

MINISTRY OF INDUSTRIES

KAHATAGAHA GRAPHITE LANKA LIMITED

Fully Government owned Company



ANNUAL REPORT

2020 / 2021

HEAD OFFICE

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

Telephone : 011 - 2368738
Fax : 011 - 2058062
Email : kgl@sltnet.lk
Website : www.kgraphite.lk

MINES

Kahatagaha Mine
Maduragoda,
Dodangaslanda.

Telephone : 037-2252015
Fax : 037-4931711

C O N T E N T S

Introduction	01
Chairman’s Review	02
Audit Committee Report	04
Corporate Vision, Mission & Objectives	05
Organizational Structure	06
Report of the Directors	07
Financial Highlights	10
Annual Accounts	11
Notice of Meeting	12
Form of Proxy	13



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 from line 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 2020-2021. 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 2020/21 fiscal year, our company extracted 599 metric tons (M/T) of graphite Run of Mine, representing a 4.53% increase from the previous year's output of 573 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 426.6 metric tons (M.T) of processed graphite, which generated a revenue of Rs. 126.14 million. However, we observed a decrease in revenue of approximately Rs. 5.48 million as compared to the previous year's revenue of Rs. 131.62 million.

The primary reason for the reduced income was the slow-moving higher grade processed graphite, particularly the 97/99% grade C. This segment of our product line faced 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. 15.99 million for the current year before tax. This represents a significant increase of Rs. 11.10 million in profit compared to the previous year's profit of Rs. 4.88 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. 1.74 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 eight individuals who maintain the estate, as well as necessary infrastructure facilities and fertilizer support.

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

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 Samurdhi 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.

WORKERS WELFARE AND ISSUES

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 unstinted 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

10th February 2023



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 Apointed on 22.3.2022

Mr . A.D.L.G.Kalansooriya - Chairman Treasury Rep:/Director Resinged On 22.3.2022

Mr .Upul Abeysiriwardena -Director / Member (Left on 28/06/2022)

Mr. S.S.Katawalagedara - Director /Member (Left on 09/12/2022)

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. Nilani Jayasiri - Rep. Auditor General's Dept- Observer

Mr. 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 2021. 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 2020/ 2021

On Behalf of the Committee

Chairman of the Audit Committee

15.02.2023



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”



ORGANIZATIONAL 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 2021

The Directors present herewith the audited Financial Statements for the year ended 31st March 2021. The Board of Directors are 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 2nd March 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 2021 are set out on pages 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 page 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 20 to the Financial Statement.

Investments

Company has invested Rs.10.66 Mn. in fixed & Saving deposits to discharge employees' gratuity obligation.

Donation

Company has made no donations during the accounting period.



Directors as at 31st March 2021

The names of the Directors who held office as at 31st March 2021 are as follows:

Full Name

Mr. Neel Waththuhewa
Mr. Aratchige Don Leel Gaminda Kalansuriya
Mr. Jayantha Rasnayake
Mr. Ahamed Mohamed Alawi
Dr N W B Balasooriya
Mr. Chanaka Arampatta
Mr. Uthumankandu Muhamed Nizar
Mr. Mohamed Rafeek Mohamed Hamjad
Mr. Janith Dinuk Schokman
Mr. Weerawarna Nilawera Ran Patabedige Damith Mewan
Mr. Sampath Susantha Ketawalagedara

The Board of Directors declare as follows:

- (1) the Company has not engaged in any activity which contravenes to any 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 endeavours 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 No. 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 Note 6 of the 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 2021 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 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

ACCOUNTING SYSTEMS SECRETARIAL SERVICES
(PRIVATE) LIMITED - PV 4190


.....
DIRECTOR/ SECRETARY
.....
**Accounting Systems Secretarial
Services (Pvt) Ltd**



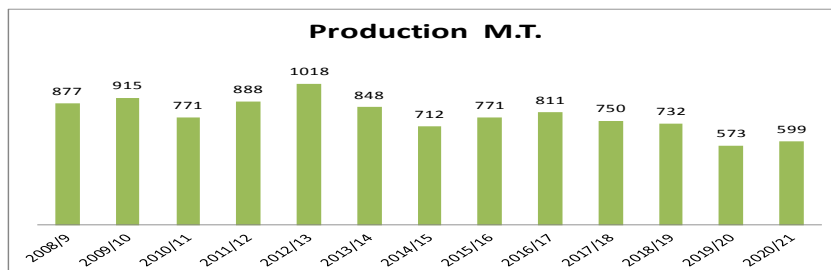
Financial Highlights

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

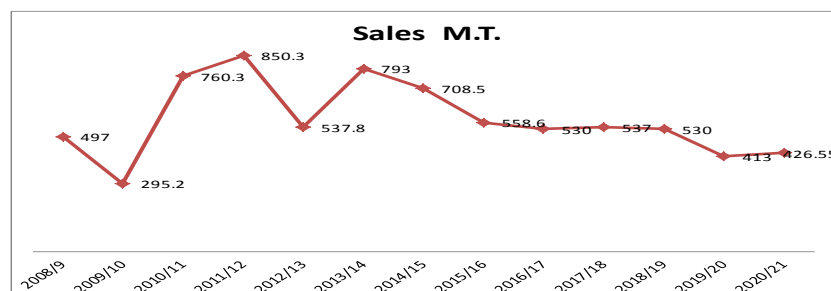
Production M.T.



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	426.55

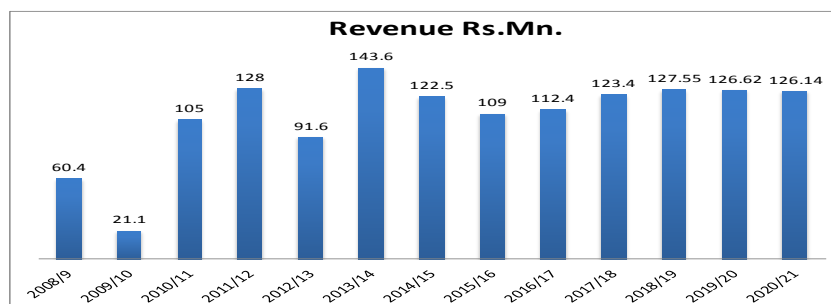
Sales M.T.



Revenue

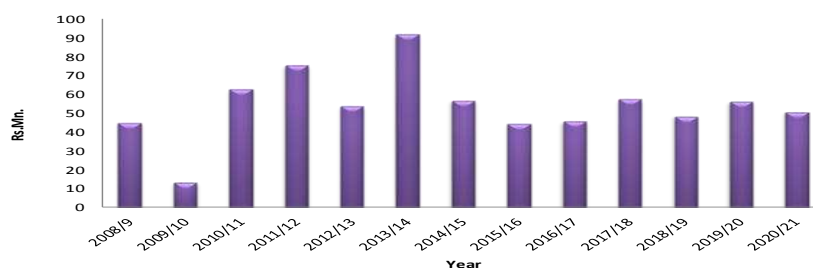
Year	Rs.Mn.
2008/9	60.4
2009/10	21.1
2010/11	105
2011/12	128
2012/13	91.6
2013/14	143.6
2014/15	122.5
2015/16	109
2016/17	112.4
2017/18	123.4
2018/19	127.55
2019/20	126.62
2020/21	126.14

Revenue Rs.Mn.



