



ජාතික විගණන කාර්යාලය

தேசிய கணக்காய்வு அலுவலகம்

NATIONAL AUDIT OFFICE



මගේ අංකය
எனது இல.
My No.

FLS/C/MILCO/24/2026/06

ඔබේ අංකය
உமது இல.
Your No.

දිනය
திகதி
Date

2026 මැයි 11 දින

සභාපති

මිලිකො පුද්ගලික සමාගම

මිලිකො පුද්ගලික සමාගමේ 2024 දෙසැම්බර් 31 දිනෙන් අවසන් වර්ෂය සඳහා වූ මූල්‍ය ප්‍රකාශන සහ වෙනත් තෛතික හා නියාමන අවශ්‍යතා පිළිබඳව 2018 අංක 19 දරන ජාතික විගණන පනතේ 12 වන වගන්තිය ප්‍රකාරව විගණකාධිපති වාර්තාව

1. මූල්‍ය ප්‍රකාශන

1.1 තත්ත්වගණනය කළ මතය

මිලිකො පුද්ගලික සමාගමේ (සමාගම) 2024 දෙසැම්බර් 31 දිනට මූල්‍ය තත්ත්ව ප්‍රකාශනය සහ එදිනෙන් අවසන් වර්ෂය සඳහා වූ විස්තීර්ණ ආදායම් ප්‍රකාශනය, හිමිකම් වෙනස්වීමේ ප්‍රකාශනය සහ එදිනෙන් අවසන් වර්ෂය සඳහා මුදල් ප්‍රවාහ ප්‍රකාශනය සහ ප්‍රමාණාත්මක ගිණුම්කරණ ප්‍රතිපත්තිවලට අදාළ තොරතුරු ද ඇතුළත් මූල්‍ය ප්‍රකාශනවලට අදාළ සටහන්වලින් සමන්විත, 2024 දෙසැම්බර් 31 දිනෙන් අවසන් වර්ෂය සඳහා වූ මූල්‍ය ප්‍රකාශන, ශ්‍රී ලංකා ප්‍රජාතාන්ත්‍රික සමාජවාදී ජනරජයේ ආණ්ඩුක්‍රම ව්‍යවස්ථාවේ 154(1) ව්‍යවස්ථාව සමඟ සංයෝජිතව කියවිය යුතු 2018 අංක 19 දරන ජාතික විගණන පනතේ විධිවිධාන ප්‍රකාර මාගේ විධානය යටතේ විගණනය කරන ලදී. ආණ්ඩුක්‍රම ව්‍යවස්ථාවේ 154(6) ව්‍යවස්ථාව ප්‍රකාරව මාගේ වාර්තාව යථා කාලයේදී පාර්ලිමේන්තුවේ සභාගත කරනු ලැබේ.

මාගේ වාර්තාවේ තත්ත්වගණනය 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 ක්‍රියාකාරිත්වය හා මුදල් ප්‍රවාහ ශ්‍රී ලංකා ගිණුම්කරණ ප්‍රමිතිවලට අනුකූලව සත්‍ය හා සාධාරණ තත්ත්වයක් පිළිබිඹු කරන බව මා දරන්නා වූ මතය වේ.



1.2 තත්ත්වගණනය කළ මතය සඳහා පදනම

- (අ) ශ්‍රී ලංකා ගිණුම්කරණ ප්‍රමිති අංක 01 හි 32 ඡේදය අනුව ප්‍රමිතයෙහි ඉඩ දී ඇති අවස්ථාවන්ට පටහැනිව ණය හිමි ශේෂ, උපවිත වියදම්, නැවත ගෙවිය යුතු තැන්පතු ශේෂ තුළ ඇතුළත් වූ එකතුව රු.38,373,551 ක් වූ හර ශේෂ හඳුනාගෙන අවශ්‍ය ගැලපීම් සිදු නොකර බැර ශේෂයන්ට හිලවී කිරීම නිසා වෙළඳ හා වෙනත් ගෙවීම් ශේෂයන් එම ප්‍රමාණයෙන් ද වෙළඳ හා අනෙකුත් ලැබිය යුතු ශේෂය තුළ තිබූ එකතුව රු.33,054,462 ක් වූ බැර ශේෂයන් හඳුනාගෙන අවශ්‍ය ගැලපීම් සිදුනොකර හර ශේෂයන්ට එරෙහිව හිලවී කිරීම හේතුවෙන් වෙළඳ හා අනෙකුත් ලැබිය යුතු ශේෂ එම ප්‍රමාණයෙන්ද අඩුවෙන් දක්වා තිබුණි.
- (ආ) ශ්‍රී ලංකා ගිණුම්කරණ ප්‍රමිති අංක 16 හි 31 සහ 34 ඡේද අනුව වත්කම් ප්‍රත්‍යාගණනයකින් පසුව නැවතත් නිශ්චිත කාල සීමාවක් තුළදී වත්කම් ප්‍රත්‍යාගණනය සිදුකළ යුතු වුවද සමාගම විසින් 2008 වර්ෂයේදී සිදුකළ ප්‍රත්‍යාගණනයෙන් පසුව සමාලෝචිත වර්ෂය දක්වාම වත්කම් ප්‍රත්‍යාගණනයක් සිදුකර නොතිබුණු අතර ඒ හේතුවෙන් වත්කම්වල කාලෝචිත වටිනාකම් ගිණුම් පොත්වල ඇතුළත් වී නොතිබුණි.
- (ඇ) ශ්‍රී ලංකා මූල්‍ය වාර්තාකරණ ප්‍රමිති 09 හි 5.5.15 ඡේදය අනුව වෙළඳ ණයගැති ශේෂය වන රු.1,083,193,368 ක් සඳහා පසුකාලීන හානිකරණ හඳුනාගැනීම් මැනීම සඳහා අපේක්ෂිත ණය අලාභ ක්‍රමය (Expected Credit Loss Method) භාවිතා කළයුතු වුවත් එසේ ගණනය කිරීමකින් තොරව රු.55,790,443ක් හානිකරණ වෙන්කිරීම් සිදු කර තිබුණි. තවද අක්‍රිය ණයගැතියන්, වයස් විශ්ලේෂණය අනුව වසරකට වැඩි හා වසා දැමූ ආයතනයක එකතුව රු.179,092,663ක් වෙනුවෙන් හානිකරණ ගැලපීම් සිදුකර නොතිබුණි. ඒ හේතුවෙන් හානිකරණ ගැලපීම්වල නිවැරදිතාවය හා බලපෑම නිශ්චිතව අගයකිරීමට නොහැකි විය. තවද එම ණය අයකරගැනීම සඳහා විධිමත් ක්‍රියාමාර්ග ගෙන නොතිබුණි.
- (ඈ) ලංකා බැංකුවේ පවත්වාගෙන යන එක්සත් ජනපද ඩොලර් ස්ථාවර තැන්පතුවේ මුල් අර්ධ වර්ෂයට අදාළ පොලී ආදායම හා ස්ථාවර තැන්පතුව කල් පිරීමේදී ලද පොලී ආදායම ලෙස පිළිවෙළින් එ.ජ.ඩොලර් 238,250.30ක් හා එ.ජ.ඩොලර් 466,308.08 ක් රුපියල් වටිනාකමට පරිවර්තනය කිරීමේ දී වෙනස් විනිමය අනුපාතයක් යොදා ගැනීම හේතුවෙන් සමාලෝචිත වර්ෂයේ මූල්‍ය ආදායම් රු.6,393,467 කින් වැඩියෙන් දක්වා තිබූ අතර තැන්පතු විනිමය අනුපාතිකය වෙනස්වීම මත 2024 දෙසැම්බර් 31 දිනට අලාභය රු.10,753,064 ක් වැඩියෙන් දක්වා තිබුණි. මේ අනුව සමස්ත අලාභය රු.4,359,597 ක් වැඩියෙන් ගිණුම්ගත කර තිබුණි.



- (ඉ) එකතුව රු.101,113,661ක් වූ වෙළඳ හා අනෙකුත් ණයහිමි ශේෂ 10ක් සඳහා ශේෂ සනාථනයන්, එකතුව රු.500,840ක් වූ ආරම්භක වෙළඳ ණය හිමි ශේෂය සඳහා ශේෂ ලැයිස්තුවක් විගණනයට ඉදිරිපත් නොවුණි. තවද ප්‍රධාන කාර්යාලයේ රු.7,473,222ක වෙළඳ ණයහිමි ශේෂයක් වෙනුවෙන් ලැබී තිබුණු 2024 දෙසැම්බර් 31 දිනට ණයහිමි ශේෂ සනාථනය අනුව ශේෂය රු.10,384,843ක් වූයෙන් රු. 2,911,621ක වෙනස හඳුනාගෙන අවශ්‍ය ගැලපීම් සිදුකර නොතිබුණි.
- (ඊ) සමාලෝචිත වර්ෂය අවසානයට එකතුව රු.79,737,898ක් වූ හර ශේෂ සහ රු.4,500,000ක් වූ බැර ශේෂයක් සහිත ණයගැතියන් 15 කට අදාළ ශේෂ සනාථන ඉදිරිපත් නොවීම හේතුවෙන් එම ශේෂවල නිවැරදිභාවය තහවුරු කරගැනීමට නොහැකි විය.
- (උ) විවිධ ආයතනවල පවත්වාගෙන යන එකතුව රු.3,086,185 ක්වූ තැන්පතු ශේෂ 94 ක ශේෂවල නිවැරදිභාවය තහවුරු කිරීමට අවශ්‍ය ලේඛන විගණනයට ඉදිරිපත් නොවුණි.
- (ඌ) සමාලෝචිත වර්ෂය තුළ දේපළ පිරියත හා උපකරණ අත්පත් කරගැනීම් රු.92,425,626ක් වුවද මුදල් ප්‍රවාහ ප්‍රකාශයේ ආයෝජන ක්‍රියාකාරකම් තුළ එය රු.80,539,062ක් ලෙස සටහන් කර තිබීම හේතුවෙන් ආයෝජන ක්‍රියාකාරකම්වලින් ජනිත වූ මුදල් ප්‍රවාහය රු.11,886,564ක් අඩුවෙන් දැක්වුණි.
- (එ) බඩල්ගම කිරි සැකසුම් මධ්‍යස්ථානය ස්ථාපිත කිරීමේ ව්‍යාපෘතිය සඳහා භාණ්ඩාගාරය විසින් විදේශීය බැංකුවකින් ලබාගෙන තිබූ ණය මුදලින් ව්‍යාපෘතියේ ඉදිකිරීම් කටයුතු සඳහා වැයකළ රු. 12,641,310,517 ක් සමාගම විසින් භාණ්ඩාගාරයට ගෙවිය යුතු ණය ලෙස 2024 දෙසැම්බර් 31 දිනට මූල්‍ය ප්‍රකාශනයන්හි දක්වා තිබුණ ද භාණ්ඩාගාරය සමඟ ණය ගිවිසුමකට එළඹී නොතිබීම නිසා එම වගකීමේ බලපෑම හඳුනාගැනීමට නොහැකි විය.
- (ඒ) මූල්‍ය ප්‍රකාශනයන්හි පොලී රහිත දිගුකාලීන ණය ලෙස ජාතික කිරි මණ්ඩලයට ගෙවිය යුතු රු.2,108,063ක ශේෂයක් වසර ගණනාවක සිට පැවතියද අදාළ ආයතනය නොමැතිවීම හා ඒ සම්බන්ධයෙන් කිසිදු සාක්ෂියක් විගණනයට ඉදිරිපත් නොවීම හේතුවෙන් එහි පැවැත්ම, ණය ආපසු ගෙවීම් කොන්දේසි සහ මූල්‍ය වාර්තා සඳහා එහි බලපෑම විගණනයට හඳුනාගැනීමට නොහැකි විය.
- (ඔ) පුද්ගලික ආයතනයකින් අවස්ථා කිහිපයක දී ලැබුණු එකතුව රු.11,886,564 ක් වූ ප්‍රදානය විලම්භිත ආදායමක් ලෙස වාර්ෂිකව මූල්‍ය ප්‍රකාශනවලට හඳුනාගැනීම වෙනුවට ඉකුත් වර්ෂයේ මූල්‍ය ප්‍රකාශනයන්හි වෙනත් පාර්ශවයන්ට ගෙවිය යුතු ශේෂය යටතේ ගිණුම්ගත කර තිබුණි. සමාලෝචිත වර්ෂයේදී එය නිවැරදි කිරීමේ දී ශ්‍රී ලංකා ගිණුම් ප්‍රමිති 08 ප්‍රකාරව ගැලපුම් කිරීමකින් තොරව වර්ෂය තුළ ලද ප්‍රදාන ලෙස ගිණුම්ගතකර අදාළ සම්පූර්ණ මුදල ආදායම් ප්‍රකාශය තුළ ක්‍රමානුකූල ලෙස දක්වා තිබුණි.

