KAHATAGAHA GRAPHITE LANKA LIMITED

Accounts

For

2025/2026

KAHATAGAHA GRAPHITE LANKALIMITED
Annual ACCOUNTS 2025/26

CONTENT **PAGE**

KAHATAGAHA GRAPHITE LANKA LIMITED

STATEMENT OF COMPREHENSIVE INCOME

YEAR ENDED 31st MARCH	NOTES	2025/2026 LKR	2024/2025 LKR
REVENUE			
Sale of Graphite	10	202,028,438	146,975,009
Direct Cost, Mining Cost	11	(111,565,259)	(87,032,502)
GROSS PROFIT/(LOSS)		**90,463,179**	**59,942,507**
Estate Profit / (Loss)	12	(1,484,826)	(2,315,510)
Interest Income		890,217	2,436,115
Sundry Income		110,603	345,139
LESS: OPERATING COST			
Personnel Cost	13	(33,762,242)	(23,889,849)
Establishment & Administration Cost	14	(16,812,103)	(11,019,955)
Maintenance Cost	15	(2,294,085)	(5,206,903)
Utility Cost	16	(1,340,261)	(1,109,798)
Depreciation Cost	17	(6,191,306)	(5,371,622)
Foreign Exchange Gain/(Loss)		(654,750)	(2,500,720)
Defined Contribution Plan - Gratuity	21	(8,017,499)	(6,873,836)
Administration Cost		(69,072,246)	(55,972,682)
Selling and Distribution Cost	18	(3,343,886)	(2,201,651)
Finance Cost	19	(3,682,171)	(2,703,501)
OPERATING PROFIT/(LOSS)		13,880,870	(469,583)
Impairment		-	-
PROFIT/(LOSS) BEFORE TAXATION		**13,880,870**	**(469,583)**
Taxation	29	(1,941,970)	(6,256,684)
Deferred Tax Expenses	26	0	135,300
PROFIT/(LOSS) AFTER TAXATION		**11,938,900**	**(6,590,968)**
OTHER COMPREHENSIVE INCOME			
Other comprehensive income / (loss) for the year			
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR		**11,938,900**	**(6,590,968)**

KAHATAGAHA GRAPHITE LANKA LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH	NOTES	2025/2026 LKR	2024/2025 LKR
ASSETS			
Non Current Assets			
Property, Plant & Equipment	20	174,559,502	174,942,517
Non Operating Assets	21	23,210,000	23,210,000
Gratuity Investment Fund		30,612,972	23,796,609
Deferred Tax Assets	27	1,787,943	1,787,942
		230,170,418	**223,737,068**
Current Assets			
Stock	22	381,074,488	355,553,133
Debtors, Deposit & Receivable	23	30,977,872	10,572,094
Cash & Cash Equivalent	24	9,377,403	17,203,201
		421,429,764	**383,328,428**
TOTAL ASSETS		**651,600,182**	**607,065,496**
EQUITY AND LIABILITIES			
Capital And Reserves			
Stated Capital	25	13,000,000	13,000,000
Revaluation Reserves		123,179,170	108,779,170
Retained Earnings		402,692,805	398,186,386
		538,871,975	**519,965,556**
Long Term Liabilities			
Lease Creditors	26	9,062,500	-
Gratuity Provision	28	30,488,409	24,457,082
		39,550,909	**24,457,082**
Current Liabilities			
Lease Creditors	26	3,750,000	-
NSB Loan Account		19,720,367	2,136,775
Trade and Other Creditors	29	3,003,620	6,151,733
Provision For Taxation	30	26,233,675	28,887,728
Accrued Charges	31	20,469,636	25,466,622
		73,177,297	**62,642,858**
TOTAL EQUITY AND LIABILITIES		**651,600,182**	**607,065,496**
		(0)	(0)

I certify that the Financial Statements have been prepared in compliance with requirements of the Companies Act No7 of 2007.

T.D.Disanayaka
Mining Engineer/ Acting Manager

A.C.W.W.M.R.Koswatte
Senior Manager - Finance

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

Eng.P.V.A.Hemalal
Chairman

T .M .P. K. Abeyrathne
Director

KAHATAGAHA GRAPHITE LANKA LIMITED

NOTES TO THE ACCOUNTS

26 BOC - LEASE PAYABLE

Agreement No Item	KM3311	PJ-3672	KM-3641	TOTAL
Rental Amount	129,207.00	131,530.00	129,207.00	389,944.00
Rental Period	48	48	48	48
Total	6,201,936.00	6,313,440.00	6,201,936.00	18,717,312.00
Cost	5,000,000.00	5,000,000.00	5,000,000.00	15,000,000.00
Interest	1,201,936.00	1,313,440.00	1,201,936.00	3,717,312.00
Total				
Opening Balance	6,201,936.00	6,313,440.00	6,201,936.00	18,717,312.00
Paid 2025/26	(904,449.00)	(920,710.00)	(904,449.00)	(2,729,608.00)
Balance	**5,297,487.00**	**5,392,730.00**	**5,297,487.00**	**15,987,704.00**
Long term	3,747,003.00	3,814,370.00	3,747,003.00	11,308,376.00
Current	1,550,484.00	1,578,360.00	1,550,484.00	4,679,328.00
Balance	5,297,487.00	5,392,730.00	5,297,487.00	15,987,704.00
Interest in Suspense				
Opening Interest	1,201,936.00	1,313,440.00	1,201,936.00	3,717,312.00
Revenue Account	(175,282.33)	(191,543.33)	(175,282.33)	(542,107.99)
Balance	1,026,653.67	1,121,896.67	1,026,653.67	3,175,204.01
Balance				
Long term	726,169.67	793,536.67	726,169.67	2,245,876.01
Current	300,484.00	328,360.00	300,484.00	929,328.00
Total	1,026,653.67	1,121,896.67	1,026,653.67	3,175,204.01
Balance				
Long term	3,020,833.33	3,020,833.33	3,020,833.33	9,062,499.99
Current	1,250,000.00	1,250,000.00	1,250,000.00	3,750,000.00
Total	**4,270,833.33**	**4,270,833.33**	**4,270,833.33**	**12,812,499.99**