Gross Profit

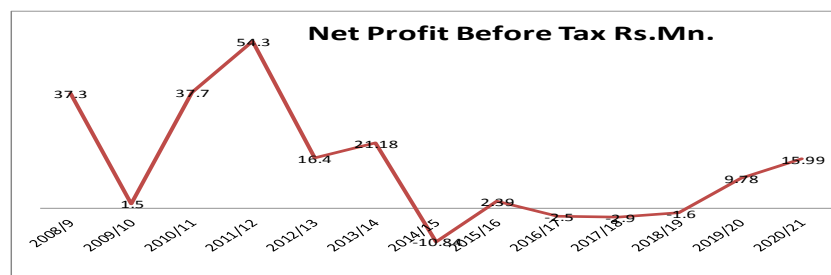
Year	Rs.Mn.
2008/9	44.8
2009/10	13.1
2010/11	62.4
2011/12	74.9
2012/13	53.5
2013/14	91.36
2014/15	56.35
2015/16	44.08
2016/17	45.47
2017/18	57.19
2018/19	47.89
2019/20	55.76
2020/21	50.42



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	-2.5
2017/18	-2.9
2018/19	-1.6
2019/20	9.78
2020/21	15.99

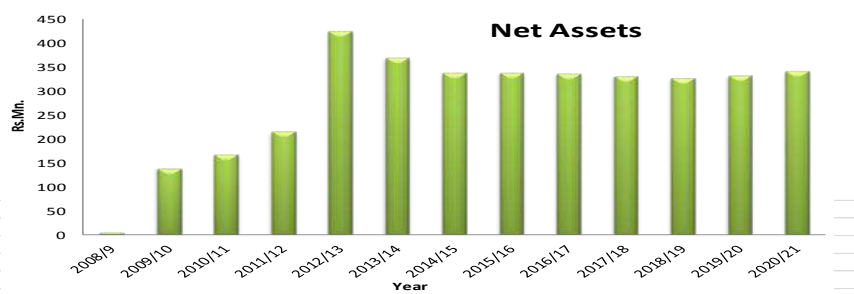
Net Profit Before Tax Rs.Mn.



Net Assets

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	330.59
2020/21	339.02

Net Assets



**KAHATAGAHA GRAPHITE
LANKA LIMITED**

**ANNUAL ACCOUNTS
2020/21**

FROM 01 APRIL 2020 TO 31 MARCH 2021



<p style="text-align: center;">KAHATAGAHA GRAPHITE LANKA LIMITED ACCOUNTS 2020/21</p>

CONTENTS	PAGE
Corporate Information	01
Auditors' Report	02
Statement of Comprehensive Income	03
Statement of Financial Position	04
Statement of Changes in Equity	05
Statement of Cash Flow	06
Significant Accounting Policies	07 -13
Financial Statement Disclosures	14
Notes to the Accounts	15 - 23
Tax Computation	24 - 26

KAHATAGAHA GRAPHITE LANKA LIMITED

CORPORATE INFORMATION AS AT 31ST MARCH 2021

NAME OF THE COMPANY
KAHATAGAHA GRAPHITE LANKA LIMITED

LEGAL FORM
LIMITED LIABILITY COMPANY UNDER 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.

<u>HEAD OFFICE</u>		<u>COMMUNICATION</u>		<u>MINES</u>	
TELE	: 011 - 2368738	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 2021

THUSIRA CHINTAKA MALAWWE THANTRI – (APPOINTED ON 14/09/2022)
NEEL WATHTHUHEWA – (LEFT ON 13/09/2022)
ARATCHIGE DON LEEL GAMINDA.KALANSURIYA
JANITH DINUK SCHOKMAN
WEERAWARNA NILAWEERA RAN PATABEDIGE DAMITH MEWAN
SAMPATH SUSANTHA KETAWALAGEDARA
LINIYA KUMARAGE JAGATH PRIYANKARA - (LEFT ON 18/06/2020)

SECRETARY
ACCOUNTING SYSTEMS SECRETARIAL SERVICES (PVT) LTD
NO. 02, CASTLE LANE, COLOMBO 04.

AUDITORS
AUDITOR GENERAL OF SRI LANKA

BANKERS
BANK OF CEYLON
KOLLUPITIYA AND REDIGAMA.

1.2 තත්වගණනය කළ මතය සඳහා පදනම

- (අ) කුඩා හා මධ්‍ය පරිමාණයේ ආයතන සඳහා වූ ශ්‍රී ලංකා ගිණුම්කරණ ප්‍රමිත 17.19 ඡේදය ප්‍රකාරව ජංගම නොවන වත්කම් වල එලදායි ජීව කාලය සමාලෝචනය නොකිරීම හේතුවෙන් සම්පූර්ණයෙන්ම ක්ෂය කර අවසන්ව ඇති රු.7,131,924 ක් පිරිවැය වූ වත්කම් තවදුරටත් ප්‍රයෝජනයට ගනිමින් පැවතියද එම ඇස්තමේන්තුගත දෝෂය ප්‍රමිතියේ 10.15 – 10.18 ඡේද ප්‍රකාරව ප්‍රතිරෝධනය කර නිවැරදි ධාරණ අගය මූල්‍ය ප්‍රකාශනවල නිරූපනය කිරීමට කටයුතු කර නොතිබුණි.
- (ආ) එක්සත් ජනපද ඩොලර් (USD) 39,270 ක් වූ විකුණුම් ඉන්වොයිසියක් එ.ජ.ඩොලර් 42,018 ක් ලෙස ගිණුම්ගත කර තිබුණි. විකුණුම් වටිනාකම වැඩියෙන් සටහන් වීම නිවැරදි කිරීම සඳහා විකුණුම් ගිණුම හර කරනු වෙනුවට විදේශ විනිමය ලාභ පාඩු ගිණුම හර කර තිබීම හේතුවෙන් සමාලෝචිත වර්ෂයේදී එක්සත් ජනපද ඩොලර් 2,748 කින් එනම් රු.584,491 කින් විකුණුම් ආදායම වැඩියෙන්ද විදේශ විනිමය ලාභ පාඩු ගිණුමේ ශේෂය අඩුවෙන්ද දක්වා තිබුණි.
- (ඇ) මිනිරන් අපනයනය වෙනුවෙන් සියයට 7 ක පුරස්කාර ගාස්තුවද සහිතව USD 42,019 ක ලැබිය යුතු මුදල සඳහා USD 44,159 ක මුදලක් ලැබී තිබුණි. එසේ වැඩිපුර ලද USD 2,140 ක මුදල කුමන වියදමක් ප්‍රතිපූර්ණය කිරීම වෙනුවෙන්ද යන්න හඳුනාගැනීමකින් තොරව පුරස්කාර ගිණුමට සටහන් කර තිබීම නිසා පුරස්කාර ගිණුමේ ශේෂය රු.310,334 කින් අඩු වී තිබුණි.
- (ඈ) සමාලෝචිත වර්ෂයේ අපනයනයක් වෙනුවෙන් හූ විද්‍යා හා පතල් කාර්යාංශයට ගෙවිය යුතු රු.972,185 ක පුරස්කාරය, සඳහා වෙන් කිරීම් කර නොතිබුණි.
- (ඉ) 2019/20 ගිණුම් වර්ෂයට අදාළව ලැබිය යුතු පුරස්කාර ලෙස හඳුනාගෙන නොතිබූ රු.687,457 ක ලැබීම, සමාලෝචිත වර්ෂයේදී විදේශ විනිමය ලාභ/පාඩු ගිණුමට ගිණුම්ගත කර තිබීම හේතුවෙන් විදේශ විනිමය ලාභ පාඩු ගිණුමේ ශේෂය එම ප්‍රමාණයෙන් වැඩියෙන් දක්වා තිබුණි.