(ඔ) සටහන් අංක 1.3.8 අනුව තොග පිරිවැය හෝ ශුද්ධ උපලබ්ධි අගයන්ගෙන් අවම අගයට ගණනය කළ යුතු වුවත් එසේ සිදු නොකර ඇසුරුම් ද්‍රව්‍ය, සාමාන්‍ය තොග සහ ඉංජිනේරු තොග සඳහා 2006 වර්ෂයේ සිට රු.12,096,362ක වෙන්කිරීමක් සිදුකර තිබුණද ඊට අදාළ සාක්ෂි විගණනය වෙත ඉදිරිපත් නොවුණි. එසේ වෙන්කිරීම් කළ ද 2024 දෙසැම්බර් 31 දිනට අවසන් තොගය තුළ එකතුව රු.52,394,512 වූ භාවිතයට ගත නොහැකි අමු ද්‍රව්‍ය හා ඇසුරුම් ද්‍රව්‍ය තොග දීර්ඝ කාලයක සිට පැවතියද ඒ සඳහා මූල්‍ය ප්‍රකාශන තුළ ගැලපුම් සිදුකර නොතිබුණි. තවද මූල්‍ය තත්ත්ව ප්‍රකාශනයේ ඇතුළත්, 2018 වර්ෂයේ සිට පැවත එන පෞද්ගලික ආයතනයක් තුළ පවතින රු.42,255,235 ක්වූ තොගය සහ එකතුව රු. 30,062,931ක් වූ කිරි සිසිලක යන්ත්‍ර, මාර්ගස්ථ තොග, කිරි කැන් , පශු බෙහෙත් හා ඒ ආශ්‍රිත වෙනත් තොග භෞතිකව නොපැවතුණු අතර ඒ සඳහා වෙන්කිරීම් කර හෝ හානිකරණ ගැලපීමක් සිදුකර නොතිබුණි. තවද ඒ තුළ ඇතුළත් රු.9,871,432 කිරි සිසිලක තොගයේ හිමිකාරීත්වය ආයතනය සතුව පවත්වා ගනිමින් ස්වයං පාලිත කිරි ගොවි සමිති වෙත නොමිලයේ බෙදායුත් බව සඳහන් කළද බෙදාහැරීමට අදාළ තොරතුරු විගණනයට ඉදිරිපත් නොවුණි. ඒ අනුව 2024 දෙසැම්බර් 31 දිනට පවතින තොගවල පැවැත්ම, සම්පූර්ණත්වය, වටිනාකම, හා අයිතිය සතුවූදායක ලෙස තහවුරු කරගත නොහැකි විය.

(ක) මූල්‍ය ප්‍රකාශනවල ඇතුළත් වියදම් අයිතම 03 ක සහ ජංගම වත්කම් අයිතම 02 ක මූල්‍ය ප්‍රකාශන අනුව ශේෂයන් හා ඊට අදාළ උපලේඛන/වවුචර් සහ ප්‍රේෂණ පත්‍රිකා අනුව ශේෂයන්ගේ රු.76,530,680ක වෙනස්කම් පැවතුණි.

(ග) මූල්‍ය ප්‍රකාශනවල ඇතුළත් අධ්‍යක්ෂ මණ්ඩලයට ගෙවන ලද රු.4,699,557 ක අත්තිකාරම් සහ රාජ්‍ය ආයතන මගින් දීර්ඝකාලීනව ලැබිය යුතුව පවතින එකතුව රු.295,497,016 ක් සමාලෝචිත වර්ෂය අවසන් වන විටත් අයකර ගැනීමට කටයුතු කර නොතිබූ අතර මින් රාජ්‍ය ආයතන මගින් ලැබිය යුතු එකතුව රු.16,515,810 ක් සඳහා වෙන්කිරීම් කර නොතිබුණි. තවද එකතුව රු.36,751,412 ක් වූ ගෙවිය යුතු ශේෂ අයිතම 03ක් දීර්ඝ කාලයක සිට නිරවුල් කිරීමට සමාගම කටයුතු කර නොතිබුණි.

ශ්‍රී ලංකා විගණන ප්‍රමිතිවලට (ශ්‍රී.ලං.වි.ප්‍ර) අනුකූලව මා විගණනය සිදු කරන ලදී. මෙම විගණන ප්‍රමිති යටතේ වූ මාගේ වගකීම, මෙම වාර්තාවේ මූල්‍ය ප්‍රකාශන විගණනය සම්බන්ධයෙන් විගණකගේ වගකීම යන කොටසේ තවදුරටත් විස්තර කර ඇත. මාගේ තත්ත්වගණනය කළ මතය සඳහා පදනමක් සැපයීම උදෙසා මා විසින් ලබාගෙන ඇති විගණන සාක්ෂි ප්‍රමාණවත් සහ උචිත බව මාගේ විශ්වාසයයි.

1.3 සමාගමේ 2024 වාර්ෂික වාර්තාවේ ඇතුළත් අනෙකුත් තොරතුරු.

මෙම විගණන වාර්තාවේ දිනට පසුව මට ලබා දීමට 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 වගකිව යුතුය.

මූල්‍ය ප්‍රකාශන සම්බන්ධයෙන් වූ මාගේ මතයෙන් අනෙකුත් තොරතුරු ආවරණය නොකරන අතර මම ඒ පිළිබඳ කිසිදු ආකාරයක සහතිකවීමක් හෝ මතයක් ප්‍රකාශ නොකරමි.

මූල්‍ය ප්‍රකාශන පිළිබඳ මාගේ විගණනයට අදාළව, මාගේ වගකීම වන්නේ ඉහත හඳුනාගත් අනෙකුත් තොරතුරු ලබා ගත හැකි වූ විට කියවීම සහ එසේ කිරීමේදී අනෙකුත් තොරතුරු මූල්‍ය ප්‍රකාශන සමඟ හෝ විගණනයේදී හෝ වෙනත් ආකාරයකින් ලබාගත් මාගේ දැනුම අනුව ප්‍රමාණාත්මක වශයෙන් නොගැලපෙනවාද යන්න සලකා බැලීමයි.

සමාගමේ 2024 වාර්ෂික වාර්තාව කියවන විට, එහි ප්‍රමාණාත්මක වරදවා දැක්වීම් ඇති බව මම නිගමනය කළහොත්, නිවැරදි කිරීම සඳහා පාලනය කරන පාර්ශවයන් වෙත එම කරුණු සන්නිවේදනය කළ යුතුය. තව දුරටත් නිවැරදි නොකළ වරදවා දැක්වීම් තිබේ නම්, ඒවා ආණ්ඩුක්‍රම ව්‍යවස්ථාවේ 154 (6) ව්‍යවස්ථාව ප්‍රකාරව මා විසින් යථා කාලයේදී පාර්ලිමේන්තුවේ සභාගත කරනු ලබන වාර්තාවට ඇතුළත් කරනු ඇත.

1.4 මූල්‍ය ප්‍රකාශන පිළිබඳ කළමනාකරණයේ සහ පාලනය කරන පාර්ශවයන්ගේ වගකීම්

මෙම මූල්‍ය ප්‍රකාශන ශ්‍රී ලංකා ගිණුම්කරණ ප්‍රමිතීන්ට අනුකූලව පිළියෙල කිරීම හා සාධාරණ ලෙස ඉදිරිපත් කිරීම සහ වංචා හෝ වැරදි හේතුවෙන් ඇතිවිය හැකි ප්‍රමාණාත්මක සාවද්‍ය ප්‍රකාශනයන්ගෙන් තොරව මූල්‍ය ප්‍රකාශන පිළියෙල කිරීමට හැකිවනු පිණිස අවශ්‍ය වන අභ්‍යන්තර පාලනයන් තීරණය කිරීම කළමනාකරණයේ වගකීම වේ.

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

සමාගමේ මූල්‍ය වාර්තාකරණ ක්‍රියාවලිය සම්බන්ධව පරීක්ෂා කිරීමේ වගකීම, පාලනය කරන පාර්ශවයන් විසින් දරනු ලබයි.

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

1.5 මූල්‍ය ප්‍රකාශන විගණනය සම්බන්ධයෙන් විගණකගේ වගකීම

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

ශ්‍රී ලංකා විගණන ප්‍රමිති ප්‍රකාරව විගණනයේ කොටසක් ලෙස මා විසින් විගණනයේදී වෘත්තීය විනිශ්චය සහ වෘත්තීය සැකමුසුබවින් යුතුව ක්‍රියා කරන ලදී. මා විසින් තවදුරටත්,

- ප්‍රකාශ කරන ලද විගණන මතයට පදනමක් සපයා ගැනීමේදී වංචා හෝ වැරදි හේතුවෙන් මූල්‍ය ප්‍රකාශනවල ඇති විය හැකි ප්‍රමාණාත්මක සාවද්‍ය ප්‍රකාශනයන් ඇතිවීමේ අවදානම් හඳුනාගැනීම හා තක්සේරු කිරීම සහ ඊට අදාළ විගණන සාක්ෂි ලබා ගැනීමට අවස්ථාවෝචිතව උචිත විගණන පරිපාටි සැලසුම් කර ක්‍රියාත්මක කරන ලදී. වරදවා දැක්වීම හේතුවෙන් සිදුවන ප්‍රමාණාත්මක සාවද්‍ය ප්‍රකාශනයන්ගෙන් සිදුවන බලපෑමට වඩා වංචාවකින් සිදුවන්නා වූ බලපෑම ප්‍රබල වන්නේ ඒවා දුස්ස්ථානයෙන්, ව්‍යාජ ලේඛන සැකසීමෙන්, චේතනාන්විත මහඟුරීමෙන්, වරදවා දැක්වීමෙන් හෝ අභ්‍යන්තර පාලනයන් මඟ හැරීමෙන් වැනි හේතු නිසා වන බැවිනි.
- සමාගමේ අභ්‍යන්තර පාලනයේ සඵලදායීත්වය පිළිබඳව මතයක් ප්‍රකාශ කිරීමේ අදහසින් නොවුවද, අවස්ථාවෝචිතව උචිත විගණන පරිපාටි සැලසුම් කිරීම පිණිස අභ්‍යන්තර පාලනය පිළිබඳව අවබෝධයක් ලබාගන්නා ලදී.
- භාවිතා කරන ලද ගිණුම්කරණ ප්‍රතිපත්තිවල උචිතභාවය, ගිණුම්කරණ ඇස්තමේන්තුවල සාධාරණත්වය සහ කළමනාකරණය විසින් කරන ලද සම්බන්ධිත හෙළිදරව් කිරීම් අගයන ලදී.

