

BCC LANKA LIMITED

REPORT OF THE BOARD OF DIRECTORS

The Directors take pleasure in presenting their Report together with the Financial Statements for the year ended 31 March 2003.

PRINCIPAL ACTIVITIES

The Company's principal activities during the year under review included:

- ❖ Milling and Trading of Coconut Oil.
- ❖ Manufacturing and Trading of Toilet Soap, Washing Soap, Detergents and Toilet Requisites.
- ❖ Packing and Trading of Asphalt.
- ❖ Trading of Sundry Consumer Items such as Tea and Coffee.

The principal place of business of the Company is located at No. 21, Hulftsdorp Mills, Meeraniya Street, Colombo 12.

REVIEW OF THE YEAR

During the year under review, the Company recorded a net turnover of Rs. 254.3 million as against that of Rs. 234.8 million in the previous financial years.

It is noted that due to unavoidable circumstances beyond the Company and your Directors, a loss of Rs. 60.0 million was sustained in comparison to a loss of Rs. 67.1 million in the previous financial year.

DIVIDENDS

Your directors do not recommended a dividend for the year under review in view of the accumulated losses incurred by the Company.

FIXED ASSETS

The movement of fixed assets is shown in Note 8 to the Financial Statements.

DIRECTORATE

The Board of Directors for the year consisted of the following :

(vi) .Mr. M.W.Goonewardene	Chairman	Appointed on 25 th January 2002 Resigned on 30 th August 2002
(vii) .Mr. D.Widanagamachchi	Director	Appointed on 25 th January 2002
(viii) .Mr. N.M.D.Navaratne	Director	Appointed on 25 th January 2002
(ix) .Mr. K.C.Thilakaratne	Director	Resigned on 2 nd May 2002
(x) .Mr. H.C.Ratnasiri	Director	Resigned on 30 th August 2002
(xi) Mrs. A.A.R.Ratnayake	Director	Appointed on 25 th January 2002
(xii) Group Captain Tikiri Marambe	Director	Appointed on 25 th January 2002
(xiii) Mr. K.S.K. Pathirana	Chairman	Appointed with effect from 30 th August 2002
(xiv) Mr. Harish Weerasekara	Director	Appointed with effect from 16 th May 2002
(xv) Mr. T.W. Goonewardene	Director	Appointed with effect from 31 st May 2002

DIRECTORS INTEREST IN CONTRACTS

The Directors have not direct or indirect interest in any of the contracts entered into by the Company.

POST BALANCE SHEET EVENTS

No circumstances have arisen since the Balance Sheet date, which require adjustments or disclosure in the accounts.

CAPITAL COMMITMENTS

There were no Capital Commitments as at the balance sheet date.

CHAIRMAN

BCC LANKA LIMITED

CORPORATE INFORMATION

Name of the Company	:BCC Lanka Ltd
Legal Form	:Incorporated as a Limited Liability Company under the conversion of Public Corporations and Government Owned Business Undertakings in the Public Companies Act, No 23 of 1987
Date of Incorporation	: 21 October 1988
Shareholder Information	:The entire share capital has been allotted to the Secretary of the Treasury on behalf of the Government of Sri Lanka
Registered Office	:Hulftsdorp Mills Meeraniya Street P.O. Box 281 Colombo 12 Sri Lanka
Chairman	:Mr. K. S. K. Pathirana
Directors	:Mr. T.W. Gunewardene Mr. D. Widanagamachchi Mr. N. M. D. Navgarathne Mrs. A. A. R. Rathnayake Group Captain Tikiri Marambe Mr. M.H.M. Azhar
Secretaries	:Merchant Bank of Sri Lanka Limited No 28, St. Michel's Road Colombo 3.
Bankers	:Bank of Ceylon Hatton National Bank Limited Seylan Bank Limited NDB Bank Limited
Auditors	:Kulatunga & Company Chartered Accountants 10 A Ward Place Colombo 7

BCC LANKA LIMITED

BALANCE SHEET

AS AT 31 MARCH

2003
Rs. '000

2002
Rs. '000

ASSETS

NON-CURRENT ASSETS

Intangible Assets - Goodwill	252,001	252,001
Property, Plant and Equipment	25,974	7,694
Investments	88	88
	<u>278,063</u>	<u>259,783</u>

CURRENT ASSETS

Deferred Revenue Expenditure	440	879
Inventories	43,290	61,905
Trade and Other Receivables	59,348	34,676
Investments in Millewa Project	2,918	2,918
Cash and Bank Balances	47	192
	<u>106,043</u>	<u>100,570</u>

TOTAL ASSETS

384,106 360,353

EQUITY AND LIABILITIES

CAPITAL AND RESERVES

Share Capital	100,000	100,000
Accumulated Losses	<u>(565,557)</u>	<u>(505,565)</u>
	<u>(465,557)</u>	<u>(405,565)</u>

NON-CURRENT LIABILITIES AND DEFERRED INCOME

Interest Bearing Loans & Borrowings	610,920	602,576
Retirement Benefit Obligation - Gratuity	14,148	11,399
	<u>625,068</u>	<u>613,975</u>

CURRENT LIABILITIES

Interest Bearing Loans & Borrowings	160,603	89,861
Trade & Other Payables	63,992	62,082
	<u>224,595</u>	<u>151,943</u>
	<u>384,106</u>	<u>360,353</u>