(ඊ) නිෂ්පාදන සහ විකුණුම් දත්ත මත සමාලෝචිත වර්ෂයේ අවසන් දිනට තොගය ගණනය කර තිබුණි. එහිදී මෙවුන් වොන් 20 ක විකුණුමක් මෙවුන් වොන් 1ක් ලෙස ඇතුළත්වීම නිසා රු.3,373,316 කින් අවසන් තොගය වැඩියෙන්ද පතල් කැනීමේ සෘජු පිරිවැය අඩුවෙන් ද ගණනය වී තිබුණි.

(උ) 2021 මාර්තු මාසයට අදාළ සේවක භාරකාර හා සේවක අර්ථසාධක දායක අරමුදල් සඳහා පිළිවෙලින් රු.96,841 ක් හා රු.710,168 ක් ගෙවීමට තිබුණි. එහෙත් ගෙවිය යුතු ආරම්භක ශේෂයන්හි වැරදි ගැලපිලි හේතුවෙන් සමාලෝචිත වර්ෂයේ අවසන් දිනට ගෙවිය යුතු ශේෂය ලෙස මූල්‍ය ප්‍රකාශනයේ දක්වා තිබුණේ පිළිවෙලින් රු.24,112 ක් හා රු. 766,170 ක් ලෙසය.

(ඌ) සමාලෝචිත වර්ෂයේ විදුලි බිල්පත් මත අයකළ රු.1,353,892 ක පොළිය මිනිරන් කැණීමේ සෘජු පිරිවැයක් ලෙස ඇතුළත් කර තිබුණි. එම හේතුවෙන් මිනිරන් කැණීමේ සෘජු පිරිවැය එම ප්‍රමාණයෙන් වැඩියෙන් දක්වා තිබුණි.

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

1.3 සමාගමේ 2020/2021 වාර්ෂික වාර්තාවේ ඇතුළත් අනෙකුත් තොරතුරු.

මෙම විගණන වාර්තාවේ දිනට පෙර මා ලබාගත් සමාගමේ 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 එසේ කිරීමේදී අනෙකුත් තොරතුරු මූල්‍ය ප්‍රකාශන සමඟ හෝ විගණනයේදී හෝ වෙනත් ආකාරයකින් ලබාගත් මගේ දැනුම අනුව ප්‍රමාණාත්මක වශයෙන් නොගැලපෙනවාද යන්න සලකා බැලීමයි.

මෙම විගණක 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 ආයතන සඳහා වූ ශ්‍රී ලංකා ගිණුම්කරණ ප්‍රමිතීන්ට අනුකූලව පිළියෙල කිරීම හා සාධාරණ ලෙස ඉදිරිපත් කිරීම සහ වංචා හෝ වැරදි හේතුවෙන් ඇතිවිය හැකි ප්‍රමාණාත්මක සාවද්‍ය ප්‍රකාශනයන්ගෙන් තොරව 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 ඇවර 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 ප්‍රමාණාත්මක භාවය 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 දුස්ස්‍රාව්‍යයෙන්, ව්‍යාජ ලේඛන සැකසීමෙන්, චේතනාන්විත මඟහැරීමෙන්, 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 පාර්ශවයන් දැනුවත් කරමි.

2. වෙනත් තෛතික 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 තත්වාගණනය කළ මතය සඳහා පදනම් 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 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 (i) (ඇ) (iv) වගන්තියේ සඳහන් අවශ්‍යතාවය අනුව 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 තුල, පහත සඳහන් ප්‍රකාශ කිරීමට තරම් කිසිවක් මාගේ අවධානයට ලක් නොවිය.
 - 2.2.1 2018 අංක 19 දරන ජාතික විගණන පනතේ 12 (ඇ) වගන්තියේ සඳහන් අවශ්‍යතාවය අනුව සමාගමේ පාලක මණ්ඩලයේ යම් සාමාජිකයෙකුට සමාගම සම්බන්ධවී යම් ගිවිසුමක් සම්බන්ධයෙන් සෘජුව හෝ අන්‍යාකාරයකින් සාමාන්‍ය ව්‍යාපාරික තත්වයෙන් බැහැරව සම්බන්ධයක් ඇති බව.
 - 2.2.2 2018 අංක 19 දරන ජාතික විගණන පනතේ 12 (ඊ) වගන්තියේ සඳහන් අවශ්‍යතාවය අනුව පහත සඳහන් නිරීක්ෂණය 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

2013 සැප්තැම්බර් 11 දිනැති අංක 02/2013 දරන රාජ්‍ය ව්‍යාපාර චක්‍රලේඛයේ 3.5 ඡේදය

2021 මාර්තු 31 දිනට ගෙවිය යුතු විශ්‍රාමික පාරිතෝෂික මුදල ලෙස රු.16,881,328 ක මුදලක් හඳුනාගෙන තිබුණද පාරිතෝෂික ආයෝජන අරමුදල් ගිණුමේ ශේෂය රු.10,664,290 ක් වී තිබුණි. ඒ අනුව රු.6,217,038 කින් ඌන ආයෝජනයක් කර තිබුණි.

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

පහත සඳහන් නිරීක්ෂණයන් කරනු ලැබේ.

(අ) එක් සමාගමක් වෙත අපනයනය කළ KL 97-99 වර්ගයේ මිනිරන් මෙට්‍රික්ටොන් එකක් සඳහා අයකල එ.ජ.ඩො 1,963.50 ක මිල එ.ජ.ඩො 2,063.50 දක්වා වැඩි කිරීමට 2020 ඔක්තෝබර් 20 දින මිල කමිටු රැස්වීම මගින් අනුමැතිය ලැබී තිබුණි. එසේ වුවද 2021 වර්ෂයේදී එම සමාගමට අපනයන කළ මිනිරන් මෙට්‍රික්ටොන් 40 ක් වෙනුවෙන් මිල සංශෝධනය නොකිරීම හේතුවෙන් එ.ජ.ඩො 4,000 ක් එනම් ආසන්න වශයෙන් රු.792,000 ක ආදායමක් අහිමි වී තිබුණි.