- සිද්ධීන් හෝ තත්ත්වයන් හේතුවෙන් සමාගමේ අඛණ්ඩ පැවැත්ම පිළිබඳ ප්‍රමාණාත්මක අවිනිශ්චිතතාවයක් තිබේද යන්න සම්බන්ධයෙන් ලබාගත් විගණන සාක්ෂි මත පදනම්ව ගිණුම්කරණය සඳහා ආයතනයේ අඛණ්ඩ පැවැත්ම පිළිබඳ පදනම යොදා ගැනීමේ අදාළත්වය තීරණය කරන ලදී. ප්‍රමාණවත් අවිනිශ්චිතතාවයක් ඇති බවට මා නිගමනය කරන්නේ නම් මූල්‍ය ප්‍රකාශනවල ඒ සම්බන්ධයෙන් වූ හෙළිදරව්කිරීම් වලට මාගේ විගණන වාර්තාවේ අවධානය යොමු කළ යුතු අතර, එම හෙළිදරව්කිරීම් ප්‍රමාණවත් නොවන්නේ නම් මාගේ මතය විකරණය කළ යුතුය. කෙසේ වුවද, අනාගත සිද්ධීන් හෝ තත්ත්වයන් මත සමාගමේ අඛණ්ඩ පැවැත්ම අවසන් වීමට හැකිය.
- මූල්‍ය ප්‍රකාශනවල ව්‍යුහය හා අන්තර්ගතය සඳහා පාදක වූ ගනුදෙනු හා සිද්ධීන් උචිත හා සාධාරණව ඇතුළත් වී ඇති බව සහ හෙළිදරව් කිරීම් ඇතුළත් මූල්‍ය ප්‍රකාශනවල සමස්ථ ඉදිරිපත් කිරීම අගයන ලදී.

මාගේ විගණනය තුළදී හඳුනාගත් වැදගත් විගණන සොයාගැනීම්, ප්‍රධාන අභ්‍යන්තර පාලන දුර්වලතා හා අනෙකුත් කරුණු පිළිබඳව පාලනය කරනු ලබන පාර්ශ්වයන් දැනුවත් කරමි.

2. වෙනත් නෛතික හා නියාමන අවශ්‍යතා පිළිබඳ වාර්තාව

- 2.1 2018 අංක 19 දරන ජාතික විගණන පනතේ සහ 2007 අංක 7 දරන සමාගම් පනතේ පහත සඳහන් අවශ්‍යතාවයන් සම්බන්ධයෙන් විශේෂ ප්‍රතිපාදන ඇතුළත් වේ.
 - 2.1.1 මාගේ වාර්තාවේ තත්ත්වවගණනය කළ මතය සඳහා පදනම කොටසේ විස්තර කර ඇති කරුණු වලින් වන බලපෑම හැර, 2007 අංක 7 දරන සමාගම් පනතේ 163 (2) වගන්තියේ සහ 2018 අංක 19 දරණ ජාතික විගණන පනතේ 12 (අ) වගන්තියේ සඳහන් අවශ්‍යතාවන් අනුව, විගණනය සඳහා අදාළ වන සියලු තොරතුරු සහ පැහැදිලි කිරීම් මා විසින් ලබාගන්නා ලද අතර, මාගේ පරීක්ෂණයෙන් පෙනී යන ආකාරයට නිසි මූල්‍ය වාර්තා සමාගම පවත්වාගෙන ගොස් තිබුණි.
 - 2.1.2 2018 අංක 19 දරණ ජාතික විගණන පනතේ 6(1) (ඇ) (iii) වගන්තියේ සඳහන් අවශ්‍යතාවය අනුව සමාගමේ මූල්‍ය ප්‍රකාශන ඉකුත් වර්ෂය සමග අනුරූප වේ.
 - 2.1.3 2018 අංක 19 දරණ ජාතික විගණන පනතේ 6 (i) (ඇ) (iv) වගන්තියේ සඳහන් අවශ්‍යතාවය අනුව මාගේ වාර්තාවේ තත්ත්වවගණනය කළ මතය සඳහා පදනම් කොටසේ (අ), (ආ), (ඇ), (ඉ), (ඒ) දක්වා ඇති නිරීක්ෂණ හැර ඉකුත් වර්ෂයේදී මා විසින් සිදුකරන ලද නිර්දේශයන් ඉදිරිපත් කරන ලද මූල්‍ය ප්‍රකාශනවල ඇතුළත්ව ඇත.

2.2 අනුගමනය කරන ලද ක්‍රියාමාර්ග සහ ලබා ගන්නා ලද සාක්ෂි මත හා ප්‍රමාණාත්මක කරුණුවලට සීමා කිරීම තුළ, පහත සඳහන් ප්‍රකාශ කිරීමට තරම් කිසිවක් මාගේ අවධානයට ලක් නොවීය.

2.2.1 2018 අංක 19 දරණ ජාතික විගණන පනතේ 12 (ඇ) වගන්තියේ සඳහන් අවශ්‍යතාවය අනුව සමාගමේ පාලක මණ්ඩලයේ යම් සාමාජිකයෙකුට සමාගම සම්බන්ධවී යම් ගිවිසුමක් සම්බන්ධයෙන් සෘජුව හෝ අන්‍යාකාරයකින් සාමාන්‍ය ව්‍යාපාරික තත්ත්වයෙන් බැහැරව සම්බන්ධයක් ඇති බව.

2.2.2 2018 අංක 19 දරණ ජාතික විගණන පනතේ 12 (ඊ) වගන්තියේ සඳහන් අවශ්‍යතාවය අනුව පහත සඳහන් නිරීක්ෂණ හැර යම් අදාළ ලිඛිත නීතියකට හෝ සමාගමේ පාලක මණ්ඩලය විසින් නිකුත් කරන ලද වෙනත් පොදු හෝ විශේෂ විධානවලට අනුකූල නොවන ලෙස ක්‍රියා කර ඇති බව,

නීතිරීති/ විධානයට යොමුව	විස්තරය
(අ) 2022 අංක 25 දරන සමාජ ආරක්ෂණ දායකත්ව බදු පනත	
(i) 01 සහ 17 (i) වගන්තිය	2024 දෙසැම්බර් 31 දිනෙන් අවසන් වර්ෂයට අදාළ සමාජ ආරක්ෂණ බදු රු. 3,327,580 ක් 2025 ජනවාරි 31 වන විටත් ගෙවීමට කටයුතු කර නොතිබුණි.
(ii) 8(1) වගන්තිය	නියමිත කාර්තුවට පසුව එළඹෙන මාසයේ 20 දිනට ප්‍රථම බදු වාර්තාව සම්පූර්ණ කර දේශීය ආදායම් දෙපාර්තමේන්තුවට භාර දිය යුතු වුවත් 2024 වර්ෂයට අදාළව එම වාර්තා නියමිත දිනට හෝ ඊට පෙර භාර දී නොතිබුණි. ඒ අනුව සමාලෝචිත වර්ෂයේ කාර්තු 04 ට අදාළ සමාජ ආරක්ෂණ බදු වාර්තා පිළිවෙළින් දින 37 ක්, දින 164ක්, දින 31ක්, දින 10 ක් ප්‍රමාදව ඉදිරිපත් කර තිබුණි.
(ආ) 2021 නොවැම්බර් 16 දිනැති අංක 1/2021 දරන රාජ්‍ය ව්‍යාපාර වක්‍රලේඛය සමඟ ඉදිරිපත් කළ මෙහෙයුම් අත්පොත මාර්ගෝපදේශයේ වගන්තිය	ගිණුම් වර්ෂය අවසන් වී දින 60 ක් ඇතුළත මූල්‍ය ප්‍රකාශන සහ කෙටුම්පත් වාර්ෂික වාර්තාව විගණකාධිපති වෙත ඉදිරිපත් කළ යුතු වුවත් 2024 වර්ෂයේ මූල්‍ය ප්‍රකාශන ඉදිරිපත් කර තිබුණේ දින 257 ක් ප්‍රමාද වී එනම් 2025 නොවැම්බර් 12 වන දිනදීය.

2.2.3 2018 අංක 19 දරණ ජාතික විගණන පනතේ 12 (උ) වගන්තියේ සඳහන් අවශ්‍යතාවය අනුව සමාගමේ බලතල, කර්තව්‍ය සහ කාර්යයන්ට අනුකූල නොවන ලෙස කටයුතු කර ඇති බව.

2.2.4 2018 අංක 19 දරණ ජාතික විගණන පනතේ 12 (ඌ) වගන්තියේ සඳහන් අවශ්‍යතාවය අනුව සමාගමේ සම්පත් සකසුරුවම් ලෙස, කාර්යක්ෂම ලෙස සහ ඵලදායී ලෙස කාලසීමාවන් තුළ අදාළ නීතිරීති වලට අනුකූලව ප්‍රසම්පාදනය කර භාවිතා කර නොමැති බව

2.3 වෙනත් කරුණු

(අ) සමාලෝචිත වර්ෂයේ දී සමාගමේ නිෂ්පාදන වර්ග 03 ක් ඒකකයක නිෂ්පාදිත පිරිවැයට වඩා අඩු මිලට අලෙවි කිරීම හේතුවෙන් රු.35,927,758 ක අලාභයක් සිදු වී තිබුණි.

(ආ) ගාල්ල, ලබුදූව කිරි ශීතකිරීමේ මධ්‍යස්ථානයේ කළමනාකරණ ලේකම් විසින් 2024 ජුනි 01 සිට 2025 ජූලි 31 දක්වා කාල පරිච්ඡේදය තුළ සමිතියක් වෙතින් කිරි ලීටර් 22,216 ක් මධ්‍යස්ථානය වෙත ලැබුණා සේ ව්‍යාප්ත ලෙස සටහන් කර රු.4,296,509 ක් වැඩිපුර ගෙවා තිබූ බව අභ්‍යන්තර විගණන වාර්තාවකින් හෙළිදරව් වී තිබුණි. ඒ සම්බන්ධයෙන් මූලික විමර්ශනයක් ආරම්භ කළ බවට සමාගමේ සාමාන්‍යාධිකාරී විසින් සඳහන් කළ ද, අභ්‍යන්තර විගණන වාර්තාව නිකුත්කර 2026 පෙබරවාරි 23 දිනට මාස 05 ගත වී තිබුණද මූලික විමර්ශන කටයුතු අවසන් කර නොතිබුණි. තවද මෙම සිදුවීමට අදාළව පොලිසිය වෙත පැමිණිල්ලක් සිදුකළ බවට තහවුරු කර ගැනීමට පැමිණිල්ලේ පිටපතක් ද විගණනයට ඉදිරිපත් නොවීය.

(ඇ) 2024 වර්ෂයේ යෝග්‍ය මිලි ලීටර් 80 සහ UHT කිරි මිලි ලීටර් 180 (Ultra High Temperature Milk) නිෂ්පාදිතයන් හි අපේක්ෂිත චිකුණුම් පිළිවෙලින් ඒකක 120,018,000ක් සහ ඒකක 23,100,000ක් වුවද සත්‍ය චිකුණුම් ප්‍රමාණය පිළිවෙලින් ඒකක 81,649,414ක් සහ ඒකක 19,414,484ක් වූයෙන් අපේක්ෂිත චිකුණුම් ප්‍රමාණයෙන් පිළිවෙලින් සියයට 68 සහ 84 ක ප්‍රමාණයක් පමණක් ලභාකරගෙන තිබුණි.

(ඈ) කිරි එකතූකිරීමේ මධ්‍යස්ථාන මගින් මිලදීගත් අමු කිරි කර්මාන්තශාලාවලට භාරදීමේදී මිල දී ගත් අමුකිරි තුළ අඩංගු FAT සහ SNF ප්‍රමාණයට වඩා අඩු FAT සහ SNF ප්‍රමාණයක් අඩංගු වී තිබීම හේතුවෙන් ඒ සඳහා 2024 වර්ෂයේ දී කිරි ගොවීන්ට ගෙවීම් කිරීමේදී කර්මාන්තශාලා විසින් භාරගත් ප්‍රමිතියට වඩා අඩු ප්‍රමිති තත්වයක් සඳහා රු.46,463,371ක වැඩිපුර ගෙවීම් සිදුකර තිබුණි.

(ඉ) සමාගම විසින් 1998 වර්ෂයේ සිට 2007 වර්ෂය දක්වා බදු ගෙවීම් පැහැර හැරීම හේතුවෙන් දේශීය ආදායම් දෙපාර්තමේන්තුව විසින් 2024 ජනවාරි 09 දින එකතුව රු. 7,561,888ක් බදු පැහැර හැරීම් සහ දඩ පනවා තිබූ අතර එයින් රු.5,749,709ක් සමාලෝචිත වර්ෂයේදී ගෙවා තිබුණි. ඒ අනුව තවදුරටත් රු.1,812,179 ක් ගෙවිය යුතුව පැවතුණි.