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 2024	13,000,000	108,779,170	404,777,354	526,556,524
Profit/(Loss) for the Year	-	-	(6,590,968)	(6,590,968)
Balance on 31st March 2025	13,000,000	108,779,170	398,186,386	519,965,556
Balance on 01st April 2025	13,000,000	108,779,170	415,018,733	536,797,903
				-
Revaluation Surplus		14,400,000	-	14,400,000
Prior Year Adjustments			(16,832,347)	(16,832,347)
Profit/(Loss) for the Year	-		11,938,900	11,938,900
Dividend			(7,432,481)	(7,432,481)
Balance on 31st March 2026	13,000,000	123,179,170	402,692,805	538,871,975

KAHATAGAHA GRAPHITE LANKA LIMITED

STATEMENT OF CASH FLOW

YEAR ENDED 31ST MARCH	2025/2026 LKR	2024/2025 LKR
Cash Flows From/(Used in) Operating Activities		
Net Profit/(Loss) before Income Tax Expenses	13,880,870	(469,583)
Adjustments for :		
Gratuity Provision	8,017,499	6,873,836
Depreciation on Tangible Fixed Assets	17,114,943	17,711,364
Forigne Exchange Gain / (Loss)	(654,750)	(2,500,720)
Interest Recived	(890,217)	(2,436,115)
Interest Expences	2,644,713	2,642,268
Operating Profit before Working Capital changes	40,113,057	21,821,049
(Increase)/Decrease in Inventories	(25,521,355)	(31,903,029)
(Increase)/Decrease in Receivable	(20,405,778)	30,908
(Decrease)/Increase in Loan Outstandings	17,583,592	2,136,775
(Decrease)/Increase in Creditors	(3,148,113)	1,882,539
(Decrease)/Increase in Accruals	(4,996,986)	6,560,223
Cash Generated from Operations	3,624,417	528,466
Interest Paid	(2,644,713)	(2,642,268)
Income Tax Paid	(4,596,024)	(165,839)
Net Cash Flow From/(Used in) Operating Activities	**(3,616,319)**	**(2,279,641)**
Cash Flow From/(Used in) Investing Activities		
Purchase of Tangible Fixed Assets	(2,331,930)	(1,793,669)
Interest Recived	890,217	2,436,115
Gratuity Investment Fund	(6,816,364)	(150,482)
Net Cash Flows From/(Used in) Investing Activities	**(8,258,077)**	**491,964**
Cash Flow From/(Used in) Financing Activities		
Gratuity Paid	(1,986,172)	(1,062,060)
Net Cash Flows From/(Used in) Financing Activities	**(1,986,172)**	**(1,062,060)**
Effect of Forigne currency exchange of Cash & Cash Equivalent	654,750	2,500,720
Net Increase/(Decrease) Cash & Cash Equivalents	(13,205,817)	(349,017)
Cash and Cash Equivalents at beginning of the year	17,203,201	17,552,218
Cash and Cash Equivalents at end of the year	**3,997,384**	**17,203,200**
Cash & Cash Equivalents		
Bank Of Ceylon - Redigama	812,989	1,305,252
Bank Of Ceylon - Kollupitiya	2,627,734	880,149
DFC $ A/C - BOC Kollupitiya	5,936,680	15,017,800
	9,377,403	**17,203,201**

YEAR ENDED 31 MARCH	NOTES	2025/2026 LKR	2024/2025 LKR
10 SALE OF GRAPHITE			
Graphite Sales Income		202,028,438	146,975,009
Sales Income		202,028,438	146,975,009
11 DIRECT COST, MINING COST			
Stock Balance at beginning		337,969,271	307,187,042
Wages Cost	**11-01**	73,291,201	69,962,277
Support Service Cost	**11-02**	37,454,735	35,597,424
Depreciation	**11-03**	10,838,890	-
		459,554,097	412,746,743
Less Stock at closing	**11-04**	(347,988,837)	(328,223,844)
Add Cost of Mining During the Period		111,565,259	84,522,899
Wages Cost	**11-01**		
Salaries & Wages		50,585,559	44,122,121
2022 Monthly Allowance		378,300	4,536,000
Other Allowance			1,053,607
Production Incentives		4,966,710	5,537,655
Overtime		3,000,146	1,442,017
Defined Contribution Plan (EPF)		6,075,104	5,302,178
Defined Contribution Plan (ETF)		1,518,776	1,325,545
Staff Welfare		6,766,606	5,452,821
Bonus		-	1,190,333
		73,291,201	69,962,277
Support Service Cost	**11-02**		
Mining Expenses		16,446,704	11,819,894
Power and Electricity		13,751,913	18,804,050
Security Charges		7,256,119	4,973,480
		37,454,735	35,597,424
Depreciation	**11-03**		
Plant & Machinery		7,806,544	-
Generator		1,400,000	-
Under Ground Development		1,632,346	-
		10,838,890	-