(ආ) කහටගහ පතලට අයත් අක්කර 26.5 ක් සහ අක්කර 6 ක ඉඩම් කොටස් දෙකක් සම්බන්ධයෙන් අයිතිවාසිකම් ඉදිරිපත් කරමින් බාහිර පාර්ශවයන් දෙකක් විසින් පිළිවෙලින් 2004 සහ 2007 වර්ෂ වලදී සමාගමට එරෙහිව නඩු පවරා තිබුණි. එසේ වුවද එම නඩු කටයුතු විගණිත දිනය වූ 2022 දෙසැම්බර් 01 දින වන විටත් නිරවුල් වී නොතිබුණි. එමෙන්ම පතලේ සේවය කළ පුද්ගලයින් නිදෙනෙකුද ඇතුළුව 11 දෙනෙකු පතල් භූමිය තුළ පිහිටි රුඩ් 8 යි පර්චස් 87 ක ප්‍රදේශයක් තුළ පිහිටි නිල නිවාස වල අනවසරයෙන් පදිංචි වී සිටින අතර අනවසර පදිංචිකරුවන් ඉවත් කිරීමට අමාත්‍යාංශ

මට්ටමින් කටයුතු කර ඇතත් 2022 දෙසැම්බර් වන විටත් නිරවුල් කර ගැනීමට නොහැකි වී තිබුණි.

- (ඇ) 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 මණ්ඩලය තීරණය කර තිබුණි. ඒ අනුව වර්ෂ 03 ක කාලයක් සඳහා 2003 වර්ෂයේ ඉඩම නිදහස් කර තිබුණද විගණක දිනය වන විට එම කාලය වසර 18 ක් ඉක්මගොස් ඇතත් බදුකුලී ගිවිසුමකට එළඹීම හෝ බදුකුලී ගෙවීමකින් තොරව එම ඉඩම පාවිච්චි කරනු ලබයි.
- (ඈ) පතලේ පළමු අඩි 1130 මට්ටමේ සිට අඩි 2000 මට්ටම දක්වා පිවිසුමට දෙවන පතල් වළ (2nd shaft) ක අවශ්‍යතාව වසර කිහිපයකට පෙර හඳුනාගෙන මූලික කටයුතු ආරම්භ කර ඇතත් ඉදිරි කටයුතු සිදුකර නොතිබුණි. එසේම දැනට භාවිතා කරන සම්ප්‍රදායික දොරුවේ ගමන් කිරීම අනතුරුදායක තත්ත්වයක් යටතේ සිදුවන බව ජාතික ගොඩනැගිලි පර්යේෂණ සංවිධානය විසින් වාර්තාවක් නිකුත් කර තිබුණි.
- (ඉ) එක් එක් වර්ෂයක අවසන් දිනට අඩු කාබන් සහිත මිනිරන්වලින් සමන්විත වී තිබූ මිනිරන් තොගය 2018/2019 ,2019/2020 සහ 2020/2021 යන වර්ෂයන්හිදී එය පිළිවෙලින් මෙට්‍රික්ටොන් 834 ක් ,925 ක් සහ 1098 ක් දක්වා වර්ධනය වෙමින් පැවතුණි. තවද මුළු මිනිරන් තොගයෙන් වැඩි ප්‍රතිශතයක් අඩු කාබන් සහිත මිනිරන් වලින් සමන්විත වී තිබීමට විසඳුමක් ලෙස Floating යන්ත්‍රයක් මිලදීගෙන, එය ආධාරයෙන් අඩු කාබන් සහිත මිනිරන්වල කාබන් ප්‍රතිශතය ඉහළ නංවා ආදායම් වැඩිකර ගැනීමට අපේක්ෂා කර ඇතත්, 2022 දෙසැම්බර් වන විටද එය ක්‍රියාත්මක වී නොතිබුණි.
- (ඊ) මහා භාණ්ඩාගාරයේ අනුමැතිය නොමැතිව මාසික නිෂ්පාදනය මෙට්‍රික් ටොන් 65 හෝ ඊට වැඩි වන විටදී මිහි තුළ වැඩකරන සේවකයන් වෙනුවෙන් දෛනිකව රු.300 ද සැකසුම් අංශය සහ කාර්යාල සේවකයින්ට දෛනිකව රු.120 ක දිරිදීමනාවක් ගෙවා තිබුණි. එම දිරිදීමනා ගෙවීමේදී මාසික ඉලක්කගත නිෂ්පාදනය ලගාකර ගැනීම පිළිබඳව පරීක්ෂා නොකර ස්ථිර දීමනාවක් ලෙස මාසික වැටුපට එකතු කර ගෙවීම් කර තිබුණි.



KAHATAGAHA GRAPHITE LANKA LIMITED

STATEMENT OF COMPREHENSIVE INCOME

YEAR ENDED 31ST MARCH

	NOTES	2020/2021 LKR	2019/2020 LKR
REVENUE			
Sale of Graphite	10	126,142,779	131,626,483
Direct Cost, Mining Cost	11	(75,714,149)	(74,120,632)
GROSS PROFIT/(LOSS)		50,428,630	57,505,851
Sundry Income	12	(1,411,882)	(2,006,480)
LESS: OPERATING COST			
Personnel Cost	13	(17,470,898)	(21,913,227)
Establishment & Administration Cost	14	(7,080,638)	(8,360,080)
Maintenance Cost	15	(1,882,120)	(968,821)
Utility Cost	16	(1,109,656)	(491,469)
Depreciation Cost	17	(5,352,815)	(5,823,917)
Foreign Exchange Gain/(Loss)		618,985	(269,964)
Defined Contribution Plan - Gratuity		1,162,416	(5,127,539)
Administration Cost		(31,114,724)	(42,955,018)
Selling and Distribution Cost	18	(1,317,252)	(6,385,377)
Finance Cost	19	(592,423)	(1,273,532)
OPERATING PROFIT/(LOSS)		15,992,349	4,885,445
Impairment			
PROFIT/(LOSS) BEFORE TAXATION		15,992,349	4,885,445
Taxation		(2,932,791)	(3,466,797)
Deferred Tax Expenses		(376,143)	176,185
PROFIT/(LOSS) AFTER TAXATION		12,683,414	1,594,833
OTHER COMPREHENSIVE INCOME			
Other comprehensive income / (loss) for the year			
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR		12,683,414	1,594,833



STATEMENT OF FINANCIAL POSITION

NOTES

2019/2020
LKR

Non Current Assets

Property, Plant & Equipment	20	145,494,352	165,566,442
Non Operating Assets	21	3,773,062	3,541,760
Coconut Plantation Development		1,694,235	1,694,235
Gratuity Investment Fund		10,664,290	12,288,004
Deferred Tax Assets		4,545	380,689

Current Assets

Stock	22	207,907,537	181,918,592
Debtors, Deposit & Receivable	23	14,904,001	14,169,692
Cash & Cash Equivalent	24	15,757,319✓	4,768,494
		<u>238,568,857</u>	<u>200,856,779</u>

TOTAL ASSETS

EQUITY AND LIABILITIES

Capital And Reserves

Stated Capital	25	13,000,000	13,000,000
Retained Earnings		326,026,161	313,342,747
		<u>339,026,161</u>	<u>326,342,747</u>

Long Term Liabilities


Gratuity Provision	27	16,881,328 ✓	21,771,407
NSB Loan Account - Long Term	28	-	3,010,566
		<u>16,881,328</u>	<u>24,781,973</u>

Current Liabilities

NSB Loan Account - Short Term	28	3,542,594	2,645,414
Trade and Other Creditors	29	5,217,558	4,864,574
Provision For Taxation	30	9,997,489	7,064,699
Accrued Charges	31	25,534,212	18,628,504
		<u>44,291,852</u>	<u>33,203,190</u>

