements of the Company has been prepared on a historical cost basis, unless otherwise indicated. The financial statements are presented in Sri Lankan Rupees (LKR).

2.1.1 Functional and presentation currency

The Financial Statements are presented in Sri Lankan Rupees (LKR), which is the Company's functional currency. All amounts have been rounded to the nearest rupee, unless otherwise indicated.

2.2 Statement of Compliance

The Financial Statements of the Company have been prepared in accordance with Sri Lanka Accounting Standards comprising SLFRS and LKAS (hereafter "SLFRS for SME"), as issued by the Institute of Chartered Accountants of Sri Lanka.

The preparation and presentation of these Financial Statements is in compliance with the requirements of the Companies Act No.07 of 2007.

These financial statements include comparative information for only one year (2017). On the transition, the entity did not choose to apply the fair value or revaluation as deemed cost exemptions in Fair value as deemed cost and Revaluation as deemed cost.

The Company has consistently applied the accounting policies used in preparation of its opening SLFRS Statement of Financial Position as at 01st April 2017 through all periods presented, as if these policies had always been in effect.

2.3 Significant Accounting Judgments, Estimates and Assumptions

The preparation of the Company financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Judgements

In the process of applying the Company's accounting policies, management has made following judgements which have the most significant effect on the amounts recognised in the financial statements

a) Classification of Property

The Company determines whether a property is classified as investment property or an owner occupied property. Investment property comprises land and buildings which are not occupied substantially for use by, or in the operations of the Company, not for sale in the ordinary course of business, but are held primarily to earn rental income and for capital appreciation. The Company determines whether a property qualifies as investment property by considering whether the property generates cash flows largely independently of the other assets held by the entity. Owner occupied properties generate cash flows that are attributable not only to property but also to other assets used in the production or supply process. Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions can be sold separately (leased out separately under a finance lease) or the financial accounts for the portions separately. If the portions cannot be sold separately, the property is accounted for as an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. Judgment is applied in determining whether ancillary services are so significant that a property does not qualify as an investment property. The Company considers each property separately in making its judgment.

b) Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

c) Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

d) Employee Benefits

The Company measures the present value of the promised retirement benefits of gratuity which is a defined benefit plan using the Projected Unit Credit Method (PUC) as recommended by Section 28 of SLFRS for SME.

e) Impairment of Non-Financial Assets

The Company assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. Non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable.

f) Impairment of Trade & Other Receivable

The Company reviews at each reporting date all receivables to assess whether impairment should be recorded in the Income Statement. Management uses judgment in estimating such allowance considering the duration of outstanding and any other factors management is aware of that indicates uncertainty in recoverability.

3. Significant Accounting Policies

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 can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. Accrual basis has been followed in charging the expenditure items to the revenue.

3.1.1 Foreign currency

Foreign currency translations

The Financial Statements are presented in Sri Lankan Rupees, which is also the Company's functional currency as explained in note 2.1.1.

3.1.2 Foreign currency transactions and balances

Transactions in foreign currencies are translated into functional currency, which is Sri Lankan Rupees, using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the spot rate of the functional currency prevailing at the reporting date. Foreign exchange differences arising on translation of foreign exchange transactions are recognised in the Statement of Profit or Loss. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Foreign currency differences arising on retranslation are recognised in profit or loss except for differences arising on the retranslation of available for-sale equity instruments, which are recognised in other comprehensive income. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction

a) Export Revenue

Export revenue is recognized based on actual exports effected on an accrual basis.

b) Interest Revenue

Interest revenue is accounted at the time of the received

c) Estate Crop Revenue

Estate income is recognized on cash basis.

d) Other Income

Other income is recognized on an actual basis.

3.2 Expenditure

All expenditure incurred in the running of the business and in maintaining the capital assets have been charge to Revenue on an accrual basis in arriving at the profit/(Loss) for the year.

3.3 Taxation

a) Current Taxes

Current income tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

b) Deferred Taxation

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax items are recognised in correlation to the underlying transaction either in Other Comprehensive Income or directly in Equity.

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

c) Sales Tax

Revenues, expenses and assets are recognized net of the amount of sales tax, except, where the sales tax incurred on a purchase of assets or service is not recoverable from the taxation authorities, in which case, the sales tax is recognized as a part of the cost of the asset or part of the expense items, as applicable or/and receivable and payable that are stated with the amount of sales tax included. The net amount of sales tax recoverable from or payable to the taxation authorities is included as a part of receivables or payables in the statement of financial position.

3.4 Property, Plant and Equipment

Property, Plant and Equipment is initially stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing parts of the Property, Plant and Equipment if the recognition criteria are met. When significant parts of Property, Plant and Equipment are required to be replaced at intervals, the Company recognises such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the Income Statement as incurred.

An item of Property, Plant and Equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognizing of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Income Statement in the year the asset is derecognized.

The asset's residual values, useful lives and methods of depreciation are reviewed, and adjusted if appropriate, at each financial year end.

Under the LKAS 16 Valuations to be performed every 3-5 years or frequently enough to ensure that the fair value of a revalue asset does not differ materially from its carrying amount.

