

AUDITOR GENERAL'S REPORT



ජාතික විගණන කාර්යාලය

තොසිය කණකකාය්ච අව්‍යාධකම් NATIONAL AUDIT OFFICE



ଦିନା
ତିକତି
Date } 2025 ଦେସ୍ୟେ ମିଳିର 05' ଦିନ

සහාපති,
ලංකා මිනරල් සැන්ඩිස් ලිමිටඩ්.



ලංකා මිනාරල් සැප්ත්මැබර් ලියම්වතින් 2024 දෙසුම්බර් 31 දිනෙන් අවස්ථා වර්ත්තය සඳහා වූ මූල්‍ය ප්‍රකාශන පහ වෙනත් ගෙනැකි හා තීයාමන අවශ්‍යතා පිළිබඳව 2018 අංක 19 දුරන ජාතික විගණන පනතේ 12 වන විගණකීය ප්‍රකාශව විතැකකාධිපති වූ රජකාව

යලේක්ත වාර්තාව මේ සමහ එවා ඇත.

පි.ප්.ව.ධර්මපාල
විශ්වකාසිප්‍රසාද.ඩී.ඩී.

පිටපත්:- 1. ලේකම් - කර්මාන්ත අමාත්‍යාංශය

2. ලේකම් - මුදල්, කම සම්පාදන සහ ආර්ථික සංවර්ධන ප්‍රමාත්‍යාචාරය

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AUDITOR GENERAL'S REPORT



ඡාතික විගණන කාර්යාලය තොසිය කණකකායෝජ්‍ය අව්‍යවලකම් NATIONAL AUDIT OFFICE



මෙයි අංකය
සංඛ්‍යා නිල.
My No.

අයිතිවාරිති/සි/ප්‍රේර්මරයර්/
1/2024/09

මෙයි අංකය
සංඛ්‍යා නිල.
Your No.

දිනය
තික්‍රී
Date
2025 දෙසැම්බර් තුරු දින



යහාපත්‍රි,

ලංකා මිනාරල් සැන්සිස් ලිමිටඩ්.

ලංකා මිනාරල් සැන්සිස් ලිමිටඩ් 2024 දෙසැම්බර් 31 දිනෙන් අවසන් වර්ෂය සඳහා වූ මූල්‍ය ප්‍රකාශන සහ වෙනත් නොතික හා නියාමන අවශ්‍යතා පිළිබඳ 2018 අංක 19 දරන ඡාතික විගණන පනතේ 12 වන වගන්තිය ප්‍රකාරව විගණකාධිපති වාර්තාව

1. මූල්‍ය ප්‍රකාශන

1.1 තත්ත්වාගණනය කළ මතය

ලංකා මිනාරල් සැන්සිස් ලිමිටඩ් ("සමාගම") 2024 දෙසැම්බර් 31 දිනට මූල්‍ය තත්ත්ව ප්‍රකාශනය සහ එදිනෙන් අවසන් වර්ෂය සඳහා වූ විස්තිරණ ආදායම ප්‍රකාශනය, සිමිකම් වෙනස්වීමේ ප්‍රකාශනය සහ එදිනෙන් අවසන් වර්ෂය සඳහා මූදල් ප්‍රවාහ ප්‍රකාශනය සහ ප්‍රමාණාත්මක ගිණුම්කරණ ප්‍රතිපත්තිවලට අදාළ තොරතුරු ද අනුලත් මූල්‍ය ප්‍රකාශනවලට අදාළ සහෙන්වලින් සමත්වීන 2024 දෙසැම්බර් 31 දිනෙන් අවසන් වර්ෂය සඳහා වූ මූල්‍ය ප්‍රකාශන, ශ්‍රී ලංකා ප්‍රජාතාන්ත්‍රික සමාජවාදී ජනරජයේ ආණ්ඩුනුම ව්‍යවස්ථාවේ 154(1) ව්‍යාවස්ථාව සහ සංයෝගීතාව කියවිය යුතු 2018 අංක 19 දරන ඡාතික විගණන පනතේ විධිවිධාන ප්‍රකාර මාගේ විධානය යටතේ විගණනය කරන ලදී.

මාගේ වාර්තාවේ තත්ත්වාගණනය කළ මතය සඳහා පදනම කොටසේ විස්තර කර ඇති කරුණු වලින් වන බලපෑම හැර, සමාගමේ මූල්‍ය ප්‍රකාශන තුළින් 2024 දෙසැම්බර් 31 දිනට මූල්‍ය තත්ත්වය සහ එදිනෙන් අවසන් වර්ෂය සඳහා එහි මූල්‍ය ත්‍රියාකාරීන්වය හා මූදල් ප්‍රවාහ ශ්‍රී ලංකා ගිණුම්කරණ ප්‍රමිතිවලට අනුකූලව සත්‍ය හා සාධාරණ තත්ත්වයක් පිළිබැඳු කරන බව මා දරන්නා වූ මතය වේ.

AUDITOR GENERAL'S REPORT

1.2 තත්ත්වාගණනය කළ මතය සඳහා පදනම

(අ) 2024 ඔක්තෝබර් 15 සිට 2025 ඔක්තෝබර් 15 දක්වා බනිජ වැලි කිහිප 30000 ක් කුණීම කිරීම සඳහා රු.මිලියන 15 ක් වෙරළ සංරක්ෂණ හා වෙරළ සම්පත් කළමනාකරණ දෙපාර්තමේන්තුව වෙත ගෙවා බලපත්‍රයක් ලබාගෙන තිබූ අතර 2024 දෙසැම්බර් 31 දිනට ඒ යටතේ බනිජ වැලි කිහිප 3179 ක් ප්‍රමාණයක් කුණීම කර තිබුණි. ඒ අනුව බනිජ වැලි කිහිප 26821 කට අභ්‍යන්තරු රු.මිලියන 13.41 ක් බලපත්‍ර ගැස්තුවක් ඉදිරියට කළ ගෙවීම ලෙස ගිණුම්ගත කළ යුතු මුවද, එය රු.මිලියන 15.70 ක් ලෙස ගිණුම්ගත කිරීම හේතුවෙන් වර්ෂයේ ලාභය රු.මිලියන 2.29 කින් වැඩියෙන් දක්වා තිබුණි.

(ආ) සමාලෝචන වර්ෂයේදී බදු සැයදීමක් ලෙස රු.මිලියන 140.80 ක් පෙර වර්ෂයේ ලාභයෙන් අඩු කර ඇත්තේමට අභ්‍යන්තරු සාක්ෂිද මුදල් ප්‍රවාහ ප්‍රකාශනයේ බදු පෙර ලාභයට සිදු කරන ලද ගැලපීම යටතේ පෙර වර්ෂ තැපුම් ලෙස ඇතුළත් කරන ලද රු.මිලියන 138.17 ක් සනාථ කිරීමට අවශ්‍ය සාක්ෂිද විගණනයට ඉදිරිපත් නොවීම හේතුවෙන් අභ්‍යන්තරු ගැලපීමේ නිරවද්‍යතාවය විගණනයේදී තහවුරු නොවිය.

(ඇ) ශ්‍රී ලංකා ගිණුම්කරණ ප්‍රමිත 7 ට අනුව මුදල් ප්‍රවාහ ප්‍රකාශනය පිළියෙළ කළ යුතු මුවන්, මුදල් ප්‍රවාහ ප්‍රකාශනයේ පහත අනුකූල නොවූ අවස්ථා විය.

(i) සමාගම විසින් ජනතා වතු සංවර්ධන මණ්ඩලය වෙත ලබාදී තිබූ ගාය මුදලින් 2024 වර්ෂයේදී ලැබේ තිබූ රු.මිලියන 1.25 ක් මුදල් ප්‍රවාහ ප්‍රකාශනයේ ආයෝජන ත්‍රියාකාරකම යටතේ දක්වා නොතිබුණි.

(ii) වෙරළ සංරක්ෂණ හා වෙරළ සම්පත් කළමනාකරණ දෙපාර්තමේන්තුව ගෙවිය යුතු යොශයෙන් 2024 වර්ෂයේ දී වෙත ලද රු.මිලියන 12.8 ක් මුදල් ප්‍රවාහ ප්‍රකාශනයේ මෙහෙයුම් ත්‍රියාකාරකම යටතේ දක්වා නොතිබුණි.

ශ්‍රී ලංකා විගණන ප්‍රමිතවලට (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 තත්ත්වාගණනය කළ මතය සඳහා පදනමක් සැපයීම උදෙසා මා විසින් ලබාගෙන ඇති විගණන සාක්ෂි ප්‍රමාණවන් සහ උවින බව මාගේ විශ්වාසයයි.

AUDITOR GENERAL'S REPORT

1.3 සමාගමේ 2024 වාර්ෂික වාර්තාවේ ඇතුළත් අනෙකුත් තොරතුරු

මෙම විගණන වාර්තාවේ දිනට පසුව මට ලබාදීමට බලාපොරොත්තු වන සමාගමේ 2024 වාර්ෂික වාර්තාවේ ඇතුළත් කර ඇති නමුත් මූල්‍ය ප්‍රකාශන සහ ඒ පිළිබඳව වූ මාගේ විගණන වාර්තාවේ ඇතුළත් නොවන තොරතුරු, -අනෙකුත් තොරතුරු යන්නෙන් අදහස් වේ. මෙම අනෙකුත් තොරතුරු සඳහා කළමනාකරණය වගකීව 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 ගැකි වූ විට කියවීම සහ එසේ කිරීමේදී අනෙකුත් තොරතුරු මූල්‍ය ප්‍රකාශන සමඟ හෝ විගණනයේදී හෝ වෙනත් ආකාරයකින් ලබාගත් මගේ දැනුම අනුව ප්‍රමාණාත්මක වගයෙන් නොගැළුපෙනවාද යන්න සලකා බැලීමයි.

සමාගමේ 2024 වාර්ෂික වාර්තාව කියවන විට, එහි ප්‍රමාණාත්මක වරදවා දැක්වීම ඇති බව මම නීගමනය කළහොත්, නිවැරදි කිරීම සඳහා පාලනය කරන පාර්ශවයන් වෙත එම කරුණු සන්නිවේදනය කළ යුතුය. තවදුරටත් නිවැරදි නොකළ වරදවා දැක්වීම නීගමනම, ඒවා ආණ්ඩුනුම ව්‍යවස්ථාවේ 154(6) ව්‍යවස්ථාව ප්‍රකාරව මා විසින් යථා කාලයේදී පාර්ලිමේන්තුවේ සඟාගත කරනු ලබන වාර්තාවට ඇතුළත් කරනු ඇත.

1.4 මූල්‍ය ප්‍රකාශන පිළිබඳ කළමනාකරණයේ සහ පාලනය කරන පාර්ශවයන්ගේ වගකීම

මෙම මූල්‍ය ප්‍රකාශන ග්‍රී ලංකා ගිණුම්කරණ ප්‍රමිතිවලට අනුකූලව පිළියෙළ කිරීම හා සාධාරණ ලෙස ඉදිරිපත් කිරීම සහ වංචා හෝ වැරදි හේතුවෙන් ඇතිවිය ගැකි ප්‍රමාණාත්මක සාධාරණ ප්‍රකාශනයන්ගෙන් තොරව මූල්‍ය ප්‍රකාශන පිළියෙළ කිරීමට හැකිවනු පිණිස අවශ්‍ය වන අභ්‍යන්තර පාලනයන් තීරණය කිරීම කළමනාකරණයේ වගකීම වේ.

මූල්‍ය ප්‍රකාශන පිළියෙළ කිරීමේදී, සමාගම අඛණ්ඩව පවත්වාගෙන යාමේ හැකියාව නීරණය කිරීම කළමනාකරණයේ වගකීමක් වන අතර, කළමනාකාරීන්වය සමාගම ඇවර කිරීමට අදහස් කරන්නේ නම් හෝ වෙනත් විකල්පයක් තොමුත් විටදී මෙහෙයුම් නැවැත්වීමට කටයුතු කරන්නේ නම් හැර අඛණ්ඩ පැවැත්මේ පදනම මත ගිණුම තැබීම හා සමාගමේ අඛණ්ඩ පැවැත්මට අදාළ කරුණු අනාවරණය කිරීමද කළමනාකරණයේ වගකීමකි.

සමාගමේ මූල්‍ය වාර්තාකරණ ත්‍රියාවලිය සම්බන්ධව පරික්ෂා කිරීමේ වගකීම, පාලනය කරන පාර්ශවයන් විසින් දරනු ලබයි.

AUDITOR GENERAL'S REPORT

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

1.5 මූල්‍ය ප්‍රකාශන විගණනය සම්බන්ධයෙන් විගණකගේ වගකීම

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

ශ්‍රී ලංකා විගණන ප්‍රමිති ප්‍රකාරව විගණනයේ කොටසක් ලෙස මා විසින් විගණනයේදී වංචාතිය විනිශ්චය සහ වංචාතිය සැකමුපුබේන් 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 සාචදා ප්‍රකාශනයන් ඇතිවීමේ අවධානම හඳුනාගැනීම හා තක්සේරු කිරීම සඳහා අවස්ථාවේටිව උවිත විගණන පරිපාටි සැලැසුම කර ක්‍රියාත්මක කරන ලදී. වරදවා දැක්වීම හේතුවෙන් සිදුවන ප්‍රමාණාත්මක සාචදා ප්‍රකාශනයන්ගෙන් සිදුවන බලපෑමට වඩා වංචාවකින් සිදුවන්නා වූ බලපෑම ප්‍රබල වන්නේ ඒවා දුස්සන්ධායෙන්, ව්‍යාප ලේඛන සැකසීමෙන්, වෙනතාන්වීම මහජාරීමෙන්, වරදවා දැක්වීමෙන් හෝ අභ්‍යන්තර පාලනයන් මත හැරීමෙන් වැනි හේතු නිසා වන බැවිනි.
- අභ්‍යන්තර පාලනයේ සංලාභිත්වය පිළිබඳව මතයක් ප්‍රකාශ කිරීම අදහසින් නොවුවද, අවස්ථාවේටිව උවිත විගණන පරිපාටි සැලැසුම කිරීම පිණිස අභ්‍යන්තර පාලනය පිළිබඳව අවබෝධයක් ලබාගන්නා ලදී.
- භාවිතා කරන ලද ගිණුමකරණ ප්‍රතිපත්තිවල උවිතහාවය, ගිණුමකරණ ඇස්තමේන්තුවල සාධාරණන්වය සහ කළමනාකරණය විසින් කරන ලද සම්බන්ධිත හෙළිදරව කිරීම අගයන ලදී.

AUDITOR GENERAL'S REPORT

- සිද්ධීන් හෝ තත්ත්වයන් හේතුවෙන් සමාගමේ අඛණ්ඩ පැවැත්ම පිළිබඳ ප්‍රමාණාත්මක අවිනිශ්චිතතාවයක් නිබේද යන්න සම්බන්ධයෙන් ලබාගත් විගණන යාක්ෂි 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 හෙළිදරවකිරීම වලට මාගේ විගණන වාර්තාවේ අවධානය යොමු කළ යුතු අතර, එම හෙළිදරවකිරීම ප්‍රමාණවත් නොවන්නේ නම් මාගේ මතය විකරණය කළ යුතුය. කෙසේ වූවද, අනාගත සිද්ධීන් හෝ තත්ත්වයන් මත අඛණ්ඩ පැවැත්ම අවසන් විමට හැකිය.
- මූල්‍ය ප්‍රකාශනවල ව්‍යුහය හා අන්තර්ගතය සඳහා පාදක වූ ගනුදෙනු හා සිද්ධීන් උචිත හා යාධාරකව ඇතුළත් වී ඇති බව සහ හෙළිදරවකිරීම ඇතුළත් මූල්‍ය ප්‍රකාශනවල සමස්ථ ඉදිරිපත් කිරීම අගයන ලදී.