Analysis of Cost of sales and closing stocks **11-04**

	M.T.	Cost of Sales per M.T.	Rs.
O/Stocks	1,320.10	256,017.93	337,969,271
Production	336.33	361,500.25	121,584,826
	1,656.43	277,435.80	459,554,097
Sales	(402.13)	277,435.80	(111,565,259)
	1,254.30	277,435.80	347,988,837
N/Wast	(66.95)	-	-
Wast		-	-
C/Stocks	1,187.35	293,080.25	347,988,837

KAHATAGAHA GRAPHITE LANKA LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH	NOTES	2025/2026 LKR	2024/2025 LKR
12 ESTATE NDRY INCOME			
Agricultural Income			
Income from sale of Crops / Coconut wood		1,913,706	893,681
Less ; Expenses			
Labour		(2,437,563)	(2,305,098)
Overtime		(18,540)	(33,057)
2022 Monthly Allowance		(45,100)	(303,200)
Defined Contribution Plan (EPF)		(292,508)	(276,612)
Defined Contribution Plan (ETF)		(73,127)	(69,153)
Depriciations		(84,748)	-
Bonus		-	(9,000)
Nursery expences		(446,948)	(128,360)
		(1,484,826)	(2,230,798)
PERSONNEL COST			
13 Directors Remuneration		2,394,212	2,024,546
Staff Salary and Wages			
Administration Salary & wages		19,549,339	15,549,635
2022 Monthly Allowance		523,350	1,168,851
Overtime		3,564,895	741,891
Allowances - Incentives		624,000	537,000
Other Allowance		4,171,696	1,156,480
Defined Contribution Plan (EPF)		2,347,800	1,865,956
Defined Contribution Plan (ETF)		586,950	466,489
Bonus		-	379,000
		31,368,030	**21,865,303**
Total Personnel Cost		**33,762,242**	**23,889,849**
14 ESTABLISHMENT AND ADMINISTRATION COST			
Rates & Taxes		28,428	23,535
Medical Aid		139,351	108,206
Insurance	**14-1**	3,140,158	2,860,493
Printing & Stationery		461,602	281,308
Postage		97,895	54,295
Legal & Professional Fees	**14-2**	885,423	370,591
Security Charge		2,418,706	1,657,827
Book & Periodicals		380	-
Secretarial Charges		873,388	410,286
Audit Fees		-	422,081
Taxation Fees		124,500	-
Travelling & Transport		6,526,722	4,191,759
License & Permits		304,486	263,074
Research & Development		284,565	
Training Expenses		1,526,500	376,500
		16,812,103	**11,019,955**

KAHATAGAHA GRAPHITE LANKA LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH	NOTES	2025/2026 LKR	2024/2025 LKR
Insurance	**14-1**		
Fire Insurance - Generator		37,547.68	56,219
Sharma Surekuma Insurance		415,024	343,335
Agrahara Insurance Scheeme		2,104,200	2,179,800
Air Compressor Insurance		49,906.47	74,860
Vehicle Insuance		533,480	206,279
		3,140,158	2,860,493
Legal & Professional Fees	**14-2**		
Labour Tribunal Case		175,000	5,290
Land Dispute Case		585,000	41,638
Professional Charges		125,423	323,663
		885,423	370,591
15 MAINTENANCE COST			
Office & Office Equipment Maintenance		661,040	785,364
Building Maintenance		71,135	14,750
Machinery Maintenance		1,561,909	4,406,789
		2,294,085	**5,206,903**
16 UTILITY COST			
Water Charges		209,111	145,553
Electricity		704,825	634,559
Telephone		426,326	329,685
		1,340,261	**1,109,798**
17 DEPRECIATION COST			
Building		2,235,600	2,248,200
Electrical Equipments		18,360	18,360
Motor Vehicle		3,290,000	2,690,000
Office Equipments		356,446	124,162
Other Assets		30,900	30,900
Furniture & Fittings		260,000	260,000
		6,191,306	**5,371,622**
18 SELLING AND DISTRIBUTION COST			
Transport to Wharf - Export		1,424,000	1,147,548
Sales Promotion		887,861	191,725
Advertising Expenses		307,750	470,205
Freight Expenses		724,275	392,173
		3,343,886	**2,201,651**
19 FINANCE COST			
Bank Charges		443,719	28,775
Interest Expences		2,644,713	2,642,268
Lease Interest Charges		542,108	-
Other Expences		51,632	32,458
		3,682,171	**2,703,501**

AS AT 31ST MARCH	2025 LKR	2026 LKR

20 Property Plant and Equipment

Cost	Balance On 1st April 2025	Additions	Revaluation Adjustments	Transfers	Non Operating Asset	Balance On 31st March 2026
Gross Carrying Amounts						
Free Hold Land	28,050,000	-				28,050,000
Coconut Plantation Development	1,694,235	720	-	-	-	1,694,955
Building	74,520,000	-				74,520,000
Plant & Machinery	76,143,685	1,921,750				78,065,435
Electrical Equipment	91,800	-				91,800
Motor Vehicle	26,900,000	-	6,000,000			32,900,000
Other Assets	309,000	-		-		309,000
Office Equipment	1,670,359	111,870		-	-	1,782,229
Generator	17,500,000	-		-	-	17,500,000
U.G.Development	16,025,872	297,590		-	-	16,323,462
Furniture & Fitting	1,300,000	-		-	-	1,300,000
Total Assets	244,204,951	2,331,930	6,000,000	-	-	252,536,881