A revaluation surplus is recognised in Other Comprehensive Income and credited to the asset revaluation reserve in Equity. However, to the extent that it reverses a revaluation deficit of the same asset previously recognised in the Income Statement, such the increase is recognised in the Income Statement. A revaluation deficit is recognised in profit or loss, except to the extent that it offsets an existing surplus on the same asset recognised in the asset revaluation reserve.

The provision for depreciation/amortization is calculated by using a straight line method on the cost/revaluation of all Property, Plant and Equipment in order to write off such amounts over the following estimated useful lives by equal instalments.

Depreciation Rates are as indicated Note 20 to the accounts.

No depreciation provided for non-operating assets.

During the year under review the depreciation component pertaining to production process charged to under direct mining cost.

Fair value of Property, Plant and Equipment

The Company has carried out revaluation for Property, Plant & Equipment by using an independent valuation committee to assess fair value. Therefore the Property, Plant & Equipment presented at original cost /revalue amount less depreciation.

3.5 Financial Instruments - Initial Recognition and Subsequent measurement

Financial Assets

Initial Recognition and Measurement

The Company has chosen to apply the recognition, measurement and disclosure provisions of Section 11 of SLFRS for SME to account for all its financial instruments.

Initial Recognition

The Company recognize a financial assets or financial liability only when the entity becomes the party to the contractual provisions of the entity

Initial Measurement

All financial assets are recognized initially an entity shall measure it at the transaction price. (Including transaction costs except in the initial measurement of financial assets and liabilities that are measured at fair value through profit and loss. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

The Company's financial assets include cash and bank balances, tradé and other receivables and other financial assets.

Subsequent Measurement

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

- Financial Instruments at amortised cost

Trade and Other Receivables

Trade and Other Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate method (EIR), less impairment. The losses arising from impairment are recognised in the Income Statement.

Derecognition

i) Financial Assets

A financial asset is primarily derecognised when:

- (a) The rights to receive cash flows from the asset have expired,
- Or
- (b) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full.

Impairment of Financial Assets

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

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

Financial Assets Carried at Amortised Cost

The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in the Income Statement. The assets are written off when there is no realistic prospect of future recovery. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a write off is later recovered, the recovery is credited to the Income Statement.

ii) Financial Liabilities

Initial Recognition and Measurement

Financial liabilities within the scope of Section 11 of SLFRS for SME are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Company determines the classification of its financial liabilities at initial recognition. The Company's financial liabilities excluding derivative financial instruments include trade and other payables and other financial liabilities.

Financial liabilities are recognised initially at fair value plus, in the case of loans and borrowings, directly attributable transaction costs.

3.6 Inventories

Inventories are valued at the weighted average of cost and net realisable value; Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

It is reported that Company were unable to utilize on comprehensive method due to the limited resources available and lack of expertise knowledge.

The cost of inventories includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their existing location and condition. Accordingly, the costs of inventories are accounted as follows.

Graphite – At weighted average cost.

Other Consumables- At weighted average cost.

Engineering supplies – At weighted average cost.

3.7 Impairment of Non-Financial Assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is higher of asset's fair value less costs to sell and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

3.8 Intangible Assets

Intangible assets with indefinite useful lives are tested for impairment annually as at 31 March either individually or at the CGU level, as appropriate and when circumstances indicate that the carrying value may be impaired.

3.9 Cash and Cash Equivalents

Cash and short-term deposits 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 statement of cash flows, cash and short-term deposits consist of cash in hand and deposits in banks net of outstanding bank overdrafts. Investments with short maturities i.e. three months or less from the date of acquisition are also treated as cash equivalents

3.10 Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the Income Statement net of any reimbursement.

3.11 Post-Employment Benefits

Defined Benefit Plan – Gratuity

The Company measures the retirement benefits of gratuity at the end of every financial year using the Projected Unit Credit Method (PUC) as recommended by Section 28 of SLFRS for SME.

a) Defined Contribution Plans

Employees' Provident Fund and Employees' Trust Fund

Employees are eligible for Employees Provident Fund and Employee Trust Fund contributions, in line with respective statute and regulations. The company contributes 12% and 3% of gross remuneration of employees to Employee Provident Fund and Employee Trust Fund.

KAHATAGAHA GRAPHITE LANKA LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST MARCH 2023

FINANCIAL STATEMENT DISCLOSURES

4. STATED CAPITAL

Issued 1,300,000 Ordinary Shares of Rs. 10/- per share.

Name	No. Of Shares	Value of Shares	Ownership Percentage
Treasury Secretary	<u>1,300,000</u>	<u>13,000,000/-</u>	<u>100%</u>
	<u>1,300,000</u>	<u>13,000,000/-</u>	<u>100%</u>

5. ASSETS PLEDGED

Rs. 5 Mn. from Gratuity investment fund have been pledged as securities as against the Rs.4,000,000.00 loan obtained from NSB – Ridigama branch to finance the recurrent expences as at the date of Statement of Financial position.

6. DIRECTORS INTEREST

According to the information made available to us, no Director of the Company is directly or indirectly interested in any contract with the Company.