මාගේ විගණනය තුළදී හඳුනාගත් වැදගත් විගණන යොයාගැනීම්, ප්‍රධාන අභ්‍යන්තර පාලන දුරකථන හා අනෙකුත් කරුණු පිළිබඳව පාලනය කරනු ලබන ප්‍රමාණවයන් දැනුවත් කරමි.

2. වෙනත් නොතික හා නියාමන අවශ්‍යතා පිළිබඳ වාර්තාව

2.1 2018 අංක 19 දරන ජාතික විගණන පනතේ සහ 2007 අංක 7 දරන සමාගම පනතේ පහත යදහන් අවශ්‍යතාවයන් සම්බන්ධයෙන් විශේෂ ප්‍රතිපාදන ඇතුළත් වේ.

2.1.1 මාගේ වාර්තාවේ තත්ත්වාගෙනය කළ මතය සඳහා පදනම කොටසේ විස්තර කර ඇති කරුණු වලින් වන බලපෑම හැර, 2007 අංක 7 දරන සමාගම පනතේ 163(2) වගන්තියේ සහ 2018 අංක 19 දරන ජාතික විගණන පනතේ 12(අ) වගන්තියේ සඳහන් අවශ්‍යතාවන් අනුව, විගණනය සඳහා අවශ්‍ය සියලු තොරතුරු සහ පැහැදිලි කිරීම මා විසින් ලබාගන්නා ලද අතර, මාගේ පරික්ෂණයෙන් පෙනී යන ආකාරයට නිසි මූල්‍ය වාර්තා සමාගම පවත්වාගෙන ගොස් තිබුණි.

2.1.2 2018 අංක 19 දරන ජාතික විගණන පනතේ 6(1)(ආ)(iii) වගන්තියේ සඳහන් අවශ්‍යතාවය අනුව සමාගමේ මූල්‍ය ප්‍රකාශන ඉකුත් වර්ෂය සමඟ අනුරුප වේ.

2.1.3 2018 අංක 19 දරන ජාතික විගණන පනතේ 6(1)(ආ)(iv) වගන්තියේ සඳහන් අවශ්‍යතාවය අනුව ඉකුත් වර්ෂයදී මා විසින් පියුකරන ලද නිරද්ධේයන් ඉදිරිපත් කරන ලද මූල්‍ය ප්‍රකාශනවල ඇතුළත්ව ඇත.

2.2 අනුගමනය කරන ලද ක්‍රියාමාර්ග සහ ලබා ගන්නා ලද යාක්ෂි මත හා ප්‍රමාණාත්මක කරුණුවලට සිමා කිරීම තුළ, පහත සඳහන් ප්‍රකාශ කිරීමට තරම කිසිවක් මාගේ අවධානයට ලක් නොවේ.

AUDITOR GENERAL'S REPORT

2.2.1 2018 අංක 19 දරන ජාතික විගණන පනතේ, 12(ඇ) වගන්තියේ සඳහන් අවශ්‍යතාවය අනුව සමාගමේ පාලක මණ්ඩලයේ යම සාමාජිකයෙකුට සමාගම සම්බන්ධව යම් හිටිපුමක් සම්බන්ධයෙන් සංස්ක්‍රීත හෝ අන්‍යාකාරයකින් සාමාන්‍ය ව්‍යාපාරික තත්ත්වයෙන් බැහැරව සම්බන්ධයක් ඇති බව.

2.2.2 2018 අංක 19 දරන ජාතික විගණන පනතේ 12(ඇ) වගන්තියේ සඳහන් අවශ්‍යතාවය අනුව පහත සඳහන් නිරීක්ෂණ භැර යම් අදාළ ලිපිත නීතියකට හෝ සමාගමේ පාලක මණ්ඩලය විසින් නිකුත් කරන ලද වෙනත් පොදු හෝ විශේෂ විධානවලට අනුකූල නොවන ලෙස ක්‍රියා කර ඇති බව.

නීතිමයි / විධානයට යොමුව

අනුකූල නොවීම

(ඇ) 2004 මාර්තු 30 දිනැති අංක පිටි/ශිත්/සිම/14/02 දරන හාන්ඩ්බාගාර ලේකම්ගේ ලිපිය (i) අදාළ ලිපිය මගින් එක් අයකුට පැමිණිමේ දීමනාව මයකට රු.500 ක් අනුමත කර නීතියදී අධ්‍යක්ෂ මණ්ඩල නීරණ මත එය රු.3,000 ක් දක්වා වරිණ්වර වැඩි කර 2024 වර්ෂයේදී ද ප්‍රධාන කාර්යාල සේවකයන් සඳහා රු. මිලියන 3.20 ක්ද, පුලුමුවේ යන්ත්‍රාගාර සේවකයන් සඳහා රු. මිලියන 14.43 ක් ද හාන්ඩ්බාගාර අනුමැතිය ලබාදෙන ගෙවා තිබුණි.

(ii) අදාළ ලිපිය මගින් ආහාර දීමනාව දිනකට රු.35 ක් අනුමත කර නීතියදී හාන්ඩ්බාගාර 'අනුමැතියකින් තොරව අධ්‍යක්ෂ මණ්ඩල නීරණ මත දිනකට රු.200 ක් දක්වා වරිණ්වර 2024 වර්ෂයේදී ද ප්‍රධාන කාර්යාල සේවකයන් සඳහා රු. මිලියන 4.26 ක්ද පුලුමුවේ යන්ත්‍රාගාර සේවකයන් සඳහා රු.මිලියන 25.05 ක්ද ආහාර දීමනා ලෙස ගෙවා තිබුණි.

(ඇ) 2023 මැයි 16 දිනැති අංක 1/2021 (i) දරන රාජ්‍ය ව්‍යාපාර වකුලෝධය

අලාභ හෝ ලැබිය යුතු දා ලියා හැරීමේදී අවශ්‍ය වනුලේබ විධිවිධාන සපුරා ලිමෙන් සහ විගණන කම්ටුවේ නිර්දේශය සහිත අධ්‍යක්ෂක මණ්ඩලයේ අනුමැතිය ලබාගත යුතු මුවද 2024 වර්ෂයේදී රු. මිලියන 37.48 ක ලැබිය යුතු එකතු කළ අගය මත බුදු වට්නාකම ලියාහැරීමේදී එක් අනුමැතිය ලබාදෙන නොතිබුණි.

AUDITOR GENERAL'S REPORT

(ආ) 2022 ජනවාරි 14 දිනැති
අංක 1/2015(ii) රාජ්‍ය
ව්‍යාපාර වනුලේඛය සහ
2024 පෙබරවාරි 28 දිනැති
අංක 01/2024 දරන රාජ්‍ය
ව්‍යාපාර වනුලේඛයේ 11.3
ලේඛය

සභාපතිවරයාගේ රාජකාරී ඉමු කිරීම සඳහා මායික ඉන්ධන දීමනාව ප්‍රමාණවත් තොවන අවස්ථාවලදී අනිලරක ඉන්ධන ලබා දීම සඳහා රේඛිය අමාත්‍යාංශයේ ලේකම්වරයාගේ අනුමැතිය ලබාගත යුතු වුවද, අභා අනුමැතිය ලබා ගැනීමක් තොරව 2022 යැළැතුමෙන් මායයේ සිට 2024 අගේදෙන මායය දක්වා රු. මිලියන 3.85 ක අනිලරක ඉන්ධන පිරිවැයක් සභාපතිවරයා වෙත ප්‍රතිපූරණය කර තිබුණි.

(ආ) 2014 තොටුමෙන් 12
දිනැති අංක 25/2014 දරන
රාජ්‍ය පරිපාලන
වනුලේඛයේ 07 ලේඛය.

අධ්‍යක්ෂ මණ්ඩල අනුමැතිය හා කළමනාකරණ සේවා දෙපාර්තමේන්තුවේ අනුමැතිය ලබා ගැනීමෙන් තොරව සමාගම විසින් පුලුම්වෙත යන්ත්‍රාගාරය සඳහා 2023 හා 2024 මායිම වර්ෂවලදී සේවකයන් 114 ක් අනියම් කම්කරුවන් ලෙස බදවා ගෙන තිබුණි.

වර්තමානය වන විට මෙයේ බදවා ගන්නා ලද අනියම් සේවකයන්ගෙන් 97 දෙනෙකු ආයතනයේ ඇතිලි සලකුණු යන්ත්‍රයේ සටහන් කර සේවයට වාර්තා කරන අතර සේවකයන් 17 දෙනෙකුට පමණක් ආයතනය වැටුදී ගෙවීම පිදුකරයි. ඒ අනුව අනියම් සේවකයන් 80 දෙනෙකුට වැටුදී තොලබා මාය 12 ක කාලයක සිට යන්ත්‍රාගාර පරිග්‍රයේ ඇතිලි සලකුණු යන්ත්‍රයේ පැමිණීම පිට්‍රීම සටහන් කිරීමට අවස්ථාව ලබාදී තිබුණාද එයට හේතු විගණනයට ඉදිරිපත් තොවුණි.

2.2.3 2018 අංක 19 දරන ජාතික විගණන පනතේ 12(උ) වගන්තියේ සඳහන් අවශ්‍යතාවය අනුව සමාගමේ බලත්තල, කර්ත්‍යවා සහ කාර්යයන්ට අනුකූල තොවන ලෙස කටයුතු කර ඇති බව.

2.2.4 2018 අංක 19 දරන ජාතික විගණන පනතේ 12(උ) වගන්තියේ සඳහන් අවශ්‍යතාවය අනුව පහත සඳහන් නිරීක්ෂණය භැර සමාගමේ සම්පත් සකසුරුවම් ලෙස, කාර්යක්ෂම ලෙස සහ එලදායී ලෙස කාල සිමාවන් තුළ අභා තීතිරිති වලට අනුකූලව ප්‍රයම්පාදනය කර භාවිත කර තොටුනි බව.

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ආයතනය තුළ මානව සම්පත් තොරතුරු පද්ධතියක් (HRIS) සේවාපිත කිරීමේ කොන්ත්‍රාත්තුව 2024 සැප්තැම්බර් 20 දින රු.මිලියන 2.19 කට පුද්ගලික සමාගමක් වෙත පවතා තිබූ අතර ගිවිෂුම ප්‍රකාරව මෙම පරිගණක මෘදුකාංගය සේවාපිත කිරීම දින 60 ක කාලයක් තුළ සිදුකළ යුතුව පැවතුණි. ඒ අනුව පුද්ගලික යන්ත්‍රාගර පරිග්‍රයේ පමණක් පරිගණක මෘදුකාංගය සේවාපිත කර තිබුණු 2025 ජූනි 30 දින වන විටත් ප්‍රධාන කාර්යාලය තුළ මෙම මෘදුකාංගය සේවාපිත කිරීමේ කාර්යය ආරම්භක අදියරේ පැවතුණි. එසේ වුවද 2024 සැප්තැම්බර් 25 වන දින වන විට ගිවිෂුම්ගත මුදලින් සියයට 90 ක් හෙවත් රු. මිලියන 1.97 ක් ගෙවා තිබුණි.

2.3 වෙනත් කරුණු

- (අ) 2014/2015 තක්සේරු වර්ෂය සඳහා දේශීය ආදායම බදු දෙපාර්තමේන්තුව වෙත ගෙවීමට තිබූ රු.මිලියන 21.52 ක ආදායම බේදාට එරෙහිව ඇපුලක් (Appeal) ඉදිරිපත් කිරීම වෙනුවෙන් ගෙවිය යුතු රු.මිලියන 2.10 න් සියයට 50 ක් බදු උපදේශන සමාගම වෙත ගෙවා තිබූ අතර උපදේශන සේවාව අවසන් කර තිබූ තත්ත්වයක් යටතේ ඉතිරි රු.මිලියන 1.05 ක මුදල 2019 වර්ෂයේ සිට තිරපුල් කිරීමට කටයුතු කර නොතිබුණි. තවද 2006 වර්ෂයේ සිට 2023 වර්ෂය දක්වා කාලයට අදාළ රු. මිලියන 63.71 ක් වූ ලැබිය යුතු එකතු කළ අය මත බදු වට්නාකම ද තිරපුල් කිරීමට කටයුතු කර නොතිබුණි.
- (ආ) පුද්ගලික යන්ත්‍රාගර පරිග්‍රයේ අභ්‍යන්තර මාර්ග පද්ධතිය ඉදිකිරීමේ කොන්ත්‍රාත්කරුට ගෙවිය යුතු ලෙස 2011 වර්ෂයේ සිට පවතින රු. මිලියන 5.34 ක් හා 2021-2023 කාලයට අදාළව රු. මිලියන 6.06 ක් වූ විවිධ යය තිමි ගේ 68 ක් තිරපුල් කිරීමට කටයුතු කර නොතිබුණි.
- (ඇ) ඉල්ලනයිට, රුවකිල් සහ වුමෙක නොවන බර බනිජ (NMT) යන බනිජ සඳහා ගෙවා තිබූ රු.මිලියන 2.52 ක රාජ්‍ය හා වියදම ඉදිරියට කළ ගෙවීම යටතේ වර්ෂ පහකට අධික කාලයක සිට දක්වා තිබුණු අදාළ ගේ යය හා 2013 වර්ෂයේ සිට 2023 කාලයට අදාළ රු. මිලියන 11.13 ක රද්වා ගැනීම ගේ යය තිරපුල් කිරීමට කටයුතු කර නොතිබුණි.
- (ඇ) 2011 යැප්තැම්බර් 19 දිනැති අංක අමප/11/2068/553/018/1 දරන අමාත්‍ය මණ්ඩල තීරණය ප්‍රකාරව සමාගම විසින් රු.මිලියන 500 ක මුදලක් ලංකා පිහාන් කරමාන්ත සංයුත්ත මණ්ඩලයේ සේවකයන් සඳහා විශාල වන්දි යෝජනා තුමයක් ත්‍රියාත්මක කිරීම සඳහා පී/ය රාජ්‍ය සම්පත් කළමනාකරණ සංස්ථාව වෙත 2012 වර්ෂයේදී ලබාදී තිබුණි. මෙම මුදල අයකර ගැනීම සඳහා 2017 වර්ෂයේදී සමාගම විසින් රාජ්‍ය සම්පත් කළමනාකරණ සංස්ථාවට එරෙහිව CHC/569/2017/MR කොළඹ වාණිජ මහාධිකරණයේ නඩුවක් පවතා තිබුණු 2018 මැයි 22 දිනැති අමප/18/විවිධ(019) දරන අමාත්‍ය මණ්ඩල තීරණය ප්‍රකාරව රාජ්‍ය ආයතන අතර ආරවුල්

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වේ නම් ඒවා විසඳා ගැනීමේ අරමුණින් අනෙකුත් රජයේ ආයතනයන්ට එරෙහිව නීතිමය නියමාර්ග ගැනීමෙන් වළකින ලෙස නියම කර තිබේ සේතුවෙන් සි/ස රාජු සම්පත් කළමනාකරණ සංස්ථාව ඇවර කිරීමේ කටයුතු අවසන් කරන තෙක් මෙම නඩුව බහා තැබීමට අවශ්‍ය ත්‍රියාමාර්ග ලබා ගෙන්නා ලෙස පොදු ව්‍යාපාර හා ප්‍රතිච්‍රිත ප්‍රකාශනකරණ අනිලර්ක ලේකම්වරයාගේ 2024 ඔක්තෝබර 04 දිනාති අංක MI/RST/09/04/07 (IV) දරන ලිපියෙන් සමාගම වෙත දැන්වා තිබුණි. ලංකා පිහාන් කරමාන්ත සංයුත්ක් මෙශ්චලයේ මූල්‍ය ප්‍රකාශන ප්‍රකාරව රු. මිලයන 387 ක් පමණක් ලංකා මිනරල් සැන්ස් ලිමිටයි වෙත ගෙවිය යුතු ලෙස දක්වා තිබුණා අතර එසේ තිබුණි 2022 වර්ෂයේදී මෙම සය මූල්‍ය හා ඊට අදාළ පොලිය එම රු. මිලයන 517.42 ක්, අධ්‍යක්ෂ මෙශ්චලය අනුමැතිය මත පොන්විලින් කපා භාරීමට සමාගම කටයුතු කර තිබුණි.