TOTAL EQUITY AND LIABILITIES

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


 R.M.C.P. Mahipala
 Manager

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

A.C.W.W.M.R. Keswalle
Accountant

Ruchira R. Weerasekera
Director

KAHATAGAHA GRAPHITE LANKA LIMITED

STATEMENT OF CHANGES IN EQUITY

	Share Capital LKR	Accumulated Profit/(Loss) LKR	Total LKR
Balance on 01st April 2019	13,000,000	312,822,111	325,822,111
Prior year adjustment		(1,074,197)	(1,074,197)
Profit/(Loss) for the Year		5,851,941	5,851,941
Balance on 31st March 2020	<u>13,000,000</u>	<u>317,599,855</u>	<u>330,599,855</u>
Balance on 01st April 2020	13,000,000	317,599,855	330,599,855
Prior year adjustment - (Note 1)		(4,257,108)	(4,171,381)
Profit/(Loss) for the Year		12,683,414	12,683,414
Balance on 31st March 2021	<u>13,000,000</u>	<u>326,026,161</u>	<u>339,111,888</u>

Note 1

Differ Tax Adjustment	186,340.00
Income Tax Adjustment	460,940.00
Interest Expenses Adjustment	(208,926.00)
Gratuity Underprovision	(1,331,000.00)
Cost of production adjustment	(3,264,779.00)
Audit fee adjustment	(99,683.00)
	<u>(4,257,108.00)</u>



KAHATAGAHA GRAPHITE LANKA LIMITED

STATEMENT OF CASH FLOW

YEAR ENDED 31ST MARCH

2020/2021
LKR

2019/2020
LKR

Cash Flows From/(Used in) Operating Activities

Net Profit/(Loss) before Income Tax Expenses	15,992,349	4,985,127
Adjustments for:		
Gratuity Provision	(1,162,416)	5,127,539
Depreciation on Tangible Fixed Assets	21,583,480	21,961,878
Foreign Exchange Gain / (Loss)	618,986	269,964
Interest Received	(50,652)	(210,433)
Interest Expenses	546,752	1,076,541
Operating Profit before Working Capital changes	37,528,500	33,210,616
(Increase)/Decrease in Inventories	(25,988,945)	(18,979,161)
(Increase)/Decrease in Receivable	(734,309)	(1,158,889)
(Decrease)/Increase in Loan Outstandings	897,180	-
(Decrease)/Increase in Creditors	352,984	820,189
(Decrease)/Increase in Accruals	6,905,708	3,036,897
Cash Generated from Operations	18,961,118	16,929,652
Interest Paid	(546,752)	(1,076,541)
Income Tax Paid		(7,538)
Net Cash Flow From/(Used in) Operating Activities	18,414,366	15,845,573

Cash Flow From/(Used in) Investing Activities

Purchase of Tangible Fixed Assets	(1,742,691)	(9,415,869)
Interest Received	50,652	210,433
Gratuity Investment Fund	1,623,714	534,656
Net Cash Flows From/(Used in) Investing Activities	(68,326)	(8,670,780)

Cash Flow From/(Used in) Financing Activities

NSB Loan Account - Purchase Air Compressor	(3,010,566)	(2,324,549)
Gratuity Paid	(3,727,663)	(653,540)
Net Cash Flows From/(Used in) Financing Activities	(6,738,229)	(2,978,089)

Effect of Foreign currency exchange of Cash & Cash Equivalent

(618,986) (269,964)

Net Increase/(Decrease) Cash & Cash Equivalents

10,988,826 3,926,740

Cash and Cash Equivalents at beginning of the year

4,768,494 841,754

Cash and Cash Equivalents at end of the year

15,757,320 4,768,494

Cash & Cash Equivalents

Bank Of Ceylon - Redigama	628,620	3,421,459
Bank Of Ceylon - Kollupitiya	960,937	33,477
D/C \$ A/C - BOC Kollupitiya	14,146,930	1,303,017
Petty Cash - Head Office	4,869	3,032
Petty Cash - Mine Office	15,964	7,509
	15,757,320	4,768,494



KAHATAGAHA GRAPHITE LANKA LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31st MARCH 2021

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), 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.

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 not carried out revaluation for Property, Plant & Equipment by using an independent valuation specialist to assess fair value. Therefore the Property, Plant & Equipment presented at original cost of valuation less accumulated 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, trade 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 Asset:

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 2021

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	1,300,000	13,000,000/-	100%
	<u>1,300,000</u>	<u>13,000,000/-</u>	<u>100%</u>

5. ASSETS PLEDGED

Rs. 10 Mn. from Gratuity investment fund have been pledged as securities as against the Rs. 7,895,000.00 loan obtained from NSB – Ridigama branch to finance the purchase of Air Compressor 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.

A case hearing by the Industrial court, Department of Labour which filled by 8 underground employees claiming Rs 7,800.00 special allowance which paying to employees who was in our employment when introducing wageous board for plumbago industry in 2013.

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.



KAHATAGAJA GRAPHITE LANKA LIMITED
NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH

	NOTES	2020/2021 LKR	2019/2020 LKR
10 SALE OF GRAPHITE			
Graphite Sales Income		126,142,779	131,626,483
Sales Income		<u>126,142,779</u>	<u>131,626,483</u>
11 DIRECT COST, MINING COST			
Stock Balance at beginning		167,156,570	137,379,618
Wages Cost	11-01	57,958,999	59,209,296
Support Service Cost	11-02	29,320,855	28,550,326
Depreciation	11-03	16,230,666	16,137,961
Royalty Payments		-	-
		<u>270,667,090</u>	<u>241,277,201</u>
Less Stock at closing	11-04	(194,952,940)	(167,156,570)
Add Cost of Mining During the Period		<u>75,714,149</u>	<u>74,120,632</u>
Wages Cost	11-01		
Salaries & Wages		36,563,173	36,249,406
Production Incentives		7,869,889	7,544,280
Overtime		3,154,843	4,983,692
Defined Contribution Plan (EPF)		4,390,249	4,440,471
Defined Contribution Plan (ETF)		1,097,562	996,940
Staff Welfare		4,071,707	4,033,532
Bonus		811,575	960,975
		<u>57,958,999</u>	<u>59,209,296</u>
Support Service Cost	11-02		
Mining Expenses		9,398,950	8,970,760
Power and Electricity		15,174,719	14,206,122
Security Charges		4,747,187	5,373,444
		<u>29,320,855</u>	<u>28,550,326</u>
Depreciation	11-03		
Plant & Machinery		13,853,674	13,816,744
Generator		1,234,127	1,234,127
Under Ground Development		1,142,865	1,087,090
		<u>16,230,666</u>	<u>16,137,961</u>
Analysis of Cost of sales and closing stocks	11-04		
	M.T.		Rs.
O/Stocks	925.54	180,605.07	167,156,570
Production	599.30	172,719.04	103,510,520
	<u>1,524.84</u>	<u>177,505.65</u>	<u>270,667,090</u>
Sales	(426.55)	177,505.65	(75,714,149)
	<u>1,098.29</u>	<u>177,505.65</u>	<u>194,952,940</u>
N/Wast	-	-	-
Wast	-	-	-
C/Stocks	<u>1,098.29</u>	<u>177,505.65</u>	<u>194,952,940</u>



