

Unaudited Financial Statements 2024

LANKA SUGAR COMPANY (PRIVATE) LIMITED

FINANCIAL STATEMENTS

31ST DECEMBER 2024

Lanka Sugar Company (Private) Limited

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Year ended 31 December 2024

	Note	2024 Rs.	2023 Rs.
Revenue	4	10,858,754,992	16,095,088,733
Cost of Sales		(10,270,521,031)	(10,514,186,029)
Gross Profit		588,233,961	5,580,902,704
Other Income and Gains	5	251,520,472	233,273,792
Administrative Expenses		(2,832,390,735)	(3,566,423,815)
Finance Cost	6	(229,159,921)	(69,120,741)
Finance Income	6	328,106,640	656,487,028
Profit/(Loss) before tax	7	(1,893,689,583)	2,835,118,968
Income Tax Expense	8	(117,238,792)	(502,837,242)
Profit/(Loss) for the year		(2,010,928,375)	2,332,281,726
Other Comprehensive Income for the period, net of tax		(215,336,218)	(199,122,893)
Total Comprehensive Income/ (Expense) for the period, net of tax		(2,226,264,593)	2,133,158,833
Earnings/(Loss) Per Share	9	(20,109,284)	23,322,817

The Accounting Policies and Notes on pages 5 to 33 form an integral part of these financial statements.

Unaudited Financial Statements 2024
 Lanka Sugar Company (Pvt) Ltd.
 No. 27, Melbourne Avenue,
 Colombo 04

Dr. Rukshan Gunatilaka (P.D.)
 Chairman
 Lanka Sugar Company (Pvt) Ltd.
 No. 27, Melbourne Avenue,
 Colombo 04


Lanka Sugar Company (Private) Limited
STATEMENT OF FINANCIAL POSITION
As at 31 December 2024

ASSETS

	Note	2024 Rs.	2023 Rs.
Non-Current Assets			
Property, Plant and Equipment	10	3,937,302,458	3,640,993,724
Non Current Investments	8	70,996,052	-
		<u>4,008,298,510</u>	<u>3,640,993,724</u>
Current Assets			
Inventories	11	10,133,421,515	8,311,492,472
Biological Assets	12	910,906,506	707,948,224
Trade and Other Receivables	13	651,161,207	1,036,246,085
Advances and Prepayments		181,018,450	182,674,824
Loans Due from Farmers	14	1,741,583,327	1,559,543,843
Amounts due from Related Parties	25.1	-	-
Investments	15	1,748,061,376	2,033,318,775
Cash and Cash Equivalents	21	990,935,562	1,155,347,328
		<u>16,357,087,943</u>	<u>14,986,571,552</u>
		<u>20,365,386,453</u>	<u>18,627,565,275</u>


EQUITY AND LIABILITIES

Capital and Reserves			
Stated Capital	16	1,000	1,000
Government Grant	17	4,674,488,363	4,674,488,363
Accumulated Profits		4,408,751,123	6,635,015,716
Total Equity		<u>9,083,240,486</u>	<u>11,309,505,079</u>
Non-Current Liabilities			
Deferred Tax Liability	8	861,391,822	744,153,030
Retirement Benefit Liability	19	1,445,175,629	1,118,049,383
Interest Bearing Loans and Borrowings	18	67,612,965	40,773,733
		<u>2,374,180,416</u>	<u>1,902,976,146</u>
Current Liabilities			
Interest Bearing Loans and Borrowings	18	1,596,341,622	95,585,542
Trade and Other Payables	20	4,447,535,645	3,659,478,097
Income Tax Payable		928,506,338	1,168,506,338
Amounts due to Related Parties		(56,053,986)	142,084,771
Bank Overdraft		1,991,635,934	349,429,306
		<u>8,907,965,553</u>	<u>5,415,084,054</u>
Total Equity and Liabilities		<u>20,365,386,453</u>	<u>18,627,565,275</u>


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Deputy General Manager - Finance

W.A.N. Asiri Fernando
Deputy General Manager (Finance)
Lanka Sugar Company (Pvt) Ltd.
No. 27, Melbourne Avenue,
Colombo 04.

The Board of Directors is responsible for the preparation and presentation of these financial statements. Signed for and on behalf of the Board by:


.....
Director


.....
Director

The Accounting Policies and Notes on pages 5 to 33 form an integral part of these financial statements.

24th Feb 2025
Colombo

Dr. Rukshan Gunatilaka (Ph.D)
Chairman
Lanka Sugar Company (Pvt) Ltd.
No. 27, Melbourne Avenue,
Colombo 04,

-2-

K.T.I. Premaratne
Director
Department of National Planning
The Secretariat
Colombo-01.

Lanka Sugar Company (Private) Limited
STATEMENTS OF CHANGES IN EQUITY
Year ended 31 December 2024

	Stated Capital Rs.	Government Grant Rs.	Accumulated Profits Rs.	Total Rs.
As at 1 January 2023	1,000	4,674,488,363	6,573,568,061	11,248,057,424
Repayment of Government Grant	-	-	-	-
Dividends Payment -2020	-	-	(351,570,485)	(351,570,485)
Dividends Payment -2021	-	-	(245,918,727)	(245,918,727)
Dividends Payment -2022	-	-	(1,474,221,967)	(1,474,221,967)
Dividends Paid	-	-	-	-
Profit/(Loss) for the year	-	-	2,332,281,727	2,332,281,727
Other Comprehensive Income	-	-	(199,122,893)	(199,122,893)
Total comprehensive income	-	-	2,133,158,834	2,133,158,834
As at 31 December 2023	<u>1,000</u>	<u>4,674,488,363</u>	<u>6,635,015,716</u>	<u>11,309,505,079</u>
Receipt of Government Grant	-	-	-	-
Profit for the year	-	-	(2,010,928,375)	(2,010,928,375)
Funds Received from the Ministry -2020/21	-	-	-	-
Other Comprehensive Income	-	-	(215,336,218)	(215,336,218)
Total comprehensive income	-	-	(2,226,264,593)	(2,226,264,593)
As at 31 December 2024	<u>1,000</u>	<u>4,674,488,363</u>	<u>4,408,751,123</u>	<u>7,072,312,111</u>

The Accounting Policies and Notes on pages 5 to 33 form an integral part of these financial statements.

Lanka Sugar Company (Private) Limited

STATEMENT OF CASH FLOWS

Year ended 31 December 2024

Cash flows From / (Used in) Operating Activities	Note	2024 Rs.	2023 Rs.
Profit/(Loss) before Taxation		(1,893,689,583)	2,835,118,9
Adjustments for,			
Depreciation	10	443,432,247	445,264,7
Loss on sale of property, plant and equipment		-	-
Finance Income	6	(328,106,640)	(656,487,0
Finance Cost	6	229,159,921	69,120,7
Provision for Retirement Benefit Liability	19	227,986,560	206,549,7
Provision for farmer loans	11	30,672,946	(458,330,8
Prior Year Adjustments		-	-
Bad Debts		-	-
Operating Profit before Working Capital Changes		(1,290,544,549)	2,441,236,4
(Increase)/Decrease in Inventories		(1,821,929,043)	(3,350,177,53
Increase in Trade and Other Receivables		386,741,252	(458,480,10
Decrease in Loans Due from Farmers		(212,712,430)	362,254,28
Increase/(Decrease) in Related Party Payables		(198,138,757)	776,771,44
Increase/(Decrease) in Trade and Other Payables		788,057,548	861,460,80
Net Cash From Operating Activities		(2,348,525,979)	633,065,28
Income Tax Paid		(240,000,000)	(345,887,47
Retirement Benefit Liability Paid	19	(116,196,533)	(102,197,29
Net Cash Flows From Operating Activities		(2,704,722,512)	184,980,52
Cash Flows From/(Used in) Investing Activities			
Acquisition of Property, Plant and Equipment		(739,740,980)	(1,650,695,18
Net (increase)/decrease in investments in Fixed Deposits		214,261,347	(751,826,46
Investment in Biological Assets		(202,958,282)	182,718,84
Proceeds from the sale of Property, Plant and Equipment		-	-
Finance Income Received	6	328,106,640	656,487,02
Net Cash Flows Used in Investing Activities		(400,331,275)	(1,563,315,78
Cash Flows From / (Used in) Financing Activities			
Loans/Finance Leases obtained		2,000,000,000	-
Loans settlements	18	(381,007,490)	-
Government Grants Received		-	-
Principle payments under finance lease obligation	18	(91,397,197)	(121,267,21
Interest paid	6	(229,159,921)	(69,120,74
Dividends paid		-	(1,597,489,21
Net Cash Flows Used in Financing Activities		1,298,435,392	(1,787,877,168
Net Increase/(Decrease) in Cash and Cash Equivalents		(1,806,618,395)	(3,166,212,429
Cash and Cash Equivalents at the beginning of the year	21	805,918,022	3,972,130,454
Cash and Cash Equivalents at the end of the year	21	(1,000,700,372)	805,918,022

The Accounting Policies and Notes on pages 5 to 33 form an integral part of these financial statements.