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 2025	Depreciation	Revaluation Adjustments	Transfers	Non Operating Asset	Balance On 31st March 2026
Building	3%	8,992,800	2,235,600				11,228,400
Coconut Plantation Dev.	5%	254,135	84,748				338,883
Plant & Machinery	10%	29,713,643	7,806,544				37,520,187
Electrical Equipment	20%	50,720	18,360				69,080
Motor Vehicle	10%	10,760,001	3,290,000	(8,400,000)			5,650,001
Other Assets	10%	133,600	30,900				164,500
Office Equipment	20%	431,648	356,446				788,094
Generator	8%	5,600,000	1,400,000		-	-	7,000,000
U.G.Development	10%	12,285,888	1,632,346		-	-	13,918,234
Furniture & Fitting	20%	1,040,000	260,000		-	-	1,300,000
Total Depreciation		69,262,435	17,114,943	(8,400,000)	-	-	77,977,379
Total Written Down Value		174,942,517			-	-	174,559,502

KAHATAGAHA GRAPHITE LANKA LIMITED

NOTES TO THE ACCOUNTS

AS AT 31 MARCH	NOTES	2025/2026 LKR	2024/2025 LKR
21 NON OPERATING ASSETS			
Cost as at 1st April		23,210,000	23,210,000
Balance as at 31st March		23,210,000	23,210,000
22 STOCK			
Stock Consumables		33,085,651	17,583,862
Stock-Graphite		347,988,837	351,358,135
		381,074,488	**368,941,997**
23 DEBTORS,DEPOSITS & RECEIVABLES			
Accounts Receivable	**23-01**	20,764,902	3,161,948
Purchase Advance	**23-02**	-	80,000
Insurance pre paid		573,632	280,364
Sri Lanka Telecom Deposit		5,000	5,000
Value Added Tax Receivables		9,441,516	6,976,782
Jayawimana Court Case Apeal Dep		30,000	30,000
Employee Debtors - Rathnayaka R M A		132,821.28	0
DHL Keells (Pvt) Ltd		30,000	30,000
Festival Advance		-	8,000
		30,977,872	**10,572,094**

Accounts Receivable	**23-01**		
NSB Fixed Deposits Interest Recivable		-	1,248,777
Krishna		-	18
First Graphite Ltd		321,498.00	321,498
S Kato & Co.,		20,446,060	1,576,687
Amma's Holding,lk (pvt) Ltd		-	17,600
Other		(237)	(213)
Thilakarathne K G C R		(2,419)	(2,419)
		20,764,902	3,161,948

Purchase Advance	**23-02**		
Jayasundara		-	80,000
		-	**80,000**
		-	-

AS AT 31 MARCH		NOTES	2025/2026 LKR	2024/2025 LKR
24	**CASH & CASH EQUIVALENT**			
	Bank Of Ceylon - Redigama		812,989	1,305,252
	Bank Of Ceylon -Kollupitiya		2,627,734	880,149
	DFC $ A/C - BOC Kollupitiya		5,936,680	15,017,800
			9,377,403	**17,203,201**
25	**STATED CAPITAL**			
	Called Up Share Capital		13,000,000	13,000,000
			13,000,000	**13,000,000**
27	**DEFERRED TAX LIABILITY**			
	Balance B/F		(1,787,943)	(1,652,643)
	Provision For The Year		(0)	(135,300)
	Closing Balance		**(1,787,943)**	**(1,787,943)**
28	**GRATUITY PROVISION**			
	Balance B/F		24,457,082	18,645,306
	Provision For The Year		8,017,499	6,873,836
	Paid During The Year		(1,986,172)	(1,062,060)
	Closing Balance		**30,488,409**	**24,457,082**