(ආ) රාජු ව්‍යාපාර දෙපාර්තමේන්තුව විසින් අනුමත කරන ලද සමාගමේ කාර්ය මෙශ්චලය වෙත ගෙවීමට යෝජීත නිෂ්පාදන මත වූ දිරි දීමනා ගෙවීමේ ක්‍රමවේදය ප්‍රකාරව මාසික ඉල්මනයිට නිෂ්පාදනය මත පදනම්ව දිරිදීමනා ගෙවීමට කටයුතු කළ යුතු අතර ඒ යටතේ අවම මාසික ඉල්මනයිට නිෂ්පාදන මෙ.මො. 2800 ක් විය යුතුය. එසේම දිරි දීමනා ක්‍රමයේ යම් වෙනසක් සිදු වුවහොත් ඒ සම්බන්ධයෙන් රාජු ව්‍යාපාර දෙපාර්තමේන්තුව වෙතින් අනුමැතිය ලබා ගත යුතු බව දක්වා තිබුණි. එසේ වුවද 2024 වර්ෂයේ ඔක්තෝබර මාසයේ පිට 2025 මැයි 31 දක්වා සමාගම විසින් මාසික අවම ඉල්මනයිට නිෂ්පාදන මටවමක් ලාභ කර ගැනීමට අපොහොසත් වී ඇති තනත්ත්වයකදී උක්ත අනුමැතියට පහසුනිව රු. මිලයන 36.87 ක නිෂ්පාදනය මත වූ දිරි දීමනාවක් ගෙවා තිබුණි.

(ඇ) 2024 වර්ෂය තුළදී රුවයිල් මෙ.මොන් 1380 ක් සහ සරකෝන් මෙ.මොන් 100 ක් යුතු යුතු විද්‍යා සම්ක්ෂණ හා පතල් කාර්යාලය වෙතින් අපනායන බලපත්‍ර ලබා ගැනීමේදී රාජුහාගා ලෙස ගැළුම්කරුගෙන් රස්කර ගත් මූල්‍ය ඉක්මවා රු. මිලයන 4.53 ක් සමාගමේ වියදුමින් කාර්යාලය වෙත ගෙවා තිබුණි.

(ඈ) 2018- 2028 දක්වා වූ කාලපිටිවේදයට අදාළ පුලුලුමේ, පොඩුවාකටටු, තෙරික්කල්පු යන ප්‍රදේශවල දළ වැළි කැණීම කිරීම යුතු සමාගම සතුව වලංගු කැණීම බලපත්‍ර 03 ක් පැවතියද පුලුලුමේ කැණීම බලපත්‍රයෙන් පමණක් 2023 හා 2024 වර්ෂවලදී කැණීම කිරීමට සමාගම කටයුතු කර තිබුණි. 2024 වර්ෂයේදී දළ වැළි යෙදුවුම තුළ අන්තර්ගත අක්වැලි (tailing) ප්‍රතිගතය සියයට 37 සිට සියයට 64 දක්වා වැළි මටවමක පවතින බව සමාගමේ විද්‍යාගාර වාර්තා ඇතුළු නිරික්ෂණය වූ අතර දිරිස කාලීනව පුලුලුමේ වෙරළ තීරය ආශ්‍රිතව දළ වැළි කැණීම කිරීම සේතුවෙන් එම වෙරළ තීරයේ දළ වැළි තුළ අන්තර්ගත බර බනිජ සංයුතිය මෙශ්චලයෙන් හින වෙමින් පැවතිණි.

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(උ) 2018 වර්ෂයේ දී රු. මිලියන 7.82 කට මිලදී ගන් මූහුදු ජල පොම්පාගාරය සඳහා මු මෝටරය සඳහා 2024 වර්ෂයේ දෙසැම්බර් දක්වා රු. මිලියන 13.36 ක අමතර කොටස් ද මිලදී ගෙන තිබුණි. එසේ වුවද එම මෝටරය මූහුදු ජල සැපයුම පද්ධතියෙන් ගලවා ඉවත් කර 2025 ජූනි 12 වන දින වන විට නිශ්චාරයව ගබඩාව තුළ රඳවා ගෙන තිබුණි.

(ඌ) බනිජ වැලි සඳහා අගය එකතු කිරීමේ ව්‍යාපෘතියට අවශ්‍ය අමුදවා අඛණ්ඩව සැපයීම සඳහා කේකිලායිනි නව කම්හලක් ස්ථාපිත කිරීමේ අරමුණින් 2013 වර්ෂයේදී රු. මිලියන 2.25 ක මුදලකට හෙක්වයාර 17.67 ක ඉඩමක්ද යෝජිත යන්ත්‍රාගාරයේ කටයුතු කිරීම සඳහා 2015 වර්ෂයේදී සේවකයන් 117 ක්ද බඳවාගෙන තිබුණි. එසේ වුවද විගණිත දිනය මු 2025 ජූනි 30 දින දක්වාම එනම්, වසර 10 කට අධික කාලයක් ගත්ව තිබියා යන්ත්‍රාගාරයේ කටයුතු ආරම්භ කර නොතිබුණි. 2024 දෙසැම්බර් 31 දිනට මෙම ව්‍යාපෘති වෙනුවෙන් රු. මිලියන 43.71 ක වියදමක් දරා තිබුණි.

(ඍ) ඉදිරි වර්ෂ 20 සඳහා කැංමිම යැලැයේමක් ඉදිරිපත් නොකිරීම සහ පවත්නා කැංමිම බලපත් උන උපයෝගන තත්ත්වයේ පැවතීම යන හේතු දක්වමින් හු විද්‍යා සමික්ෂණ හා පතල් කාර්යාලයෙන් සමාගම ඉල්ලුම කළ නව ගවේෂණ බලපත් අයදුම්පත් 7 ක් 2023 මැයි 25 වන දින ප්‍රතික්ෂේප කිරීම හේතුවෙන් සමාලෝචිත වර්ෂය අවසානය වන විටත් කිසිදු ගවේෂණ බලපත්‍රයක් සමාගම සනුව නොපැවතුණි.

(ඎ) සරකෝන් යන්ත්‍රාගාරයේ ඉන්ධනය වන ප්‍රමාණය සියයට 50 කින් අඩුකර ගැනීමේ අරමුණින් වියලන යන්ත්‍රයක් 2016 ජූනි 30 වන දින රු. මිලියන 45.12 කට මිලදී ගෙන තිබුණු ඇතර එම යන්ත්‍රය ත්‍රියාකාරී තත්ත්වයට පත් කිරීමට අවශ්‍ය නැව්‍යකරණයන් සිදුකිරීම සඳහා 2024 වර්ෂයේදී රු.954,000 ක මුදලක් වැය කර තිබුණි. එසේ වුවද යන්ත්‍රය ත්‍රියාකාරී තත්ත්වයට පත් කිරීමට සමාගම අපොහොසත් වි තිබුණ අතර ඒ අනුව රු. මිලියන 46.07 නිශ්චාරය වියදමක් බවට පත් වි තිබුණි.

(ඏ) 2024 වර්ෂය ආරම්භයේදී මො.වොන් 187,951 ක බනිජ වැලි තොගයක් සමාගම සනුව පැවතියද වර්ෂය තුළ මො.වොන් 26,744.1 ක නිශ්චාදනයක් සිදු කර වර්ෂය තුළදී මො.වොන් 1,490 ක් පමණක් අලෙවි කර තිබුණි. සමාගමේ බනිජ වැලි අලෙවිය 2021 වර්ෂයේ සිට 2024 වර්ෂය දක්වා පිළිවෙළින් මො.වොන් 81137, 64380, 32071 ක් හා 1490 ස් ලෙස දිගින් දිගටම අඩුවන තත්ත්වයක් නිරීක්ෂණය වන අතර අලෙවිය වර්ධනය කර ගැනීම සඳහා වැඩිපිළිවෙළක් සකස් කර නොතිබුණි. මේ හේතුවෙන් යන්ත්‍රාගාරයේ ගබඩා දාරිතාව ඉක්මවා යුමේ ගැටුප්‍රව්‍යකට සමාගම මූහුණ දී තිබුණු අතර බනිජ වැලි මො.වොන් 15000 ක් මසකට රු. මිලියන 1.5 ක ගාස්තුවක් ගෙවා ත්‍රිකුණාමල වරායේ ගබඩාවේ 2024 මාර්තු මාසයේ සිට ගබඩා කර තිබුණි.

AUDITOR GENERAL'S REPORT

(ක) නැගෙනහිර වෙරළ නීරයේ පවතින සියලු 30 ව් අඩු බර බනිජ සහිත ප්‍රදේශවල බනිජ වැළි කැළීම කිරීමේ අරමුණින් 2022 වර්ෂයේදී රු. මිලියන 328.88 කට මිලදී ගෙන තිබුණු ජංගම යන්ත්‍රාගාර දෙකක් එක් යන්ත්‍රයක් 2024 වර්ෂයේදී ප්‍රලේඛනී යන්ත්‍රාගාර පරිග්‍රයේ ස්ථාපිත කර තිබුණු අතර ඒ සඳහා රු. මිලියන 8.63 ක වියදමක් දරා විදුලී සැපයුම පද්ධතියක් ද මිලදී ගෙන තිබුණි. මෙයේ මිලට ගන් එක් ජංගම යන්ත්‍රාගාරයක් ප්‍රලේඛනී පරිග්‍රය තුළ ස්ථාපිත කර තිබුණි එම යන්ත්‍රාගාරය 2025 ජූනි 30 දින වන විට නිෂ්පාදන කටයුතු සඳහා යොදා ගැනීමකින් තොරව නිශ්කාරය වන්කමක් ලෙස පැවතුණි. තවද රු. මිලියන 159.35 ක් වටිනා ඉතිරි ජංගම යන්ත්‍රාගාරය ස්ථාපිත කිරීමකින් ද තොරව එහි කොටස අනාරක්ෂිත ලෙස ප්‍රලේඛනී යන්ත්‍රාගාර පරිග්‍රයේ තැන් තැන් වල දමා තිබුණි.

(ග) තිවපු සභාපතිවරයා සහ ප්‍රධාන ඉංජිනේරුවරයා (කැළීම හා සැකසීම) 2024 අප්‍රේල් 15 දින සිට 2024 අප්‍රේල් 20 දින දක්වා විනයේ හයිකෝ නගරයේ පැවති "2024 ගේලිය සර්වක්න් සම්මන්ත්‍රණයට" සභාපති විතිබුණි. මේ සඳහා සම්මන්ත්‍රණය යාධානය කළ විදේශීය ආයතනය විසින් ලබා තිබු මිල රු. මිලියන 2.19 ක් වුවද මේ සඳහා රු. මිලියන 3.2 ක මුදලක් සමාගම විසින් දරා තිබුණි. සභාපතිවරයා 2024 අප්‍රේල් 04 දින කර්මාන්ත අමාත්‍යාංශ ලේකම්වරයා අමතන ලද ලිපිය ප්‍රකාරව විදේශ සංවාරයේ මූලික අරමුණු ලෙස ඉල්මනයිට නිෂ්පාදනයේ ඉණන්මකහාවය වැඩි දියුණු කිරීමේ ව්‍යාපෘතිය 2024 වර්ෂයේ අවසන් කිරීම, නියෝගීතයන්ගෙන් කිසිදු බාධාවකින් තොරව සමාගමේ විකුණුම මිල වැඩි කර ගැනීම සහ ගැනුමකරුවන්ගේ අපේක්ෂාවන් අධ්‍යාපනය කර ඊට අවශ්‍ය ගැලපුම සිදුකර ආයතනයේ ලාභඝාතින්ටයේ විරෝධය කර ගැනීම ලෙස දක්වා තිබුණි. එයේ වුවද, කිසිදු විදේශීය නව ගැනුමකරුවකු සමාගම වෙත හඳුන්වා දුන් බවට සාක්ෂි විගණනයට ඉදිරිපත් තොවුණු අතර 2024 වර්ෂයේ සමාගමේ අලෙවිය අපේක්ෂිත අලෙවියන් සියලු 1 ක් පමණක් විතිබුණි.

මෙම සංවාරයට සභාපති වූ සභාපතිවරයාගේ නිල කාලය 2024 සැප්තැම්බර මස අවසන් විතිබුණි අතර ප්‍රධාන ඉංජිනේරුවරයා (කැළීම හා සැකසීම) 2024 දෙසැම්බර 19 වන දින සිට සමාගමේ සේවයට වාර්තා කර තොතිබුණි. ඒ අනුව මෙම විදේශ සංවාරය සඳහා දැරූ වියදමෙන් ආයතනය වෙත අපේක්ෂිත ප්‍රතිලාභ කිසිවක් ලැබේ තොතිබුණි.


ච.ච.ව්‍ය.ධරමපාල
විගණකාධිපති (වැංචා)

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	Audit Quarry	Action taken by LMSL
a	<p>A licence was obtained from the Department of Coastal Conservation and Coastal Resources Management for the mining of 30,000 cubic metres of mineral sand for the period from 15 October 2024 to 15 October 2025 by paying a sum of Rs. 15 million, and a total quantity of 3,179 cubic meters of mineral sand had been mined under this licence as at 31 December 2024. Accordingly, although a licence fee amounting to Rs. 13.41 million relating to the balance quantity of 26,821 cubic metres of mineral sand should have been accounted for as an advance payment, the profit for the year had been overstated by Rs. 2.29 million due to the accounting of Rs. 15.70 million.</p>	<p>Corrective action have been taken to rectify the identified accounting issues in the year 2025.</p>
b	<p>In the year under review, as a tax comparison, the sum of Rs. 140.80 million from the previous year's profit and the supporting evidence required to substantiate the sum of Rs. 138.17 million included as prior year adjustments under the adjustments made to profit before tax in the statement of cash flows were not submitted for audit, and accordingly, the accuracy of the relevant adjustments could not be confirmed during the audit.</p>	<p>The relevant transactions now been correctly accounted ,and reflected the account of prior year adjustment</p>

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c	<p>A sum of Rs. 1.25 million received during the year 2024 in respect of the loan granted by the Company to the Janatha Estate Development Board had not been disclosed under investing activities in the statement of cash flows.</p>	<p>Corrective action are in progress to rectify the cash flow statement in the future</p>
d	<p>A sum of Rs.12.8 million to be paid during the year 2024 respect of the balance payable to the Department of Coastal Conservation and Coastal Resources Management had not been disclosed under operating activities in the statement of cash flows.</p>	<p>Corrective action are in progress to rectify the cash flow statement in future</p>
e	<p>Letter from the Secretary to the Treasury No. PE/GO/CO/14/02 dated 30 March 2004</p> <p>While the attendance allowance per person was approved at Rs. 500 per month by the relevant letter, it was increased from time to time up to Rs. 3,000 based on decisions of the Board of Directors, and during the year 2024, a sum of Rs. 3.20 million was paid to Head Office employees and Rs. 14.43 million was paid to Pulmoddai Plant employees without obtaining the approval of the Treasury.</p>	<p>Accordingly , considering changes in cost levels from time to time , the relevant allowances have been revised and paid with the approval the Board of Directors as required .(comprehensive report was submitted to the Director General of PED for approval (Ref.LMS/ET/P//6/5 date . 19.09.2018)</p> <p>Further on, 11.11.2024 ,The secretary of ministry of Industries appointed the committee to examine all allowances paid to employees of LMSL and action will be taken in accordance with the recommendations of said committee upon received .</p>