1. CORPORATE INFORMATION

1.1 General

Lanka Sugar Company (Private) Limited is an entity incorporated and domiciled in Sri Lanka. The Company was established as a private limited company after being vested by the government. The Registered Office of Lanka Sugar Company (Private) Limited is located at No. 27, Melbourne Avenue, Colombo 04 and the principal place of business is situated in Embilipitiya and Buttala.

After being incorporated as a private limited company, the assets and liabilities of Pelwatte Sugar Industries and Sevanagala Sugar Industries were transferred to Lanka Sugar Company (Private) Limited on 01st October 2012.

1.2 Principal Activities and Nature of Operations

During the financial period, principal activities of the entity were cultivating of sugar cane, manufacturing of and marketing of sugar and ethanol.

1.3 Date of Authorization for Issue

The financial statements of Lanka Sugar Company (Private) Limited for the year ended 31st December 2024 were authorized for issue, in accordance with a resolution of the Board of Directors on 24th February 2025.

2. GENERAL POLICIES

2.1 BASIS OF PREPARATION

The financial statements of the company comprise the Statement of Financial Position, Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Cash Flow Statement together with Accounting Policies and Notes to the Financial Statements.

The financial statements of the Company have been prepared on a historical cost basis, unless stated otherwise.

The financial statements are presented in Sri Lankan Rupees (Rs).

2.1.1 Statement of Compliance

The Financial Statements of Lanka Sugar Company (Private) Limited have been prepared in accordance with Lanka Accounting Standards. The preparation and presentation of these financial statements is in compliance with the companies Act No.07 of 2007.

2.1.2. Going Concern

The Directors have made an assessment of the Company's ability to continue as a going concern in foreseeable future and they do not intend either to liquidate or to cease trading.

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following are the significant accounting policies applied by the Company in preparing its financial statements:

2.2.1 Functional and Presentation Currency

The financial statements are presented in Sri Lanka Rupees (LKR) as commercial transactions are primarily carried out in by the company in LKR and such would better reflect the economic substance of underlying events and circumstances relevant to the enterprise.

Transactions in foreign currencies are translated to Sri Lanka Rupees at the foreign exchange rate ruling at the date of transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to Sri Lanka Rupees using the exchange rate ruling at that date. Foreign exchange differences arising on translation are recognized in the Statement of Profit and Loss.

All differences are taken to the statement of profit or loss.

Non-monetary assets and liabilities which are carried in terms of historical cost in a foreign currency are translated at the exchange rate that prevailed at the date of the transaction. Non-monetary items measured at fair value in foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on retranslation of non-monetary items is treated in line with the recognition of gain or loss on change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss respectively).

2.2.2 Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The company assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The company has concluded that it is acting as a principal in all of its revenue arrangements. The specific recognition criteria described below must also be met before revenue is recognised.

Sale of Goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, with the Entity retaining neither continuing managerial involvement to the degree usually associated with ownership, nor effective control over the goods of sold.

Interest income

For all financial instruments measured at amortised cost and interest bearing financial assets classified as available for sale, interest income or expense is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in finance income in the statement of profit or loss.

Gains and losses on Disposal of Assets

Gains and losses on disposal of Assets are determined by comparing the net sales proceeds with the carrying amounts of the Assets and are recognised net within "other operating income" in the Statement of Profit or Loss. When revalued assets are sold, the amounts included in the revaluation surplus reserve are transferred to retained earnings.

2.2.3 Taxation

Current Taxes

Income tax expense comprises current income tax, Income tax expense is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, when it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted at the reporting date and any adjustment to tax payable in respect of previous years.

Sales tax

Revenues, expenses and assets are recognised net of the amount of sales tax, except:

- When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- Receivables and payables that are stated with the amount of sales tax included

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Deferred tax

Deferred tax is provided using the balance sheet liability method, providing for tax effect of temporary difference between the carrying amount of assets and liabilities for financial reporting purpose and the amounts used for taxation purpose.

2.2.4 Expenses

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

Repairs and renewals are charged to profit or loss in the period in which the expenditure is incurred

2.2.4.1 Borrowing Cost

Borrowing costs are recognized as an expense in the period in which they are incurred, except to the extent they are directly attributable to the acquisition, construction or production of a qualifying asset, in which they are capitalized as part of the cost of that asset.

2.2.4.2 Finance Cost

Financial costs comprise interest expense on borrowings that are recognised in profit or loss. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

Foreign currency gains and losses are reported on a net basis.

2.2.5 Property, Plant and Equipment

Owned Assets

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

The cost of property, plant and equipment includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located and borrowing costs on qualifying assets. Purchased software that is integral to the functionality of the related equipment is capitalised as a part of the equipment.

When parts of an item of property, plant & equipment have different useful lives, they are accounted for as separate items (major components) of property, plant & equipment.

Leased Assets

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at inception date, whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or if the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

Finance leases that transfer to the company substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the commencement of the lease at the fair value of the leased property or, if lower, the present value of the minimum lease payments. Lease payments are apportioned between finance charges and a reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the Statement of Profit or Loss.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognized as an operating expense in the Statement of Profit or Loss on a straight-line basis.

line basis over the lease term.

Subsequent expenditure

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized in accordance with the de-recognition policy given below.

The costs of the day-to-day servicing of property, plant and equipment are recognized in the Statement of Profit and Loss as incurred.

De-recognition

The carrying amount of an item of property, plant & equipment is de-recognized on disposal; or when no future economic benefits are expected from its use. Gains and losses on de-recognition are recognized in the Statement of Profit or Loss and gains are not classified as revenue.

Depreciation

Depreciation is recognised in the Statement of Profit or Loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

Assets held under finance leases are depreciated over the shorter of the lease term and the useful lives of equivalent owned assets unless it is reasonably certain that the company will have ownership by the end of the lease term. Freehold land is not depreciated.

Depreciation of an asset begins when it is available for use and ceases at the earlier of the dates on which the asset is classified as held for sale or is derecognized.

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

2.2.6 Inventories

Inventories are valued at the lower of cost or net realisable value, after making due allowances for obsolete and slow moving items. Net realisable value is the price at which inventories can be sold in the ordinary course of business less the estimated cost of completion and the estimated cost necessary to make the sale.

The cost incurred in bringing inventories to its present location and conditions are accounted using the following cost formula:-

Produce Stock	At direct cost including other overheads incurred thereon, up to the reporting date
Standing Cane	At direct cost including nursery cost and part of overheads incurred thereon, up to the reporting date
Other Stocks	At actual cost
Goods in Transit	At actual cost

2.2.7 Financial Instruments – Initial recognition and subsequent measurement

Financial assets

Initial recognition and measurement

Financial assets within the scope of LKAS 39 are classified as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, available-for-sale financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The company determines the classification of its financial assets at initial recognition.

All financial assets are recognised initially at fair value plus transaction costs, except in the case of financial assets recorded at fair value through profit or loss. Purchases or sales of financial assets that require delivery within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the company commits to purchase or sell the asset.

The company's financial assets include cash and short-term deposits, trade and other receivables, loans and other receivables.