KAHATAGAJHA GRAPHITE LANKA LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH	NOTES	2020/2021 LKR	2019/2020 LKR
12 SUNDRY INCOME			
Agricultural Income			
Income from sale of Crops / Coconut wood		1,264,608	249,348
Less : Expenses			
Labour		(2,353,000)	(1,836,577)
Overtime		(30,308)	(297,863)
Defined Contribution Plan (EPF)		(251,330)	(205,608)
Defined Contribution Plan (ETF)		(62,833)	(51,402)
Bonus		(18,000)	(31,500)
Tools & Equipments		(26,925)	(6,810)
Nursery expenses		(2,745)	(39,500)
		<u>(1,480,534)</u>	<u>(2,219,913)</u>
Interest Income		50,652	210,433
Other Income		18,000	3,000
		<u>(1,411,882)</u>	<u>(2,006,480)</u>
13 PERSONNEL COST			
Directors Remuneration		1,740,490	1,947,392
Staff Salary and Wages			
Administration Salary & wages		11,821,983	13,971,572
Overtime		937,005	1,410,147
Allowances		1,005,597	2,268,930
Defined Contribution Plan (EPF)		1,418,638	1,676,589
Defined Contribution Plan (ETF)		354,660	419,147
Bonus		192,525	219,450
		<u>15,730,408</u>	<u>19,965,835</u>
Total Personnel Cost		<u>17,470,898</u>	<u>21,913,227</u>
14 ESTABLISHMENT AND ADMINISTRATION COST			
Rent			38,334
Rates & Taxes		17,388	17,448
Medical Aid		68,888	49,285
Insurance	14-1	1,747,872	2,267,778
Printing & Stationery		184,643	246,456
Postage		61,416	103,783
Legal & Professional Fees	14-2	152,810	206,051
Security Charge		1,582,396	1,791,148
Secretarial Charges		224,573	280,084
Audit Fees		333,000	382,841
Audit Fees - Auditor General's Department Service Charges			
Travelling & Transport		1,773,539	2,340,687
License & Permits		183,309	109,830
Subscription			
Research & Development		82,000	
Sundry Expenses			31,430
Training Expenses		668,804	494,925
		<u>7,080,638</u>	<u>8,360,080</u>



KAHATAGALLA GRAPHITE LANKA LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH

	NOTES	2020/2021 LKR	2019/2020 LKR
Insurance	14-1		
Fire Insurance - Generator		4,576	54,913
Sharma Surekuma Insurance		167,326	341,481
Agrahara Insurance Scheme		1,486,000	1,318,000
Cash in Transist Insurance		-	56,998
Air Compressor Insurance		24,363	74,580
Vehicle Insurance		65,607	421,805
		<u>1,747,872</u>	<u>2,267,778</u>
Legal & Professional Fees	14-2		
Labour Tribunal Case		-	52,500
Land Dispute Case		152,810	65,760
Professional Charges		-	87,791
		<u>152,810</u>	<u>206,051</u>
15 MAINTENANCE COST			
Office & Office Equipment Maintenance		211,014	234,523
Building Maintenance		14,230	93,170
Machinery Maintenance		✓ 1,656,876	641,127
		<u>1,882,120</u>	<u>968,821</u>
16 UTILITY COST			
Water Charges		149,064	5,365
Electricity		466,293	21,000
Telephone		494,299	465,104
		<u>1,109,656</u>	<u>491,469</u>
17 DEPRECIATION COST			
Building		2,507,717	2,522,117
Electrical Equipments		3,287	3,287
Motor Vehicle		2,040,797	2,531,201
Office Equipments		104,610	152,227
Other Assets		681,506	600,187
Furniture & Fittings		14,898	14,898
		<u>5,352,815</u>	<u>5,823,917</u>
18 SELLING AND DISTRIBUTION COST			
Transport to Wharf - Export		612,000	782,000
Sales Promotion		40,500	85,659
Sales Discount		-	5,003,751
Advertising Expenses		304,875	105,800
Freight Expenses		359,877	408,167
		<u>1,317,252</u>	<u>6,385,377</u>
19 FINANCE COST			
Bank Charges		45,671	196,990
Interest Expenses		546,752	1,076,541
		<u>592,423</u>	<u>1,273,532</u>



KAHATAGAHA GRAPHITE LANKA LIMITED

NOTES TO THE ACCOUNTS

AS AT 31ST MARCH

2020
LKR

2021
LKR

20 Property Plant and Equipment

Cost	Balance On 1st April 2020	Additions	Transfer to Consumable Stock	Non Operating Asset	Balance On 31st March 2021
Gross Carrying Amounts					
Free Hold Land	25,500,000	-	-	-	25,500,000
Building	83,785,697	-	-	(60,000)	83,725,697
Plant & Machinery	138,164,979	371,757	-	-	138,536,736
Electrical Equipment	1,803,115	-	-	-	1,803,115
Motor Vehicle	25,312,005	-	-	(613,005)	24,699,000
Other Assets	6,001,871	813,191	-	-	6,815,061
Office Equipment	3,986,102	-	-	-	3,986,102
Generator	15,426,590	-	-	-	15,426,590
U.G.Development	10,870,902	557,744	-	-	11,428,646
Furniture & Fitting	1,956,681	-	-	-	1,956,681
Total Assets	312,807,941	1,742,691	-	(673,005)	313,877,628

Item under column 3 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 2020	Depreciation	Transfer to Consumable Stock	Non Operating Asset	Balance On 31st March 2021
Building	3%	16,718,447	2,507,717	-	(12,600)	19,213,564
Plant & Machinery	10%	89,579,614	13,853,674	-	-	103,433,288
Electrical Equipment	20%	1,796,541	3,287	-	-	1,799,828
Motor Vehicle	10%	14,668,404	2,040,797	-	(429,104)	16,280,097
Other Assets	10%	3,971,232	681,506	-	-	4,652,738
Office Equipment	20%	3,712,739	104,610	-	-	3,817,349
Generator	8%	8,638,891	1,234,127	-	-	9,873,018
U.G.Development	10%	6,243,645	1,142,865	-	-	7,386,509
Furniture & Fitting	20%	1,911,987	14,898	-	-	1,926,885
Total Depreciation		147,241,499	21,583,480	-	(441,704)	168,383,276
Total Written Down Value		165,566,442	21,583,480	-	(231,302)	145,494,352