29 TRADE AND OTHER CREDITORS

4M International (Pvt) Ltd	45,000	45,000
A.M.Distributors	(0)	198,060
Accsoft Solutions Pvt Ltd		-
Ace Distriparks (pvt) Ltd	420,080	-
Anstel Trading Center	11,210	-
Attorny General Department	175,000	-
B I Commodities & Logistics (Pvt) ltd	(400)	(400)
BCC Lanka Limited	327,858	214,412
Blackwatch Security Syndicates (pvt) Ltd	650	650
Brown & Company PLC	(5,083,086)	761,750
Car Lovers (pvt) Ltd.	38,650	-
Ceylon Weighing Machinery Ltd	25,370	-
Cleanol		2,196
Colombo Hardware	241,030	42,550
D N Dinesh Suranga	48,800	11,750
D Ranu Computers And Electricals	5,750	41,600
Deepthi Cleaning Services		23,552
Deloitte Corporate Services (Pvt) Ltd	334,863	-
Dimo	124,379	-
Dinapala Super Centre	1	1
Disanayaka Hardware	788,719	105,704
Eastern Trading Company	422,707	1,976,875
Estate Productions	5,040	
ET Lab Manufacturing (Pvt) Ltd	50,000	90,000
Force Security (Pvt) Ltd	161,900	-
Go Go Hotel & Resturant	133,540	-
Gunarhathne D R	15,600	15,600
H M H P Senanayaka Distributors	(0)	-
Hotel White Diamond	(20)	(20)
Havelock Wash Bar	52,510	-
IER & Engineering Solutions (Pvt) Ltd	20,000	-
Infortec Computer System	24,050	-
Internal Timber Productions	1,027,250	172,550
Janatha Estate Development Board	311,520	200,718
Jayalanka Ajencies	55	127,827
Lakhiru Enterprises	3,030	-
Lanka I B C Company (Pvt) Ltd	(5)	(5)
Lanka Rotariseals (Pvt) Ltd	166,380	-
Latch & Batchelor Ltd - England	(1)	-
M P C S - Ridigama	1,536,296	672,171
M P C S Hiriyala	55,600	17,700
Malith Engineering Tools		30,300
Mathara Auto Motors	150,710	-
Milco (Pvt) Ltd	(2)	-
Metropolitan Technologies (pvt) Ltd		37,580
National Insurance Trust Fund	343,800	187,200
National Water Supply & Dra.Board 1/4	17,528	18,371
New National hardware	1,035	1,035
Nipon Air	11,000	11,000
NIroshan W E	3,000	3,000
Oill Plus (Pvt) Ltd	299,440	-
Priyawanda Imbulgoda	35,000	-
Pinidu Traders		77,050
Rathna polysack (pvt)ltd	26	15
Rotax pvt ltd	139,130	-
Salim Textiles	2,140	2,140
Samota Trade Center	51,500	12,100
Sathosa Motors PLC	49,060	-
Soft Coll Refrigeration Company	19,250	-
Shan Island Security (pvt) Ltd		585,600
Somapala Motors	255	255
Sri Lanka Insurance	175,467	-
Sri Lanka State Trading (General) Cop		61,304
Sri Lanka Telecom	265,328	-

St.Anthony's Hardware (Pvt) Ltd	825	825
State Pharmaceuticals Corporation Of Sri	18	16
Supreme Furbishers	29,245	29,245
The Associated Newspapers of Ceylon Ltd	(200)	374,455
Technoasia	20,000	-
Tudawe Trading Co. (Pvt) Ltd	(0)	-
United Tractor & Equipment (pvt) Ltd	310,423	-
Waga Instrument (Pvt) Ltd	(409,681)	-
Wayamba Mount Marketing Service	(3)	-
	3,003,620	6,151,733

KAHATAGAHA GRAPHITE LANKA LIMITED

NOTES TO THE ACCOUNTS

AS AT 31 MARCH

		NOTES	2025/2026 LKR	2024/2025 LKR
30	**PROVISION FOR TAXATION**			
	Opening Balance		28,887,728	22,796,883
	Income Tax Paid		(4,394,022)	-
	Income Tax Payable for the Year		1,941,970	6,256,684
	With Holding Tax - Paid at source On Interest Income		(202,002)	(165,839)
			26,233,675	**28,887,728**
			-	-
31	**ACCRUED EXPENCES**			
	Audit Fees - Auditor General		1,512,997	1,512,997
	Defined Contribution Plan (EPF) Payable		1,350,088	1,333,692
	Defined Contribution Plan (ETF) Payable		184,104	181,868
	Electricity Board		12,398,889	15,074,088
	P.A.Y.E Tax Payable		6,330	10,751
	Festival Advance Over Collections		6,000	-
	With Holding Tax - Vendor Collections		209,415	193,313
	Salaries & Wages Payable Account		4,579,866	6,912,851
	Telephone Bills Payable		36,653	24,660
	Refundable Tender Deposits		-	37,110
	Nation Building Tax Payable		185,294	185,294
			20,469,636	**25,466,622**

KAHATAGAHA GRAPHITE LANKA LIMITED

INCOME TAX COMPUTATION

YEAR OF ASSESSMENT 2024/25

Profit/(loss) per Account				13,880,869.82
less: Interest Income				(890,217.22)
				12,990,652.60
Add Back:				
Legal Fees (LT case)	585,000.00	100%	585,000.00	
Impairment	-	100%	-	
Interest Expences	2,644,712.55	0%	-	
Depreciation	17,114,943.27	100%	17,114,943.27	
Advertisement	307,750.00	25%	76,937.50	
Professional Charges	300,422.55	100%	300,422.55	
				18,077,303.32
				31,067,955.92
Less:				
Capital Allowances				(14,468,175.70)
Gratuity Paid of The Year				(1,986,172.02)
Gain on Foreign Exchange Gain/Loss				
Gratuity Provision				(8,017,499.29)
Interest Income				(890,217.22)
				6,596,108.91
Business Profit/(Loss) for the Year				6,596,108.91
Interest Income				890,217.22
Total Statutory Income				**7,486,326.13**

Total Taxable Income

		Income	Rate	
	Export Income	6,596,108.91	30%	1,978,832.67
	Interest Income	890,217.22	30%	267,065.17
Total Tax payable		7,486,326.13		**2,245,897.84**

DEFERRED TAX LIABILITY

Gratuity		Asset	30,488,409.17
Capital allowance to be claim (Note 1)	6,606,517.91		
Accounting depreciation to be claim	37,287,591.72		
Tax over claimed	30,681,073.82		
Capital expenses over deduct for taxable profit than accounting profit		Liability	(30,681,073.82)
Coconut Plantation Development		Liability	-
Deferred Tax Liability			**(192,664.65)**
Tax Rate		30%	**(57,799.39)**

Current Asset / (Liability) as at 31/03/2024	(57,799.39)
Opening Asset / (Liability) 31/03/2023	(1,219,906.00)
Over provision	**1,162,106.61**