Subsequent measurement

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

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortised cost using the EIR method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- The rights to receive cash flows from the asset have expired
- The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
 - (a) The company has transferred substantially all the risks and rewards of the asset, or
 - (b) The company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the asset is recognised to the extent of the company's continuing involvement in the asset. In that case, the company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

Impairment of financial assets

The company assesses, at each reporting date, whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and when observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost, the company first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the company determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss has been incurred, 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 expected credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current EIR.

The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in the statement of profit or loss.

Receivables together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the company. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a future write-off is later recovered, the recovery is reflected in the statement of profit or loss.

Financial liabilities

Initial recognition and measurement

Financial liabilities within the scope of LKAS 39 are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognised initially at fair value plus, in the case of loans and borrowings, directly attributable transaction costs.

The company's financial liabilities include trade and other payables, bank overdrafts and loans and borrowings.

Subsequent measurement

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

Loans and borrowings

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised using the EIR method. Gains and losses are recognised in the statement of profit or loss when the liability is derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the statement of profit or loss.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

2.2.8 Cash and Cash Equivalents

Cash and cash equivalents are cash in hand and demand deposits that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value. For the purpose of cash flow statement, cash and cash equivalents consist of cash in hand and deposits in banks net of outstanding bank overdrafts.

2.2.9 Impairment of non-financial assets

The carrying amounts of the company's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the statement of profit or loss. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit on a pro-rata basis.

2.2.10 Liabilities and Provisions

Liabilities classified as current liabilities on the Statement of Financial Position are those which fall due for payment on demand or within one year from the reporting date whereas non-current liabilities fall due for payment later than one year from the reporting date.

All known liabilities have been accounted for in preparing the financial statements.

2.2.10.3 Provisions

A provision is recognized if, as a result of a past event, the company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of resources embodying economic benefits is required to settle the obligation.

2.2.10.3.1 Farmer Loan Provision

The company grant loans for sugarcane farmers as mid term and short term loans and provisions for doubtful debts as follows.

Full provision is made for short term loans which are over 03 years and mid term loans which are over 05 years.

2.2.11 Changes in Accounting Policies

The accounting policies adopted are consistent with prior year.

2.3 USE OF ESTIMATES AND JUDGEMENTS

The preparation of the company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosures of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the assets or liabilities affected in future periods.

Judgments and estimates are based on historical experience and other factors, including expectations that are believed to be reasonable under the circumstances. Hence actual experience and results may differ from the judgments and estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revision affects only that period and any future periods.

In the process of applying the company's accounting policies, the key assumptions made relating to the future sources of estimation at the reporting date together with the related judgments that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. The fair value less costs to sell calculation is based on available data from binding sales transactions in arm's length transactions of similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow model. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

Depreciation of Property, Plant and Equipment

Management assigns useful lives and residual values to property, plant and equipment based on the intended use of assets and the economic lives of these assets. Subsequent changes in circumstances such as technological advances or utilization of the assets concerned could result in the actual useful lives or residual values differing from initial estimates. Management reviews annually the residual values and useful lives of major items of property, plant and equipment.

Impairment of Receivables

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

Unaudited Financial Statements 2024

Lanka Sugar Company (Private) Limited
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2024

4. REVENUE				2024	2023
				Rs.	Rs.
4.1 Summary					
Sales of Goods				10,858,754,992	16,095,088,733
				<u>10,858,754,992</u>	<u>16,095,088,733</u>
4.2 Revenue is derived from the following:					
Sugar				7,001,181,926	10,025,896,548
Molasses				44,232,453	456,658,828
ENA				3,813,340,613	5,612,533,357
				<u>10,858,754,992</u>	<u>16,095,088,733</u>
4.3 Segment Information					
	Head Office	Pelwatte Division	Sevanagala Division	Elimination	Total
	Rs.	Rs.	Rs.	Rs.	Rs.
Segment Revenue	74,400,000	7,147,255,117	3,711,499,875	(74,400,000)	10,858,754,992
Segment Results					
Gross Profit /(Loss)	74,400,000	551,888,032	36,345,928	(74,400,000)	588,233,960
Other					
Capital Expenditure	591,400	526,153,880	378,824,617	-	905,569,897
Depreciation	845,216	344,831,395	147,956,134	-	493,632,745
Segment Assets					
Non Current Assets	12,139,251	2,520,859,609	1,475,299,648	-	4,008,298,508
Current Assets	37,415,987	9,815,350,655	7,612,100,632	(1,107,779,327)	16,357,087,946
Segment Liabilities					
Non Current Liabilities	776,277	1,827,841,268	545,562,872	-	2,374,180,417
Current Liabilities	100,623,778	6,044,468,426	3,870,652,675	(1,107,779,327)	8,907,965,552
5. OTHER INCOME AND GAINS				2024	2023
				Rs.	Rs.
Other Service Income				16,639,565	135,300,917
Sundry Income				234,880,907	97,972,876
				<u>251,520,472</u>	<u>233,273,792</u>
6. FINANCE COST AND INCOME				2024	2023
				Rs.	Rs.
6.1 Finance Cost					
Interest Expenses on Bank Loans				55,873,523	33,592,329
Interest Expenses on Bank Overdrafts				165,850,420	15,749,344
Finance Charges on Lease Liabilities				7,435,978	19,779,068
				<u>229,159,921</u>	<u>69,120,741</u>
6.2 Finance Income					
Interest Income on Fixed Deposits				328,099,632	656,478,858
Other Interest Income				7,008	8,170
				<u>328,106,640</u>	<u>656,487,028</u>

Lanka Sugar Company (Private) Limited
NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

7. PROFIT BEFORE TAX

Stated after Charging

Included in Cost of Sales

Employee Benefits including the following

- Defined Contribution Plan Costs - EPF and ETF

Depreciation

Provision on Farmer Loans

Included in Administrative Expenses

Employee Benefits including the following

- Defined Benefit Plan Costs - Gratuity

- Defined Contribution Plan Costs - EPF and ETF

Depreciation

Management Fee

Audit Fee

2024

Rs.

2023

Rs.

492,065,845

285,694,238

30,672,946

392,479,052

348,644,028

(1,263,414)

227,786,561

116,594,957

156,892,792

74,400,000

500,000

206,389,343

125,957,579

95,830,086

56,400,000

960,000

8. INCOME TAX EXPENSE/(REVERSAL)

2023

Rs.

2023

Rs.

Current Income Tax

Deferred Tax Charge/ (Reversal) (Note 8.2)

-

117,238,792

117,238,792

339,065,670

163,771,572

502,837,242

8.1 Reconciliation between Current Tax Expense/(Income) and the product of Accounting Profit/(Loss)

Accounting profit/(loss) before tax

Exempt Income /Interest Income/Adjustments

Adjusted accounting profit/(loss) before tax

Aggregate disallowed items

Aggregate allowed items

Adjustment for Other Income

Business profit/(Loss) for tax purpose

Less : Losses from business

Total Assessable Income from business income

Total Assessable Income from investment income

Total Assessable Income

Tax losses utilized during the year

Taxable Income

Income Tax at @ 18%

Income Tax at @ 24%

Income Tax at @ 30%

(1,893,689,583)

2,835,118,969

-

2,835,118,969

-

-

-

-

-

-

1,130,218,899

-

-

-

1,130,218,899

-

-

-

1,130,218,899

-

-

-

339,065,670

339,065,670

8.2 Deferred Tax Assets

Deferred Tax Liability

On Property, Plant & Equipment

Deferred Tax Asset

On Property, Plant & Equipment

On Retirement Benefit Obligation

On Tax Loss /Provisions

Deferred Income Tax reversal

Net Deferred Tax Asset/(Liability)

Statement of Financial Position

2024

Rs.

2023

Rs.

(1,304,146,115)

(1,304,146,115)

(1,081,275,232)

(1,081,275,232)

-

433,552,689

9,201,884

442,754,573

-

335,414,815

1,707,668

337,122,483

Statement of Profit and Loss

2024

Rs.

2023

Rs.

222,870,883

222,870,883

-

(98,137,874)

(7,494,216)

(105,632,090)

117,238,793

163,771,571

257,607,427

257,607,427

-

(91,042,609)

(2,793,247)

(93,835,856)

117,238,793

163,771,571

-

-

(861,391,542)

(744,152,749)

9. EARNINGS/(LOSS) PER SHARE

9.2 Amounts Used as Numerator:

Net Profit/(Loss) Attributable to Ordinary Shareholders for

Earnings Per Share

2024

Rs.