- (ඊ) නිෂ්පාදනයට නුසුදුසුවීම හේතුවෙන් අඹේවෙල කර්මාන්තශාලාවේ විනාශ කරන ලද කිරි ලීටර් 54,128ක වියදම වූ රු. 9,622,834ක් සමාලෝචිත වර්ෂයේ මූල්‍ය ප්‍රකාශයන්හි වෙනත් වියදම් තුළ ඇතුළත්ව තිබුණු අතර එම වියදම ඉකුත් වර්ෂයට සාපේක්ෂව සියයට 249 කින් සැලකිය යුතු ලෙස වර්ධනය වී තිබුණි.
- (උ) ඉකුත් වර්ෂයට සාපේක්ෂව 'සමාලෝචිත වර්ෂයේ දී වෙළඳ ලැබිය යුතු දෑ රු. 567,358,744කින් වැඩි වී තිබූ අතර ඉන් රු. 412,134,222ක් එනම් සියයට 73 ක් කොළඹ කර්මාන්තශාලාවට අයත් වී තිබුණි. මෙම ලැබිය යුතු ශේෂයන් වැඩි ප්‍රමාණයක් බැංකු ඇපකරයකින් තොරව ණයට විකුණුම් සිදුකරනු ලැබූ ආයතනවල ලැබිය යුතු ශේෂයන්ගෙන් සමන්විත වී තිබුණි.
- (ඌ) 2017 වර්ෂයේ සිට 2020 දක්වා කාලපරිච්ඡේදය තුළ කෙරීගෙන යන වැඩ ලෙස දක්වා තිබුණු එකතුව රු. 825,645,292 ක් වූ ගැටඹේ අලෙවි සැල ඉදි කිරීම, දිගන කිරි කර්මාන්ත ශාලාවේ අයිස් ක්‍රීම් කප් සහ කෝන් පිරවුම් යන්ත්‍රය ස්ථාපනය කිරීම, කර්මාන්ත ශාලාව නවීකරණය, ඉන්වොයිසි නිමවුම් පද්ධතිය සකස් කිරීම ආරම්භ කර දීර්ඝ කාලයක් ගත වී තිබුණද විගණිත දිනය වූ 2026 පෙබරවාරි 27 වන විටත් ඒවායේ කටයුතු සම්පූර්ණ කර අපේක්ෂිත ප්‍රතිඵල ලබාගැනීමට නොහැකි වී තිබුණි.
- (එ) සමාගමේ සියළුම සේවකයින්ට මාසිකව කිරිපිටි ග්‍රෑම් 400 පැකට් 05 බැගින් නොමිලයේ නිකුත් කරනු ලබන අතර අප්‍රේල් හා දෙසැම්බර් මාස වලදී නිකුත් කරනු ලබන කිරිපිටි පැකට් 04 ද ඇතුළුව එක් සේවකයෙකු සඳහා වර්ෂය තුළ කිරිපිටි පැකට් 64ක් නොමිලයේ නිකුත් කර තිබුණි. ඒ අනුව නොමිලයේ කිරිපිටි ලබාදීම හා සේවක ත්‍යාග මල්ල (hampers) නිකුත් කිරීම සඳහා සමාලෝචිත වර්ෂයේදී සමාගම රු.79,767,632ක් වැයකර තිබුණි. තවද සමාගම අඛණ්ඩව අලාභ වාර්තා කර තිබුණ ද ඒ පිළිබඳ සමාලෝචනයකින් තොරව කිරිපිටි නොමිලේ නිකුත් කර තිබුණි.
- (ඒ) 2015 වර්ෂයේදී ආරම්භ කළ බඩල්ගම කිරි කර්මාන්තශාලාවේ ඉදිකිරීම් කටයුතු 2019 වර්ෂයේ දී අවසන් වීමට නියමිතව තිබුණ ද ඉදිකිරීම් ප්‍රගතිය සියයට 95 කට ආසන්නව තිබියදී 2023 වර්ෂයේ ජුනි මස ඉදිකිරීම් කටයුතු අතරමග නවතා තිබුණි. ඉදිකිරීම් කටයුතු නවතා දැමීමෙන් පසු ආදායම් උත්පාදනයකින් තොරව කර්මාන්තශාලාව නඩත්තු කිරීම සඳහා සමාලෝචිත වර්ෂය තුළ විදුලි වියදම්, ආරක්ෂක වියදම් ඇතුළුව රු.10,349,421ක අයහාර වියදම් සිදුකර තිබුණි.

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MILCO (PRIVATE) LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER, 2024

MILCO (PRIVATE) LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31ST DECEMBER, 2024

		As at 31st December, 2024 Rs.	As at 31st December, 2023 Rs.
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	2	4,337,984,890	4,674,477,238
Intangible assets		6,040,202	8,551,141
Right-of-Use Assets	2.1	-	(0)
Capital Work-In-Progress	3	12,881,046,984	12,879,855,822
Financial Instrument - Amortised cost	4	1,336,691,522	1,652,536,117
Long-term Advances	5	72,074,094	72,074,094
Total Non-Current Assets		18,633,837,693	19,287,494,412
Current Assets			
Inventories	6	2,847,816,884	1,664,030,771
Trade and Other Receivables	7	1,471,471,717	939,612,780
Income Tax Receivable	8	12,416,599	11,544,224
Cash and Cash Equivalents	9	78,899,464	23,171,834
Total Current Assets		4,410,604,664	2,638,359,608
Total Assets		23,044,442,357	21,925,854,019
EQUITY AND LIABILITIES			
Stated Capital and Reserves			
Stated Capital	10	8,488,488,240	8,488,488,240
Capital Reserve	11	25,000,000	25,000,000
Revaluation Reserve		336,454,462	336,454,462
Sinking Fund	12	1,689,978	1,689,978
Retained Earnings		(2,853,916,995)	(2,784,626,679)
Shareholders' Fund		5,997,715,685	6,067,006,001
Non-Current Liabilities			
Deferred Tax Liability	13	-	-
Non-interest Bearing Borrowings	14.2	2,108,063	2,108,063
Interest Bearing Borrowings - Long-Term	14.1	12,641,310,517	12,641,310,517
Retirement Benefit Obligations - Gratuity	15	827,461,613	764,118,281
Deferred Income - Government Grant	16	30,047,661	60,463,044
Total Non-Current Liabilities		13,500,927,854	13,467,999,906
Current Liabilities			
Trade and Other Payables	17	1,752,431,536	837,688,227
Interest Bearing Borrowings - Short Term	14.1	(0)	(0)
Bank Overdrafts	18	1,793,367,283	1,553,159,885
Total Current Liabilities		3,545,798,819	2,390,848,112
Total Equity and Liabilities		23,044,442,357	21,925,854,019

Figures in brackets indicate deductions.

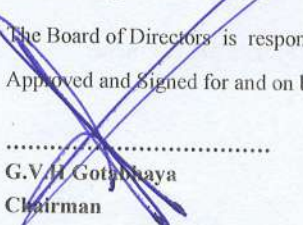
The accounting policies and notes on pages 06 to 34 form an integral part of these Financial Statements.

I certify that these Financial Statements have been prepared in compliance with the requirements of the Companies Act No.07 of 2007.


D.M.D.N.B. Hissanayake
 Actg. Manager- Finance

The Board of Directors is responsible for the preparation and presentation of these Financial Statements.

Approved and Signed for and on behalf of the Board on 07.11.2025


G.V.H. Gotohaya
 Chairman


 Director

MILCO (PRIVATE) LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31ST DECEMBER, 2024

		For the Year Ended 31 st December, 2024 Rs.	For the Year Ended 31 st December, 2023 Rs.
	Note		
Revenue	19	15,988,443,418	15,075,401,807
Cost of Sales		(14,063,701,221)	(13,551,223,100)
Gross Profit		1,924,742,197	1,524,178,706
Other Operating Income	20	55,525,982	49,872,228
		1,980,268,178	1,574,050,935
Administrative Expenses		(1,282,022,324)	(1,278,077,757)
Distribution Expenses		(491,459,018)	(466,779,038)
Other Expenses		(27,416,361)	(38,575,628)
Profit/ (Loss) from Operations		179,370,475	(209,381,488)
Finance Income	21	143,535,976	175,242,958
Finance Expenses	22	(386,840,960)	(435,245,864)
Net Profit Before Taxation		(63,934,508)	(469,384,394)
Income Tax Expenses	23	-	-
Net Profit for the Year after Taxation		(63,934,508)	(469,384,394)
Other Comprehensive Income			
Item that will not be reclassified subsequently to profit or loss:			
Remessurement of Defined Benefit Plan, Net of Taxes		(5,355,797)	(32,107,308)
Total Other Comprehensive Income Net of Tax		(5,355,797)	(32,107,308)
Total Comprehensive Income		(69,290,306)	(501,491,702)
Basic Earning Per Share	24	(0.08)	(0.59)

Figures in brackets indicate deductions.

The accounting policies and notes on pages 06 to 34 form an integral part of these Financial Statements.

MILCO (PRIVATE) LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31ST DECEMBER, 2024

	Stated Capital Rs.	Capital Reserve Rs.	Revaluation Reserve Rs.	Sinking Fund Rs.	Retained Earnings Rs.	Total Rs.
Balance as at 31st December 2022	<u>8,488,488,240</u>	<u>25,000,000</u>	<u>336,454,462</u>	<u>1,689,978</u>	<u>(2,283,134,988)</u>	<u>6,568,497,692</u>
Net Profit for the Year					(469,384,394)	(469,384,394)
Other Comprehensive Income					(32,107,308)	(32,107,308)
Share issued during the year						
Balance as at 31st December 2023	<u>8,488,488,240</u>	<u>25,000,000</u>	<u>336,454,462</u>	<u>1,689,978</u>	<u>(2,784,626,690)</u>	<u>6,067,005,990</u>
Net Profit for the Year					(63,934,508)	(63,934,508)
Other Comprehensive Income					(5,355,797)	(5,355,797)
Balance as at 31st December 2024	<u>8,488,488,240</u>	<u>25,000,000</u>	<u>336,454,462</u>	<u>1,689,978</u>	<u>(2,853,916,995)</u>	<u>5,997,715,685</u>

Figures in brackets indicate deductions.

The accounting policies and notes on pages 06 to 34 form an integral part of these Financial Statements.

MILCO (PRIVATE) LIMITED
STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 31ST DECEMBER, 2024

	As at 31st December, 2024 Rs.	As at 31st December, 2023 Rs.
Cash Flow from Operating Activities		
Net Profit Before Taxation	(63,934,508)	(469,384,394)
Adjustments for ;		
Depreciation on Property, Plant and Equipment	432,089,400	442,405,713
Income from Investment	(135,230,702)	(167,577,265)
Interest Expense	241,983,786	323,947,216
Lease Interest	-	171,684
Recognized Income on Deferred Grants	(42,301,948)	(29,537,216)
Exchange Gain	-	-
Provision for Defined Benefit Plans - Gratuity	139,019,826	149,098,092
Disposal gains	(7,611)	(1,268,649)
ESC Written off	-	-
Exchange losses	144,857,174	111,126,964
Written off of capital work-in progress	995,491	4,243,193
Amortization of right-of-use assets	-	2,008,750
Operating Profit Before Working Capital Changes	717,470,908	365,234,087
(Increase)/Decrease in Inventories	(1,183,786,113)	153,476,756
(Increase)/Decrease in Trade and Other Receivables	(532,731,313)	73,220,747
Increase/(Decrease) in Trade and Other Payables	914,743,294	12,951,465
Cash Generated from Operations	(84,303,225)	604,883,055
Interest Paid	(241,983,786)	(323,947,216)
Payment of Defined Benefit Plans - Gratuity	(81,032,292)	(81,720,572)
Net Cash From/ (Used In) Operating Activities	(407,319,304)	199,215,266
Cash Flow from Investing Activities		
Acquisition of Property, Plant and Equipment	(80,539,062)	(77,558,778)
Investments in Property, Plant and Equipment in the Course of Construction	(2,951,753)	(47,244,351)
Proceeds from disposal of Assets	112,224	1,332,118
Interest Received	135,230,702	167,577,265
New/ (Withdrawal) Short-Term and Long-Term Investment (Net)	170,987,421	(206,695,950)
Net Cash Used In Investing Activities	222,839,531	(162,589,694)
Cash Flow from Financing Activities		
Lease Rental Paid	-	(3,942,349)
Proceeds from long-term borrowings	-	-
Loans and Borrowings Repayments	-	(44)
Net Cash Used In Financing Activities	-	(3,942,393)
Net Increase in Cash and Cash Equivalents	(184,479,772)	32,683,179
Cash and Cash Equivalents at the Beginning of the Year (Note A)	(1,529,988,047)	(1,562,671,226)
Cash and Cash Equivalents at the End of the Year (Note B)	(1,714,467,819)	(1,529,988,047)

MILCO (PRIVATE) LIMITED
STATEMENT OF CASH FLOW - (Contd..)
FOR THE YEAR ENDED 31ST DECEMBER, 2024

	As at 31st December, 2024 Rs.	As at 31st December, 2023 Rs.
Note A: At the Beginning of the Year		
Balances at Banks	19,375,381	28,520,740
Call deposits	11,639	15,310,610
Petty Cash in Hand	3,784,814	12,900,177
	23,171,834	56,731,527
Bank Overdrafts	(1,553,159,885)	(1,619,402,758)
	<u>(1,529,988,051)</u>	<u>(1,562,671,231)</u>
Note B: At the End of the Year		
Balances at Banks	74,637,035	19,375,381
Call deposits	11,002	11,639
Petty Cash in Hand	4,251,427	3,784,814
	78,899,464	23,171,834
Bank Overdrafts	(1,793,367,283)	(1,553,159,885)
	<u>(1,714,467,819)</u>	<u>(1,529,988,051)</u>

Figures in brackets indicate deductions.