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f	<p>While the Meal allowance was approved at Rs. 35 per day by the relevant letter, it was increased from time to time up to Rs. 200 per day based on decisions of the Board of Directors, and during the year 2024, a sum of Rs. 4.26 million was paid to Head Office employees and Rs. 25.05 million was paid to Pulmoddai Plant employees as meal allowance</p>	<p>Accordingly, considering changes in cost levels from time to time, the relevant allowances have been revised and paid with the approval the Board of Directors as required .(comprehensive report was submitted to the Director General of PED for approval (Ref.LMS/ET/P//6/5 date . 19.09.2018)</p> <p>Further on, 11.11.2024 ,The secretary of ministry of Industries appointed the committee to examine all allowances paid to employees of LMSL and action will be taken in accordance with the recommendations of said committee upon received .</p>
g	<p>Public Enterprise Circular No. 1/2021 (i) dated 16th May 2023</p> <p>Although the approval of the Board of Directors should be obtained, in compliance with the relevant circular provisions and with the recommendations of the Audit Committee, when writing off losses or receivables, such approval had not been obtained in the year 2024 when writing off value added tax receivables amounting to Rs. 37.48 million</p>	<p>The amount of Rs. 37,482,147 was written off as Value Added Tax reciubles a VAT audit conducted by the Inland Revenue Department, and with the approval of the Board of Directors .</p>

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h	<p>State Enterprise Circular No. 1/2015(ii) dated 14th January 2022 and Paragraph 11.3 of State Enterprise Circular No. 01/2024 dated 28th February 2024</p>	<p>The Pulmoddai plant is located approximately 325 km from the head office of Lanka Mineral Sands Limited, and it requires about 100 litres of fuel to travel to this destination on one occasion. There were instances where the Chairman travelled to the Pulmoddai plant three to five times, and on certain occasions up to seven times per month. There were also occasions when the Chairman travelled to areas such as Mullaitivu and Poduwakattu to inspect mining areas and to obtain permits. Further, as an officer who is an expert professor in geology and a member of the Board of Directors was based in the Kandy area, his assistance had to be sought regularly, and the Chairman's vehicle had to be used for that purpose. Accordingly, the normal fuel limit stipulated in the circular was required to be exceeded.</p> <p>Although the approval of the Secretary of the Line Ministry is required to provide additional fuel in instances where the monthly fuel allowance is insufficient for the performance of the Chairman's duties, an additional fuel cost amounting to Rs. 3.85 million was reimbursed to the Chairman for the period from September 2022 to August 2024 without obtaining the said approval</p> <p>However, approval was obtained in terms of the relevant circular for the additional fuel consumed during the period from October 2022 to March 2023,</p> <p>Though the relevant approvals were submitted to the Board of Directors in April and May 2023, requests were made for the resubmission of detailed reports.</p> <p>Subsequently, the report relating to additional fuel consumption for the period from January to July 2024 was forwarded to the Ministry with a request that it be submitted together with the recommendations of the Board of Directors, and action was taken accordingly. However, as a Board of Directors had not been constituted at that time, the recommendation of the Board of Directors could not be obtained.</p> <p>In this regard, the audit report submitted by the Chief Internal Auditor of the Ministry of Industries, bearing reference MI/CI/04/08/33 dated 22.07.2025, was discussed at the Audit Management Committee meeting of the Ministry of Industries held on 30.07.2025, and accordingly, it is informed that the necessary actions will be taken in accordance with the recommendations contained therein.</p>
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i	<p>The Company had recruited 114 employees as casual workers for the Pulmoddai plant during the years 2023 and 2024 without obtaining the approval of the Board of Directors and the Department of Management Services.</p> <p>At present, 97 of the casual workers so recruited are registered in the Company's fingerprint system and report for duty, while the Company pays salaries to only 17 employees. Accordingly, 80 casual workers were allowed to record their arrival and departure through the fingerprint system at the plant premises for a period of 12 months without receiving salaries; however, the reasons for this had not been furnished to the audit.</p>	<p>According to the internal audit inspection conducted by the Chief Internal Auditor of the Ministry of Industries in relation to the recruitment of workers to labour positions in violation of election laws following the announcement of the 2024 Presidential Election, steps were taken to refer the matter to the Commission for the Investigation of Bribery or Corruption in accordance with the recommendations made therein. I further inform that an investigation is being carried out in this regard based on a complaint made to the Commission for the Investigation of Bribery or Corruption concerning the said recruitment.</p> <p>However, out of the 97 employees recruited on a casual basis, 17 employees are currently being paid, while 80 employees are not being paid and have requested the management to settle their salaries and allowances, which has directly and indirectly affected the operations of the Company. In this context, it is expected to commence operations targeting the Kokilai, Nayar, Chenmale, Poduwakattu, and Thevikallu areas in accordance with the Company's mining and operations plan for the next 25 years. Accordingly, as those casual employees may be utilized for that purpose, based on a staff review, it has been decided to recruit the relevant persons to fill the 41 existing vacancies of worker positions in the institution. Further, several non-essential vacancies within the approved cadre of the Pulmoddai plant have been identified, and several other posts have been suppressed, in respect of which the Director General has referred the matter to the Department of Management Services for approval.</p> <p>An approval was taken now and action will be taken in accordance with the approval.</p>
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j	<p>Out of the sum of Rs. 2.10 million payable for filing an appeal against the income tax liability of Rs. 21.52 million payable to the Inland Revenue Department for the assessment year 2014/2015, 50 percent had been paid to the tax consultancy company, and the remaining balance of Rs. 1.05 million had not been settled since the year 2019, in a situation where the consultancy service had been terminated. Further, the value added tax receivable amounting to Rs. 63.71 million relating to the period from the year 2006 to the year 2023 had not been settled.</p>	<p>The Tax Appeals Commission delivered its determination on 21.11.2024, confirming that the income tax liability of Rs. 21,520,515 was payable by Lanka Mineral Sands Limited. However, as the Inland Revenue Department had already set off this amount against VAT receivable balances, settlement of the outstanding consultancy fees payable to KPMG was deferred pending the refund of the appeal guarantee amount of Rs. 5.3 million.</p> <p>Since the said guarantee amount was received on 11.08.2025, action will be taken to settle the outstanding consultancy fees with the approval of the Board of Directors.</p> <p>The VAT receivable amount of Rs.63.71 mn was reduced to the Rs 46 mn to the year 2025 June. The deference was settled for default Income tax payable by the LMSL .</p>
k	<p>Rs. 5,344,481 payable to the contractor for the construction of the internal road system of the Pulmoddai plant premises had been shown under trade creditors since the year 2011. The company had not taken steps to verify whether the relevant contract had been duly completed and settle this amount up to the date of audit, 30 June 2025.</p>	<p>The internal road system of the Pulmoddai plant was constructed using carpet, following the prescribed procurement method, during the years 2011 and 2012. Although the relevant work was completed around 2012, the road was constructed in excess of the density and quantity specified in the tender. Accordingly, as the requisite approvals for effecting the related payment had not been obtained at that time, the settlement of the said payment has become problematic.</p>

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I	<p>Although the Royalty amounting to Rs. 2.52 million paid in respect of the minerals ilmenite, rutile, and non-magnetic heavy minerals (NMT) had been carried forward for a period exceeding five years, the relevant balance, together with the retention balance amounting to Rs. 11.13 million relating to the period from the year 2013 to the year 2023, had not been settled.</p>	<p>Action is taken to reconcile the carried forward Royalty amounts of Rs. 2.52mn in 2025 and retention money will be settled in 2025.</p>
m	<p>In terms of Cabinet Decision No. CP/11/2068/553/018/1 dated 19 September 2011, the Company had granted a sum of Rs. 500 million to the State Resources Management Corporation Limited in the year 2012 to implement a retirement compensation scheme for employees of the Sri Lanka Ceramics Corporation. Although the Company had instituted Case No. CHC/569/2017/MR against the State Resources Management Corporation in the Colombo Commercial High Court in the year 2017 to recover the said amount, the Company was informed by the Additional Secretary of the Public Enterprises and Restructuring Division, by letter No. MI/RST/09/04/07 (IV) dated 04 October 2024, to take necessary action to stay the said case until the liquidation of the State Resources Management Corporation is completed, in accordance with Cabinet Decision No. CP/18/Miscellaneous (019) dated 22 May 2018. According to the financial statements of the Ceylon Ceramics Industry Association, only a sum of Rs. 387 million was stated to be payable to Lanka Mineral Sands Limited; nevertheless, in the year 2022, the Company had taken steps to write off the said loan amount together with the related interest, amounting to Rs. 517.42 million, from the books with the approval of the Board of Directors.</p>	<p>Necessary action is taken to obtain the advice from Government Treasury.</p>

AUDITOR GENERAL'S REPORT

n	<p>In accordance with the proposed production-based incentive payment method approved by the Department of State Enterprises to be paid to the staff of the Company, incentives were required to be paid based on monthly ilmenite production, and under such method, the minimum monthly ilmenite production was required to be 2,800 MT. It was further stated that, in the event of any change to the incentive payment method, prior approval should be obtained from the Department of State Enterprises. However, in a situation where the Company had failed to achieve the minimum monthly ilmenite production level during the period from October 2024 to 31 May 2025, a production-based incentive amounting to Rs. 36.87 million had been paid contrary to the said approval.</p>	<p>In accordance with the proposed production-based incentive payment method approved by the Department of Public Enterprises, the production incentive payment has been made on a monthly basis with effect from 01 May 2023.</p> <p>In such a situation, due to the cancellation of several tenders relating to the sale of mineral sand by the institution and the ongoing legal proceedings relating to the mineral sand tenders to be sold, a situation has arisen whereby it has not been possible to store the mineral sand scheduled for sale, as the mineral sand warehouses at the Pulmoddai plant are currently full.</p> <p>As a result, since it has not been possible to produce and store mineral sand since October 2024, and as unrest has arisen among employees due to the non-payment of the production incentive allowance for the relevant months, the requests made by the employees were considered and the relevant matters were submitted to the Department of Public Enterprises in this regard. The relevant approval has been granted in terms of letter No. PED/I/LMS/3/11(iv) dated 25.04.2025, issued by the Director General of the Department of Public Enterprises, to pay the monthly production incentive allowance subject to the deduction of the actual deficient production from the total actual production for the year 2026. Accordingly, at present, the relevant payments are not being made in respect of products whose monthly ilmenite production exceeds 2,800 MT, and steps are being taken to recover those amounts from the deficient production.</p> <p>At present, the tender relating to the sale of mineral sand is being resolved, and the work relating to the sale of mineral sand through tenders is being carried out expeditiously, which will enable the removal of mineral sand from the warehouses and provide additional storage capacity. Further, the Company has prepared a mining and operational plan for the next 25 years and has submitted the same to the Geological Survey and Mines Bureau. Accordingly, it is planned to expand mineral sand mining operations in the Kokkilai, Nayar, Chenmale, Poduwakattu, and Thevikallu areas in the future, so that the product shortfall for the relevant period can be covered.</p>
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AUDITOR GENERAL'S REPORT

<p>o In the year 2024, in excess of the amount collected from the buyer as the Royalty in obtaining export licences for 1,380 MT of rutile and 100 MT of zircon from the Geological Survey and Mines Bureau, a sum of Rs. 4.53 million had been paid to the Bureau at the expense of the Company.</p>	<p>As stated herein, during the year 2024, 100 MT of Zircon was sold under Tender No. 2024/01, and 1,340 MT of Rutile was sold under Tender No. 2024/03. The income received from these sales amounted to approximately Rs. 670,287,103.00, and the government share paid in respect of these quantities amounted to approximately Rs. 59,901,631.63. Accordingly, as stated in the audit report, a government share of Rs. 4,528,453 was paid to the Geological Survey and Mines Bureau in excess of the amount collected as government share from the buyers. However, the institution receives payments from buyers for the sale of products on an Ex-Works plus royalty basis, whereas the government share payable to the Geological Survey and Mines Bureau is required to be calculated and paid on a Free on Board (FOB) basis. Furthermore, when funds are credited to the Company's accounts, the purchase price is converted at the Bank of Ceylon exchange rate for one United States Dollar, whereas the government share is required to be paid using the Central Bank of Sri Lanka exchange rate for one United States Dollar. For this reason, the Company has been required to pay the royalty at a higher value than the amount received from buyers. The Geological Survey and Mines Bureau has been informed of this matter the price of mid rate (average of buying and selling rate)are currently use as prevailing exchange rate.</p>
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AUDITOR GENERAL'S REPORT

p	<p>Although the Company held three (03) valid mining licences for the period 2018 to 2028 for the mining of coarse sand in the areas of Pulmuddai, Poduwakattu, and Thevikallu, the Company had taken steps to carry out mining operations only under the Pulmuddai mining licence during the years 2023 and 2024. According to the Company's laboratory reports, the proportion of tailings contained in the coarse sand inputs during the year 2024 was observed to range from 37 percent to 64 percent, and due to the long-term mining of coarse sand along the Pulmoddai coastline, the heavy mineral composition contained in the coarse sand of that coastline was observed to be gradually declining</p>	<p>Although the Company had three (03) valid licences for the period from 2018 to 2028, mining activities were carried out under only one licence in the Pulmoddai area during the years 2023 and 2024. Due to the long-term mining of mineral sand in the Pulmoddai coastal area, the percentage of heavy mineral sand therein has decreased. According to the Company's laboratory reports, the percentage of tailings in the raw sand had increased by 2024. It has become very difficult to carry out mining activities under the regulations imposed by the Geological Survey and Mines Bureau (GSMB) for mining activities in the Pulmoddai region. Further, a new mining permit was issued by the GSMB on 11.04.2025 for mining activities in a coastal area measuring 2,000 metres in length and 100 metres in width.</p> <p>Due to mining activities carried out in the 2,000-metre-long and 100-metre-wide coastal area in the Poduwakattu area, the percentage of heavy mineral sand in that area is very low. Accordingly, the Company has taken necessary steps to obtain permits for new mineral sand mining in a zone measuring 4,000 metres in length and 300 metres in width in that area.</p> <p>As mineral sand mining activities had previously been carried out in the tidal zone and coastal zone of the Thevikallu area, the percentage of heavy mineral sand in those areas is also very low. Further, the Company is working with the relevant government institutions that own the land in the Berm (land) zone, where heavy mineral sand exists, to obtain the necessary consent to carry out mining activities.</p>
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AUDITOR GENERAL'S REPORT

q	<p>Spare parts valued at Rs. 13.36 million had also been purchased up to December 2024 for the motor of the seawater pumping station that had been purchased in the year 2018 at a cost of Rs. 7.82 million. However, the said motor had been removed from the seawater supply system and was kept idle in the warehouse as at 12 June 2025</p>	<p>The Submersible Solutions Pump purchased to obtain seawater for the operation of the Block-A plant was used continuously for 24 hours, even under rough sea conditions, and due to the wear and tear of spare parts, repairs were required. After the repairs, the pump is in a suitable condition for use. However, it is currently not usable due to the following reasons and has therefore been kept in safe storage:</p> <ul style="list-style-type: none"> • The delivery line of the Submersible Solutions Pump is completely worn out. • The brackets used to fix the Submersible Pump to the seabed are worn out.
r	<p>In order to establish a new factory at Kokilai for the continuous supply of raw materials required for the mineral sand value-addition project, a land area of 17.67 hectares had been acquired in the year 2013 for a sum of Rs. 2.25 million, and 117 employees had been recruited in the year 2015 to work at the proposed plant. However, the plant had not been commissioned as at 30 June 2025, the date of audit, i.e., after a lapse of more than 10 years. As at 31 December 2024, an expenditure of Rs. 43.71 million had been incurred for this project.</p>	<p>The Company has been making efforts for several years to commence a mineral sand processing plant in the Kokilai area, and the Company also possesses the relevant exploration and mining licence. Since the year 2019, the institution has carried out various activities relating to the construction of a Plant, and during the years 2021 and 2022, the fencing of the land allocated for the construction of the Plant, the construction of a security booth, and the provision of an electricity supply suitable for the machine shop were undertaken. The land so acquired has also been prepared, and an amount of Rs. 43,713,391/= has been expended for these purposes as at 31.12.2024.</p> <p>The commencement of the Kokilai Plant was delayed due to the management changes that occurred from time to time in the institution, however, in the first half of 2024, a tender was invited to hire a consultant to prepare a project report for the construction of a plant. For this, a Consultancy Procurement Committee was appointed and after the tender was invited, the bids received were referred to the relevant committee and recommendations were obtained. However, with the subsequent management change, the members of the relevant committee also left. The relevant work has stalled in this situation and a new Consultancy Procurement Committee should be appointed and the work should be carried out further. However, the institution will commence the work of the project in the future following a very formal methodology.</p>