2023

Rs.

(2,010,928,375)

2,332,281,727

2024

Number

2023

Number

100

100

Numbers of Ordinary Shares Used as Denominator:

Weighted average Number of Ordinary Shares Applicable to

Basic Earnings/(Loss) Per Share

10. PROPERTY, PLANT AND EQUIPMENT

10.1	Gross Carrying Amounts	Balance As at 01.01.2024 Rs.	Additions/ Transfers Rs.	Disposals/ Transfers Rs.	Balance As at 31.12.2024 Rs.
	Land	44,149,728	-	-	44,149,728
	Land Development	188,466,925	-	-	188,466,925
	Factory Buildings	244,364,780	-	-	244,364,780
	Buildings Others	276,472,685	37,693,222	-	314,165,907
	Field Machinery and Equipment	814,255,134	80,886,995	-	895,142,129
	Irrigation and Miscellaneous Equipment	279,133,573	11,650,365	-	290,783,938
	Factory Plant and Equipment	3,582,448,302	346,905,614	-	3,929,353,916
	Other Plant and Machinery	153,158,403	1,912,898	-	155,071,301
	Storage Tank	63,398,475	-	-	63,398,475
	Roads and Bridges	111,855,516	-	-	111,855,516
	Laboratory Equipment	49,291,526	-	-	49,291,526
	Motor Vehicles	256,108,450	-	-	256,108,450
	Furniture, Fittings and Equipment	254,338,315	13,676,327	-	268,014,642
	Settler Zone Infrastructure	73,193,739	-	-	73,193,739
		<u>6,390,635,551</u>	<u>492,725,420</u>	<u>-</u>	<u>6,883,360,971</u>
	Assets on Finance Leases				
	Motor Vehicles	53,645,000	-	-	53,645,000
	New Holland Tractor	-	-	-	-
	Tractors	136,867,000	-	-	136,867,000
	Cane Loaders	69,552,000	-	-	69,552,000
	Field Machinery and Equipment	325,774,160	-	(61,470,000)	264,304,160
		<u>585,838,160</u>	<u>-</u>	<u>(61,470,000)</u>	<u>524,368,160</u>
	In the Course of Construction				
	Land Development	34,901,736	18,880,134	-	53,781,870
	Building - Others	113,520,620	117,041,359	(10,013,336)	220,548,643
	Bio Fertilizer Factory Building	545,242,398	12,854,783	(406,350)	557,690,831
	Bio Fertilizer Factory - Machinery	807,829,638	111,372,704	-	919,202,342
	Factory Plant and Equipment	109,102,571	103,918,052	(93,939,231)	119,081,392
	Furniture, Fittings and Equipment	-	-	-	-
	Hotel Project	37,410,797	-	-	37,410,797
	Compost Plant	1,897,609	-	-	1,897,609
	Irrigation Project / Tube Well	13,945,327	47,637,345	-	61,582,672
	Power Generation Project	2,008,690	-	-	2,008,690
	ERP Project	76,407,927	1,140,100	-	77,548,027
		<u>1,742,267,313</u>	<u>412,844,477</u>	<u>(104,358,917)</u>	<u>2,050,752,873</u>
	In the Course of Construction - On Finance Leases				
	Factory Plant and Equipment	120,750,000	-	-	120,750,000
		<u>120,750,000</u>	<u>-</u>	<u>-</u>	<u>120,750,000</u>
	Total Gross Carrying Amount	<u>8,839,491,025</u>	<u>905,569,897</u>	<u>(165,828,917)</u>	<u>9,579,232,004</u>
10.2	Depreciation	Balance As at 01.01.2024 Rs.	Charge for the year Rs.	Disposals Rs.	Balance As at 31.12.2024 Rs.
	Land Development	89,244,775	3,936,522	-	93,181,297
	Factory Buildings	179,728,389	5,476,710	-	185,205,099
	Buildings Others	153,729,746	10,202,012	-	163,931,758
	Field Machinery and Equipment	498,669,990	92,928,889	-	591,598,879
	Irrigation and Miscellaneous Equipment	314,329,763	47,376,389	-	361,706,152
	Factory Plant and Equipment	2,817,520,260	208,028,647	-	3,025,548,907
	Other Plant and Machinery	130,843,652	6,518,437	-	137,362,089
	Storage Tank	43,548,675	2,967,660	-	46,516,335
	Roads and Bridges	111,492,680	202,351	-	111,695,031
	Laboratory Equipment	49,291,526	-	-	49,291,526
	Motor Vehicles	204,149,359	14,732,863	-	218,882,222
	Furniture, Fittings and Equipment	189,846,068	21,572,982	-	211,419,050
	Settler Zone Infrastructure	71,511,515	143,333	-	71,654,848
		<u>4,853,906,398</u>	<u>414,086,796</u>	<u>-</u>	<u>5,267,993,194</u>
	Assets on Finance Leases				
	Motor Vehicles	51,350,333	-	-	51,350,333
	New Holland Tractor	-	-	-	-
	Tractors	61,520,920	-	-	61,520,920
	Cane Loaders	31,298,400	13,910,400	-	45,208,800
	Field Machinery and Equipment	200,421,248	65,635,549	(50,200,498)	215,856,299
		<u>344,590,900</u>	<u>79,545,949</u>	<u>(50,200,498)</u>	<u>373,936,352</u>
	Total Depreciation	<u>5,198,497,299</u>	<u>493,632,745</u>	<u>(50,200,498)</u>	<u>5,641,929,546</u>

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

10. PROPERTY, PLANT AND EQUIPMENT (Contd....)

10.3 Net Book Values

	2024 Rs.	2023 Rs.
Land	44,149,728	44,149,728
Land Development	95,285,628	99,222,150
Factory Buildings	59,159,681	64,636,391
Buildings Others	150,234,148	122,742,939
Field Machinery and Equipment	303,543,250	315,585,144
Irrigation and Miscellaneous Equipment	(70,922,214)	(35,196,190)
Factory Plant and Equipment	903,805,009	764,928,041
Other Plant and Machinery	17,709,212	22,314,751
Storage Tank	16,882,140	19,849,800
Roads and Bridges	160,485	362,836
Laboratory Equipment	-	-
Motor Vehicles	37,226,228	51,959,091
Furniture, Fittings and Equipment	56,595,592	64,492,247
Settler Zone Infrastructure	1,538,891	1,682,224
	<u>1,615,367,777</u>	<u>1,536,729,152</u>
Assets on Finance Lease		
Motor Vehicles	2,294,667	2,294,667
New Holland Tractor	-	-
Tractors	75,346,080	75,346,080
Cane Loaders	24,343,200	38,253,600
Field Machinery and Equipment	48,447,861	125,352,912
	<u>150,431,808</u>	<u>241,247,259</u>
In the Course of Construction		
Land Development	53,781,870	34,901,736
Building - Others	220,548,643	113,520,620
Bio Fertilizer Factory Building	557,690,831	545,242,398
Bio Fertilizer Factory - Machinery	919,202,342	807,829,638
Factory Plant and Equipment	119,081,392	109,102,571
Furniture, Fittings and Equipment	-	-
Hotel Project	37,410,797	37,410,797
Compost Plant	1,897,609	1,897,609
Irrigation Project	61,582,672	13,945,327
Power Generation Project	2,008,690	2,008,690
ERP Project	77,548,027	76,407,927
	<u>2,050,752,873</u>	<u>1,742,267,313</u>
In the Course of Construction - On Finance Leases		
Factory Plant and Equipment	120,750,000	120,750,000
	<u>120,750,000</u>	<u>120,750,000</u>
Total carrying amount of Property, Plant and Equipment	<u>3,937,302,458</u>	<u>3,640,993,724</u>

10.4 During the financial period, the company acquired Property, Plant and Equipment to the aggregate value of Rs. (2023 - Rs.1,650,695,183/-)

10.5 The useful lives of the assets is estimated as follows;

	2024	2023
Land Development	50 Years	50 Years
Factory Buildings	50 Years	50 Years
Buildings Others	50 Years	50 Years
Field Machinery and Equipment	5 - 6.67 Years	5 - 6.67 Years
Irrigation and Miscellaneous Equipment	16.67 Years	16.67 Years
Factory Plant and Equipment	10-20 Years	10-20 Years
Other Plant and Machinery	5 - 20 Years	5 - 20 Years
Roads and Bridges	20 Years	20 Years
Motor Vehicles	2 - 5 Years	2 - 5 Years
Furniture, Fittings and Equipment	4 - 5 Years	4 - 5 Years
Settler Zone Infrastructure	3 - 50 Years	3 - 50 Years

Lanka Sugar Company (Private) Limited
NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

10 PROPERTY, PLANT AND EQUIPMENT (Contd....)

- 10.6** Reference to the letters from the Department of Valuation dated 07 May 2013 and 26 May 2014, Pelwatte and Sevanagala Divisions did receive valuation reports for its buildings, plant and machinery, agri equipment and motor vehicles. However only the value relating to Plant and Machinery of Sevanagala Division has been incorporated into these financial statements due to several inconsistencies identified by its management in the information contained in such reports.