The accounting policies and notes on pages 06 to 34 form an integral part of these Financial Statements.

MILCO (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2024

1.1. CORPORATE INFORMATION

1.1.1 Legal and Domiciled Form

Milco (Private) Limited (The Company) is a limited liability company incorporated and domiciled in Sri Lanka.

The company was incorporated on 09th May, 1996 under the name 'Kiriya Milk Industries of Lanka (Private) Limited'. The name of the company was changed as 'Milco (Private) Limited' with effect from 23rd July 2001. As per the agreement entered into between the Government of Sri Lanka (GOSL) and the National Dairy Development Board of India (NDDB), all property, plant and equipment (other than land) owned and used by Milk Industries of Lanka Company Limited as at 03rd February, 1998 and leasehold rights of the land and buildings used by Milk Industries of Lanka (Private) Company Limited as at the same date were transferred to the Company with effect from 04th February, 1998. The value of Net Assets so transferred was Rs.306,500,020/-. Further, as per the letter dated 08th August, 2000 from Public Enterprises Reform Commission of Sri Lanka, annual lease rentals of leasehold land and buildings amounting to Rs. 20,427,900/- was waived off as per a cabinet decision.

The registered office of the company is located at No. 45, Nawala Road, Colombo 05 and the principal place of business is also at the same place. Major factories of the company are situated at Narahenpita, Ambewela, Digana, Polonnaruwa and construction of Badalgama factory was in progress as of 31st December 2024.

1.1.2 Principal Activities and Nature of Operations

During the year, the principal activities of the company were collecting, processing, packing, distributing and dealing in milk related products.

1.1.3 Date of Authorization to Issue

The financial statements for the year ended 31st December 2024 were authorized for issue in accordance with a resolution of the Board of Directors on 07.11.2025.

1.1.4 Responsibility for Financial Statements

The board of directors are responsible for the preparation and presentation of these financial statements

1.2. Summary of Significant Accounting Policies

1.2.1 General Accounting Policies

1.2.1.1 Basis of Preparation of Financial Statements

The financial statements have been prepared in accordance with Sri Lanka Accounting Standards (SLFRS / LKAS) as issued by the Institute of Chartered Accountants of Sri Lanka

1.2.1.2 Basis of Measurement

The financial statements have been prepared under the historical cost convention basis with the exception of certain assets and liabilities at fair value or any other basis, as it may require or prescribe by specific SLFRS / LKAS.

MILCO (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2024

1.2.1.3 Functional and Presentation Currency

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

1.2.1.4 Statement of Compliance

The statement of financial position, statement of comprehensive income, changes in equity and cash flows, together with accounting policies and notes ("financial statements") of the company as at 31st December, 2024 are prepared in compliance with the Sri Lanka Accounting Standards (LKAS and SLFRS) issued by the Institute of Chartered Accountants of Sri Lanka.

1.2.1.5 Going Concern

The Directors of the company have made an assessment of the company's ability to continue as a going concern and are satisfied that the company has the resources to continue in business for a foreseeable future. Furthermore, the management is not aware of any material uncertainties that may cast significant doubt upon the company's ability to continue as a going concern. Therefore, the financial statements are continued to be prepared on the going concern basis.

1.2.1.6 Comparative Information

The accounting policies have been consistently applied by the company and are consistent with those of the previous year. The previous year's figures and phrases have been re-arranged wherever necessary to conform to the current year's presentation/classification.

1.2.1.7 Foreign Currency Transaction

All foreign exchange transactions are converted to Sri Lanka Rupees, which is the reporting currency, at the rates of exchange prevailing at the time the transactions were effected.

Monetary assets and liabilities denominated in foreign currencies are translated to Sri Lanka Rupee equivalents using year end spot foreign exchange rates, the resulting gains or losses are accounted in the statement of comprehensive income.

Non-monetary assets and liabilities are translated using the exchange rates that existed when the values were determined. The resulting gain or loss is accounted in the statement of comprehensive income.

1.2.1.8 Materiality and Aggregation

Each material class of similar items is presented separately in the financial statements. Items of dissimilar nature or function are presented separately unless they are immaterial.

1.2.1.9 Critical Accounting Estimates and Judgements

a) Judgements

In the process of applying the accounting policies, the management has made the judgements, apart from those involving estimations, which have the most significant effect on the amounts recognized in the financial statements.

MILCO (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2024

b) Estimates and Assumptions

The preparation of the company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and the disclosure of contingent liabilities at reporting date.

The key assumptions concerning the future and other key sources of estimation uncertainty at the date of financial position, that have a significant risk of causing material adjustments to the carrying amounts of assets and liabilities within the next financial year, have been considered.

1.3 Assets and Bases of their Valuation

1.3.1 Property, Plant and Equipment

a) Measurement

All items of property, plant and equipment are initially recorded at cost. Where items of property, plant and equipment are subsequently revalued, the entire class of such assets is revalued.

Property, plant and equipment are stated at cost, excluding the cost of day to day servicing, less accumulated depreciation and accumulated impairment in value. Such cost includes the cost of replacing part of the property, plant and equipment when that cost is incurred, if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, the company recognizes such parts as individual assets with specific useful lives and depreciates them accordingly.

When a major inspection is performed, its cost is recognized in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria are satisfied. All other repairs and maintenance costs are recognized in profit or loss as incurred.

An item of property, plant and equipment is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of comprehensive income in the year the asset is de-recognized.

b) Useful Lives of Property, Plant and Equipment

The company reviews the assets' residual values, useful lives and methods of depreciation at each reporting date; judgement made by the management based on the professional experts is exercised in the estimation of these values, rates and methods.

c) Depreciation

Depreciation is recognized in 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 lease are amortized over the shorter of the lease term or the useful lives of equivalent owned assets.

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The economic useful lives are as follows:

Buildings	20 to 25 years
Plant and Machinery	04 to 30 years
Furniture and Fittings	05 years
Laboratory Equipment	05 years
Motor Vehicles	04 years
Tools and Equipment	05 years
Office Equipment	05 years
Bottles and Crates	04 years
Computers	04 years
Bottle Coolers	04 years
Software	03 years
Milk Cans	05 years

Depreciation of assets begins when it is available for use and ceases at the earlier of the date that the asset is classified as held for sale and the date that the asset is de-recognized.

d) Restoration Costs

Expenditure incurred on repairs or maintenance of property, plant and equipment in order to restore or maintain the future economic benefits expected from originally assessed standard of performance is recognized as an expense when incurred.

e) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are recognised as expenses in the period in which they are incurred.

f) De- Recognition

An item of property, plant and equipment is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is calculated as the difference between the net disposal proceeds and the carrying amount and is recognized in the statement of comprehensive income.

1.3.2 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at each financial year-end.

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit or Loss and Other Comprehensive Income in the expense category consistent with the function of the intangible asset.

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1.3.3 Right-of-use assets recognised under SLFRS 16

a) Right-of-use assets

The company recognises right-of-use assets when the underlying asset is available for use. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain the ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life or the lease term. Right-of-use assets are subject to impairment.

Any excess of sales proceeds over the carrying amount of assets in respect of a sale and leaseback transaction that results in a finance lease is deferred and amortised over the lease term

b) Short-term leases and low value assets

The Group applies the short-term lease recognition exemption to leases that have a lease term of 12 months or less from the commencement date. It also applies the lease of low value assets recognition exemption lease payment on short-term leases and leases of low value assets are recognised as expense on a straight line basis over the lease term.

1.3.4 Impairment of Non-Financial Assets

The company assesses at each reporting date to ascertain whether there is an indication that an asset may be impaired. If such indication exists or when annual impairment testing for an asset is required the company makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating unit's fair value less costs to sell and its value in use and determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a group of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessment of the time value of money and the risk specific to the asset.

Impairment losses of continuing operations are recognized in the statement of comprehensive income in those expense categories consistent with the function of the impaired asset.

For assets excluding goodwill, an assessment is made at each reporting date to verify as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the company makes an estimate of the recoverable amount.

A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the assets' recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount. The increased amount cannot "exceed" the carrying amount that would have been determined, net of depreciation had, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of comprehensive income.

1.3.5 Capital Work-in-Progress

Capital work-in-progress is transferred to the respective asset accounts at the time of the first utilization of the asset.

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1.3.6 Financial Assets

The company classifies its financial assets in the following categories: Financial Assets at fair value through profit or loss, Loans and receivables, financial assets available for sale and Held-to-maturity financial assets. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at every reporting date.

1.3.6.1 Initial Recognition and Measurement

The company determines the classification of its financial assets at initial recognition. All financial assets are recognized initially at fair value plus, in the case of assets not at fair value through profit or loss, directly attributable transaction costs.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized 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, investments in fixed deposits and trade and other receivables.

1.3.6.2 Subsequent Measurement

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

(a) Financial Assets at Fair Value Through Profit or Loss

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling or re-purchasing in the near term.

(b) Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate method (EIR), less impairment. Amortized 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 amortization is included in finance income in the statement of comprehensive income.

(c) Held-to-Maturity Investments

Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held-to-maturity when the company has the positive intention and ability to hold them to maturity. After initial measurement, held-to-maturity investments are measured at amortized cost using the effective interest rate (EIR) method, less impairment. Amortized 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 amortization is included in finance income in the statement of comprehensive income. The losses arising from impairment are recognized in the statement of comprehensive income in finance costs.

(d) Available-for-Sale Financial Investments

Available-for-sale financial investments include equity and debt securities. Equity investments classified as available-for-sale are those, which are neither classified as held for trading nor designated at fair value through profit or loss. Debt securities in this category are those which are intended to be held for an indefinite period of time and which may be sold in response to needs for liquidity or in response to changes in the market conditions.

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After initial measurement, available for sale financial investments are subsequently measured at fair value.

Unrealized gains and losses are recognized directly in equity (Other comprehensive income) in the 'Available for sale reserve'. When the investment is disposed of, the cumulative gain or loss previously recognized in equity is recognized in the statement of comprehensive income in 'Other operating income'. Where the company holds more than one investment in the same security, they are deemed to be disposed of on a first-in first-out basis. Interest earned whilst holding available for sale financial investments is reported as interest income using the EIR. Dividends earned whilst holding available for sale financial investments are recognized in the statement of comprehensive income as 'Other operating income' when the right of the payment has been established. The losses arising from impairment of such investments are recognized in the statement of comprehensive income in 'Impairment losses on financial investments' and removed from the 'Available for sale reserve'.