KAHATAGAHA GRAPHITE LANKA LIMITED

INCOME TAX COMPUTATION

YEAR OF ASSESSMENT 2023/24

Dividends Tax Payable	
Net Profit After Taxation	11,938,900.22
Less : Property, Plant & Equipments Acquired	(2,219,339.99)
Add : Depreciation for Property, Plant & Equipments Acquired	-
Distributable Profit	9,719,560.23

Note 01 : Capital Allowance on Assets

		TAX WRITTEN DOWN VALUE		
Assets	**Claim no**	**Rate**	**Value**	**Claim**
Building				
2011/12	10	10%	1,422,820.50	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	10	10%	29,575,817.88	2,957,581.79
2015/16	8	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	3	20.00%	35,000.00	7,000.00
Other Assets				
2012/13	5	20%	357,100.00	-
2013/14	11	6.67%	3,918,615.00	261,238.39
2014/15	10	6.67%	1,970,772.78	131,383.54
2016/17	8	6.67%	110,000.00	7,337.00
2016/17	8	6.67%	621,989.00	41,486.67
2018/19	5	20.00%	925,831.09	185,166.22
2020/21	4	15.00%	813,190.50	162,638.10
2021/22	3	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	5	20.00%	134,300.00	26,860.00
2020/21	4	20.00%	25,375.00	5,075.00
2020/21	4	20.00%	752,816.00	150,563.00
2020/21	4	20.00%	35,000.00	7,000.00
2021/22	3	20.00%	215,810.00	43,162.00
2022/23	2	20.00%	111,870.00	22,374.00
Generator				
2009/10	9	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	5	20.00%	187,560.00	37,512.00
2019/20	5	20.00%	8,204,100.00	1,640,820.00
2020/21	4	15.00%	371,756.66	55,763.50
2021/22	5	20.00%	1,520,370.00	304,074.00
2022/23	3	20.00%	1,921,750.00	384,350.00
Motor Vehicle				
2013/14	5	20.00%	1,649,000.00	-
2018/19	5	20.00%	6,100,000.00	1,220,000.00
U.G.Development				
Trally Rails - Underground TruckLines	2	40.00%	11,428,645.93	4,571,458.37
2021/22	3	20.00%	430,275.00	86,055.00
2022/23	2	20.00%	297,589.99	59,518.00
2023/24	1	20.00%	574,078.90	114,815.78
Furniture & Fittings				
2014/15	5	20.00%	468,391.73	
2018/19	5	20.00%	74,488.98	14,897.80
			91,242,321.88	**14,468,175.70**

Asset Description	Qty	Amount	Market Cost	Net Receivable %	Impaired Asset Value	To be Impaired	
Compressor (with Panel Board)	1	450,000.00	1,500,000.00	30%	450,000.00	-	
Compressor (with Motor and Panel Board)	1	450,000.00	1,500,000.00	30%	450,000.00	-	
Stock Tank	1	150,000.00	500,000.00	30%	150,000.00	-	
Compressor (with Panel Board)	1	450,000.00	1,500,000.00	30%	450,000.00	-	
Water Pump and parts	1	72,000.00	240,000.00	30%	72,000.00	-	-
Tamping Rammer T.R.E. - 85 and parts	1	61,200.00	204,000.00	30%	61,200.00	-	-
Opening Balance		**1,633,200.00**					
Tractor	1	105,000.00	350,000.00	30%	105,000.00	-	
Steel Wireroof with wedge capple 2014/15	1	978,560.34	3,261,867.81	30%	978,560.34	-	
Winch	2	60,000.00	200,000.00	30%	60,000.00	-	
Compressor (with Panel Board)	1	450,000.00	1,500,000.00	30%	450,000.00	-	
Generator (Caterpillar)	1	15,000.00	50,000.00	30%	15,000.00	-	
Generator (750kw with all Assets.)	1	300,000.00	1,000,000.00	30%	300,000.00	-	
Medical Center Buildings	1	85,885.11	-	100%	-	-	
		1,994,445.45					
		3,627,645.45			**3,541,760.34**	**-**	

Client have assessed the impairment on the reasonable basis that if above assets are scrapped 20%-30% of its initial cost can be recovered.
They have discuss with their engineers and provided us with an assessment for impairment.

	31st -Mar -25
	Debit
B .O.C. Kollupita $ A/c	5,936,680.49
B.O.C. - Ridigama	812,988.65
B.O.C. Kollupita	2,627,734.06
Cash/ Cash Advance Acc.	
Petty Cash - Mining	
Petty Cash - Head Office	
Petty Cash - Mine office	
Accounts Receivable	20,764,902.39
Debtor Deposit & Prepayments:Advance	
Debtor Deposit & Prepayments:Deposit:American Premium Water Sys	
Debtor Deposit & Prepayments:Deposit:Ceylon Petrolium Corp.	
Debtor Deposit & Prepayments:Deposit:DHL Keells (Pvt) Ltd	30,000.00
Debtor Deposit & Prepayments:Deposit:Finlay Rentokill Ltd	
Debtor Deposit & Prepayments:Deposit:GSMB	
Debtor Deposit & Prepayments:Deposit:Royalty Receivables	
Debtor Deposit & Prepayments:Employee Debtors	132,821.28
Debtor Deposit & Prepayments:Insurance	
Debtor Deposit & Prepayments:S L T Deposits	5,000.00
Festival Advances	
Interest Recivables	
Insurance Free paid	573,632.49
Inventory Asset	20,747,885.91
PAYE Tax Receivables:Kalansooriya D	
PAYE Tax Receivables:Nijamudeen S	
Purchase Advances	
Stocks:Graphite Stocks	337,969,271.00
Stocks:Inventory Asset	11,798,017.43
Undeposited Funds	
V.A.T.Control Acc.	
Web Site Development	
WHT Deducted At Source	202,001.53
BUilding:Acc.Depriciation	
BUilding:Cost	74,520,000.00
Coconut Plantation Development	1,694,955.36
Coconut Plantation Development - Acc Depriciations	
Electrical Equipments:Acc Depriciation	
Electrical Equipments:Cost	91,800.00
Furniture & Fittings:Acc. Depr	
Furniture & Fittings:Cost	1,300,000.00
Generator:Acc.Depri	
Generator:Cost	17,500,000.00
Head Office Partisial Works:Acc Depr	
Head Office Partisial Works:Partitial Expences	
Land:Cost	28,050,000.00