AUDITOR GENERAL'S REPORT

<p>s</p>	<p>The Geological Survey and Mines Bureau rejected seven (07) new exploration permit applications submitted by the Company on 25 May 2023 on the grounds that a mining plan for the next 20 years had not been submitted and that the existing mining permits were underutilized, and as a result, the Company did not hold any exploration permits as at the end of the year under review.</p>	<p>The mining plan for next 20 years has been prepared and submitted the GSMB. Company is being ready for mine the unutilized mining area specially podawakattu area.</p>
<p>t</p>	<p>A dryer was purchased on 30 June 2016 at a cost of Rs. 45.12 million, and a further sum of Rs. 954,000 had been spent in the year 2024 to carry out the necessary modernizations to make the machine operational. However, the Company had failed to make the machine operational, and accordingly, a total sum of Rs. 46.07 million had become a wasteful expenditure.</p>	<p>Subsequently, significant efforts were made by making payments to two local institutions to make the dryer operational; however, due to their inability to rectify the technical issues, the work was discontinued midway</p>
<p>u</p>	<p>Although the Company had a stock of mineral sand amounting to 187,951 MT at the beginning of the year 2024, it produced 26,744.1 MT during the year and sold only 1,490 MT during the same year. The Company's mineral sand sales had continuously declined from the year 2021 to the year 2024, amounting to 81,137 MT, 64,380 MT, 32,071 MT, and 1,490 MT respectively, and no plan had been formulated to increase sales. As a result, the Company faced issues relating to exceeding the storage capacity of the plant, and 15,000 MT of mineral sand had been stored at the Trincomalee Port warehouse from March 2024 at a monthly storage charge of Rs. 1.5 million</p>	<p>The continuous declining trend in sales revenue from the year 2021 to the year 2024 is attributable to weaknesses in the sales methodology. However, as the Cabinet has now approved a change to this sales methodology, the revised methodology has been adopted for the selection of sales vendors to be implemented from the current year. It is expected that this liquidity issue will thereby be resolved. The storage stock of Trincomalee warehouse is sold end of the 2025 through tender.</p>

AUDITOR GENERAL'S REPORT

v

One of the two mobile plants purchased in the year 2022 at a cost of Rs. 328.88 million for the purpose of mining mineral sand in areas with less than 30 percent heavy minerals along the East Coast was installed at the Pulmoddai plant premises in the year 2024, and a power supply system was also purchased for this purpose at a cost of Rs. 8.63 million. Although one of the mobile plants so purchased had been installed at the Pulmoddai plant premises, the plant remained as an idle asset without being utilized for production activities as at 30 June 2025. Furthermore, the remaining mobile plant valued at Rs. 159.35 million had not been installed, and its components had been placed at various locations within the Pulmoddai plant premises without being properly secured

Two mobile plants were purchased to install heavy mineral sand separation facilities in areas where the Company holds mining licences and to carry out preliminary separation of mineral sand at those locations before transporting it to the plant situated at Pulmoddai. Subsequently, efforts were made to identify two suitable lands in the Poduwakattu and Thevikkallu areas for the installation of the plants; however, due to practical difficulties, one mobile plant was installed at the Pulmoddai plant premises. Accordingly, during the period from November 2023 to November 2024, approximately 4,134 MT of coarse sand was processed, resulting in the production of approximately 852 MT of concentrated mineral sand.

Subsequently, the Kuchchaveli Divisional Secretary provided the Company with a suitable land to establish the remaining mobile plant in the Poduwakattu area. However, that process was also temporarily suspended, as an individual in the said area claimed ownership of the land and initiated legal action.

AUDITOR GENERAL'S REPORT

W	<p>The former Chairman and the Chief Engineer (Mining and Processing) participated in the 2024 Global Zircon Conference held in Haikou, China, from 15 April 2024 to 20 April 2024. Although the cost quoted by the foreign institution organizing the conference was Rs. 2.19 million, the Company had incurred an expenditure of Rs. 3.20 million for this purpose. According to the letter addressed by the Chairman to the Secretary, Ministry of Industry, dated 04 April 2024, the primary objectives of the foreign visit were to complete the project to improve the quality of ilmenite production in the year 2024, to increase the Company's selling price without hindrance from agents, and to study buyers' expectations and make the necessary adjustments in order to improve the profitability of the Company. However, no evidence was produced to the audit to indicate that any new foreign buyers had been introduced to the Company, and the Company's sales during the year 2024 amounted to only one percent of the expected sales.</p> <p>The term of office of the Chairman who participated in this visit ended in September 2024, and the Chief Engineer (Mining and Processing) had not reported to the Company since 19 December 2024. Accordingly, the institution had not derived any expected benefits from the expenditure incurred in respect of this foreign visit.</p>	<p>In this regard, the audit report submitted by the Chief Internal Auditor of the Ministry of Industries, bearing reference No. MI/CIA/04/08/33 dated 22.07.2025, was discussed at the Audit Management Committee meeting of the Ministry of Industries held on 30.07.2025, and accordingly, I inform that necessary action will be taken in accordance with the recommendations contained therein.</p> <p>According to request of from the Chief mining and processing Engineer has paid the excess amount of Rs. 296,614/- to the company.</p>
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- STATEMENT OF COMPREHENSIVE INCOME
- STATEMENT OF FINANCIAL POSITION
- STATEMENT OF CHANGES IN EQUITY
- STATEMENT OF CASH FLOW
- NOTE TO THE FINANCIAL STATEMENTS

STATEMENT OF COMPREHENSIVE INCOME

LANKA MINERAL SANDS LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31st DECEMBER , 2024

	Note	2024 <u>Rs. cts</u>	2023 <u>Rs. cts</u>
Total Revenue	3	617,800,584.85	4,904,230,321.87
Less			
Value Added Tax		(445,173.43)	(129,730.57)
Net Revenue		617,355,411.42	4,904,100,591.30
Cost of Sales	4	(195,865,053.26)	(1,073,029,312.54)
Gross Profit		421,490,358.16	3,831,071,278.76
Other Operating Income	5	11,325,224.73	47,843,106.10
		432,815,582.89	3,878,914,384.86
Distribution Cost	6	(7,505,209.47)	(73,360,215.37)
Administrative Expenses	7	(263,728,303.90)	(289,168,238.53)
Other Operating Expenses	8	(751,584,535.59)	(733,141,282.53)
		(1,022,818,048.96)	(1,095,669,736.43)
Operating Profit/(Loss)		(590,002,466.07)	2,783,244,648.43
Finance Income	9	512,938,677.17	1,267,479,682.63
Profit /(Loss) before Income Tax for the year		(77,063,788.90)	4,050,724,331.06
Income Tax Expenses	10	(99,975,413.48)	(1,387,552,718.85)
Profit / (Loss) after Income Tax for the year		(177,039,202.38)	2,663,171,612.21
Net Profit / (Loss) for the Year		<u>(177,039,202.38)</u>	<u>2,663,171,612.21</u>
Basic Earning Per Share	11	(2.21)	33.29
Net Profit / (Loss) for the Year		(177,039,202.38)	2,663,171,612.21
Other Comprehensive Income			
Net Actuarial Gain/(Loss) on Retirement			
Benefit Obligation - (Refer Note 25)		(7,560,834.12)	(63,858,997.00)
Total Comprehensive Income for the Year		<u>(184,600,036.50)</u>	<u>2,599,312,615.21</u>

STATEMENT OF FINANCIAL POSITION

LANKA MINERAL SANDS LIMITED STATEMENT OF FINANCIAL POSITION AS AT 31st DECEMBER , 2024

ASSETS	Note	2024 Rs.cts	2023 Rs.cts
Non-Current Assets			
Property, Plant & Equipment	13	1,292,273,247.98	1,486,493,502.50
Lease Hold Land	14	14,993,793.97	15,825,200.42
Intangible Assets	15	27,232.86	49,357.02
Advance	16	33,750,000.00	35,000,000.00
Total Non Current Assets		1,341,044,274.81	1,537,368,059.94
Current Assets			
Inventories	17	2,787,672,573.31	2,147,915,025.33
Short Term Financial Assets	18	730,642,496.66	458,897,687.12
Fixed Deposits	19	1,161,622,334.61	4,723,703,998.28
Treasury Bill	20	2,410,960,143.00	--
Advances and Deposits	21	221,090,634.86	297,078,869.68
Prepaid Expenses	22	59,852,706.80	10,574,734.39
Other Current Assets	23	416,164,374.61	624,829,961.92
Cash & Cash Equivalents	24	17,992,266.43	101,750,355.33
Total Current Assets		7,805,997,530.28	8,364,750,632.05
TOTAL ASSETS		9,147,041,805.09	9,902,118,691.99
EQUITY AND LIABILITIES			
Equity			
Stated Capital	25	800,000,000.00	800,000,000.00
Retained Earnings / (Loss)	26	7,806,258,570.11	8,211,065,528.36
Total Share holders Equity		8,606,258,570.11	9,011,065,528.36
Liabilities			
Non-Current Liabilities			
Retirement Benefit Obligations	27	102,913,803.20	99,247,210.40
Deferred Taxation	28	105,032,939.00	135,819,992.00
Long Term Liability	29	36,854,472.75	--
		244,801,214.95	235,067,202.40
Current Liabilities			
Income Tax Payable	30	130,762,466.48	162,236,763.90
Trade & Other Creditors	31	82,815,003.36	231,549,056.22
Provisions and Accrued Expenses	32	68,014,222.94	257,783,942.17
Short Term Liability	33	14,390,327.25	4,416,198.94
		295,982,020.03	655,985,961.23
TOTAL LIABILITIES		540,783,234.98	891,053,163.63
TOTAL EQUITY AND LIABILITIES		9,147,041,805.09	9,902,118,691.99

I certify that the financial statements have been prepared in compliance with the requirement of the Companies Act No 7 of 2007.

Gayen Wellala

Acting Chairman

Lanka Mineral Sands Limited

.....
Mrs. Sujeewa Kariyawasam

Chief Financial Officer

Sujeewa Kariyawasam

Actg. Deputy General Manager (Finance)

Lanka Mineral Sands Limited

341/13, Sarana Mawatha,

Kotte, Sri Lanka

The Board of Directors is responsible for the preparation and presentation of these financial statements. Approved and signed for and on behalf on 29.08.2025 at the board meeting held in Lanka Mineral Sands Limited.

.....
Mr. Gayan Wellala
Chairman

.....
Mr. G.P.N.M. Abesekara
Director

.....
Mrs. K.V.C. Dilrukshi
Director

STATEMENT OF CHANGES IN EQUITY

LANKA MINERAL SANDS LIMITED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st DECEMBER, 2024

	STATED CAPITAL	RETAINED EARNINGS	In. Rs. TOTAL
Balance as at 01 January, 2023	800,000,000.00	6,562,551,272.00	7,362,551,272.00
Total Comprehensive Income for the year	--	2,663,171,612.21	2,663,171,612.21
Total Other Comprehensive Income for the year	--	(63,858,997.00)	(63,858,997.00)
Prior Year Adjustments		(18,688,294.58)	(18,688,294.58)
Dividend to the Treasury		(932,110,064.27)	(932,110,064.27)
Balance as at 31 December, 2023	<u>800,000,000.00</u>	<u>8,211,065,528.36</u>	<u>9,011,065,528.36</u>
Balance as at 01 January, 2024	800,000,000.00	8,211,065,528.36	9,011,065,528.36
Stock Adjustment		3,079,804.63	3,079,804.63
Total Comprehensive Income for the year		(177,039,202.38)	(177,039,202.38)
Total Other Comprehensive Income for the year		(7,560,834.12)	(7,560,834.12)
Prior Year Adjustments		(223,286,726.38)	(223,286,726.38)
Dividend to the Treasury		--	--
Balance as at 31 December, 2024	<u>800,000,000.00</u>	<u>7,806,258,570.11</u>	<u>8,603,178,765.48</u>

STATEMENT OF CASH FLOW

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 ST DECEMBER 2024

	2024 Rs.cts	2023 Rs.cts
Profit/ (Loss) before Taxation	(77,063,789)	4,050,724,331.06
Adjustments:		
Depreciation and Amortization	220,288,997	199,015,234.07
Foreign Currency Fluctuation	(11,308,791)	
Interest Income (Note 09)	(512,938,677)	(1,267,479,682.63)
Prior Year adjustments (Note 12)	138,171,972	(34,069,634.53)
Gratuity Provision (Note 25)	16,915,915	9,891,648.23
Lease Interest	232,073	921,363.12
Profit on Disposal of Property, Plant & Equipment (Note 5)	(16,433)	(33,748,761.84)
Operating Profit before working capital changes	(203,101,151)	2,925,254,497.48
 (Increase)/Decrease in Inventories (Note 17)	(639,757,548)	(682,753,200.33)
Increase / (Decrease) in prepaid expenses (Note 22)	(49,277,973)	12,041,532.28
Increase/(Decrease) Advance & Deposits (Note 21)	75,988,235	198,073,984.50
(Increase)/Decrease in Other current Asset (Note 23)	208,665,587	473,522,168.70
Increase/(Decrease) in Trade & Other Credit (Note 31)	9,376,011	(297,939,522.65)
Increase/(Decrease) in Accrued expenses (Note 32)	(189,769,720)	(14,874,335.56)
Cash Generated from Operations	(787,876,559)	2,613,325,124.42
 Gratuity Paid	(20,810,156)	(11,906,462.50)
Income Tax Paid	(254,903,268)	(2,353,819,469.00)
Lease Interest	(232,073)	(921,363.12)
Net Cash from Operating Activities	(1,063,822,056)	246,677,829.80
 Cash Flow From Investing Activities		
Net (Increase)/Decrease in Fixed Deposits (Note 19)	3,562,081,664	1,776,297,001.72
Net (Increase)/Decrease in short Term Loan (Note 18)	(266,364,680)	(308,715,477.17)
Net (Increase)/Decrease in Treasury Bill (Note 20)	(2,410,960,143)	*
Interest Income	289,646,516	1,065,615,226.07
Acquisition of Property, Plant & Equipment and	(31,813,127)	(481,909,333.31)
Capital Work-in Progress (Note 13)	--	
Acquisition of Intangible Assets	--	(38,500.00)
Proceeds from Disposal of Property, Plant & Equip.	--	35,936,524.10
Net Cash flow from Investing Activities	1,142,590,230	2,087,185,441.41
 Cash Flow From Financing Activities		
Repayment of Term Loans	(4,416,199)	(8,431,183.48)
Net Change in short Term Loan	--	(1,447,907.40)
Dividend paid	(158,110,064)	(2,499,880,054.00)
Net Cash Flow from Financing Activities	(162,526,263)	(2,509,759,144.88)
 Net Increase/(Decrease) in Cash & Cash Equivalents	(83,758,089)	(175,895,873.67)
Cash & Cash Equivalents at the beginning of the period	101,750,355	277,646,229.00
Analysis of Cash & Cash Equivalents	17,992,266	101,750,355.33
Cash at Banks	17,992,266	101,750,355.33
Cash in Hand		
Petty Cash		
	17,992,266	101,750,355.33

NOTES TO THE FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER, 2024

1. CORPORATE INFORMATION

1.1 General

Lanka Mineral Sands Limited is a limited liability company fully owned by the Government of Sri Lanka incorporated and domiciled in Sri Lanka. The registered office of the company is located at No 341/13, Sarana Mawatha, Rajagiriya.

1.2 Nature of Operations and Principal Business Activities

The principal activity of the company is mining, processing and marketing of heavy mineral sands.