(d) Available-for-Sale Financial Investments

The company evaluates its available-for-sale financial assets to determine whether the ability and intention to sell them in the near term is still appropriate. When the company is unable to trade these financial assets due to inactive markets and management's intention to do so significantly changes in the foreseeable future, the company may elect to re-classify these financial assets in rare circumstances. Re-classification to loans and receivables is permitted when the financial assets meet the definition of loans and receivables and the company has the intent and ability to hold these assets into a foreseeable future or until maturity. Re-classification to the held-to-maturity category is permitted only when the entity has the ability and intention to hold the financial assets accordingly.

For a financial asset to be re-classified out of the available-for-sale category, any previous gain or loss on that asset that has been recognized in equity is amortized to profit or loss over the remaining life of the investment using the EIR. Any difference between the new amortized cost and the expected cash flows is also amortized over the remaining life of the asset using the EIR. If the asset is subsequently determined to be impaired, then the amount recorded in equity is re-classified to the statement of comprehensive income.

1.3.6.3 De-Recognition

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

- (a) The rights to receive cash flows from the asset have expired
- (b) The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either

The company has transferred substantially all the risks and rewards of the asset, or 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, and has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of it, the asset is recognized to the extent of the company's continuing involvement in it.

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In that case, the company also recognizes 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.

1.3.6.4 Impairment of Financial Assets

The company assesses at each reporting date to ascertain 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 have 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 are experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganizations where observable data indicates that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Financial Assets Carried at Amortized Cost

For financial assets carried at amortized cost, the company first assesses to determine 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, recognized 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 assets 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 effective interest rate.

The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognized in the statement of comprehensive income. Interest income continues to be accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. The interest income is recorded as part of finance income in the statement of comprehensive income. Loans together with the associated allowance are written off when there is no realistic prospect of future recovery and all collaterals have been realized 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 recognized, the previously recognized impairment loss is increased or reduced by adjusting the allowance account. If a future write-off is later recovered, the recovery is credited to finance costs in the statement of comprehensive income.

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Available-for-Sale Financial Assets

For available-for-sale financial assets, the company assesses at each reporting date to verify whether there is objective evidence that an investment or a group of investments is impaired. In the case of equity investments classified as available-for-sale, objective evidence would include a significant or prolonged decline in the fair value of the investment below its cost. 'Significant' is evaluated against the original cost of the investment and 'prolonged' against the period in which the fair value has been below its original cost. Where there is evidence of impairment, the cumulative loss - measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that investment previously recognized in the statement of comprehensive income - is removed from other comprehensive income and recognized in the statement of comprehensive income. Impairment losses on equity investments are not reversed through the statement of comprehensive income; increases in their fair value after impairments are recognized directly in other comprehensive income.

In the case of debt instruments classified as available-for-sale, impairment is assessed based on the same criteria as financial assets carried at amortized cost. However, the amount recorded for impairment is the cumulative loss measured as the difference between the amortized cost and the current fair value, less any impairment loss on that investment previously recognized in the statement of comprehensive income.

Future interest income continues to be accrued based on the reduced carrying amount of the asset, using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. The interest income is recorded as part of finance income. If, in a subsequent year, the fair value of a debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognized in the statement of comprehensive income, the impairment loss is reversed through the statement of comprehensive income.

1.3.7 Financial Liabilities

The company classifies its financial liabilities as financial liabilities at fair value through profit or loss or other financial liabilities, as appropriate. At the reporting date there were no financial liabilities at fair value through profit or loss.

1.3.7.1 Initial Recognition and Measurement

All financial liabilities are recognized initially at fair value. This includes directly attributable transaction costs. The company's financial liabilities include loans and borrowings, trade and other payables and bank overdrafts.

1.3.7.2 Subsequent Measurement

The measurement of financial liabilities depends on their classification as follows:

(a) Financial Liabilities at Fair Value Through Profit or Loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term.

(b) Other Financial Liabilities

After initial recognition, other financial liabilities are subsequently measured at amortized cost using the effective interest rate method. Gains and losses are recognized in the statement of comprehensive income when the liabilities are de-recognized as well as through the effective interest rate method (EIR) amortization process. Amortized 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 amortization is included in finance costs in the statement of comprehensive income.

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1.3.7.3 De-Recognition

A financial liability is de-recognized 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 a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the statement of comprehensive income.

1.3.7.4 Off-setting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

1.3.8 Inventories

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

The cost incurred in bringing inventories to its present location and condition is accounted using the following cost formula:

Raw Material	- At cost determined on Weighted Average Basis,
Finished Goods	- At the cost of direct materials, direct labour and appropriate proportion of fixed production overheads at normal operating capacity,
Work-In-Progress	- At the cost of input materials,
Packing Material	- At cost determined on Weighted Average Basis,
Other Stocks	- At cost determined on Weighted Average Basis,
Goods In Transit	- At actual cost.

1.3.9 Trade and Other Receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment.

Other receivables are recognized at the amounts they are estimated to realize net of provisions for impairment. The amount of the provision is recognized in the statement of comprehensive income. However, staff loans have not been measured at amortized cost due to unavoidable reasons of the company.

1.3.10 Cash and Cash Equivalents

Cash and cash equivalents include cash in hand, deposits held as call deposits with banks, other short-term highly liquid investments with original maturities of three months. Bank overdrafts are shown within current liabilities in the statement of financial position.

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1.3.11 Stated Capital

(a) Classification

Ordinary shares with discretionary dividends are classified as equity when there is no obligation to transfer cash or other assets.

(b) Dividends

Dividends are recognized when the shareholders' right to receive the dividend is established. In the case of interim dividends to equity shareholders, this is when declared by the directors. In the case of final dividends, this is when approved by the shareholders at the Annual General Meeting.

1.3.12 Current and Deferred Income Tax

a) Current Taxes

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from, or paid to the Commissioner General of Inland Revenue.

The provision for income tax is based on the elements of income and expenditure as reported in the financial statements and computed in accordance with the provision of the Inland Revenue Act No. 10 of 2006.

b) Deferred Taxation

Deferred tax is provided using the liability method on temporary differences at the date of the financial position between the tax bases of assets and liabilities, and their carrying amounts for financial reporting purposes.

Deferred tax assets and liabilities recognized for all temporary differences. Deferred tax assets are recognized for all deductible temporary differences, carry-forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax credits and unused losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each date of the statement of financial position and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized. Unrecognized deferred tax assets are re-assessed at each date of the statement of financial position and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the date of the statement of financial position.

Income tax relating to items recognized directly in equity is recognized in equity.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

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1.3.13 Employee Benefits

(a) Defined Benefit Plans – Gratuity

Provision has been made for retirement gratuities, in conformity with LKAS 19 / Gratuity Act No.12 of 1983. The liability is not externally funded. The gratuity liabilities are based on actuarial valuation carried out. The actuarial gains and losses are charged or credited to the statement of other comprehensive income in the period in which they arise.

The retirement benefit obligation of the company is based on the actuarial valuation carried out by Messrs. Actuarial & Management Consultants (Pvt) Ltd. The actuarial valuations involve making assumptions about discount rates and future salary increases. The complexity of the valuation, the underlying assumptions and its long term nature, a defined benefit obligation are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Details of the key assumptions used in the estimates contain in note no 16. The main assumptions used relate to mortality, disability rates and withdrawal rates. The assumptions regarding the discount rate and salary rate are of critical importance in determining the pace of providing for a final salary retirement scheme.

(b) Defined Contribution Plans – Employees' Provident Fund and Employees' Trust Fund

Employees are eligible for Employees' Provident Fund Contributions and Employees' Trust Fund Contributions in line with respective statutes and regulations. The company contributes 12% and 3% of the gross emoluments of employees to the Employees' Provident Fund and to the Employees' Trust Fund respectively.

1.3.14 Grants and Subsidies

Grants and subsidies are credited to the statement of comprehensive income over the period necessary to match them with related cost, which are intended to compensate on a systematic basis.

Grants related to assets, including non-monetary grants at fair value, are deferred in the statement of financial position and credited to the statement of comprehensive income over the useful life of the related asset.

Grants related to income are recognized in the statement of comprehensive income in the period in which they are receivable.

1.3.15 Trade and Other Payables

Trade payables are obligations to pay for services that have been acquired in the ordinary course of business. These are classified as current liabilities where payment is due within one year or less if not, they are presented as non-current liabilities.

Trade payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method. Short-term payables with no stated interest rate are measured at original invoiced amount since the effect of discounting is immaterial.

1.3.16 Provisions

Provisions are recognized when the company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognized for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement are determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

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1.3.17 Commitments

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

1.3.18 Related Party Transactions

Disclosure is made in respect of the transaction in which one party has the ability to control or exercise significant influence over the financial and operating policies/decisions of the other, irrespective of whether a price is charged. Relationship between parent and subsidiaries shall be disclosed irrespective of whether there have been transactions between those related parties.

1.3.19 Revenue Recognition

Revenue from contracts with customers

Revenue from contracts with customers is recognised when the control of the goods or services is transferred to the customer at an amount that reflect consideration to which the Company expects to be entitled in exchange for those goods or services.

(a) Goods transferred at a point of time

Under SLFRS 15, revenue is recognised upon satisfaction of a performance obligation. The revenue recognition occurs at a point of time when the control of the asset is transferred to the customer, generally, on delivery of the goods.

(b) Service transferred over time

Under SLFRS 15, the company determines, at the contract inception, whether it satisfies the performance obligation over time or at a point of time. For each performance obligation satisfied over time, the company recognises the revenue over time by measuring the progress towards the complete satisfaction of that performance obligation.

(c) Interest Income

Interest income is recognized using the effective interest method.

(d) Dividend Income

Dividend income is recognized when the right to receive payment is established.

(e) Other Income

Other income is recognized on accrual basis.

1.3.20 Expenditure

The expenditures are recognized on an accrual basis. All expenses incurred in the ordinary course of business and in maintaining property, plant and equipment in a state of efficiency are charged against income in arriving at the profit for the year.

For the purpose of presentation of the statement of comprehensive income information, expense by function method is used to classify the expenses.

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2. PROPERTY, PLANT AND EQUIPMENT

a) Tangible assets

Description of Assets	Balance As At 01.01.2024			Cost/Valuation			Depreciation			Written Down Value		
	Rs.	As At 31.12.2024	Rs.	Rs.	As At 31.12.2024	Rs.	Charge for the Year	On Disposals	Rs.	Balance As At 31.12.2024	Rs.	As At 31.12.2024
Freehold												
Land	3,250,000		-	-	3,250,000	-	-	-	-	-	3,250,000	3,250,000
Buildings	588,998,070		-	-	588,998,070	-	46,251,545	-	-	392,870,674	242,378,942	196,127,396
Plant and Machinery	7,619,677,007		19,573,175	-	7,639,250,182	-	295,378,736	-	-	3,675,090,770	4,239,964,973	3,964,159,413
Furniture and Fittings	62,870,369		4,574,225	-	67,444,594	-	3,507,963	-	-	57,814,362	8,563,969	9,630,232
Laboratory Equipment	96,079,710		1,599,711	-	97,679,421	-	3,051,963	-	-	84,969,962	14,161,710	12,709,459
Motor Vehicles	221,231,184		-	-	221,231,184	-	3,832,253	-	-	217,951,292	7,112,145	3,279,892
Tools and Equipment	417,139,485		12,719,249	-	429,858,734	-	19,180,905	-	-	386,756,405	49,563,985	43,102,330
Bottles and Crates	417,561,717		45,073,411	-	462,635,128	-	17,900,812	-	-	398,355,932	37,106,597	64,279,196
Computer Equipment	84,875,086		6,318,346	-	90,908,432	(285,000)	8,989,883	(285,000)	-	74,807,344	18,772,624	16,101,088
Bottle Coolers	249,317,324		125,243	-	249,442,567	-	24,349,699	-	-	234,005,696	39,661,328	15,436,871
Office Equipment	12,998,254		707,868	-	13,529,814	(176,309)	645,982	(71,696)	-	11,658,444	1,914,097	1,871,370
Milk Cans	100,211,660		30,000	-	100,241,660	-	4,019,224	-	-	92,204,015	12,026,868	8,037,644
	9,874,209,866		90,721,229	(461,309)	9,964,469,786	-	427,108,964	(356,696)	-	5,626,484,896	4,674,477,238	4,337,984,890

b) Intangible Assets

Computer Software	16,709,667		2,469,497	-	19,179,164	-	4,980,436	-	-	13,138,962	8,551,141	6,040,202
Total	9,890,919,533		93,190,726	(461,309)	9,983,648,951	-	432,089,400	(356,696)	-	5,639,623,858	4,683,028,379	4,344,025,092