Motor Vehicle:Acc Depriciation	
Motor Vehicle:Cost	32,900,000.00
Non Operating Assets	23,210,000.00
Office Equipments	
Office Equipments:Acc. Dep.	
Office Equipments:Cost	1,782,228.99
Other Assets:Acc.Depri	
Other Assets:Cost	308,999.80
Plant & Machinery:Acc Depriciation	
Plant & Machinery:Cost	78,065,435.27
Research & Development Expences	
U.G.Developmet Expences:Acc.Depric	
U.G.Developmet Expences:Capital Expences	16,323,461.96
Consumable Items	539,748.00
Fixed Deposit - 1st	
Gratuity Investment Fund	5,073,321.19
Gratuity Investment Fund	25,539,651.18
Jayawimana Court Case Apeal Dep	30,000.00
Accounts Payable	
Advance Received	
Allowance Payable	
C.G.I.R. On N.B.T.(Control Acc)	
C.G.I.R. On N.B.T.(Control Acc):N.B.T.Output	70,574.52
Canceled / Retd . cheque	
Commissioner Gene of Inland Rev:CGIR - NBT	
Commissioner Gene of Inland Rev:Dividend Tax Payable	
Commissioner Gene of Inland Rev:Income Tax Payable	
Commissioner Gene of Inland Rev:Social Responsibility Levy	
Commissioner Gene of Inland Rev:Witholding Tax	73,483.85
Dividend Payable	
E T F Payable	
E.P.F. Pyables	
Net Earning Control	
P.A.Y.E.Tax	
Royalty Payable	
Sales Tax Payable	
Sales Tax Payable:V.A.T. - Input Tax	16,900,799.40
Shprt Term Loan Account	
Sundry Tender Deposits	
Differed Tax Liability	1,787,943.00
Gratuity Provision	
Lease Creditor-BOC-KM3311	
Lease Creditor-BOC-KM3311:Int In Suspence	1,026,653.67
Lease Creditor -BOC-PB9721	
Lease Creditor -BOC-PB9721:Int.In Suspence	
Lease Creditor BOC KM-3641	
Lease Creditor BOC KM-3641:Int In Suspence	1,026,653.66

Lease Creditor BOC PJ 3672	
Lease Creditor BOC PJ-3672:Int In Suspence	1,121,896.67
NSB Loan Account - Purchase Air	
People's Bank Loan	
Opening Bal Equity	
Reserves:Capital Reserves	
Reserves:Pneumconiosis Compansation Rese	
Reserves:Revaluation Reserve	
Retained Earnings	
Share Capital	
Sales	
2022 Monthly Allowance	378,300.00
500 - Machinery Maintenance	
Bonus - Mining	
Cost of Goods Sold - Material I	16,445,603.50
Depriciation - Cost	
Directors Remunerations	2,394,212.00
E P F - Labour	6,075,103.59
E T F - Labour	1,518,775.90
Electricity	13,751,912.81
Electricity:Power Production	
Materials - Cost of Goods Sold	1,100.00
Mining Salaries & Wages	50,585,559.27
Overtime / Wages - Labour	3,000,146.31
Production Incentives - Mining	5,590,710.00
Royalty	
Security Expences	7,256,118.75
Dividend	7,432,481.00
Depriciation - Cost	
ESTABLISHMENT & ADMIN COST	
ESTABLISHMENT & ADMIN COST:2022 Monthly Allowance - Admin	523,350.00
ESTABLISHMENT & ADMIN COST:800-Welfare	127,811.50
ESTABLISHMENT & ADMIN COST:800-Welfare:801-Staff & Labour welfare	971,774.40
ESTABLISHMENT & ADMIN COST:800-Welfare:802-Tea & Meals	4,362,087.67
ESTABLISHMENT & ADMIN COST:800-Welfare:803-Unifprms	181,433.43
ESTABLISHMENT & ADMIN COST:800-Welfare:804-Other Welfare Facilities	56,654.27
ESTABLISHMENT & ADMIN COST:Account Preparetion Expences	
ESTABLISHMENT & ADMIN COST:Admin Salaries	19,549,339.02
ESTABLISHMENT & ADMIN COST:Allowances	4,171,696.42
ESTABLISHMENT & ADMIN COST:Audit Fee	
ESTABLISHMENT & ADMIN COST:Bonus - Admine	
ESTABLISHMENT & ADMIN COST:Books & Periodicles	380.00
ESTABLISHMENT & ADMIN COST:E.P.F.	2,347,799.74
ESTABLISHMENT & ADMIN COST:E.T.F.	586,949.95
ESTABLISHMENT & ADMIN COST:Electricity Expences	704,824.67
ESTABLISHMENT & ADMIN COST:Insurance	3,140,158.42
ESTABLISHMENT & ADMIN COST:Leagal & Profesional Fee	885,422.55