7. RELATED PARTY DISCLOSE

The Chairperson and Board of Directors of the Company are liable to receive allowances based on the Government Regulation which are disclosed under Note 13. The respective PAYE deducted only from the Chairperson allowances.

8. COMMITMENTS AND CONTINGENT LIABILITIES

Legal Case – Land Ownership

A Legal Cases Nos P 5745 & P 6070 at Kurunegala District Court pending against the Company in connection with 26 Acres land dispute. The Plaintiff named as A. A. Somasiri.

However, no provision has been made in these financial statements as the directors of the Company are confident of defending the case made against the Company.

9. EVENT AFTER THE REPORTING PERIOD

There have been no material events occurring after the date of Statement of Financial Position that require adjustment to or disclosure in the Financial Statements.

KAHATAGAHA GRAPHITE LANKA LIMITED
NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH

	NOTES	2022/2023 LKR	2021/2022 LKR
10 SALE OF GRAPHITE			
Graphite Sales Income		179,521,839	123,428,333
Sales Income		179,521,839	123,428,333
11 DIRECT COST, MINING COST			
Stock Balance at beginning		205,087,846	189,793,620
Wages Cost	11-01	67,986,914	55,445,534
Support Service Cost	11-02	36,149,201	24,433,347
Depreciation	11-03	11,782,284	11,530,799
		321,006,245	281,203,300
Less Stock at closing	11-04	(245,104,968)	(205,087,846)
Add Cost of Mining During the Period		75,901,277	76,115,453
Wages Cost	11-01		
Salaries & Wages		36,808,624	34,809,612
2022 Monthly Allowance		3,507,196	
Other Allowance		1,586,352	1,439,601
Production Incentives		7,542,540	6,388,145
Overtime		2,214,018	3,050,872
Defined Contribution Plan (EPF)		4,382,266	4,082,582
Defined Contribution Plan (ETF)		1,095,567	1,107,378
Staff Welfare		9,828,350	3,802,862
Bonus		1,022,000	764,475
		67,986,914	55,445,534
Support Service Cost	11-02		
Mining Expenses		13,985,249	7,922,205
Power and Electricity		21,490,379	13,726,355
Security Charges		673,573	2,784,788
		36,149,201	24,433,347
Depreciation	11-03		
Plant & Machinery		7,344,931	7,275,095
Generator		1,400,000	1,400,000
Under Ground Development		3,037,353	2,855,703
		11,782,284	11,530,799
Analysis of Cost of sales and closing stocks	11-04		
	M.T.	Cost of Sales per M.T.	Rs.
O/Stocks	1,022.57	200,561.18	205,087,846
Production	439.02	264,038.99	115,918,399
	1,461.59	219,628.11	321,006,245
Sales	(345.59)	219,628.11	(75,901,278)
	1,116.00	219,628.11	245,104,968
N/Wast	62.93	-	-
Wast	-	-	-
C/Stocks	1,053.07	232,752.78	245,104,968

KAHATAGAHA GRAPHITE LANKA LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH	NOTES	2022/2023 LKR	2021/2022 LKR
12 SUNDRY INCOME			
Agricultural Income			
Income from sale of Crops / Coconut wood		1,736,036	1,609,395
Less ; Expenses			
Labour		(2,301,552)	(1,921,759)
Overtime		(35,459)	(4,096)
2022 Monthly Allowance		(373,268)	(70,400)
Defined Contribution Plan (EPF)		(231,394)	(216,782)
Defined Contribution Plan (ETF)		(57,849)	(54,196)
Depriciations		(84,712)	-
Bonus		(21,000)	(12,000)
Tools & Equipments			(23,640)
Nursery expences		(117,182)	(284,950)
		<u>(1,486,380)</u>	<u>(978,428)</u>
Other Income		<u>16,020</u>	<u>90,000</u>
		<u>(1,470,360)</u>	<u>(888,428)</u>
13 PERSONNEL COST			
Directors Remuneration		2,167,090	1,566,605
Staff Salary and Wages			
Administration Salary & wages		10,640,274	10,480,330
2022 Monthly Allowance		1,286,336	
Overtime		1,156,065	875,368
Allowances - Incentives		997,936	1,131,189
Other Allowance		441,223	276,500
Defined Contribution Plan (EPF)		1,276,833	1,257,640
Defined Contribution Plan (ETF)		319,208	314,410
Bonus		306,000	171,300
		<u>16,423,876</u>	<u>14,506,737</u>
Total Personnel Cost		<u>18,590,966</u>	<u>16,073,342</u>
14 ESTABLISHMENT AND ADMINISTRATION COST			
Rates & Taxes		14,751	16,733
Medical Aid		82,802	385,112
Insurance	14-1	2,108,619	2,137,018
Printing & Stationery		547,883	145,154
Postage		21,881	77,083
Legal & Professional Fees	14-2	181,815	299,220
Security Charge		224,524	910,388
Book & Periodicals		1,360	-
Secretarial Charges		381,137	198,744
Audit Fees		333,000	333,000
Travelling & Transport		5,509,131	2,881,624
License & Permits		207,659	263,147
Training Expenses		194,500	689,000
		<u>9,809,063</u>	<u>8,336,222</u>