2.1 RIGHT-OF-USE ASSETS

Description of Assets	Value			Amortisation			Net value		
	Balance As At 01.01.2024	Additions	Disposals	Transfers	Balance As At 31.12.2024	Charge for the Year	On Disposals	Transfers	Balance As At 31.12.2024
Leasehold Assets									
Motor Vehicles		-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-

3.1 Following amounts related to right-of-use assets have been recognised in income statement during the year.
Amortization of right of use assets
Interest on lease liabilities

MILCO (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
AS AT 31ST DECEMBER, 2024

3. CAPITAL WORK-IN-PROGRESS

	Balance As At 01.01.2024 Rs.	Incurred During the Period Rs.	Charged to Income statement During the Period Rs.	Transfers During the Period Rs.	Capitalized During the Period Rs.	Balance As At 31.12.2024 Rs.
Construction of New Milk Factory - Badalgama (Refer Note 14)	12,033,160,406					12,033,160,406
Construction of Gatabe Sales Outlet	150,000					150,000
Installation of Cup & Cone Filler at Digana Milk Factory	15,445,587					15,445,587
Modernization of Digana Milk Factory	809,899,705					809,899,705
Lorry Chasis Under Development	4,934,708	296,753				5,231,462
Invoicing system for Digana Milk Factory	150,000					150,000
Grass Chopping Machine - Dambulla MCC	327,500					327,500
Construction of insulated tank at Badalgama Factory	13,280,786					13,280,786
Butter Packing Machine modification	-	2,340,000			-	2,340,000
Developments of innovation division	858,641		(858,641)		-	-
Construction of fuel shed at Digana Milk factory	136,850	-	(136,850)		-	-
Developments of Invoicing System at Head Office	1,061,538	-				1,061,538
Developments of Farmer Management System	135,000	315,000			(450,000)	-
Installation of AC machine at Head Office	315,100	-			(315,100)	-
	12,879,855,822	2,951,753	(995,491)	-	(765,100)	12,881,046,984

3.1 As detailed in note no 14 to these financial statements, construction of New Milk Factory - Badalgama have been financed by loans granted by the Treasury of the Government of Sri Lanka.

MILCO (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
AS AT 31ST DECEMBER, 2024

	As at 31st December, 2024 Rs.	As at 31st December, 2023 Rs.
4 FINANCIAL INSTRUMENT - AMORTISED COST		
4.1 Long-Term Fixed Deposits		
Fixed Deposits - BOC - US \$	1,336,691,522	1,330,875,229
Fixed Deposits - PB & BOC	-	321,660,888
	<u>1,336,691,522</u>	<u>1,652,536,117</u>

Investments pledged as collaterals to obtain various financial assistance from the financial institutions are disclosed in note no. 29 to these financial statements.

5 LONG TERM ADVANCES
Advance to DESMI - Relocate CMF to Badalgama

Balance at the beginning of the year	72,074,094	36,594,780
Transferred to Capital Work in Progress		
Adjustment of exchange impact	-	35,479,314
Balance at the end of the year	<u>72,074,094</u>	<u>72,074,094</u>

As detailed in note no 14 to these financial statements, establishment of a diary processing plant at Badalgama has been financed by a loan granted by the Treasury of the Government of Sri Lanka. On 22/10/2015, Treasury of Government of Sri Lanka made advance payment of an amount equivalent to EURO 19,180,692 (30% of the contract value)

6 INVENTORIES

Raw and Packing Materials	6.1	455,099,852	489,551,117
Work-in-Progress		11,954,382	8,541,675
Finished Goods		1,376,938,573	254,740,757
Consumables	6.2	981,401,718	900,131,529
Goods in Transit	6.3	24,647,289	13,290,623
Kiri Sisilakaya mini cooler stock		9,871,432	9,871,432
Provision for Inventory	6.4	(12,096,362)	(12,096,362)
		<u>2,847,816,884</u>	<u>1,664,030,771</u>

6.1 Raw and Packing Materials

Raw Materials - Dairy Production	107,234,216	133,968,243
Packing Material	321,091,110	321,965,481
Raw Milk Stock	23,214,896	26,561,452
Bottle Cooler Stock	-	3,496,313
Drugs and Other Stock	3,540,190	3,540,190
Raw material- redundant items	19,439	19,439
	<u>455,099,852</u>	<u>489,551,117</u>

MILCO (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
AS AT 31ST DECEMBER, 2024

		As at 31st December, 2024 Rs.	As at 31st December, 2023 Rs.
6.2 Consumables			
General Stores		59,985,147	84,985,663
Engineering Stores		822,042,642	724,452,228
Motor Stores		17,366,327	19,931,802
Fuel and Lubricant Stores		65,482,092	54,236,325
Milk Can Stock		16,525,511	16,525,511
		<u>981,401,718</u>	<u>900,131,529</u>
6.3 Goods In Transit			
Finished Goods in Transit		12,230,983.83	7,916,849
Goods in Transit Lab Equipment		125,798	125,798
Raw Milk In Transit		7,297,296	3,030,495
Yogurt Culture		4,993,211	2,217,481
		<u>24,647,289</u>	<u>13,290,623</u>
6.4 Provision For Inventory			
Packing Material		(10,144,367)	(10,144,367)
General Stores		(332,731)	(332,731)
Engineering Stores		(1,523,655)	(1,523,655)
Fuel Stores		(76,170)	(76,170)
Raw materials		(19,439)	(19,439)
		<u>(12,096,362)</u>	<u>(12,096,362)</u>
6.5	Inventories pledged as collaterals to obtain various financial assistance from the financial institutions are disclosed in Note No. 29 to these financial statements.		
7 TRADE AND OTHER RECEIVABLES			
Trade Receivables	7.1	1,027,402,925	460,044,181
Receivable from the Government of Sri Lanka	7.2	9,473,868	10,135,701
Other Debtors		88,890,767	51,511,230
Advances, Deposits and Prepayments		105,732,217	71,850,356
Staff Debtors		195,834,838	191,718,278
Import Control		7,582,303	81,662,350
Interest receivables on fixed deposits		36,554,800	72,690,682
		<u>1,471,471,717</u>	<u>939,612,780</u>

MILCO (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
AS AT 31ST DECEMBER, 2024

	As at 31st December, 2024 Rs.	As at 31st December, 2023 Rs.
7.1 Trade Receivables		
Total Debtors	1,083,193,368	510,957,806
Less: Provision for Impairment	(55,790,443)	(50,913,625)
	<u>1,027,402,925</u>	<u>460,044,181</u>
7.2 Receivable from the Government of Sri Lanka		
Receivable from the Ministry of Livestock and Development	9,379,534	10,041,368
Receivable from Government of Sri Lanka - Milk Subsidiary	278,981,206	278,981,206
Receivable from Parliament Affairs	94,333	94,333
	<u>288,455,073</u>	<u>289,116,907</u>
Less: Provision for Impairment	(278,981,206)	(278,981,206)
	<u>9,473,868</u>	<u>10,135,701</u>
8 INCOME TAX RECEIVABLE		
WHT Receivables	12,416,599	11,544,224
ESC Receivables	-	0
	<u>12,416,599</u>	<u>11,544,224</u>
9 CASH AND CASH EQUIVALENTS		
Balances at Banks	74,637,035	19,375,381
Investments in call deposits	11,002	11,639
Petty Cash in Hand	4,251,427	3,784,814
	<u>78,899,464</u>	<u>23,171,834</u>
10 STATED CAPITAL		
Issued and fully paid	No of Shares 848,848,824 <u>8,488,488,240</u>	<u>8,488,488,240</u>
The cabinet paper "no: 21/0199/323/012 on Modernization project of Polonnaruwa, Ambewela and Digana dairy factories", dated 11.01.2021, which was presented by the Ministry of Agriculture was approved by the cabinet on 08.02.2021. Accordingly, it was approved to convert the loan on-lent to Milco (Pvt) Ltd amounting to Rs.8,169,034,183.39, as equity contribution of General Treasury.		
The above share issue was completed during 2022 financial year.		
11 CAPITAL RESERVE		
11.1 Acquisition and Upgrading of Plant and Machinery	<u>25,000,000</u>	<u>25,000,000</u>

The above Reserve is created from the Revenue Reserve during the year of 2008/2009 which would be utilized for acquisition of heavy plant and machinery such as power plant, sterilizer etc.

MILCO (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
AS AT 31ST DECEMBER, 2024

	As at 31st December, 2024 Rs.	As at 31st December, 2023 Rs.
12 SINKING FUND		
Transferred from Retained Earnings	1,689,978	1,689,978
	<u>1,689,978</u>	<u>1,689,978</u>

The Sinking Fund created from the proceeds of the cans sold to the farmers. The said fund will be utilized to meet the financial requirement of purchases intended to issue on recovery basis to farmers in the future.

13 DEFERRED TAX LIABILITY

At the Beginning of the Year	-	-
Charge (to)/from Statement of Comprehensive Income	-	-
At the End of the Year	<u>-</u>	<u>-</u>
13.1 Tax effect on Temporary Difference on Property, Plant and Equipment	1,182,601,930	1,280,197,495
Tax effect on Temporary Difference on Retirement Benefit Obligation	(268,604,525)	(248,138,480)
Less: Tax effect on Temporary Differences on Tax Losses	(1,787,980,130)	(1,819,237,465)
Probable Deferred Tax Liability	<u>(873,982,726)</u>	<u>(787,178,450)</u>

Deferred tax assets amounting to LKR 873,982,726 have not been recognised in the financial statements as there are no sufficient taxable temporary differences or convincing evidence that sufficient taxable profits will be available against which the unrecognised deferred tax assets can be utilised by the Company.

14 LOANS AND BORROWINGS

14.1 Interest Bearing Borrowings

Payable within One Year	15.1.1 to 15.1.4	(0)	(0)
Payable after One Year	15.1.1 to 15.1.4	12,641,310,517	12,641,310,517
		<u>12,641,310,517</u>	<u>12,641,310,517</u>

14.1.1 Gross Lease Creditor

Balance at the Beginning of the Year	0	3,942,349
During the Year Additions	-	-
During the Year Payments	-	(3,942,349)
Balance at the end of the Year	<u>0</u>	<u>0</u>

Interest in Suspense

Balance at the Beginning of the Year	0	171,684
On Lease Facility Obtained During the Year	-	-
Amount Transferred to Statement of Comprehensive Income	-	(171,684)
Balance at the End of the Year	<u>0</u>	<u>0</u>
Net Liability	<u>0</u>	<u>0</u>
Current Maturity Portion	0	0
Long-Term Maturity Portion	-	-
	<u>0</u>	<u>0</u>

MILCO (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
AS AT 31ST DECEMBER, 2024

	As at 31st December, 2024 Rs.	As at 31st December, 2023 Rs.
14.1.2 Bank Loans and Borrowings		
Balance at the Beginning of the Year	(0)	44
Received During the Year	-	-
Less: During the Year Payments	-	(44)
Balance at the End of the Year	(0)	(0)
Current Maturity Portion	(0)	(0)
Long-Term Maturity Portion	-	-
	(0)	(0)

Assets pledged as collaterals to above loans and borrowings are disclosed in note no. 29 to these financial statements.