ESTABLISHMENT & ADMIN COST:Licence & Permits	304,486.11
ESTABLISHMENT & ADMIN COST:Medicle Expences	139,350.62
ESTABLISHMENT & ADMIN COST:Other Expences	50,634.00
ESTABLISHMENT & ADMIN COST:Other Expences:403 - General Expences	997.50
ESTABLISHMENT & ADMIN COST:Other Expences:404 - Tools & Con	
ESTABLISHMENT & ADMIN COST:Overtime / Wages - Staff	3,564,895.25
ESTABLISHMENT & ADMIN COST:Postage	97,895.00
ESTABLISHMENT & ADMIN COST:Printing & Stationery	461,601.82
ESTABLISHMENT & ADMIN COST:Rates & Taxes	28,427.52
ESTABLISHMENT & ADMIN COST:Refreshments	1,066,844.40
ESTABLISHMENT & ADMIN COST:Rent	
ESTABLISHMENT & ADMIN COST:Research & Development	284,564.66
ESTABLISHMENT & ADMIN COST:Secretarial Charges	873,387.62
ESTABLISHMENT & ADMIN COST:Security Charges	2,418,706.25
ESTABLISHMENT & ADMIN COST:Taxation Fee	124,500.00
ESTABLISHMENT & ADMIN COST:Training & Development Expences	1,526,500.00
ESTABLISHMENT & ADMIN COST:Transport	132,079.47
ESTABLISHMENT & ADMIN COST:Transport:Passenger Vehicle	587,967.73
ESTABLISHMENT & ADMIN COST:Transport:Passenger Vehicle:Fuel	2,478,895.78
ESTABLISHMENT & ADMIN COST:Transport:Passenger Vehicle:Licence	48,060.00
ESTABLISHMENT & ADMIN COST:Transport:Passenger Vehicle:Repaire & Other E	1,186,844.85
ESTABLISHMENT & ADMIN COST:Transport:Vehicle Hiring	1,253,223.06
ESTABLISHMENT & ADMIN COST:Travelling & Subsista	839,651.13
Financial & Other Expences:Bank Charges-O406	443,719.19
Financial & Other Expences:DIFFERED Tax Provision	
Financial & Other Expences:Estate Expences:2022 Monthly Allowance - Estate	45,100.00
Financial & Other Expences:Depriciations	
Financial & Other Expences:Estate Expences	446,947.89
Financial & Other Expences:Estate Expences:Estate Bonus	
Financial & Other Expences:Estate Expences:Estate Expences	
Financial & Other Expences:Estate Expences:Estate Labour	2,437,562.96
Financial & Other Expences:Estate Expences:Estate Overtime	18,539.51
Financial & Other Expences:Estate Expences:Estste E P F	292,507.56
Financial & Other Expences:Estate Expences:Estste E T F	73,126.90
Financial & Other Expences:Estate Expences:Nursery expences	
Financial & Other Expences:Estate Expences:Tools & Equipments	
Financial & Other Expences:Forigne Exchange Gain/Loss	654,750.48
Financial & Other Expences:Leasing Interest	542,108.00
Financial & Other Expences:Loan Interest	2,644,712.55
Financial & Other Expences:Penalty & Surcharge	
Income Tax Provision	1,941,970.00
Financial & Other Expences:Loan Interest - NSB Air Compres	
MAINTENANCE COST	
Financial & Other Expences:Penalty & Surcharge	
MAINTENANCE COST:Building Maintanance	71,135.00
MAINTENANCE COST:Machinery Maintenance	1,561,909.49
MAINTENANCE COST:Office / Ofiice Equip. Mainte.	660,930.08

Reconciliation Descrepancies

MAINTENANCE COST:Office Maintenance	**110.00**
Selling & Distribution Expences:Advertisments	**307,750.00**
Selling & Distribution Expences:Export Promotion Expenses	
Selling & Distribution Expences:Other Selling Expences	**724,275.15**
Selling & Distribution Expences:Sales Promotion	**887,861.00**
Selling & Distribution Expences:Transport To War Char	**1,424,000.00**
Servise Gratuity	8,017,499.29
UTILITY COST:Telephone Charges	**426,325.75**
UTILITY COST:Water	**209,110.61**
Estate Income	
Interest Fixed & Savings Accoun	
Sundry Income	
TOTAL	**923,879,711.10**

Credit
6,000.00
4,492,358.83
8,992,800.00
254,135.29
50,720.00
1,039,999.97
5,599,999.99

2,360,000.50

431,647.54

133,599.96

29,713,643.45

12,285,887.89

16,952,159.03

255,868.46

26,736,810.31

184,103.62
1,350,087.81
4,579,866.01
6,330.17

2,966,924.54

19,720,367.00

30,488,409.17
5,297,487.00

5,297,487.00

5,392,730.00

123,179,169.93
398,168,152.36
13,000,000.00
202,028,438.48

1,913,706.25
890,217.22
110,603.32
923,879,711.10