KAHATAGAHA GRAPHITE LANKA LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH	NOTES	2022/2023 LKR	2021/2022 LKR
Insurance	14-1		
Fire Insurance - Generator		50,245.69	54,905
Sharma Surekuma Insurance		334,752	362,598
Agrahara Insurance Scheme		1,454,000	1,476,000
Air Compressor Insurance		66,905.87	54,808
Vehicle Insurance		202,716	188,707
		<u>2,108,619</u>	<u>2,137,018</u>
Legal & Professional Fees	14-2		
Labour Tribunal Case		38,680	111,250
Land Dispute Case		103,525	155,000
Professional Charges		39,610	32,970
		<u>181,815</u>	<u>299,220</u>
15 MAINTENANCE COST			
Office & Office Equipment Maintenance		773,707	255,323
Building Maintenance		2,500	12,900
Machinery Maintenance		2,622,898	1,816,942
		<u>3,399,105</u>	<u>2,085,165</u>
16 UTILITY COST			
Water Charges		90,655	62,104
Electricity		747,835	450,001
Telephone		271,644	410,843
		<u>1,110,134</u>	<u>922,947</u>
17 DEPRECIATION COST			
Building		2,248,200	2,248,200
Electrical Equipments		7,000	7,000
Motor Vehicle		2,690,000	2,690,001
Office Equipments		124,162	59,162
Other Assets		30,900	40,900
Furniture & Fittings		260,000	260,000
		<u>5,360,262</u>	<u>5,305,262</u>
18 SELLING AND DISTRIBUTION COST			
Transport to Wharf - Export		1,772,748	549,000
Sales Promotion		198,000	197,387
Advertising Expenses		403,799	646,925
Freight Expenses		505,113	434,632
		<u>2,879,659</u>	<u>1,827,944</u>
19 FINANCE COST			
Bank Charges		20,328	16,877
Interest Expences		254,124	958,635
Other Expences		5,195	-
		<u>279,646</u>	<u>975,512</u>

KAHATAGAHA GRAPHITE LANKA LIMITED

NOTES TO THE ACCOUNTS

AS AT 31ST MARCH

2022
LKR

2023
LKR

20 Property Plant and Equipment

Cost	Balance On 1st April 2022	Additions	Revaluation Adjustments	Transfers	Non Operating Asset	Balance On 31st March 2023
Gross Carrying Amounts						
Free Hold Land	28,050,000	-	-	-	-	28,050,000
Coconut Plantation Development	-	-	-	1,694,235	-	1,694,235
Building	74,520,000	-	-	-	-	74,520,000
Plant & Machinery	72,755,870	698,362	-	-	-	73,454,232
Electrical Equipment	35,000	-	-	-	-	35,000
Motor Vehicle	26,900,000	-	-	-	-	26,900,000
Other Assets	409,000	-	-	(100,000)	-	309,000
Office Equipment	1,345,360	324,999	-	-	-	1,670,359
Generator	17,500,000	-	-	-	-	17,500,000
U.G.Development	14,101,075	908,252	-	-	-	15,009,327
Furniture & Fitting	1,300,000	-	-	-	-	1,300,000
Total Assets	236,916,305	1,931,613	-	1,594,235	-	240,442,153

Item under column 4 of above schedule included property plant & equipment which later identified as consumable materials has been transferred to the consumable stock

Depreciation	Rate	Balance on 1st April	Depreciation	Revaluation Adjustments	Transfers	Non Operating Asset	Balance On 31st March 2023
Building	3%	2,248,200	2,248,200	-	-	-	4,496,400
Coconut Plantation Dev.	5%	-	84,712	-	-	-	84,712
Plant & Machinery	10%	7,275,095	7,344,931	-	-	-	14,620,027
Electrical Equipment	20%	7,000	7,000	-	-	-	14,000
Motor Vehicle	10%	2,690,001	2,690,000	-	-	-	5,380,001
Other Assets	10%	40,900	30,900	-	-	-	71,800
Office Equipment	20%	59,162	124,162	-	-	-	183,324
Generator	8%	1,400,000	1,400,000	-	-	-	2,800,000
U.G.Development	10%	2,855,703	3,037,353	-	-	-	5,893,056
Furniture & Fitting	20%	260,000	260,000	-	-	-	520,000
Total Depreciation		16,836,061	17,227,258	-	-	-	34,063,319
Total Written Down Value		220,080,244			1,594,235	-	206,378,834