1.3 Number of Employees

The number of employees of the company as at the end of the year 2024 was 555.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation

The financial statements of Lanka Mineral Sands limited have been prepared in accordance with Sri Lanka Financial Reporting Standards (SLFRS). The financial statements have been prepared under the historical cost convention. The preparation of financial statements in conformity with Sri Lanka Financial Reporting Standards (SLFRS) requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the accounting policies. The areas involving a higher degree of judgments or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 2A.

2.2 Changes in accounting policies

The presentation and classification of the financial statements of the previous year have been amended where relevant, for better presentation and to be comparable with those of the current year.

2.3 Foreign currency translation

2.3.1 Functional and presentation currency

Transaction and balances included in the financial statements of the company is measured using the currency of the primary economic environment in which the entity operates. The financial statements are presented in Sri Lanka Rupees (LKR), which is the company's presentation currency.

NOTES TO THE FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER, 2024

2.3.2 Transactions and balances

Foreign currency transactions are converted into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of comprehensive income.

2.4 Property, plant and equipment

Property, plant and equipment are initially recognized at cost including any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the Company's management.

Property, plant and equipment are subsequently measured at cost less accumulated depreciation and any accumulated impairment losses.

Subsequent costs are included in the asset's carrying amount or recognized as an asset, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost over their estimated useful lives, as follows: -

Site Development	20 Years	5%
Buildings	20 Years	5%
Plant & Machinery	10 Years	10%
Loose Tools & Equipment	10 Years	10%
Furniture, Fitting & equipment	10 Years	10%
Motor Vehicles	5 Years	20%
Water Supply	10 Years	10%
Floating craft	10 Years	10%
Slime-pit	4 Years	25%
Computer Hardware	4 Years	25%
Upgrading of Garden	20 Years	5%

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Revaluation of property, plant equipment for the time being has been ruled out as several attempts made by the company to obtain a valuation from the Government Value did not materialized

NOTES TO THE FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER, 2024

2.5 Intangible Assets

Acquired computer software and operating systems are capitalized on the basis of the costs incurred to acquire and bring to use the specific software and systems. Intangible assets acquired are stated at cost less accumulated amortization and accumulated impairment losses. These costs are amortized over their estimated useful lives, as follows: -

Computer Software	4 Years	25%
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Costs associated with maintaining computer software programs are recognized as an expense incurred.

2.5.1 Lease Assets

six vehicles were acquired under a finance lease from Bank of Ceylon to be paid for within 04 years' time.

2.6 Financial Assets

2.6.1 Classification

The company determines the classification of its financial assets as loans and receivables at initial recognition as follows:

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are included in current assets, except for maturities greater than 12 months after the end of the reporting period, which are classified as non-current assets. The company's loans and receivables comprise trade and other receivables, repurchase government securities, prepayments, deposits, loans to employees and cash and cash equivalents at the end of reporting period.

2.6.2 Recognition and Initial Measurement

Financial assets classified as loans and receivables are recognized on the date on which the company originates the transaction. A financial asset is measured initially at fair value plus directly attributable transaction costs.

Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the company has transferred substantially all risks and rewards of ownership of the financial assets.

NOTES TO THE FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER, 2024

2.6.3 Subsequent Measurement

Subsequent to initial recognition, loans and receivables are measured at amortized cost using the effective interest method, less provision for impairment.

2.6.4 Impairment of financial assets

Assets carried at amortized cost

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

For loans and receivables carried at amortized cost, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the financial assets is reduced and the amount of the loss is recognized in the statement of comprehensive income.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the reversal of the previously recognized impairment loss is recognized in the statement of comprehensive income.

2.7 Inventories

Inventories are stated at lower of cost or net realizable value. Cost is determined on the basis of Weighted Average Cost (WAC).

The total production cost was divided among the production units proportionately until year 2018. From the year 2019 onwards, costs are allocated to product units based on percentage of the unit prices of each product.

The company use the relative sales value method for cost allocation of Rutile, Zircon production account.

NOTES TO THE FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER, 2024

2.8 Trade Receivables

Trade receivables are amounts due from customers for goods sold in the ordinary course of business. Collection is expected in the normal operating cycle of the business and they are classified as current assets.

Trade receivables are recognized initially at fair value, which is the invoice amount and subsequently measured at the original invoice amount less provision for impairment as they are expected to be received within short period, such that the time value of money is not significant.

The company assesses at the end of each reporting period whether there is objective evidence that trade receivables is impaired. Objective evidence of impairment for trade receivables could include the company's past experience of collecting payments, an increase in the number of delayed payments. Trade receivables are impaired and impairment losses are incurred, only if there is objective evidence of impairment.

2.9 Cash and cash equivalents

In the statement of cash flows, cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

2.10 Stated Capital

Stated Capital represents the value of shares that have been issued. Ordinary shares are classified as equity.

2.11 Financial Liabilities

The company classifies financial liabilities into other financial liabilities. The Company's other financial liabilities include trade and other payables. The other financial liabilities are recognized initially at fair value plus any directly attributable transaction costs.

Subsequent to initial recognition, these financial liabilities are measured at the original invoice amount as they are expected to be paid within short period, such that the time value of money is not significant.

The company derecognizes a financial liability when its contractual obligations are discharged, cancelled or expired.

NOTES TO THE FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER, 2024

2.12 Trade and Other Payables

Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade and other payables are classified as current liabilities as there in the normal operating cycle of the business.

Trade and other payables are recognized initially at fair value, which is the transaction price and subsequently measured at the original invoice amount as they are expected to be paid within short period, such that the time value of money is not significant.

2.13 Current and deferred tax

The tax expense for the period comprises current and deferred tax. Tax is recognized in the statement of comprehensive income, except to the extent that it relates to items recognized in other comprehensive income. In this case, the tax is also recognized in other comprehensive income.

The current income tax charge is calculated on the basis of the tax laws enacted at the reporting period end applicable for the company and generate taxable income.

Management establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is recognized on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is not accounted for if it arises from initial recognition of an asset or liability in transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit nor loss. Deferred tax is determined using tax rates that have been enacted at the reporting period end date and are expected to apply when the related deferred tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred taxes assets and liabilities relate to income taxes levied by the same taxation authority.

* An appeal was filed at the appellate commission with regards to income tax returns for the year of assessment 2014/2015. A bank guarantee and a deposit has been made in this regard.

* The company filed another Tax appeals for the year of assessment 2020/21 and 2021/22.

NOTES TO THE FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER, 2024

2.14 Employee benefits

The company has both defined benefit and defined contribution plans.

2.14.1 Defined Contribution plan

A defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions into a separate entity. The company has no legal or constructive obligations to pay further contributions. The contributions are recognized as employee benefit expense when they are due.

The company contributes 15% of gross emoluments of employee to Employee Provident Fund (EPF) and 3% on gross emoluments of employees to Employee Trust Fund (ETF).

2.14.2 Defined benefit plan

The company obligation in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is measured annually using the projected unit credit method.

The cost of defined benefit plans is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, expected rates of return on assets, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation and the long – term nature, such estimates are subject to significant uncertainty and the obligation is highly sensitive to the changes of these estimates and assumptions. Details of the key assumptions used in the estimates are specified in Note 27 to the Financial Statements.

2.14.3 Short-term employee benefit

Short-term employee benefit obligations are measured on an undiscounted amount expected to be paid for related services provided by the employees.

2.15 Provisions and Contingent Liabilities

Provisions for operational expenses are recognized when the company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic resources will be required from the company and amounts can be estimated reliably.

NOTES TO THE FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER, 2024

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation.

2.15.1 Provision for Bad and Doubtful Debt

Based on an age analysis for trade receivables exceeding 5 years of pending payment a provision for bad and doubtful debts of 5% was declared and set aside

2.16 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for sale of goods stated at net of Value Added Taxes (VAT). The company recognizes revenue when the amount of revenue can be reliably measured and when it is probable that future economic benefits will flow to the entity.

The company applies the revenue recognition criteria set out below to each identifiable major type's revenue generated.

2.16.1 Sale of Goods

Revenue from the sale of goods is recognized at the point that the risks and rewards of the goods have passed to the customer, which is the point of dispatch.

2.16.2 Gain and Losses on Disposal of Property, Plant and Equipment

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized in the statement of comprehensive income.

2.17 Expenses

All expenditure incurred in the running of the operation has been charged to income in arriving at the profit for the reporting period.

2.18 Events Occurring after the Reporting Period

All material events after the reporting period have been considered and where appropriate adjustments or disclosures have been made in the respective notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER, 2024

2.19 Commitments

All material commitments at the reporting period end have been identified and disclosed in the notes to the financial statements.

2A. Significant Accounting Estimates and judgments

When preparing the financial statements, management undertakes a number of judgments, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

2A.1 The following are significant judgments in applying the accounting policies that have most significant effect on the financial statements.

2A1.1 Recognition of Deferred Tax Assets

The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

2A.2 Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below:

2A.2.1 Useful life time of depreciable assets

Management reviews its estimate of the useful life time of depreciable assets at each reporting date, based on the expected economic utility of the assets. Uncertainties in these estimates relate to technical obsolescence that may change the utility of certain software and IT equipment.

2A.2.2 Defined benefit plan

The present value of the defined benefit plan obligations depends on a number of factors that are determined on the basis of projected unit credit method using a number of assumptions. The assumptions are used in determining the net cost and obligation for defined benefit plan including the discount rate. Any changes in these assumptions will impact the carrying amount of defined benefit obligation.

NOTES TO THE FINANCIAL STATEMENTS

DISCLOSURES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER, 2024

01. PROVISIONS FOR MINING LICENCE FEES

The Company should pay license fee to CCD for mined sands in last years. There was a conflict of this payment with both parities. Hence the relevant parties discussed and finally decision was taken to pay this amount of Rs 74,583,515.00. In five year, installment from 2023. Then the company made a Short Term Liability for Rs. 14,390,327.25 and Long Term Liability Rs.36,854,472.75 for this year.

02. TAX APPEALS

The company already filed an appeal for Income tax for year of assessment 2014/15. This appeal is in the process at present.

Two nos. of Tax appeals filed by the company for the year of assessment 2020/21 and 2021/2022. The total amount of tax liability is Rs.640,744,715 .

03. ZIRCON CONPCENTRATE SHIPMENT

The company sold Zircon Concentrate to M/s Anhui Triumph Applied Materials co. at a invoice value of 29,620.97 MT. But deduction qty from stock is 30,000 MT. Because deductions was done for moisture of sand.

DISCLOSURES TO THE FINANCIAL STATEMENTS

DISCLOSURES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER, 2024

04. ADJUSTMENT FOR STOCK

The company adjusted the difference of book balance and physical balance of sand stock. The details are given below.

Product	Qty - MT	Value (Rs.)
1. Ilmenite	(792.46)	Rs. 6,516,382.73
2. Rutile	(1.82)	Rs. 183,900.08
3. Zircon	(1.44)	Rs. 181,972.50
4. HITI Ilmenite	(1,507.07)	Rs. 24,709,859.43
5. Magnetite	(419.42)	Rs. 1,640,807.57
6. Crude Monazite	39.02	Rs. 472,600.22
7. Zircon Crude Low Grade	(1,349.77)	Rs. 18,215,532.61
8. Screen Oversizer	(63.74)	Rs. 332,634.74
9. Hydrosizer Fines	(3,881.69)	Rs. 169,619,502.09
10. Wet Table Tailing	10,156.07	Rs. 24,504,412.80
11. Non Magnetite Heavy Mineral	(9,143.71)	Rs. 65,380,409.99
12. Final Tailings Lot 02	(8,189.30)	Rs. 107,133,930.07

DISCLOSURES TO THE FINANCIAL STATEMENTS

CONTINGENT ASSET AND LIABILITIES

The company disclosure the contingent Asset and contingent liabilities as follows for the year under review

No.		Case No.	Description of contingent Liabilities	Amount (RS)
01.	District Court cases	I. L/4494/2018	This case has been filed on 04/01/2018 claiming Rs. 2,000,000 saying that LMSL has laid a pipe line through his land. Case is being progressed	2,000,000.00
		II. SP/4742/2018	This case has been filed on 26/11/2018 by petitioners at pulmoddai, stating that LMSL has illegally excavated raw sand from their land.	10,000,000,000.00
		III. L/5559/2021	This case has been filed by a villager claiming Rs.4,000,000 on deed of declaration. The complainant had been expired and no successor had been nominated yet. Therefore, matter has been laid by.	4,000,000.00
		IV. L/6319/2024	This case has been filed by a party challenging the ownership of a land where LMSL proposed to install a new mobile plant.	10,000,000.00
02.	Magistrate's Court	I. PPC/K/06/PVT	This case has been filed by a several people live near by the factory on public nuisance. The company has been asked to grant any compensation and relief as deemed fit.	As prescribed by the court
03.	Provincial High Court	I. HCT/APP/LT/62/2024	An Engineering Assistant who was attached to Lanka Mineral Sands Limited plant at Pulmoddai was terminated from his service , as he failed to prove his basic qualifications. The company has been decided to appealed against the labour tribunal order.	326,040.00
		II. HCT/APP/LT/63/2024- HCT/APP/LT/76/2024	Labour Tribunal has been ordred to reinstate 14 nos. of casual employees. But company has been decided to appealed against a said order.	4,137,360.00

DISCLOSURES TO THE FINANCIAL STATEMENTS

04.	Commercial High Court	43/2024/ARB	This case has been filed against challenging Arbitration award by the petitioner relation to 40,000 MT NMHMC.	
05.	Supreme Court	SC/FR/301//2023	This case has been filed against 32 parties with Lanka Mineral Sands Limited. Several issues have been challenging including not going for value addition product.	
06.	Court of Appeal	I. CA(WRIT)466/2023	Petitioner has been filed a Writ case challenging the Tender No.LMS/MKT/TDR/2023/03. (Ilmenite 60,000 MT)	
		II. CA(WRIT)531/2024	Petitioner has been filed a Writ case challenging the Tender No. LMS/MKT/TDR/2024/04 (85,000 MT Ilmenite).	
07.	Adjudication	SLNAC/ADJ/03- 01- 2024	This case was filed by a contractor for the payment of a item on the Tender no. LMSL/SUP/DPC/ 11/2012 by claiming with interest .	6,817,370.00

Description of the contingent Assets

08.	Commercial High Court	I. HC CIVI No. 569/2017/MR	This case was filed by Lanka Mineral Sands Limited based on the non settlement of loan granted to State Resources Management Corporation Limited amounting Rs.500,000,000.00 and accrued interest Rs. 17,421,448.08 . The matter was laid by as per the instruction of department of public enterprises until liquidation of the State Resources Management Corporation Limited.	517,421,448.08
		II. HC CIV No. 568/2017/MR	Lanka Mineral Sands Limited filed this case based on the non-settlement Rs 25,000,000.00 loan granted to the Sri Lanka State Plantation Corporation. They have agreed to assign the land and case is ongoing.	25,000,000.00 or assigning the land for same value

DISCLOSURES TO THE FINANCIAL STATEMENTS

LEGAL EXPENSES FOR THE YEAR ENDED 31st DECEMBER 2024

No	Year	Bill No	File No	Amount
1	2024	B/895/2024	E/302/2023/LMSL	40,000.00
		B/1275/2024	E/300/2023/LMSL	40,000.00
		B/393/2024	CA/CA/327/21/LMSL	231,500.00
		B/435/2024	CA/LT/29/2020/LMSL	273,500.00
		B/882/2024	E/23/2024/LMSL	25,000.00
		B/407/2024	CA/LT/197/2021/LMSL	115,500.00
2	2023	B/315/2023	E/202/22/LMSL	40,000.00
3	2019	B/1085/19	LMSL/PF/NO 2179, 2185, 2189	10,500.00
		B/278/19	LMSL/ET/AG/2018 -04	10,500.00
4	2011	B/958/11	Sale Contract	6,600.00
5	2010	B/1188/10	LMSL/ET/1/2007/13	3,000.00
		B/724/10	Court of Appeal 90/2006	5,040.00
6	2009	B/659/09	LMSL/ET/1/2007/22	10,800.00
7	2008	B/734/08	LMSL/ET/2007/23	12,600.00
		B/604/08	LMSL/ET/43/A/01/14	33,000.00
		B/118/08	LMSL/GF/826	7,200.00
8	2006	B/199/06	LT Kurunegala	18,000.00
9	2005	B/135/05	E/122/94/LMSL	2,400.00
		B/713/05	E/227/07/LMSL	6,000.00
			Total	891,140.00