Whilst the provisions of the Revival of Underperforming Enterprises or Underutilised Assets Act No.43 of 2011 relate only to the transfer of immovable assets to the respective divisions, Pelwatte and Sevanagala Divisions in substance continues to use the assets transferred from its previous owners. However, in accounting for the assets acquired prior to the Act, the Property, Plant and Equipment of Pelwatte Division includes the continuing book balances of previous owners to their books on which depreciation rates have applied, whilst the Property, Plant and Equipment of Sevanagala Division only contains the value of Plant and Machinery based on the valuations carried out.

The value of those revalued amounts which have not been incorporated to these financial statements are as follows.

	Pelwatte Division Rs.	Sevanagala Division Rs.
Buildings	766,250,000	3,757,500,000
Plant and Machinery	1,399,000,000	769,500,000
Motor Vehicles	390,600,000	-
Agri Equipment	72,000,000	330,700,000
11. INVENTORIES	2024 Rs.	2023 Rs.
Produced Inventory (11.1)	8,040,230,219	5,819,178,872
Other Inventory (11.2)	2,093,191,296	2,492,313,600
	<u>10,133,421,515</u>	<u>8,311,492,472</u>
11.1 Produced Inventory		
Sugar	5,324,645,237	3,068,588,992
Molasses	2,043,284,490	1,750,349,956
ENA	672,300,492	1,000,239,924
	<u>8,040,230,219</u>	<u>5,819,178,872</u>
11.2 Other Inventory		
Fuel and Lubricants	208,631,027	279,986,944
Factory Chemicals	37,795,509	42,562,304
Production Items Distillery	10,615,402	7,618,307
Bags and Liners	1,984,096	6,141,000
Fertilizers	281,630,622	513,034,010
General	107,898,326	119,280,391
Agriculture Spares	364,411,247	378,057,025
Stationery	3,584,294	5,111,210
Factory Spares	827,776,865	834,877,912
Other Inventory	2,232,785	2,232,785
Tires and Tubes	162,569,616	177,285,623
Other Inventory	-	-
	<u>2,009,129,789</u>	<u>2,366,187,511</u>
Less: Provision for Obsolete Stocks	-	-
	<u>2,009,129,789</u>	<u>2,366,187,511</u>
Goods-in-Transit	84,061,507	126,126,089
	<u>2,093,191,296</u>	<u>2,492,313,600</u>
12. BIOLOGICAL ASSETS	2024 Rs.	2023 Rs.
Standing Cane	910,906,506	707,948,224
	<u>910,906,506</u>	<u>707,948,224</u>
13. TRADE AND OTHER RECEIVABLES	2024 Rs.	2023 Rs.
Trade Receivables	3,710,870	3,611,050
Purchase Advance & Other Receivables	493,287,839	874,278,248
Interest Receivable	69,413,275	-
WHT Receivable	4,123,134	258,928
VAT Receivable	968,284	281,563
Staff Loans (13.1)	79,657,805	157,816,296
	<u>651,161,207</u>	<u>1,036,246,085</u>
13.1 Staff Loans		
Balance at the beginning of the year	157,444,297	245,284,243
Loans granted during the year	134,770,833	155,007,972
Repayments made during the year	(212,557,324)	(242,475,919)
Balance at the end of the year	<u>79,657,806</u>	<u>157,816,296</u>

Lanka Sugar Company (Private) Limited
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2024

14. LOANS DUE FROM FARMERS	2024 Rs.	2023 Rs.
Balance at the beginning of the year	1,655,277,906	2,017,532,190
Loans granted during the year	2,108,917,336	1,901,747,986
Loans recovered during the year	(1,896,204,905)	(1,799,979,203)
Loans Written Off	-	(464,023,067)
Total Loans Granted	1,867,990,336	1,655,277,906
Less: Provision for Doubtful Recoveries	(126,407,009)	(95,734,063)
Balance at the end of the year	1,741,583,327	1,559,543,843

15. INVESTMENTS	2024 Rs.	2023 Rs.
Current		
Fixed Deposits	1,748,061,376	2,033,318,775
	1,748,061,376	2,033,318,775

16. STATED CAPITAL	2024 Number	2024 Rs.	2023 Number	2023 Rs.
Fully Paid Ordinary Shares	100	1,000	100	1,000

17. GOVERNMENT GRANT	2024 Rs.	2023 Rs.
As at beginning of the period	4,674,488,363	4,674,488,363
Received During the year	-	-
	4,674,488,363	4,674,488,363

Government acquired the company's land (including any building and fixtures or fittings which are part of such building and any building belonging to and appurtenant thereto or treated as part and parcel thereof) by the revival of Underperforming Enterprises or Underutilized Assets Act, No. 43 of 2011 on 11/11/2011 and appointed a competent Authority to govern the company. Competent authority has governed the company from 11/11/2011 to 30/09/2012. Effective from 01 October 2012 all the assets and liabilities which were vested with the Competent Authority, was transferred to Lanka Sugar Company (Private) Limited.

18. INTEREST BEARING LOANS AND BORROWINGS

	2024			2023		
	Amounts Repayable Within 1 Year Rs.	Amounts Repayable After 1 year Rs.	Total Rs.	Amounts Repayable Within 1 Year Rs.	Amounts Repayable After 1 year Rs.	Total Rs.
Bank Loans (18.1)	1,551,379,545	67,612,965	1,618,992,510	-	-	-
Finance Leases (18.2)	44,962,077	-	44,962,077	95,585,542	40,773,733	136,359,275
	1,596,341,622	67,612,965	1,663,954,587	95,585,542	40,773,733	136,359,275
18.1 Bank Loan	As at 01.01.2024 Rs.			New Loans Obtained Rs.	Repayments Rs.	As at 31.12.2024 Rs.
Bank of Ceylon	-			2,000,000,000	(381,007,490)	1,618,992,510
Sampath Bank	-			-	-	-
NDB Bank	-			2,000,000,000	(381,007,490)	1,618,992,510
18.2 Finance Leases	As at 01.01.2024 Rs.			New Leases Obtained Rs.	Repayments Rs.	As at 31.12.2024 Rs.
Bank of Ceylon	149,054,781				(98,833,175)	50,221,606
Gross Liability	149,054,781			-	(98,833,175)	50,221,606
Finance Charges Allocated to Future Periods	(12,695,507)				7,435,978	(5,259,529)
Net Liability	136,359,274			-	(91,397,197)	44,962,077

Lanka Sugar Company (Private) Limited
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2024