KAHATAGAHA GRAPHITE LANKA LIMITED

NOTES TO THE ACCOUNTS

AS AT 31 MARCH

	NOTES	2022/2023 LKR	2021/2022 LKR
21 NON OPERATING ASSETS			
Cost as at 1st April		23,210,000	23,210,000
Revaluation Adjustments		-	-
Balance as at 31st March		<u>23,210,000</u>	<u>23,210,000</u>
22 STOCK			
Stock Consumables		19,964,342	12,930,490
Stock-Graphite		245,104,968	205,087,846
		<u>265,069,310</u>	<u>218,018,336</u>
23 DEBTORS, DEPOSITS & RECEIVABLES			
Accounts Receivable	23-01	13,790,989	27,635,692
Purchase Advance	23-02	15,400	10,000
Deposits	23-03	3,030,016	49,574
Insurance pre paid		279,327	368,815
Sri Lanka Telecom Deposit		5,000	5,000
Value Added Tax Receivables		6,176,996	6,207,281
Jayawimana Court Case Appeal Dep		30,000	30,000
Employee Debtors - Rathnayaka R M A		44,465	44,465
DHL Keells (Pvt) Ltd		30,000	30,000
Festival Advance		1,250	-
		<u>23,403,443</u>	<u>34,380,827</u>
Accounts Receivable	23-01		
Akshtha De Silva		-	96,030
Atire (Pvt) Ltd		-	4,500
First Graphite Ltd		321,498.00	11,584,599
Fujian Lufurun International Trade Co.Ltd		(8,537,430.00)	
Millenium Concreet Technologies (Pvt) Ltd		-	(5,400)
Royalty Receivables		1,751,829	
S Kato & Co.,		19,556,916	15,958,600
Solex Castings (Pvt) Ltd		700,638	
Other		(42)	
Thilakarathne K G C R		(2,419)	(3,477)
		<u>13,790,989</u>	<u>27,635,692</u>
			(840)
Purchase Advance	23-02		
Jayasundara		5,400	
Dep of Valuation - Kurunegala		10,000	10,000
Herath H M S R		-	
		<u>15,400</u>	<u>10,000</u>
Deposits	23-03		
Ceylon Petroleum Corp.		3,030,016	-
Geologic Survey & Mines Bureau		-	49,574
		<u>3,030,016</u>	<u>49,574</u>

KAHATAGAHA GRAPHITE LANKA LIMITED**NOTES TO THE ACCOUNTS****AS AT 31 MARCH**

	NOTES	2022/2023 LKR	2021/2022 LKR
24 CASH & CASH EQUIVALENT			
Bank Of Ceylon - Redigama		533,418	36,243
Bank Of Ceylon -Kollupitiya		65,692	333,396
DFC \$ A/C - BOC Kollupitiya		15,942,380	60,621
Petty Cash - Head Office		-	-
		<u>16,541,490</u>	<u>430,260</u>
25 STATED CAPITAL			
Called Up Share Capital		13,000,000	13,000,000
		<u>13,000,000</u>	<u>13,000,000</u>
26 DEFERRED TAX LIABILITY			
Balance B/F		(78,745)	(4,545)
Provision For The Year		(1,141,160)	(74,200)
Closing Balance		<u>(1,219,906)</u>	<u>(78,745)</u>
27 GRATUITY PROVISION			
Balance B/F		18,091,672	16,881,328
Provision For The Year		1,639,870	2,593,101
Paid During The Year		(1,907,270)	(1,382,756)
Closing Balance		<u>17,824,272</u>	<u>18,091,672</u>

KAHATAGAHA GRAPHITE LANKA LIMITED

NOTES TO THE ACCOUNTS

AS AT 31 MARCH

	NOTES	2022/2023 LKR	2021/2022 LKR
28 NSB LOAN PAYABLE			
Rental Amount	266,013.75		
Rental Period	36		
Cost	7,895,000.00		
Interest	<u>1,681,495.04</u>		
Total	<u>9,576,495.04</u>		
Opening Balance		129,026.61	3,542,593.67
Paid During the year		<u>(129,026.61)</u>	<u>(3,413,567.06)</u>
Balance		<u>(0.00)</u>	<u>129,026.61</u>
Long Term		-	-
Current		<u>(0.00)</u>	<u>129,027</u>
Balance		<u>(0.00)</u>	<u>129,027</u>
Interest in Suspense			
Opening Interest		-	181,599
Revenue Account		-	<u>(181,599)</u>
Balance		<u>-</u>	<u>-</u>
Balance			
Long Term		-	-
Current		<u>-</u>	<u>-</u>
Total		<u>-</u>	<u>-</u>
Balance			
Long Term		-	-
Current		<u>(0.00)</u>	<u>129,027</u>
Total		<u>(0.00)</u>	<u>129,027</u>