KAHATAGAHA GRAPHITE LANKA LIMITED

NOTES TO THE ACCOUNTS

AS AT 31 MARCH	NOTES	2020/2021 LKR	2019/2020 LKR
21 NON OPERATING ASSETS			
Cost as at 1st April		3,541,760	3,541,760
Transfer from Fixed Assets		231,302	
Balance as at 31st March		<u>3,773,062</u>	<u>3,541,760</u>
22 STOCK			
Stock Consumables		12,954,596 ✓	14,762,023
Stock-Graphite		194,952,940	167,156,570
		<u>207,907,537</u>	<u>181,918,593</u>
23 DEBTORS, DEPOSITS & RECEIVABLES			
Accounts Receivable	23-01	8,038,968	7,575,153
Purchase Advance	23-02	121,635	203,778
Deposits	23-03	-	20,000
Insurance pre paid		385,839 ✓	
Sri Lanka Telecom Deposit		5,000 ✓	5,000
Value Added Tax Receivables		6,266,612 ✓	6,343,673
Ceylon Electricity Board		22,088	22,088
Jayawimana Court Case Appeal Dep		30,000 ✓	
Employee Debtors - Samarasinghe S A U		13,609 ✓	
Festival Advance		20,250 ✓	-
		<u>14,904,001</u>	<u>14,169,692</u>
Accounts Receivable	23-01		
Eastern Trading		190,072.75	
First Graphite Ltd		7,848,895.00	7,578,715
Thilakarathne K G C R		-	(3,562)
		<u>8,038,968</u>	<u>7,575,153</u>
Purchase Advance	23-02		
Rathnayake R M A			55,000
Jayathilake K P E B		12,691.00	43,000
Nawarathne N M D C B		6,400.00	-
Dep of Valuation - Kurungala		10,000.00	10,000
premathilake A A S		40,000.00	-
Sierra Cables PLC		17,500.00	-
Asurumuni A A S S		6,440.00	-
Wimalaweera R G L H		18,600.00	-
Sujatha Kumar		-	30,000
Herath H M S R		10,000.00	65,778
		<u>121,635.00</u>	<u>203,778</u>
Deposits	23-03		
Lanka Bell Ltd		-	20,000
		<u>-</u>	<u>20,000</u>



KAHATAGAMA GRAPHITE LANKA LIMITED

NOTES TO THE ACCOUNTS

AS AT 31 MARCH	NOTES	2020/2021 LKR	2019/2020 LKR
24 CASH & CASH EQUIVALENT			
Bank Of Ceylon - Redigama		628,620	3,421,459
Bank Of Ceylon - Kollupitiya		960,937	33,477
DFC S A/C - BOC Kollupitiya		14,146,930	1,303,017
Petty Cash - Head Office		4,869	3,032
Petty Cash - Mine Office		15,964	7,509
		<u>15,757,319</u>	<u>4,768,494</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		(380,689)	(204,504)
Provision For The Year		376,143	(176,185)
Closing Balance		<u>(4,545)</u>	<u>(380,689)</u>
27 GRATUITY PROVISION			
Balance B/F		21,771,407	17,297,407
Provision For The Year		(1,162,416)	5,127,539
Paid During The Year		(3,727,663)	(653,540)
Closing Balance		<u>16,881,328</u>	<u>21,771,407</u>



KAHATAGAJHA GRAPHITE LANKA LIMITED

NOTES TO THE ACCOUNTS

AS AT 31 MARCH

	NOTES	2020/2021 LKR	2019/2020 LKR
28 NSB LOAN PAYABLE			
Rental Amount	266,013.75		
Rental Period	36		
Cost	7,895,000.00		
Interest	1,681,495.04		
Total	<u>9,576,495.04</u>		
Opening Balance		6,384,330.04	9,576,495.04
Paid During the year		<u>(2,660,137.50)</u>	<u>(3,192,165.00)</u>
Balance		<u>3,724,192.54</u>	<u>6,384,330.04</u>
Long Term		-	3,192,165
Current		<u>3,724,193.00</u>	<u>3,192,165</u>
Balance		<u>3,724,193.00</u>	<u>6,384,330</u>
Interest in Suspense			
Opening Interest		728,350.68	1,595,966
Revenue Account		<u>(546,751.81)</u>	<u>(867,615)</u>
Balance		<u>181,598.87</u>	<u>728,351</u>
Balance			
Long Term		-	181,599
Current		<u>181,598.87</u>	<u>546,752</u>
Total		<u>181,598.87</u>	<u>728,351</u>
Balance			
Long Term		-	3,010,566
Current		<u>3,542,594</u>	<u>2,645,413</u>
Total		<u>3,542,594</u>	<u>5,655,979</u>



KAHATAGAHA GRAPHITE LANKA LIMITED

NOTES TO THE ACCOUNTS

AS AT 31 MARCH

	NOTES	2020/2021 LKR	2019/2020 LKR
29 TRADE AND OTHER CREDITORS			
4M International (Pvt) Ltd		180,000	-
Accounting Secretarial Services(pvt)Ltd			61,744
Accsoft Solutions Pvt Ltd		14,909	
Airline Traders			89,940
Asiri Lubricant			62,370
Athukorala Agencies			77,803
B I Commodities & Logistics (Pvt) Ltd		155,450	155,450
BCC Lanka Limited		107,245	
Brown & Company PLC		119,094	
Cambridge Traders		367,250	191,150
D N Dinesh Suranga			14,780
DHL Keels(Pvt) Ltd.		139,024	
Diligant Cargo Services		56,358	
Dinapala Super Centre			166,083
Disanayaka Hardware		393,740	307,115
Eastern Trading Company		817,650	165,050
ET Lab Manufacturing (Pvt) Ltd		12,500	9,500
Geological Survy & Mines B.		541,616	
Global Enterprises		12,500	
Global Parcel Delivery (Pvt)Ltd			6,967
Gunarathne D R		15,600	15,600
Hewage Distributors (Pvt) Ltd			1,964
Ikon Tech Systems		10,550	
Industrial Safty Equipments Co.Ltd		35,000	
Infortec Computer System		3,300	8,200
Lanka I B C Company (Pvt) Ltd			1
Lanka Tiles PLC			26
M P C S - Ridigama		258,555	1,519,744
M P C S Hiriyala		6,600	6,000
Manju Electricals		9,952	(0)
Megapack Trading Company (Pvt) Ltd			16,461
Metropolitan Office (Pvt) Ltd		16,200	10,800
Nanayakkara L D J M P		118,525	82,480
National Insurance Trust Fund		121,000	381,000
National Water Supply & Dra Board 1/4		59,146	
New National hardware		42,460	136,092
Nipon Air		11,000	
Niroshan W E		3,000	
Rathkarawwa Servo Lube Distributors		78,758	
Ridigama Pradesiya Sabawa			13,248
Rotax pvt ltd			18,819
Salim Textiles		16,200	25,573
SAM Associates			18,000
Samota Trade Center		117,520	209,048
Sathosa Motors PLC			12,089
Sewmini Lee Mola		109,450	55,015
Speedway Forward			149,618
Sri Lanka Insurance			266,306
Sri Lanka State Trading (General) Cop		47,097	452,748
Sri Lanka Telecom		752,816	
St.Anthony's Hardware (Pvt) Ltd		47,495	
State Pharmaceuticals Corporation Of Sri			17
The Associated Newspapers of Ceylon Ltd		304,875	
United Motors Lanka PLC		102,375	102,375
Vanoja Motor Stores		12,750	55,400
		<u>5,217,558</u>	<u>4,864,574</u>