NOTES TO THE FINANCIAL STATEMENTS

Note -- 3 & 4

NOTES TO THE FINANCIAL STATEMENT STATEMENT OF SALES , COST OF SALES AND GROSS PROFIT FOR THE YEAR ENDED 31st DECEMBER, 2024

	Note - 3	Note - 4				
		Gross Sales Rs.cts	VAT Rs.cts	Net Sales Rs.cts	Cost of sales Rs.cts	
RUTILE	Note 3 A	566,000,112.60	--	566,000,112.60	(156,162,827.87)	409,837,284.73
ZIRCON	Note 3 B	51,061,361.50	(390,687.88)	50,670,673.62	(39,637,284.50)	11,033,389.12
CRUDE MONAZITE	Note 3 C	357,183.05	(54,485.55)	302,697.50	(38,610.84)	264,086.66
CRUDE RUTILE OVERSIZE	Note 3 D	381,927.70	--	381,927.70	(26,330.05)	355,597.65
TOTAL		617,800,584.85	(445,173.43)	617,355,411.42	(195,865,053.26)	421,490,358.16

NOTES TO THE FINANCIAL STATEMENTS

Note -- 5

LANKA MINERAL SANDS LIMITED

OTHER OPERATING INCOME FOR THE YEAR ENDED 31st DECEMBER, 2024

2023 <u>Rs.cts</u>	Narrative	2024 <u>Rs.cts</u>
33,748,761.84	Profit on Sale of Assets	16,433.35
13,969,062.58	Sundry Income	--
125,281.68	Demurrage Income	--
--	Exchange Fluctuation	11,308,791.38
47,843,106.10	Total	11,325,224.73

NOTES TO THE FINANCIAL STATEMENTS

Note -- 6

LANKA MINERAL SANDS LIMITED DISTRIBUTION EXPENSES FOR THE YEAR ENDED 31st DECEMBER, 2024

2023 <u>Rs.cts</u>	Ac / Code	Narrative	2024 <u>Rs.cts</u>
5,046,201.60	01-07-101	Salaries & Wages	3,407,373.29
104,076.23	102	Overtime	45,021.66
171,000.00	103	Attendance Incentive	139,200.00
249,200.00	103-2	Meal Allowance	171,200.00
--	103-4	Language Allowance	6,570.00
722,014.59	104	Provident Fund Contribution	462,020.52
71,167.93	107	Medical & Medical Aid Scheme	14,666.56
5,400.00	108	Travelling & Subsistance	--
97,200.00	108-1	Transportation Of Employees	81,000.00
703,025.00	108-2	Production Incentive	417,900.00
--	110	Consultancy & Professional Fees	10,500.00
1,167,530.59	126	Sampling & Analysis Charges	159,726.41
56,794.40	132	Licence Fees	82,615.35
92,602.37	134	Postage & Telephone	23,728.70
1,616,250.00	135-2	Subscription	51,244.35
244,000.00	138	Advertising & Sales Promotion - Local	393,200.00
3,289,667.00	138-2	Foreign Travel	1,919,580.00
150,000.00	138-3	Publicity and Exhibtion	--
51,686.78	151	Bank Charges	23,495.70
59,330,272.68	155	Exchange Fluctuation	--
192,126.20	158	Employees Trust Fund	96,166.93
<u>73,360,215.37</u>		Total	<u>7,505,209.47</u>

NOTES TO THE FINANCIAL STATEMENTS

Note -- 7

LANKA MINERAL SANDS LIMITED ADMINISTRATIVE EXPENSES FOR THE YEAR ENDED 31st DECEMBER, 2024

2023 <u>Rs.cts</u>	Ac / Code	Narrative	2024 <u>Rs.cts</u>
1,448,000.00	01-01-101	Directors Payments	635,000.00
--	01-01-110	Consultancy & Professional Fees	576,000.00
1,200,000.00	01-02-101	Chairman's Salary	1,096,881.64
275,000.00	01-02-109	Entertainment	182,258.06
30,000.00	01-02-110	Consultants Fees,Expenses	--
3,184,642.71	01-02-122	Fuel & Lubricants	1,786,430.19
74,966.52	01-02-134	Postage & Telephone	86,091.75
565,264.75	01-04-101	Salaries & Wages to GM	214,900.50
--	01-04-108-1	Transportation of Employees	50,000.00
226,800.00	01-04-108-2	Production Incentive	65,000.00
--	01-04-110	Consultancy & Professional Fees	2,700.00
1,075,061.37	01-04-122	Fuel & Lubricants	177,696.33
6,000.00	01-04-103	Attendance Bonus	--
7,400.00	01-04-103-2	Meal Allowance	--
--	01-04-134	Postage & Telephone	7,650.04
121,687.50	01-04-138-2	Foreign Travel	--
280,953,415.68	01-00	Administrative Expenses	258,847,695.39
<u>289,168,238.53</u>		Total	<u>263,728,303.90</u>

Note -- 7A

ADMINISTRATIVE / GENERAL EXPENSES

2023 <u>Rs.cts</u>	Ac / Code	Narrative	2024 <u>Rs.cts</u>
65,263,544.87	01-00-101	Salaries & Wages	77,849,376.76
15,439,973.57	102	Overtime	13,766,414.18
3,150,600.00	103	Attendance Incentive	3,096,000.00
6,081,391.14	103-1	Gratuety	20,098,379.72
3,937,800.00	103-2	Meal Allowance	4,151,400.00
2,969,529.51	103-3	Staff Tea	2,610,987.85
--	103-4	Language Allowance	46,680.00
8,194,613.90	104	Provident Fund Contribution	11,807,126.13
3,075,377.42	106	Staff Welfare	3,612,532.28
585,000.00	106-1	25 years Ceremony	974,000.00
2,972,580.64	106-2	Uniforms	639,430.88
1,071,513.44	107	Medical & Medical Aid Scheme	1,008,520.26
223,895.00	108	Travelling & Subsistence	81,017.50
2,801,866.67	108-1	Transportation of Employees	2,388,538.70
14,735,380.00	108-2	Production Incentive	9,103,750.00
28,500.00	109	Entertainment	104,128.07
2,865,777.56	109-1	Refreshment	1,566,267.10
4,047,499.52	110	Consultants Fees,Expenses & Professional	3,854,610.37
3,937,730.67	121	Electricity Charges	3,946,711.53
7,577,600.10	122	Fuel & Lubricants	5,735,790.38

NOTES TO THE FINANCIAL STATEMENTS

1,805,482.54	123 Consumable	1,168,116.40
4,742,059.30	123-1 Repairs & Maintenance - Equipment	3,616,532.13
--	123-2 Repairs & Maintenance - Buildings	2,143,844.27
412,929.68	124 Water Charges	304,909.13
--	126 Sampling & Analysis Charges	21,106.00
1,881,444.44	127 Staff Training	185,604.45
2,598,240.52	130 Rent & Rates	255,278.53
419,440.21	131-1 Insurance - Motor Vehicles	486,670.24
--	131-2 Insurance - Personnel Accidents	8,332.13
5,876.71	131-3 Insurance - Cash In Transit	7,237.00
13,031.27	131-4 Insurance - Fidelity Guarantee	1,184.69
117,113.48	131-5 Insurance - Fire	263,638.30
4,516,714.77	131-6 Insurance - Medical Scheme	4,830,428.68
94,266.84	132 Licence Fees	111,853.26
7,081,703.36	133 Vehicle Running Expenses - Repaires & Main.	6,919,150.21
16,250.00	133-1 Vehicle Hire Charges	6,500.00
1,046,771.19	134 Postage & Telephone	1,525,985.29
8,295.68	134-1 Domain & Hosting Charges	6,567.42
3,236,598.85	135 Printing & Stationery	2,552,051.15
682,948.00	135-2 Subscription	653,276.00
509,311.54	136 Sundry Expenses	37,164.17
41,058.57	136-1 Stores Miscellaneous	--
700,000.00	137 Audit fees	800,000.00
15,600.00	138 Advertising & Sales Promotion - Local	--
30,276.00	138-2 Foreign Travel	640,000.00
10,682,850.00	138-5 Corporate Social Responsibility	1,260,200.00
1,316,615.00	139 Legal Expenses	2,507,879.00
6,551,526.00	140 Press Notice	5,526,100.00
5,301,230.05	151 Bank Charges	998,989.37
31,956.79	151-2 Bank Charges on PJ 7705 A/C	--
34,161.10	151-3 Bank Charges on PJ 7706 A/C	--
32,925.87	151-4 Bank Charges on LO 5525 A/C	--
189,031.90	151-5 Bank Charges on CBJ 0284 A/C	--
316,643.73	151-6 Bank Charges on WPPK 6595	116,036.53
316,643.73	151-7 Bank Charges on WPPK- 6596	116,036.53
45,399,200.09	153 Depreciation	49,874,494.83
48,791.64	153-1 Amortization of Software	14,669.87
831,406.45	153-2 Amortization of Leasehold Land	831,406.45
--	154-2 Disposal of Assets	270,096.58
2,222,074.98	158 Employees Trust Fund	2,361,425.39
--	161 Workmen Compensation	157,500.00
459,578.00	192 Publicity & Exhibition	--
1,895,348.79	199 Annual Bonus	1,825,769.68
26,387,844.60	199-1 Profit Incentive	--
<u>280,953,415.68</u>	Total Transferred to Administrative Expenses	<u>258,847,695.39</u>

NOTES TO THE FINANCIAL STATEMENTS

Note -- 8

LANKA MINERAL SANDS LIMITED OTHER OPERATING EXPENSES FOR THE YEAR ENDED 31ST DECEMBER, 2024

2023 <u>Rs.cts</u>	Ac / Code	Narrative	2024 <u>Rs.cts</u>
733,141,282.53		General Overheads - Note 8-1	751,583,545.19
		Write-offs -Bad & Doubtful Debts - Pulmoddai	990.40
<u>733,141,282.53</u>			<u>751,584,535.59</u>

Note -- 8 -1

GENERAL OVERHEAD

2023 <u>Rs.cts</u>	Ac / Code	Narrative	2024 <u>Rs.cts</u>
349,039,422.70	02 -- 01	Work - Office & Security	227,134,054.72
12,418,250.75	02 -- 02	Stores	33,461,014.89
16,629,068.07	02 -- 03	Laboratory	39,208,408.33
30,799,741.77	02 -- 04	Workshop	124,365,718.56
1,331,669.92	02 -- 05	Water Supply	831,300.71
3,665,893.37	02 -- 06	Power Supply	3,737,453.90
489,805.02	02 -- 07	Shipping	--
3,725,502.20	02 -- 08	Mobile Garage	7,073,760.68
31,843,601.52	02 -- 09	Housing	86,353,778.52
53,377,280.22	02 -- 11	Staff Welfare	40,434,892.00
119,006,095.69	02 -- 53	Magnetic Separation	105,750,576.88
110,017,114.03	03 -- 54	Wet & Dry Mill	83,186,425.42
797,837.27	21 -- 01	Kokilai Plant	46,160.58
<u>733,141,282.53</u>		Total	<u>751,583,545.19</u>
<u>733,141,282.53</u>		Transferred to Other Operating Expenses	<u>751,583,545.19</u>

NOTES TO THE FINANCIAL STATEMENTS

Note -- 8-2

PRODUCTION OVERHEAD

2023 <u>Rs.cts</u>	Ac / Code	Narrative	2024 <u>Rs.cts</u>
20,503,941.05	02 -- 02	Stores	444,157.76
27,456,478.25	02 -- 03	Laboratory	520,448.01
50,853,868.45	02 -- 04	Workshop	1,650,816.61
--	02 -- 05	Water Supply	11,034.60
22,173,100.50	02 -- 06	Power Supply	49,610.54
17,151,368.60	02 -- 08	Mobile Garage	93,896.31
52,577,399.34	02 -- 09	Housing	1,146,250.37
--	02 -- 11	Staff Welfair	536,728.22
<u>190,716,156.19</u>		Total	<u>4,452,942.42</u>

Apportioned as follows

6,255.87	Ilmenite Trading Account	--
5.95	Rutile Trading Account	3,637,136.17
304,497.92	Zircon Trading Account	781,814.32
9,032,714.86	Hi Ti Trading Account	--
2,973,351.89	Crude Monazite Trading Account	33,991.93
178,399,329.69	Zircon Concentrate Trading Account	--
--	Unabsorbed production overhead	--
<u>190,716,156.18</u>		<u>4,452,942.42</u>

NOTES TO THE FINANCIAL STATEMENTS

Note -- 9

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER, 2024

FINANCE INCOME

2023 <u>Rs.cts</u>	2024 <u>Rs.cts</u>
40,398,780.36	31,273,768.47
--	79,788,317.09
1,179,565,146.22	289,646,516.04
5,468,225.34	8,491,750.51
2,063,681.37	2,437,098.75
1,567,569.34	291,916.31
38,416,280.00	101,009,310.00
<u>1,267,479,682.63</u>	<u>512,938,677.17</u>

NOTES TO THE FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER 2024

		2024 <u>Rs.cts</u>	2023 <u>Rs.cts</u>
10. CURRENT INCOME TAX EXPENSES			
Income Tax Expenses for the Year - Note 10-1	130,762,466.48	1,214,454,674.90	
Prior Year Tax Assestment 2014/15	--	15,381,339.95	
	130,762,466.48	1,229,836,014.85	
 Prior Year Income Tax Under Provision		 68,281,937.00	
Deferred Taxation - Refer Note 26	(30,787,053.00)	89,434,767.00	
	99,975,413.48	1,387,552,718.85	
 10.1 Reconciliation Bet	85	the Current Tax Expenses and the product of	
Accounting Profit			
Accounting Profit/ (Loss) Before Taxation	(77,063,788.90)	4,050,724,331.06	
Aggregated Expenses Disallowed for Tax	--	--	
Aggregated Expenses Allowed for Tax	--	--	
Aggregated Income for Other Sources	--	--	
Taxable Business Profit / (Loss) for the year	--	--	
Other Income Liable for Tax	--	--	
Total Statutory Income	--	--	
Deduction under Section 32	--	--	
Assessable Income	--	4,048,182,251.06	
Quolifing Payments	--	--	
Taxable Income	--	--	
Income Tax Expenses	--	--	
	- @ 30%	130,762,466.48	1,214,454,674.90
Roundup		130,762,466.48	1,214,454,674.90

NOTES TO THE FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER 2024

11. BASIC EARNING PER SHARE

The calculation of Basic Earning Per share is based on the Net Profit attributable to Ordinary Share holders divided by the Weighted Average Number of Ordinary Shares outstanding during the year.