KAHATAGAHA GRAPHITE LANKA LIMITED

NOTES TO THE ACCOUNTS

AS AT 31 MARCH

	NOTES	2022/2023 LKR	2021/2022 LKR
29 TRADE AND OTHER CREDITORS			
4M International (Pvt) Ltd		45,000	45,000
A.M.Distributors		(300,000)	14,950
Accounting Secretarial Services(pvt)Ltd		-	57,000
Ace Distriparks (pvt) Ltd		195,408	
Airline Traders		-	45,000
Alliance Valves & Fitting Company		-	113,800
B I Commodities & Logistics (Pvt) Ltd		(400)	(150)
Blackwatch Security Syndicates (pvt) Ltd		602,991	375,850
BCC Lanka Limited		196,122	
Brown & Company PLC		44,413	1,275,025
Browns Thermal Engineering (pvt) Ltd		-	135,000
Buddhika Tyre Center		70,000	
Cambridge Traders		50,900	276,000
Car Lovers (pvt) Ltd.		34,575	24,800
central Bearing & Machinery (pvt) Ltd		69,816	
D N Dinesh Suranga		25,300	29,710
DHL Keels(Pvt) Ltd.		-	84,678
Diligant Cargo Services		-	106,818
Dinapala Super Centre		1	
Disanayaka Hardware		210,745	447,548
Eastern Trading Company		2,382,325	399,275
ET Lab Manufacturing (Pvt) Ltd		51,000	25,000
Fleming & Jenner Pharmaceuticals		12,000	
Global Enterprises		-	28,160
Gunarathne D R		15,600	15,600
Hunter & Company PLC		-	25,033
Hotel White Diamond		(20)	
Infortec Computer System		17,250	
Internal Timber Productions		210,165	72,415
Janatha Estate Development Board		182,000	147,000
Jayalanka Agencies		150,142	152,843
Kulasooriya E H		-	47,000
Lanka I B C Company (Pvt) Ltd		(5)	(5)
Lakshiru Enterprises		10,170	
M P C S - Ridigama		744,868	538,581
M P C S Hiriyala		-	6,400
Manju Electricals		(0)	57,330
Mega Heaters (Pvt) Ltd		(192,375)	
Metropolitan Technologies (pvt) Ltd		44,280	
Nanayakkara L D J M P		-	203,375
National Insurance Trust Fund		118,957	427,218
National Water Supply & Dra.Board 1/4		10,811	17,238
New National hardware		1,035	26,240
Nipon Air		11,000	11,000
Niroshan W E		3,000	3,000
Pelawatta Diary		(604,800)	
P M Samarasekara		-	41,350
Rathna Lee Mola		-	12,000
Rotax 9Pvt) Ltd		-	16,988
Salim Textiles		2,140	2,140
Samota Trade Center		99,850	168,950
Sathosa Motors PLC		-	25,428
Sewmini Lee Mola		137,600	50,715
Somapala Motors		255	255
Sri Lanka Insurance		-	127,802
Sri Lanka State Trading (General) Cop		-	67,342
Sri Lanka Telecom		-	100,000
St.Anthony's Hardware (Pvt) Ltd		825	825

State Pharmaceuticals Corporation Of Sri Supreme Furbishers	16	16
The Associated Newspapers of Ceylon Ltd	48,658	29,245
United Motors Lanka PLC	403,799	238,050
United Tractor & Equipment (pvt) Ltd	-	102,375
Vanoja Motor Stores	-	237,751
	-	104,000
	<u>5,105,417</u>	<u>6,558,964</u>
30 PROVISION FOR TAXATION		
Opening Balance	12,063,082	9,365,368
Income Tax Paid	(1,935,552)	-
Income Tax Payable for the Year	8,701,807	2,697,714
With Holding Tax - Paid at source On Interest Income	4,118	-
	<u>18,833,456</u>	<u>12,063,082</u>
31 ACCRUED EXPENCES		
Audit Fees - Auditor General	977,434	1,337,434
Defined Contribution Plan (EPF) Payable	731,223	2,476,187
Defined Contribution Plan (ETF) Payable	99,712	337,662
Electricity Board	2,587,852	6,374,866
P.A.Y.E Tax Payable	11,073	1,859
With Holding Tax - Vendor Collections	770,983	6,059
Salaries & Wages Payable Account	4,306,650	6,346,205
Telephone Bills Payable	49,418	39,488
Alpex network security Ltd	-	4,516,135
Refundable Tender Deposits	12,110	(5,000)
Nation Building Tax Payable	185,294	185,294
	<u>9,731,750</u>	<u>21,616,189</u>

KAHATAGAHA GRAPHITE LANKA LIMITED

INCOME TAX COMPUTATION

YEAR OF ASSESSMENT 2022/23

Profit/(loss) per Account				57,110,521.32
less: Interest Income				(686,848.26)
				<u>56,423,673.06</u>
Add Back:				
Gratuity Provision	1,639,870.00	100%	1,639,870.00	
Legal Fees (LT case)	103,525.00	100%	103,525.00	
Impairment	-	100%	-	
Depreciation	17,227,258.24	100%	17,227,258.24	
Advertisement	403,798.50	25%	100,949.63	
Professional Charges	78,290.00	100%	78,290.00	
				<u>19,149,892.87</u>
				<u>75,573,565.93</u>
Less:				
Capital Allowances				(12,687,982.01)
Gratuity Paid of The Year				(1,907,270.40)
Gain on Foreign Exchange Gain/Loss				
				<u>60,978,313.52</u>
Business Profit/(Loss) for the Year				60,978,313.52
Interest Income				686,848.26
Total Statutory Income				<u>61,665,161.78</u>
Total Taxable Income				
		Income	Rate	
	Export Income	60,978,313.52	14%	8,536,963.89
	Interest Income	686,848.26	24%	164,843.58
Total Tax payable		<u>61,665,161.78</u>		<u>8,701,807.47</u>
DEFERRED TAX LIABILITY				
Gratuity			Asset	17,824,271.92
Capital allowance to be claim (Note 1)			14,026,712.47	
Accounting depreciation to be claim			40,564,595.53	
Tax over claimed			<u>26,537,883.06</u>	
Capital expenses over deduct for taxable profit than accounting profit			Liability	(26,537,883.06)
Coconut Plantation Development			Liability	-
Deferred Tax Liability				<u>(8,713,611.14)</u>
Tax Rate			14%	<u>(1,219,905.56)</u>
Current Asset / (Liability) as at 31/03/2023				(1,219,905.56)
Opening Asset / (Liability) 31/03/2022				(74,199.86)
Over provision				<u>1,145,705.70</u>