KAHATAGAHA GRAPHITE LANKA LIMITED

NOTES TO THE ACCOUNTS

AS AT 31 MARCH	NOTES	2020/2021 LKR	2019/2020 LKR
30 PROVISION FOR TAXATION			
Opening Balance		7,064,698	3,605,440
Income Tax Paid		-	-
Income Tax Payable for the Year		2,932,791	3,466,797
With Holding Tax - Paid at source On Interest Income		-	(7,539)
		<u>9,997,489</u>	<u>7,064,698</u>
31 ACCRUED CHARGES			
Audit Fees - Earnest & Young		241,500	241,500
Audit Fees - Auditor General		1,040,659	707,658
Defined Contribution Plan (LPF) Payable		766,171	2,857,329
Defined Contribution Plan (ETF) Payable		24,112	309,270
Electricity Board		12,520,416	4,868,453
P.A.Y.E Tax Payable		(3,751)	(3,751)
With Holding Tax - Vendor Collections		6,059	6,059
Salaries & Wages Payable Account		4,038,971	3,909,791
Telephone Bills Payable		16,696	91,709
Alpex network security Ltd		6,694,524	5,455,192
Refundable Tender Deposits		3,562	-
Nation Building Tax Payable		185,294	185,294
		<u>25,534,212</u>	<u>18,628,504</u>



KAHATAGAHA GRAPHITE LANKA LIMITED

INCOME TAX COMPUTATION

YEAR OF ASSESSMENT 2019/20

Profit/(loss) per Account	15,992,349.13
less: Interest Income	(50,651.55)
	<u>15,941,697.58</u>

Add Back:			
Gratuity Provision	(1,162,416.00)	100%	(1,162,416.00)
Legal Fees (LT case)	152,810.00	100%	152,810.00
Impairment	-	100%	-
Depreciation	21,583,480.16	100%	21,583,480.16
Advertisement	304,875.00	25%	76,218.75
Professional Charges	-	100%	-
			<u>20,650,092.91</u>
			<u>36,591,790.49</u>

Less:		
Capital Allowances		(12,002,450.47)
Gratuity Paid of The Year		(3,727,662.70)
Gain on Foreign Exchange Gain/Loss		<u>20,861,677.32</u>

Business Profit/(Loss) for the Year	20,861,677.32
Interest Income	50,651.55
Total Statutory Income	<u>20,912,328.87</u>

Total Taxable Income			
	Income	Rate	
Export Income	20,861,677.32	14%	2,920,634.82
Interest Income	50,651.55	24%	12,156.37
Total Tax payable	<u>20,912,328.87</u>		<u>2,932,791.20</u>

DEFERRED TAX LIABILITY

Gratuity	Asset	16,881,327.80
Capital allowance to be claim (Note 1)		28,633,728.73
Accounting depreciation to be claim		46,507,560.38
Tax over claimed		<u>17,873,831.64</u>
Capital expenses over deduct for taxable profit than accounting profit	Liability	(17,873,831.64)
Coconut Plantation Development	Liability	(1,694,235.36)
Deferred Tax Liability		<u>(2,686,739.20)</u>
Tax Rate	14%	<u>(376,143.49)</u>
Current Asset / (Liability) as at 31/03/2021		(376,143.49)
Opening Asset / (Liability) 31/03/2020		380,689.17
Over provision		<u>756,832.66</u>



KAHATAGAHA GRAPHITE LANKA LIMITED

INCOME TAX COMPUTATION

YEAR OF ASSESSMENT 2020/21

Dividends Tax Payable	12,683,414.45
Net Profit After Taxation	(1,742,691.40)
Less : Property, Plant & Equipments Acquired	
Add : Depreciation for Property, Plant & Equipments Acquired	
Distributable Profit	10,940,723.05

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	142,282.05
2012/13	9	10%	4,554,425.27	455,442.53
2013/14	8	10%	178,545.08	17,854.51
2014/15	7	10%	29,575,817.88	2,957,581.79
2015/16	5	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%	£1,200.00	-
2017/18	2	33.33%	-	-
Other Assets				
2012/13	5	20%	357,100.00	-
2013/14	8	6.67%	3,918,615.00	261,238.39
2014/15	7	6.67%	1,970,772.78	131,383.54
2016/17	5	6.67%	110,000.00	7,337.00
2016/17	5	6.67%	621,989.00	41,486.67
2018/19	3	20.00%	925,831.09	185,166.22
2020/21	1	15.00%	813,190.50	162,638.10
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	3	20.00%	223,500.00	44,700.00
2019/20	2	20.00%	134,300.00	26,860.00
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	3	20.00%	187,560.00	37,512.00
2019/20	2	20.00%	8,204,100.00	1,640,820.00
2020/21	1	15.00%	371,756.66	55,763.50
Motor Vehicle				
2013/14	5	20.00%	1,649,000.00	-
2018/19	3	20.00%	6,100,000.00	1,220,000.00
U.G.Development				
Trolley Rails - Underground TruckLines	1	40.00%	11,428,645.93	4,571,458.37
Furniture & Fittings				
2014/15	5	20.00%	468,391.73	-
2018/19	3	20.00%	74,488.98	14,897.80
			<u>85,316,386.99</u>	<u>12,002,450.47</u>



NOTICE

KAHATAGAJHA GRAPHITE LANKA LIMITED

NOTICE IS HEREBY GIVEN THAT THE EXTRAORDINARY GENERAL MEETING OF KAHATAGAJHA GRAPHITE LANKA LIMITED WILL BE HELD ON FRIDAY 24th MARCH 2023 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. TO ADOPT THE AUDITED ACCOUNTS AND THE AUDITOR'S REPORTS THEREON
 - i. To receive and consider the Report of the Auditors and the Audited Accounts for the year ended 31st March 2021.
3. RE-APPOINTMENT OF AUDITORS
 - i. To re-appoint the Auditor General as the Auditor of the Company for the ensuing years (2022 & 2023) as per PED Circular 01 and to authorize the Directors to determine their remuneration.
4. Any other business of which due notice has been given

BY ORDER OF THE BOARD
ACCOUNTING SYSTEMS SECRETARIAL SERVICES
KAHATAGAJHA GRAPHITE LANKA LIMITED
(PRIVATE) LIMITED - PVT 4190

.....
DIRECTOR SECRETARY
ACCOUNTING SYSTEMS SECRETARIAL SERVICES (PRIVATE) LIMITED
SECRETARIES
15th February 2023



KAHATAGAHA GRAPHITE LANKA LIMITED

NO.561/3, ELVITIGALA MAWATHA, NARAHENPITA, COLOMBO 05.

PROXY FORM

I, the undersigned Secretary to the Treasury being the sole member 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 *Extraordinary General Meeting* of the Company, to be held on Friday 24th March 2023 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 2021	<input type="checkbox"/>	<input type="checkbox"/>
2 To re-appoint The Auditor General as the Auditor of the Company for the ensuing year 2022 as per PED Circular 01 and to authorize the Directors to determine their remuneration.	<input type="checkbox"/>	<input type="checkbox"/>
3 To re-appoint The Auditor General as the Auditor of the Company for the ensuing year 2023 as per PED Circular 01 and to authorize the Directors to determine their remuneration.	<input type="checkbox"/>	<input type="checkbox"/>
4 To authorize Directors to determine Contributions to Charities	<input type="checkbox"/>	<input type="checkbox"/>
5 To approve any other business of which due Notice has been given	<input type="checkbox"/>	<input type="checkbox"/>

Shareholder

Signed this.... day of2023

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.