19. RETIREMENT BENEFIT LIABILITY		2024	2023
		Rs.	Rs.
As at the beginning of the period		1,118,049,383	814,574,021
Interest Cost		145,233,731	146,496,169
Current service cost		82,752,829	60,053,592
Benefit Paid		(116,196,533)	(102,197,292)
Actuarial (Gain)/Loss		215,336,218	199,122,893
As at the end of the period		<u>1,445,175,629</u>	<u>1,118,049,383</u>
19.1 Messers Actuarial and Management Consultation (Private) Limited Actuaries, carried out an actuarial valuation of the defined benefit plan gratuity on 31 December 2023. Appropriate and compatible assumptions were used in determining the cost of retirement benefits.			
The key assumptions used in determining the cost of employee benefits were:			
		2024	2023
Pelawatte Division			
Discount Rate		11.00%	13.00%
Rate of Salary Increase		8.00%	8.00%
Retirement Age		60 Years	60 Years
Sevanagala Division			
Discount Rate		11.00%	13.00%
Rate of Salary Increase		Fixed amount	Fixed amount
Retirement Age		60 Years	60 Years
20. TRADE AND OTHER PAYABLES		2024	2023
		Rs.	Rs.
Trade Payables (20.1)		952,179,468	664,467,878
Advances Received from customers		1,243,707,526	585,551,037
Other Payables (20.2)		1,545,443,165	525,002,629
Sundry Creditors including Accrued Expenses (20.3)		621,628,328	802,707,695
Distilleries Company of Sri Lanka PLC		24,784,659	24,784,659
Recovered from Farmers		59,792,499	59,792,499
		<u>4,447,535,645</u>	<u>2,662,306,397</u>
20.1 Trade Payables			
Trade Creditors		952,179,468	664,467,878
		<u>952,179,468</u>	<u>664,467,878</u>
20.2 Other Payables			
VAT Payable		967,332,946	29,840,782
NBT Payable		-	-
Dividend Payable		474,221,967	474,221,967
Social Security Contribution Levy		103,888,252	20,939,880
		<u>1,545,443,165</u>	<u>525,002,629</u>
20.3 Sundry Creditors including Accrued Expenses			
Sundry Creditors		460,294,203	186,086,530
Accrued Expenditure		161,334,125	616,621,165
		<u>621,628,328</u>	<u>802,707,695</u>
21. CASH AND CASH EQUIVALENTS IN THE CASH FLOW STATEMENT			
Components of Cash and Cash Equivalents		2024	2023
		Rs.	Rs.
21.1 Favorable Cash and Cash Equivalents Balances			
Cash and Bank Balances		10,993,413	256,493,478
Investment below 03 months		979,942,149	898,853,850
		<u>990,935,562</u>	<u>1,155,347,328</u>
21.2 Unfavorable Cash and Cash Equivalent Balances			
Bank Overdrafts		1,991,635,934	349,429,306
Total Cash and Cash Equivalents For the Purpose of Cash Flow Statement		<u>(1,000,700,372)</u>	<u>805,918,022</u>

22. COMMITMENTS AND CONTINGENCIES

Capital Expenditure Commitments

As per the provisions of the Act of Revival of Underperforming Enterprises and Underutilized Assets No.43 of 2011. Government has acquired the immovable assets of Sevanagala Sugar Industries as at 11 November 2011. Previous Management has filed a case against this acquisition. Reference to above stated act, the liabilities should be settled through Labor Tribunal.

		Rs.	
23. Assets Pledged			
Fixed Deposits	Overdraft facility of A/C No 73947899 Bank Of Ceylon	206,300,000	Investment
Fixed Deposits	Overdraft facility of A/C No 75751012 Bank Of Ceylon	665,480,000	Investment
Fixed Deposits	Fertilizer Project of A/C No 73927950 Bank Of Ceylon	128,000,000	Investment
Fixed Deposits	Overdraft facility -NDB	200,000,000	Investment
Fixed Deposits	Overdraft facility -Peoples Bank	950,000,000	Investment
Fixed Deposits	Overdraft facility Bank Of Ceylon	90,000,000	Investment
Sugar Stock	Term Loan - Bank Of Ceylon	2,395,000,000	Stock

24. EVENTS OCCURRING AFTER THE REPORTING DATE

There have been no material events occurring after the reporting date that require adjustments or disclosure in the Financial Statements.

25. RELATED PARTY DISCLOSURES

25.1 Amounts due from Related Parties

	2024 Rs.	2023 Rs.
Receivable from Kanthale Sugar Industries	8,831,204	8,831,204
Receivable from Hingurana Sugar Industries	548,134	548,134
Ministry Of Sugar Industry Receivable	3,453,231	3,453,231
SSP Project - Badulla	6,665,725	6,665,725
	<u>19,498,293</u>	<u>19,498,293</u>
Provision for Bad Debts	<u>(19,498,293)</u>	<u>(19,498,293)</u>
	<u>-</u>	<u>-</u>

25.2 Transactions with Key Management Personnel of the Company

The key management personnel of the Company are the members of its Board of Directors.

Key Management Personnel Compensation

	2024 Rs.	2023 Rs.
Directors Fee	<u>-</u>	<u>1,012,500</u>

Lanka Sugar Company (Private) Limited
NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

26. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities comprise interest bearing loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the company's operations. The Company has trade receivables, and cash and short-term deposits that arise directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk.

The Company's management oversees the management of these risks. The Company's management determines the risks and the appropriate financial risk governance framework for the Company. The financial risk-taking activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with company policies and risk appetite.

The Board of Directors reviews and agrees policies for managing each of these risks which are summarised below.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise four types of risk: interest rate risk, currency risk, commodity price risk. Financial instruments affected by market risk include loans and borrowings, deposits.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's short term deposits carrying floating interest rates. The Company manages its risk against fluctuating interest rates by borrowing on fixed interest rate and maintaining investment in floating interest bearing deposits at a insignificant level.

Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities.

26. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Contd...)

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily for trade receivables) and from its financing activities, including deposits with banks and financial institutions.

Trade receivables

Customer credit risk is managed in accordance with the Company's established policy, procedures and control relating to customer credit risk management. Individual credit limits are defined in accordance with the prior experience with the customers. Outstanding customer receivables are regularly monitored. The amount of trade receivables were insignificant since most of the trading is done after receiving an advance from the customers. However the requirement for an impairment is analysed at each reporting date on an individual basis for major customers. Additionally, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on actually incurred historical data. The Company does not hold collateral as security. The company evaluates the concentration of risk with respect to trade receivables as low, as its customers are largely unrelated.

The maximum exposure to credit risk at the reporting date is the carrying value of trade and other receivables and deposits with banks and are disclosed in Note 13 and Note 15 respectively.

Liquidity risk

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

	On demand	Less than 3 months	3 to 12 months	1 to 5 years
Interest-bearing loans and borrowings	(1,991,635,934)		1,596,341,622	67,612,965
Trade and other payables	4,447,535,645			
	<u>2,455,899,711</u>	<u>-</u>	<u>1,596,341,622</u>	<u>67,612,965</u>

Capital management

Capital includes equity attributable to the equity holders of the company. The primary objective of the Company's capital management is to ensure that it maintains a healthy capital ratios in order to support its business and maximise shareholder value. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions.

No changes were made in the objectives, policies or processes for managing capital during the year ended 31 December 2023.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

Interest Bearing Borrowings	(327,681,347)
Trade and Other Payables	4,447,535,645
Less: Cash and Cash Equivalents	<u>(990,935,562)</u>
Net Debt	3,128,918,736
Equity	<u>9,083,240,486</u>
Total Capital	<u>9,083,240,486</u>
Gearing ratio	25.62%

27. FAIR VALUE MEASUREMENT

Financial instruments of the Company reflected at amortised cost in these financial statements included cash, cash equivalents, trade receivables, other receivables, trade and other payables and interest bearing loans and borrowings.

The management assess that the fair value all financial instruments approximate their carrying amount largely due to the short term maturities and market based interest rates of these instruments

Lanka Sugar Company (Private) Limited
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2024

28. EVENTS AFTER THE REPORTING PERIOD

No any circumstances have arisen since the reporting date, which would require adjustments to or disclosure in the Financial Statements.

29 RELATED PARTY DISCLOSURE

Related Parties of Lanka Sugar Company (Private) Limited are Ministry of Plantation Industries, General Treasury Sri Lanka and the Board of Directors. There are no transactions with aforesaid related parties in the reporting financial year, except for the directors' emoluments and fee which already have been declared in the note 25 to this Financial Statements

29 Transactions with Key Management Personnel

29.1. Loans to Directors

No loans have been given to the Directors of the Company.

29.1. Other Transactions With Key Management Personnel

There are no other transactions with the related parties during the reporting financial period.

30. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There were no contingent liabilities and assets reported during the financial year ended 31.12.2024 except those mentioned under Note No 22 to the Financial Statement.

31. AGRICULTURE

Biological Assets are stated at fair value and shown under current-assets since they realize within a period of one year and is given in the note 12 to this Financial Statements.

DETAILED COST AND EXPENDITURE STATEMENT

Year ended 31 December 2024

COST OF SALES

		2024 Rs.	2023 Rs.
Nucleus Estate Cost	I	1,111,417,263	1,515,157,136
Research and Extension	II	362,222,403	486,028,212
Settler Expenditure	III	1,790,251,394	1,943,239,490
Out grower Expenditure	IV	2,493,017,305	2,317,998,451
ISFO Expenditure	V	319,727,735	332,745,473
Factory Cost	VI	1,072,668,784	1,298,347,590
Distilleries Cost	VII	716,289,446	986,979,992
Agriculture Services	VIII	947,651,532	928,395,488
Sanitizer Production Project		-	-
		8,813,245,862	9,808,891,832
Stock Movements			
(Increase) / Decrease in Sugar Stock		(2,029,233,630)	(1,801,427,507)
(Increase)/ Decrease in Molasses Stock		(289,705,500)	8,060,750
(Increase)/Decrease in ENA Stock		101,060,352	(247,094,915)
(Increase) / Decrease in Sanitizer Stock		-	-
		6,595,367,084	7,768,430,160
Cost of Sales - Sevanagala			
Total Cost of Sales	IX	3,675,153,947	2,745,755,869
		10,270,521,031	10,514,186,029

Lanka Sugar Company (Private) Limited
DETAILED COST AND EXPENDITURE STATEMENT
Year ended 31 December 2024

STATEMENT I

	2024 Rs.	2023 Rs.
NECLEUS ESTATE COST		
Cost of Cane Harvested - Commercial	539,241,930	962,798
Cost of Cane Harvested - Seed	(1,995,522)	16,174
Cane Cutting, Loading & Transport	302,513,814	277,962
Estate Supporting Operation	9,260,726	9,205
Estate Protection	110,049,309	115,885
Agriculture Engineering	11,577,375	10,129
Administration and Other Overheads	151,469,872	145,536
Valuation Adjustment	(10,700,241)	(3,755)
	<u>1,111,417,263</u>	<u>1,533,929</u>
Seed Cane Recoveries		(18,772)
	<u>1,111,417,263</u>	<u>1,515,157</u>

STATEMENT II

	2024 Rs.	2023 Rs.
RESEARCH AND EXTENSION COST		
Cost of Seed Cane Harvested - Seed	164,691,001	465,467
Cost of Seed Cane Harvested - Commercial	12,876,343	102,609
Cane Cutting, Loading and Transportation	69,908,801	95,685
Agronomy Administration & Other Overheads	107,755,439	63,779
Agronomy Research	2,438,094	6,224
Estate Protection	8,956,464	6,171
Engineering Maintenance	694,709	888
Valuation Adjustment	(5,098,448)	(817)
	<u>362,222,403</u>	<u>740,008</u>
Seed Cane Recoveries		(253,980)
	<u>362,222,403</u>	<u>486,028</u>

STATEMENT III

	2024 Rs.	2023 Rs.
SETTLER EXPENDITURE		
Cane Purchases	1,514,602,046	1,608,225
Settler Development Cost	28,818,235	47,027
Administration and Other Overheads	253,143,302	270,746
Settler Engineering Maintenance	16,851,484	23,093
Uma oya Administration	22,405	-
Valuation Adjustment	(23,186,078)	(5,113)
Settler write off cost	1,790,251,394	1,943,980
Seed Cane Recoveries		(740)
	<u>1,790,251,394</u>	<u>1,943,239</u>

STATEMENT IV

	2024 Rs.	2023 Rs.
OUT GROWER EXPENDITURE		
Cane Purchases	1,954,146,052	1,776,045
Out grower Development Cost	49,826,503	50,090
Out grower Administration & Other Overheads	296,183,811	296,031
Buying Station Cost	143,064,312	92,654
Out grower Engineering Cost	15,529,606	8,358
Gomadiyawala Project	64,427,156	86,977
Cost of cane Nurseries & PSIL Plots	(2,753,851)	20,685
Cane Cutting, Loading & Transport - Nurseries & PSIL Plots	4,186,085	4,581
Valuation Adjustment	(31,592,369)	(8,979)
	<u>2,493,017,305</u>	<u>2,326,445</u>
Seed Cane Recoveries		(8,447)
	<u>2,493,017,305</u>	<u>2,317,998</u>

Lanka Sugar Company (Private) Limited
DETAILED COST AND EXPENDITURE STATEMENT
Year ended 31 December 2024

STATEMENT V

ISFO EXPENDITURE

	2024	2023
	Rs.	Rs.
Cane Purchases	302,085,156	313,840,103
Administration Cost	21,003,255	15,410,576
ISFO Development Cost	874,339	4,161,203
Valuation Adjustment	(4,235,015)	(666,409)
	<u>319,727,735</u>	<u>332,745,473</u>

STATEMENT VI

FACTORY COST

	2024	2023
	Rs.	Rs.
Process and Packing Cost	321,199,029	369,670,569
Administration and Other Overheads	97,598,509	89,220,444
Engineering Operations	465,983,090	358,052,209
Engineering Maintenance	237,517,047	575,922,573
Depreciation	129,688,619	135,649,684
Valuation Adjustment	(12,337,605)	(2,018,641)
Recovery (Engineering Maintenance)		(37,656,224)
Steam Cost Recoveries	(166,979,905)	(190,493,024)
	<u>1,072,668,784</u>	<u>1,298,347,590</u>

STATEMENT VII

DISTILLERIES COST

	2024	2023
	Rs.	Rs.
Administration costs	69,107,496	59,857,833
Engineering operations	79,962,442	97,317,104
Production operations	391,216,277	611,159,757
Depreciation	45,979,729	43,660,166
Valuation adjustment	(14,586,498)	(1,615,294)
Molasses Tax	144,610,000	177,190,000
Recoveries		(589,574)
	<u>716,289,446</u>	<u>986,979,992</u>

STATEMENT VIII

AGRICULTURE SERVICES EXPENDITURE

	2024	2023
	Rs.	Rs.
Agriculture Administration	116,524,739	239,087,033
HLT Administration	70,984,327	62,731,139
Elephant Drive	2,699,940	8,133,199
Agriculture Engineering	105,513,285	101,938,561
Agriculture Workshop	100,767,960	101,167,407
Service Station	5,033,308	4,400,299
Under / (Over) Recoveries - Fleet	129,725,197	92,196,122
Estate Protection Administration	113,851,773	116,347,219
Fire Unit	72,706,225	68,413,417
Buying Station	215,807,943	186,793,769
New Cane Yard		1,651,276
Fuel Station	22,629,226	
Valuation Adjustment	(8,592,391)	(1,962,917)
Recoveries		(52,501,036)
	<u>947,651,532</u>	<u>928,395,488</u>

Lanka Sugar Company (Private) Limited

DETAILED COST AND EXPENDITURE STATEMENT

Year ended 31 December 2024

STATEMENT IX

COST OF SALES - SEVANAGALA

	2023 Rs.	2023 Rs.	2022 Rs.	2022 Rs.
Raw Material				
Cane Purchase - Allottees	2,419,639,402		2,569,379,158	
Cane Purchase - Private			1,678,756	
Seed Cane Expenses	18,429,109	2,438,068,511	38,321,053	2,609,378,965
Packing Materials				
Raw Material Consumed		2,438,068,511		2,609,378,965
Direct Labor				
Salary and Wages	491,277,132		344,468,408	
Overtime	105,283,234		118,027,294	
E.P.F.	39,915,932		27,896,653	
E.T.F.	9,473,852	645,950,150	6,581,939	496,974,294
Prime Cost		3,084,018,661		3,106,353,261
Factory Overheads				
Repair & Maintenance - Plant and Machinery				
Customs Duty on Raw Materials	47,335,648		92,997,760	
Depreciation	3,808,820		71,516,874	
Process Chemicals	11,617,910		33,599,340	
Electricity	69,841,469		73,327,387	
Lubricants	17,396,630		21,853,138	
Spares and Maintenance	216,748,033		155,985,642	
General and Hardware	78,670,332		109,308,371	
Loading and Unloading Charges	40,905		64,989	
Firewood	2,872,042		11,510,744	
Furnace Oil	133,265,827		338,719,757	
Consumable Stores	16,853,422	598,451,038	25,034,229	933,918,231
Total Production Cost		3,682,469,699		4,040,271,492
Stock Movements				
Opening Inventory	2,498,371,278		1,203,855,655	
Closing Inventory	2,505,687,030		2,498,371,278	
Increase in Finished Goods Stock		(7,315,752)		(1,294,515,623)
		<u>3,675,153,947</u>		<u>2,745,755,869</u>