KAHATAGAHA GRAPHITE LANKA LIMITED

INCOME TAX COMPUTATION

YEAR OF ASSESSMENT 2022/23

Dividends Tax Payable	
Net Profit After Taxation	49,549,874.23
Less : Property, Plant & Equipments Acquired	(1,606,613.97)
Add : Depreciation for Property, Plant & Equipments Acquired	-
Distributable Profit	<u>47,943,260.26</u>

TAX WRITTEN DOWN VALUE

Note 01 : Capital Allowance on Assets

Assets	Claim no	Rate	Value	Claim
Building				
2011/12	10	10%	1,422,820.50	-
2012/13	10	10%	4,554,425.27	455,442.53
2013/14	10	10%	178,545.08	17,854.51
2014/15	9	10%	29,575,817.88	2,957,581.79
2015/16	7	10%	52,780.20	5,278.02
Electrical Equipments				
2008/09	8	12.50%	10,780.00	-
2010/11	8	12.50%	446,810.00	-
2014/15	3	33.33%	61,200.00	-
2017/18	3	33.33%	-	-
2021/22	2	20.00%	35,000.00	7,000.00
Other Assets				
2012/13	5	20%	357,100.00	-
2013/14	10	6.67%	3,918,615.00	261,238.39
2014/15	9	6.67%	1,970,772.78	131,383.54
2016/17	7	6.67%	110,000.00	7,337.00
2016/17	7	6.67%	621,989.00	41,486.67
2018/19	5	20.00%	925,831.09	185,166.22
2020/21	3	15.00%	813,190.50	162,638.10
2021/22	2	20.00%	6,000.00	1,200.00
Office Equipments				
2009/10	8	12.50%	181,927.67	
2010/11	8	12.50%	739,029.48	
2012/13	5	20%	560,021.55	
2013/14	5	20%	187,396.25	
2013/14	4	25%	148,000.00	
2014/15	3	33.33%	59,999.00	
2014/15	4	25%	206,000.00	
2014/15	4	25%	4,500.00	
2014/15	5	20%	11,700.00	
2014/15	3	33.33%	169,285.72	
2015/16	3	33.33%	118,250.00	
2016/17	4	25.00%	91,000.00	22,750.00
2017/18	3	33.33%	24,800.00	
2017/18	3	33.33%	44,450.00	
2018/19	5	20.00%	223,500.00	44,700.00
2019/20	4	20.00%	134,300.00	26,860.00
2021/22	2	20.00%	215,810.00	43,162.00
2022/23	1	20.00%	324,999.00	64,999.80
Generator				
2009/10	8	12.50%	794,707.00	

Plant & Machinery					
2010/11	8	12.50%	3,476,500.00	-	
2015/16	2	50.00%	494,750.00	-	
2016/17	2	50.00%	3,707,868.80	-	
2016/17	2	50.00%	142,541.78	-	
2017/18	2	50.00%	291,239.14	-	
2018/19	4	20.00%	187,560.00	37,512.00	
2019/20	4	20.00%	8,204,100.00	1,640,820.00	
2020/21	3	15.00%	371,756.66	55,763.50	
2021/22	3	20.00%	1,520,370.00	304,074.00	
2022/23	1	20.00%	698,362.12	139,672.42	
Motor Vehicles					
2013/14	5	20.00%	1,649,000.00	-	
2018/19	5	20.00%	6,100,000.00	1,220,000.00	
U.G. Developments					
Trally Rails - Ground Truck Lines					
2021/22	2	40.00%	11,428,645.93	4,571,458.37	
2022/23	2	20.00%	430,275.00	86,055.00	
2022/23	1	20.00%	908,251.85	181,650.37	
Furniture & Fixtures					
2014/15	5	20.00%	468,391.73		
2018/19	4	20.00%	74,488.98	14,897.80	
			89,455,454.96	12,687,982.01	

NOTICE KAHATAGAHA GRAPHITE LANKA LIMITED

NOTICE IS HEREBY GIVEN THAT THE ANNUAL GENERAL MEETING OF KAHATAGAHA GRAPHITE LANKA LIMITED WILL BE HELD ON 16th August 2024 AT 2.30 PM AT THE BOARD ROOM OF KGLL, NO. 561/3, ELVITIGALA MAWATHA, NARAHENPITA, COLOMBO 05.