	2024 <u>Rs.cts</u>	2023 <u>Rs.cts</u>
Net Profit (Loss) attributable to Ordinary Shareholders	(177,039,202.38)	2,663,171,612.21
Weighted Average Number of Ordinary Shares in issue during the year	80,000,000	80,000,000
Basic Earning Per share (Rs.)	(2.21)	33.29

12. PRIOR YEAR ADJUSTMENTS

	2024	2023
Adjustment Depreciation 2022	(302,363.44)	
Adjustment Annonyadara stock	(600.00)	
Over Provision of Audit Fees	(110,000.00)	
Adjustment of stock	(704,064.50)	
Adjustment for Gift Voucher	(272,880.00)	
Adjustment for VAT 2006-2014	18,265,806.75	
Adjustment for TLD Charges 2022	7,200.00	
Adjustment for Consultancy fee for KPMG 2022	432,960.00	
Adjustment for Staff Welfare Expenses 2022	823,250.00	
Adjustment for Medical Insurance Premium 21/22	548,985.77	
Sundry Creditors - Pulmoddai	(1,000,500.00)	
Annual Bonus 2023	(1,833,083.30)	
Over Depreciation	(274,272.50)	
TLD Charges	7,380.00	
Annual Bonus 2023	16,657.53	
Sri Lanka Custom	(3,000,000.00)	
SSCL Amount on Royalty	(56,609.44)	
Disallowable VAT	98,057.18	
Provision for Cost Conservation	49,139,297.00	
Exploration License Fee	(14,856,500.00)	
Disallowable VAT	32,407,770.11	
Disallowable VAT	5,074,377.15	
Annual Bonus 2023	(7,660,000.00)	
Annual Bonus 2023	(980,000.00)	
Annual Bonus 2023 - Pulmoddai	14,000.00	
Sundry Creditors	(1,197,046.05)	
Income Tax 2023/2024	55,923,707.57	
Income Tax 2023/2024	(11,769,899.90)	
Income Tax 2023/2024	(17,564,372.00)	
Reconciliation of Tax	140,797,763.03	
	<u>223,286,726.38</u>	<u>18,688,294.58</u>

NOTES TO THE FINANCIAL STATEMENTS

LANKA MINERAL SANDS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOE THE YEAR ENDED 31st DECEMBER 2024

13. PROPERTY, PLANT & EQUIPMENT

Description	Cost As at 01-01-2024	Addition	Disposal/Adjustments/Over Pro	Tranf. (HO.&PUL)	Net As at 31-12-2024
COST					
Freehold Land	3,029,244.87	--	--		3,029,244.87
Site Development	52,059,220.14	--	--		52,059,220.14
Upgrading of Garden	4,520,948.43	--	--		4,520,948.43
Building	612,159,720.71	1,198,287.50	6,582,540.34		606,775,467.87
Plant & Machinery	1,428,768,104.91	10,938,585.25	94,618.93		1,439,612,071.23
Loose Tools & Equipment	119,698,447.04	7,979,719.53	3,040,879.75		124,637,286.82
Furniture, Fittings & Equipments	75,767,495.11	6,024,411.21	72,185.00		81,719,721.32
Motor Vehicles	569,609,875.80	--	--		569,609,875.80
Water Supply Scheme	190,551,225.23	602,600.00	--		191,153,825.23
Floating Crafts	1,151,046.00	--	--		1,151,046.00
Computer Hardware	36,427,952.26	4,968,400.00	137,730.00		41,258,622.26
	3,093,743,280.50	31,712,003.49	9,927,954.02	--	3,115,527,329.97
DEPRECIATION					
Freehold Land	--	--	--		--
Site Development	29,213,264.43	2,585,145.56	--		31,798,409.99
Upgrading of Garden	1,186,677.27	226,047.42	--		1,412,724.69
Building	153,450,462.57	27,729,999.80	274,272.50		180,906,189.87
Plant & Machinery	811,539,950.05	92,179,205.22	91,862.00		903,627,293.27
Loose Tools & Equipment	68,414,204.90	8,386,290.75	2,753,999.45		74,046,496.20
Furniture, Fittings & Equipment	31,712,839.75	5,934,941.21	72,168.00		37,575,612.96
Motor Vehicles	432,950,465.66	60,320,948.70	--		493,271,414.37
Water Supply Scheme	102,922,396.34	17,638,790.29	--		120,561,186.63
Floating Crafts	1,151,045.00	--	--		1,151,045.00
Computer Hardware	26,159,114.63	4,434,098.00	137,738.00		30,455,475.53
	1,658,700,420.60	219,435,466.95	3,330,039.95	--	1,874,805,848.51
Net Carrying Value	1,435,042,859.90				1,240,721,481.46
	42.00				42.00
Capital Work in Progress	1,435,042,817.90				1,240,721,439.46
	51,450,684.60	101,123.92			51,551,808.52
	1,486,493,502.50				1,292,273,247.98

NOTES TO THE FINANCIAL STATEMENTS

LANKA MINERAL SANDS LIMITED NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER 2024

14. LEASE HOLD ASSETS

Description	As at 01-01-2024 Rs.	Additions Rs.	Disposals / Adjustments Rs.	As at 31.12.2024 Rs.
COST				
Leasehold Land	24,222,333.80			24,222,333.80
AMORTIZATION				
Leasehold Land	8,397,133.38	831,406.45	-	9,228,539.83
Net Carrying Value	15,825,200.42	831,406.45	---	14,993,793.97

15. INTANGIBLE ASSETS

Description	As at 01-01-2024 Rs.	Additions Rs.	Disposals / Adjustments Rs.	As at 31.12.2024 'Rs.
COST				
Computer Software	4,611,532.93		-	4,611,532.93
	4,611,532.93			4,611,532.93
AMORTIZATION				
Computer Software	4,562,175.91	22,124.16	-	4,584,300.07
	4,562,175.91	22,124.16	-	4,584,300.07
Net Carrying Value	49,357.02		---	27,232.86

NOTES TO THE FINANCIAL STATEMENTS

**LANKA MINERAL SANDS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st DECEMBER 2024**

	2024 <u>Rs.cts</u>	2023 <u>Rs.cts</u>
16. ADVANCE		
State Resources Management Corporation Ltd	--	--
Interest Receivable	--	--
Less	--	--
Provisio for Bad & Doubtful Debts - SRMC Ltd	--	--
State Plantation Corporation	25,000,000.00	25,000,000.00
Janatha Estate Development Board	3,750,000.00	5,000,000.00
National Paper Company Ltd	5,000,000.00	5,000,000.00
	<u>33,750,000.00</u>	<u>35,000,000.00</u>
17. INVENTORIES		
Consumables & Spares - Plant	286,724,453.62	313,164,918.83
Less		
Provision for Stocks	(25,246,558.44)	(25,246,558.44)
	<u>261,477,895.18</u>	<u>287,918,360.39</u>
Consumables & Spares - Head Office	1,965,038.24	2,044,462.43
Raw Material Stocks	30,040,403.64	4,078.08
Intermediary Product- Non Magnetic Heavy Mineral	--	684,244.76
Raw Material Stock Kokilai	3,071,946.00	3,071,946.00
Finished Product Stocks		
- Ilmenite	844,303,357.73	597,587,163.52
- Rutile	220,836,251.87	220,897,122.59
- Zircon	117,687,422.61	84,244,980.28
- Hi.Ti.Ilmenite	141,001,814.04	111,646,684.72
Semi Processed Product Stocks		
- Crude Zircon	381,483,834.61	179,177,595.29
- Monazite	9,663,459.03	6,715,531.08
- Final Tailings - Lot 02	370,486,929.81	314,502,099.04
- Magnetite	11,502,905.32	10,596,600.94
- Low Grade Zircon Crude	134,016,965.09	114,995,749.76
- Screen Oversize Concentrate	36,934,744.60	30,828,861.94
- Final Tailings - Lot 01	21,775,168.35	21,775,168.35
- Tailing & Upgrading	2,131,823.88	2,131,823.88
- Hydroziser Fines	199,292,613.31	159,092,552.28
	<u>2,787,672,573.31</u>	<u>2,147,915,025.33</u>
18. SHORT TERM FINANCIAL ASSETS		
Repo - Bank of Ceylon	725,262,367.66	458,897,687.12
Bank Guarntee	5,380,129.00	
	<u>730,642,496.66</u>	<u>458,897,687.12</u>
19. FIXED DEPOSITS		
Bank of Ceylon	1,161,621,334.61	4,723,703,998.28
BOC - Security Deposits	1,000.00	
	<u>1,161,622,334.61</u>	<u>4,723,703,998.28</u>
20. TREASURY BILL		
Investment in Treasury Bill	2,410,960,143.00	--
	<u>2,410,960,143.00</u>	<u>--</u>

NOTES TO THE FINANCIAL STATEMENTS

LANKA MINERAL SANDS LIMITED NOTES TO THE FINANCIAL STATEMENTS - 2024

	2024 <u>Rs.cts</u>	2023 <u>Rs.cts</u>
21. ADVANCES AND DEPOSITS		
Advances and Deposits (Reference Schedule 01- page 60 - 61)	<u>221,090,634.86</u>	<u>297,078,869.98</u>
	<u>221,090,634.86</u>	<u>297,078,869.98</u>
22. PREPAID EXPENSES		
Prepaid Expenses - Head Office	52,664,234.65	10,574,734.39
Prepaid Expenses - Pulmoddai	7,188,472.15	--
(Reference Schedule 02 - page 62)	<u>59,852,706.80</u>	<u>10,574,734.39</u>
23. OTHER CURRENT ASSETS		
Value Added Tax Recoverable (Schedule 03 - page 63 - 65)	89,979,811.56	102,010,243.49
Interest Debtors	56,009,897.54	201,680,424.97
Other Debtors Fuel & Lubricants	17,344.00	1,390,683.00
Sundry Debtors	203,070.68	18,000.00
Receivable from HDFC Bank in Respect of Housing Loan	--	--
Other Debtors	86,483,472.58	680,446.65
Loans and Advances to Staff (Schedule 04 - page 66)	<u>161,327,225.89</u>	<u>166,188,517.10</u>
	<u>394,020,822.25</u>	<u>550,109,267.32</u>
Add :		
WHT on FD interest	22,143,552.36	74,720,694.60
	<u>416,164,374.61</u>	<u>624,829,961.92</u>

NOTES TO THE FINANCIAL STATEMENTS

LANKA MINERAL SANDS LIMITED NOTES TO THE FINANCIAL STATEMENTS - 2024

		2024 <u>Rs.cts</u>	2023 <u>Rs.cts</u>
24. CASH AND CASH EQUIVALENTS			
Bank of Ceylon - Foreign Currency	A/C - 73449850	5,990,075.44	93,390,411.06
Bank of Ceylon - Corporate Branch	0000931	8,240,295.42	6,326,879.60
Bank of Ceylon - Bazaar - Trinco	0002367534	523,525.07	204,693.30
HNB - Cinnamon Garden	0760010004078	1,157,604.65	1,169,604.65
People's Bank - Padaviya	352-100100000244	1,679,144.96	402,285.70
Cash in hand	Pulmoddai	301,620.89	156,481.02
Petty Cash	Head Office	50,000.00	50,000.00
Special Imprest	Head Office	50,000.00	50,000.00
		<u>17,992,266.43</u>	<u>101,750,355.33</u>
25. STATED CAPITAL			
Issued and Fully Paid 80,000,000 Ordinary Shares		<u>800,000,000.00</u>	<u>800,000,000.00</u>

NOTES TO THE FINANCIAL STATEMENTS

LANKA MINERAL SANDS LIMITED NOTES TO THE FINANCIAL STATEMENTS 2024

	2024 Rs.cts	2023 Rs.cts
26 RETAINED EARNINGS/(LOSS)		
Opening Balance	8,211,065,528.36	6,562,551,272.00
Dividend to the Treasury	--	(932,110,064.27)
Stock Adjustments	3,079,804.63	(63,858,997.00)
Actuarial Gain/(Loss) on retirement benefits	(7,560,834.12)	(18,688,294.58)
Prior Year Adjustments - Note 12	(223,286,726.38)	(18,688,294.58)
Profit or (Loss) for the year	<u>(177,039,202.38)</u>	<u>2,663,171,612.21</u>
	<u>7,806,258,570.11</u>	<u>8,211,065,528.36</u>
27 INVESTMENT AGAINST RETIREMENT		
Balance as at 01 January	99,247,210.40	37,403,027.67
Expenses recognized in comprehensive Income (Note 25.1)	16,915,914.95	9,891,648.23
Actuarial (Gain)/losses Recognized in Other Comprehensive Income	7,560,834.12	63,858,997.00
Payments made during the Year	<u>(20,810,156.27)</u>	<u>(11,906,462.50)</u>
	<u>102,913,803.20</u>	<u>99,247,210.40</u>
Less: Fair Value of Planned Assets	--	--
Balance as at 31 December	<u>102,913,803.20</u>	<u>99,247,210.40</u>
27.1 Expenses Recognized in Current Service Cost		
Interest Charge for the Year	<u>16,915,914.95</u>	<u>9,891,648.23</u>
27.2 Fair Value of Planned Assets		
The principle actuarial assumption used in determining calculating the present value of the defined benefit obligation include-		
Discount Rate	11.40%	13.56%
Salary Incremental Rate		
Retirement Age	60 years	60 years
Staff Turnover Rate		
Upto 55	0.84%	0.20%
Thereafter	0.00%	0.00%

Rates of annual salary increment were based on Management Circular No. 30 (1) issued by the Management Service Department of the General Treasury.

NOTES TO THE FINANCIAL STATEMENTS

LANKA MINERAL SANDS LIMITED NOTES TO THE FINANCIAL STATEMENTS 2024

		2024 Rs.cts	2023 Rs.cts
28. DEFERRED TAXATION			
Balance as at 01st January		135,819,992.00	46,385,225.00
Charge to Income Statement		<u>(30,787,053.00)</u>	<u>89,434,767.00</u>
Balance as at 31st December		<u>105,032,939.00</u>	<u>135,819,992.00</u>
28.1 Deferred Tax Assets and Liabilities			
	Carrying Amount	Tax Base	Net
	31 Dec.2024	31 Dec.2024	31 Dec. 2023
Deferred tax liability on capital allowance on PPE	1,240,748,714	787,725,117	551,980,516.00
Deferred tax assets on retirement benefits obligation	<u>102,913,803</u>	<u>--</u>	<u>99,247,210.41</u>
Net Temporary Difference		<u>555,937,400.00</u>	<u>452,733,305.59</u>
Deferred Tax Liability on capital allowance on PPE $453,023,597 \times 30\%$		135,907,079.00	165,594,155.00
Deferred Tax assets on retirement benefits obligation $102,913,803 \times 30\%$		<u>30,874,140.00</u>	<u>29,774,163.00</u>
Net Deferred Tax Liability as at 31 December		<u>105,032,939.00</u>	<u>135,819,992.00</u>
29. LONG TERM LOAN		<u>36,854,472.75</u>	
Cost Conservation			
30. INCOME TAX PAYABLES			
Balance as at 01 January		162,236,763.90	1,233,319,621.00
Provision for the Year		130,762,466.48	1,214,454,674.90
Payments made during the year		<u>(254,903,268.00)</u>	<u>(2,353,819,469.00)</u>
Adjustment on Under / Over provision		<u>92,666,504.10</u>	<u>68,281,937.00</u>
Balance as at 31 December		<u>130,762,466.48</u>	<u>162,236,763.90</u>
31. TRADE AND OTHER CREDITORS			
Advance from buyers (Schedule 05 - page 67)		2,746,594.38	411,154.38
Sundry Creditors (Schedule 06 - page 68)		23,587,280.66	30,852,505.59
Retention Money (Schedule 07 - page 69 - 71)		13,702,340.40	16,874,529.73
Staff Emoluments (Schedule 08 - page 72)		20,712,114.38	13,438,148.81
Tender Deposits (Schedule 09 - page 73 - 77)		13,178,890.50	5,163,157.00
Gratuity payable		<u>108,727.50</u>	<u>108,727.50</u>
Dividend Payable		--	158,110,064.27
Trade Creditors		<u>8,779,055.54</u>	<u>6,382,303.03</u>
Stale Cheque		--	5,200.00
VAT Payable		--	146,656.47
SSCL Payable		--	56,609.44
		<u>82,815,003.36</u>	<u>231,549,056.22</u>
32. PROVISIONS AND ACCRUED EXPENSES			
Provisions		--	15,966,703.00
Accrued Expenses (Schedule 10 - page 78 - 83)		<u>68,014,222.94</u>	<u>241,817,239.17</u>
		<u>68,014,222.94</u>	<u>257,783,942.17</u>
33. SHORT TERM LOAN			
Cost Conservation		2,208,099.47	
		<u>14,390,327.25</u>	<u>2,208,099.47</u>
		<u>14,390,327.25</u>	<u>4,416,198.94</u>