Lanka Sugar Company (Private) Limited

DETAILED COST AND EXPENDITURE STATEMENT

Year ended 31 December 2024

STATEMENT X

	2024 Rs.	2023 Rs.
ADMINISTRATIVE EXPENSES - PELWATTE		
Administration	51,929,167	41,594,528
Financial Accounting Division	20,551,949	19,175,943
Management Accounting Division	3,554,587	3,638,150
Stores and Purchase Division	50,334,415	89,757,830
System Accounting Division	13,974,610	17,645,293
Out grower Accounting Division	5,054,119	5,166,224
Colombo Office	208,599	2,121,774
Internal Audit	14,761,362	11,400,010
Depreciation	957,382	953,082
Bank Charges and Debit Taxes	7,462,438	5,790,558
Settler Accounting Division	5,887,986	5,138,166
Audit Fees	500,000	500,000
Sugar Packeting & Marketing	73,664,614	62,277,872
Social Services	5,396,159	10,943,110
Operation Department - Admin cost	11,072,328	25,457,888
Cess on Sugar production	2,779,085	2,807,665
Employee and farmer incentives	(5,286,601)	499,922,706
Valuation Adjustment	(3,180,665)	(128,634)
	<u>259,621,534</u>	<u>804,162,165</u>
PERSONNEL AND TRAINING COST - PELWATTE		
Administration, Recruitment and Other Overheads	262,819,681	239,661,675
Medical and Community Health	47,296,408	72,425,807
Training	9,936,140	9,412,415
Township Expenses	153,283,235	133,443,770
Security	151,263,758	139,780,370
Staff Welfare Facilities	84,333,959	90,694,444
Chairman Bungalow Expenses	5,319,944	4,920,206
Transport and Maintenance	104,092,897	98,822,977
Valuation Adjustment	(4,955,232)	(118,381)
Recoveries		(35,459,444)
Cost of Investigation Officer	2,923,413	2,249,429
Legal Division Expenses	5,763,852	7,156,535
Other Projects	13,383,176	23,697,325
Golf Ground and Menik Gaga Resort Maintenance	9,280,007	9,798,013
	<u>844,741,238</u>	<u>796,485,141</u>
ADMINISTRATIVE EXPENSES - SEVANAGALA	1,649,058,478	1,879,709,497
ADMINISTRATIVE EXPENSES - HEAD OFFICE	78,969,485	86,067,012
TOTAL ADMINISTRATIVE EXPENSES	<u><u>2,832,390,735</u></u>	<u><u>3,566,423,815</u></u>

Lanka Sugar Company (Private) Limited
DETAILED COST AND EXPENDITURE STATEMENT
Year ended 31 December 2024

STATEMENT X (Contd....)

ADMINISTRATIVE EXPENSES - SEVANAGALA

	2024 Rs.	2023 Rs.
Land Preparation	18,030	-
Planting	12,245,738	6,296,66
Salary & Wages	789,481,670	536,687,47
Overtime	123,448,168	150,598,49
E.P.F.	61,409,526	39,455,74
E.T.F.	14,949,906	9,548,08
Bonus		40,874,48
Farmers Incentives		160,436,37
Cashier Allowance	650,015	416,25
Traveling & Subsistence	3,672,465	4,875,45
Holiday Payment	8,234,841	5,735,02
Petrol, Diesel & Lubricants	167,839,843	205,622,32
Tyres & Tubes	10,709,355	13,471,58
Stationery	7,624,280	8,366,50
License	2,836,574	1,900,53
Postage & Courier Charges	255,539	334,43
Telephone Charges	4,188,204	3,213,45
Books & Periodicals	2,145,803	4,757,86
Bank Charges	820,677	443,91
Legal Expenses	1,544,200	4,050,30
Repairs to Office Equipment	723,116	1,364,32
Education & Training	830,400	1,708,72
Medical Facilities	36,148,233	52,445,65
Staff Incentives		92,438,81
Welfare & Sports	4,873,175	8,891,92
Repair & Maintenance - Motor Vehicles	15,939,121	16,776,80
Repair & Maintenance - Plant & Machinery		400,972
Repair & Maintenance - Buildings	2,204,523	-
Other Spares & Maintenance	77,536,612	144,666,99
Electricity	19,158,370	20,025,43
Other Allowances	17,848,020	19,050,53
Meal Expenses	1,078,329	14,403,61
Guest House Expenses	3,725,217	396,976
Computer Expenses	1,682,501	1,117,078
Donations	752,400	1,199,150
Transport & Hiring Charges	13,539,878	10,314,637
Water Rates	16,878,590	11,952,640
Audit Fees		460,000
Depreciation	144,147,314	84,808,827
Other Expenses	2,338,119	1,756,429
Gratuity	40,074,697	31,077,867
Security Charges	24,300	51,600
Rent & Rates	10,000	10,000
Insurance	7,998,248	6,932,720
Verification Expenses		928,350
Cess Tax	1,192,950	1,378,360
Penalties and Surcharges	53,229	2,704,585
Road Renovation Expenses		15,367,845
Ceremonial Expenses	31,605	2,760,658
Consultancy Charges	1,085,680	2,680,935
Farmers Welfare	8,975,815	112,993,574
Vehicle & Fuel Allowance	18,083,202	18,875,132
CSR Expenses	50,000	1,645,861
Provision for Doubtful Advances		-
Compensation		1,037,508
	<u>1,649,058,478</u>	<u>1,879,709,497</u>

Lanka Sugar Company (Private) Limited

DETAILED COST AND EXPENDITURE STATEMENT

Year ended 31 December 2024

STATEMENT X (Contd....)

	2024	2023
ADMINISTRATIVE EXPENSES - HEAD OFFICE	Rs.	Rs.
Salaries & Wages	42,535,164	42,215,865
EPF Contribution	2,524,492	2,537,876
ETF Contribution	631,123	634,469
Over Time	706,496	524,236
Bonus & Incentive	-	974,400
Gratuity	160,419	160,419
Bata & Subsistances	413,592	253,900
Sick leave payment	320,913	232,268
Staff Medical	-	68,507
Staff Training	32,000	68,000
Traveling & Incidental	290,958	373,725
Cleaning Expenses	77,189	373,890
Depreciation	845,216	790,689
Director Fee	1,713,204	1,012,500
Electricity	986,282	948,197
Fuel Expenses	7,761,478	7,177,763
Vehicle Repairs & Maintenance	3,416,306	3,626,828
Insurance	1,718,491	3,006,389
Internet and Email	8,900	-
Advertisement	275,785	-
Postage, Printing & Stationery, News Papers	957,971	1,560,470
Rates	368,383	348,995
Meal Expenses	467,044	339,146
Repairs and Maintenance	1,043,821	841,840
Security Expenses	1,562,500	1,211,800
Telephone Expenses	990,284	941,751
Water Supply Expenses	251,013	221,816
Consultancy Fee	255,264	2,115,328
Donation	259,000	7,500
Entertainments	285,363	370,234
Legal Fee	110,018	1,633,780
Licence & Registration Fee	141,018	123,267
Miscellaneous	25,586	162,108
Office Rent	-	336,792
Professional Charges	1,103,475	484,617
Secretary fee	382,654	340,000
Tea Expenses	409,502	364,341
Tender Fee	5,882,500	8,653,000
Vehicle Hire	-	917,993
Bank Charges	56,081	112,312
	<u>78,969,485</u>	<u>86,067,012</u>