AGENDA

1. **NOTICE**
To receive the notice convening the meeting.
2. **AUDITED ACCOUNTS AND THE AUDITOR'S REPORT THEREON FOR THE FINANCIAL YEAR ENDING 31ST MARCH 2023**
To receive and consider the Audited Accounts for the year ended 31st March 2023 with the Report of the Auditors thereon.
3. **RE-ELECTION OF DIRECTORS**
 - a) **Mr Kula kula Sooriyalage Susitha Gayan Perera**
To re-elect Mr. Kula Kula Sooriyalage Susitha Gayan Perera as a Director, who retires and offers himself for election as per the Article 93 & 95 of Articles of Association of the Company.
 - b) **Mr Dissanayake Mudiyansele Gunasekara**
To re-elect Mr Dissanayake Mudiyansele Gunasekara as a Director, who retires and offers himself for election as per the Article 93 & 95 of Articles of Association of the Company.
 - c) **Mrs Thuduwege Dona Rasika Prabodani**
To elect Mrs Thuduwege Dona Rasika Prabodani as a Director, who retires and offers himself for election as per Article 97 of the Articles of Association of the Company.
 - d) **Mr Ratnayake Mudiyansele Dilhan Nalinda Ratnayake**
To elect Mr Ratnayake Mudiyansele Dilhan Nalinda Ratnayake as a Director, who retires and offer himself for election, as per the Article 97 of Article of Association of the Company.
 - e) **Mr Hewanayake Mudiyansele Sunil Shantha Hewanayake**
To elect Mr Hewanayake Mudiyansele Sunil Shantha Hewanayake as a Director, who retires and offer himself for election, as per the Article 97 of Article of Association of the Company
4. **RE-APPOINTMENT OF AUDITORS**
To re-appoint the Auditor General as the Auditor of the Company for the ensuing year as per PED Circular 01 and to authorize the Directors to determine their remuneration.
5. Any other business of which due notice has been given

BY ORDER OF THE BOARD
KAHATAGAHA GRAPHITE LANKA LIMITED

DELOITTE CORPORATE SERVICES (PRIVATE) LIMITED
PV 4190


.....
DIRECTOR/COMPANY SECRETARY

14th June 2024

KAHATAGAHA GRAPHITE LANKA LIMITED
NO.561/3, ELVITIGALA MAWATHA, NARAHENPITA, COLOMBO 05.

PROXY FORM

I, the undersigned Secretary to the Treasury as being a shareholder of Kahatagaha Graphite Lanka Limited, hereby appoint Mr/Ms. (name) of No (address) as my proxy to represent me and to vote for me and on my behalf for/or against the resolution and/or to speak at the *Annual General Meeting* of the Company, to be held on - 2024 and at any adjournment thereof and at every poll which may be taken in consequence thereof

	For	Against
1. To approve the Audited Financial Statements for the year ended 31 st March 2023	<input type="checkbox"/>	<input type="checkbox"/>
2. To re-appoint The Auditor General as the Auditor of the Company for the ensuing year 2023/2024 as per PED Circular 01 and to authorize the Directors to determine their remuneration.	<input type="checkbox"/>	<input type="checkbox"/>
3. <u>To re -elect Mr. Kula Kula Soorivalage Susitha Gayan Perera as a Director, who retires and offers himself for election as per the Article 93 & 95 of Articles of Association of the Company.</u>	<input type="checkbox"/>	<input type="checkbox"/>
4. To re-elect Mr. Dissanayake Mudiyansele Gunasekara as a Director, who retires and offers himself for election as per the Article 93 & 95 of Articles of Association of the Company.	<input type="checkbox"/>	<input type="checkbox"/>
5. Mrs Thuduwege Dona Rasika Prabodani To elect Mrs Thuduwege Dona Rasika Prabodani as a Director, who retires and offers himself for election as per Article 97 of the Articles of Association of the Company.	<input type="checkbox"/>	<input type="checkbox"/>
6. Mr Ratnayake Mudiyansele Dilhan Nalinda Rathnayake To elect Mr Ratnayake Mudiyansele Dilhan Nalinda Rathnayake as a Director, who retires and offers himself for election as per Article 97 of the Articles of Association of the Company.	<input type="checkbox"/>	<input type="checkbox"/>
7. Mr Hewanayake Mudiyansele Sunil Shantha Hewanayake To elect Mr Hewanayake Mudiyansele Sunil Shantha Hewanayake as a Director, who retires and offers himself for election as per Article 97 of the Articles of Association of the Company.	<input type="checkbox"/>	<input type="checkbox"/>
8. To authorize Directors to determine Contributions to Charities	<input type="checkbox"/>	<input type="checkbox"/>
9. To re-appoint The Auditor General as the Auditor of the Company for the ensuing year 2023/2024 as per PED Circular 01 and to authorize the Directors to determine their remuneration.	<input type="checkbox"/>	<input type="checkbox"/>
10. To approve any other business of which due Notice has been given	<input type="checkbox"/>	<input type="checkbox"/>

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Shareholder

Signed this..... day of 2024

Instructions as to the completion of Proxy Form

1. A member is entitled to appoint a proxy to attend and vote in his/her/their place.
2. A proxy holder need not be a member of the Company.
3. A member wishing to vote by proxy at the meeting may use the form enclosed and interpolate the 'right to speak'.
4. To be valid, the completed form of proxy must be lodged at the registered office of the Company not less than 48 hours before the meeting.
5. In the case of a Company /corporation the proxy must be under its Common Seal, which should be affixed thereto.

1