14.1.3 Borrowings From Treasury of The Government of Sri Lanka

Balance at the Beginning of the Year	12,641,310,517	12,641,310,517
Granted During the Year	-	-
Impact of error correction	-	-
Converted to equity during the year	-	-
Balance at the End of the Year	12,641,310,517	12,641,310,517
Current Maturity Portion	-	-
Long-Term Maturity Portion	12,641,310,517	12,641,310,517
	12,641,310,517	12,641,310,517

- (a) Milco (Pvt) Limited, on 15th May 2015, entered into an agreement with Desmi Contracting A/S, a company incorporated in Denmark, for establishment of a diary processing plant at Badalgama (The Project) of the company at a cost of Euro 63.9Mn.

Cabinet paper No.14/1399/511/001-i (Dated 9th October 2014) presented by the Ministry of Livestock and Rural Community Development on "Establishment of a Dairy Processing Plant at Badalgama" was approved by the Cabinet on 17th December 2014 and accordingly, authorized to the Department of External Resources to Borrow Euro 63.9mn from Export Credit Fund (EKF) of Denmark on the terms agreed upon by the Ministry of Livestock and Rural Community Development (Ref:MLRCD/03/15).

Subsequently, the Government of Sri Lanka entered in to an on-lending agreement behalf of the Milco (Private) Limited with Hongkong and Shanghai Banking Limited (HSBC) for the borrowings of Euro 63.9mn from the aforesaid party under the following conditions.

- i. Repayment of principal, interest, commitment fee, structuring fee and other costs shall be made in Rupees to the Treasury of Government of Sri Lanka.
- ii. An amount equivalent to Euro 2,234,919 is payable up-front as (Eksport Kredit Fonden/Export Credit Fund) EKF Premium.
- iii. An amount equivalent to Euro 19,180,692.30 (30% of the contract value) has been paid to Desmi Contracting A/S by Milco (Pvt) Ltd as an advance payment in 2015 pursuant to the terms of contract
- iv. Over due chargers at 2% per annum, in the event of default of payments.

Milco (Private) Limited has not signed the subsidiary loan agreement with General Treasury to the Government of Sri Lanka as yet.

MILCO (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
AS AT 31ST DECEMBER, 2024

	As at 31st December, 2024 Rs.	As at 31st December, 2023 Rs.
14.2 Non-Interest Bearing Borrowings		
Long-Term Portion		
National Milk Board	2,108,063	2,108,063
	<u>2,108,063</u>	<u>2,108,063</u>
15 RETIREMENT BENEFIT OBLIGATION - GRATUITY		
Balance at the Beginning of the Year	764,118,281	664,633,454
Current Service Cost	39,684,449	29,464,070
Interest Cost	99,335,377	119,634,022
(Gain)/ Loss from Changes in Assumption	5,355,797	32,107,308
Payment Made During the Year	(81,032,292)	(81,720,572)
Balance at the End of the Year	<u>827,461,613</u>	<u>764,118,281</u>

Messrs. Actuarial & Management Consultants (Private) Limited Actuaries, carried out an actuarial valuation of the defined benefit plan gratuity using the projected unit credit method as at 31st December, 2024. Appropriate and compatible assumptions were used in determining the cost of retirement benefits.

The Principal Assumptions Used were as Follows:

Expected Salary Increment	10% p.a
Discount Rate	18.00% p.a
Staff Turnover Factor	5% p.a
Maximum Retirement Age	60 Years

Sensitivity of Assumptions Employed in Actuarial Valuation

The following table demonstrates the sensitivity to a reasonably possible change in the key assumptions employed with all other variables held constant in the employee benefits liability measurement.

The sensitivity of the statement of comprehensive income and statement of financial position is the effect of the assumed changes in discount rate and salary increment rate on the profit or loss and employment benefit obligation for the year.

Increase/ (Decrease) in Discount Rate	Increase/ (Decrease) in Salary Increment Rate	Effect on Change to Statement of Comprehensive Income Rs.	Effect on Employee Benefit Obligation Rs.
1%	*	54,148,509	773,313,104
-1%	*	(60,935,897)	888,397,510
**	1%	(65,880,804)	893,342,417
**	-1%	59,331,254	768,130,359

* Salary Increment Rate 10% for the Company

** Discount Rate 12.00%

MILCO (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
AS AT 31ST DECEMBER, 2024

	As at 31st December, 2024 Rs.	As at 31st December, 2023 Rs.
16 GOVERNMENT GRANT		
16.1		
Balance at the Beginning of the Year	60,463,044	90,000,260
Grant Received During the Year	11,886,564	0
Grant Recognized to the Statement of Comprehensive Income During the Year	(42,301,948)	(29,537,216)
Balance at the End of the Year	<u>30,047,661</u>	<u>60,463,044</u>
16.2 Deferred Government Grant		
Grant of Samanthurai	36,401	182,001
Grant of Thimilathive	45,000	225,000
Grant of Milk Cans	-	114,392
Grant of 14 Sales Outlets	168,750	243,750
Grant of LCRD	9,600,349	12,800,465
Govt Grants -Ministry - Milk chillers	1,200,000	52,776
Grants of Bottle Coolers under DESMI Project	13,387,500	36,337,500
Grant of Refrigerant Recovery Machine	354,411	474,411
Grants of Milk Analysers	5,255,250	10,032,750
	<u>30,047,661</u>	<u>60,463,044</u>
17 TRADE AND OTHER PAYABLES		
Trade Creditors	328,125,832	282,609,712
Expense Creditors	1,009,323,242	448,916,135
Other Payables	414,982,462	106,162,379
	<u>1,752,431,536</u>	<u>837,688,227</u>
18 BANK OVERDRAFTS		
Bank of Ceylon	1,747,193,271	1,530,454,595
People's Bank	46,174,012	22,705,290
	<u>1,793,367,283</u>	<u>1,553,159,885</u>

MILCO (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2024

	For the Year Ended 31st December, 2024 Rs.	For the Year Ended 31st December, 2023 Rs.
19 REVENUE		
Gross Sales	15,988,443,418	15,075,401,807
	<u>15,988,443,418</u>	<u>15,075,401,807</u>
20 OTHER INCOME		
Surcharges on Returned Cheques	3,197,293	5,284,457
Non Refundable Deposit	233,500	75,500
Non Refundable tender Deposit	243,000	436,000
Differed Income	42,301,948	29,537,216
Registration of Suppliers	4,635,000	3,629,000
Sundry Income	1,008,641	6,001,451
Exchange Gain	-	-
Fines & Surcharges	508,832	769,579
Rental Income	1,127,119	1,684,608
Sale of Unserviceable Items	2,340,961	1,185,768
Disposal gain	7,611	1,268,649
SSCL on Other Income	(77,923)	-
	<u>55,525,982</u>	<u>49,872,228</u>
21 FINANCE INCOME		
Interest on Call/Fixed Deposit - Local	20,793,049	43,217,366
Interest on Fixed Deposit - Foreign Currency (USD)	114,437,652	124,359,900
Interest on Staff Loans	8,305,275	7,665,693
	<u>143,535,976</u>	<u>175,242,958</u>
22 FINANCE COSTS		
Interest on Finance Lease	-	171,684
Interest on Loans	-	-
Interest on Bank Overdrafts	241,983,786	323,947,216
Exchange losses	144,857,174	111,126,964
	<u>386,840,960</u>	<u>435,245,864</u>

MILCO (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2024

23 INCOME TAX EXPENSES

Current Income Tax Provision

24.1

Deferred Tax Charge for the Year

14

As at
31st December,
2024

Rs.

As at
31st December,
2023

Rs.

23.1 Accounting Profit Before Taxation

Less: Income Considered Separately

Profit from Trade or Business

Less: Net allowable and Disallowable Expenses for Tax Purpose

Business (Loss)/Profit Applicable Taxation

Income Considered Separately

Exempt Other Income

Liable Other Income

Total Taxable income

C/F Losses transferred

Taxable income

Tax Rate

Provision for the Year (Tax on Adjusted Income)

(63,934,508)

(143,535,976)

(207,470,485)

465,470,882

258,000,398

114,437,652

29,098,324

287,098,722

(287,098,722)

30%

-

(469,384,394)

(175,242,958)

(644,627,352)

353,273,817

(291,353,535)

124,359,900

50,883,058

(240,470,477)

30%

-

24 EARNINGS/(LOSS) PER ORDINARY SHARE

Basic Earning Per Share is calculated by dividing the net profit/(loss) attributable to equity holders of the company by the weighted average number of ordinary shares in issue.

	2024	2023
	Rs.	Rs.
Net Profit/(loss) Attributable to Ordinary Shares	(69,290,306)	(501,491,702)
Weighted Average Number of Ordinary Share	848,848,824	848,848,824
	(0.08)	(0.59)

24.1 Diluted Earnings Per Share

There is no potentially diluted ordinary share of the company and as a result, the diluted earnings per share is the same as basic earnings (loss) per share as shown above.

MILCO (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
AS AT 31ST DECEMBER, 2024

25 UNRECOGNIZED CONTRACTUAL COMMITMENTS

There have been no capital commitments contracted but not provided for, or authorized by the board but not contracted for, outstanding as at the reporting date except as detailed below.

26 CONTINGENT LIABILITIES AND CONTINGENT ASSETS

26.1 Contingent Liabilities

There are no contingent liabilities as at the reporting date, except following.

01. Certain employees have filed cases in the labor Tribunal against the Company Claiming back wages, re-instatement ...etc. for arbitration and also fundamental rights against the company.

Since a reliable estimate of the amounts which will be resulting a future cash out flow can not be made and the out come is unknown, a provision had not been made in the accounts in respect of above contingencies.

02. Milco (Pvt) Ltd had contracted M/S Super Neat Technology (Pvt) Ltd for procurement of UPS (uninterrupted power supply) to Ambewela Milk Factory, for a consideration of Rs.94,906,281.25 in 2018. However, subsequently in 2019, the Board of Directors of Milco (Pvt) Ltd has decided to cancel the tender on the ground of inadequate funds to pay supplier and some flaws noted in the procurement process.

Following the above, the supplier, M/S Super Neat Technology (Pvt) Ltd filed a case against Milco (Pvt) Ltd in 2019 to recover the losses incurred by them due to cancelation of tender. Legal proceedings are in-progress as of the reporting date and no provision has been made in the financial statements as a reliable estimation can not be made on the same..

26.2 Contingent Assets

There are no contingent assets as at the reporting date.

27 RELATED PARTY DISCLOSURE

27.1 Substantial Shareholding and Ultimate Ownership

The company is a wholly owned government enterprise, which holds 100% ordinary shares of the company.

27.2 Key Management Personnel Information

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the company as well as its related parties, directly or indirectly, including any director (whether executive or otherwise) of the company.

The remuneration of directors and other members of key management during the year were as follows:

	For the Year Ended 31st December 2024	For the Year Ended 31st December 2023
Short-term employee benefits	2,748,167	3,645,549

27.3 Related Party Transactions

As per the declaration made by the directors of the company, there were no significant related party transactions taken place throughout the period which would require to be disclosed as per Sri Lanka Accounting Standards.

28 COMPARATIVE INFORMATION

Comparative figures have been re-classified where necessary in line with the presentation requirements for the current year.

MILCO (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
AS AT 31ST DECEMBER, 2024

29 ASSETS PLEDGED AS COLLATERALS

Following assets have been pledged as security against loans

Nature of Liabilities The Name of Bank	Loan / Facility Granted Rs.	Balance Outstanding As At 31.12.2024 Rs.	Balance Outstanding As At 31.12.2023 Rs.	Repayment	Assets Pledged
Bank Overdraft facility provided by Bank of Ceylon	1,200,000,000	(985,140,802)	(798,053,359)	On Demand	Fixed Deposits Amounting US\$ 4,635,977.95 of Bank of Ceylon.
Bank Overdraft facility provided by Bank of Ceylon	600,000,000	(600,000,000)	(600,000,000)	On Demand	Stock in trade movables and effect of the obligation including stocks of packing materials and finished goods and other moveable property lying in and upon or stored at No. 45, Nawala Road, Narahenpita in the district of Colombo, Western Province and present and or future book debts of the company.

MILCO (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
AS AT 31ST DECEMBER, 2024

30 EVENTS AFTER THE REPORTING DATE

There have been no material events that occurred between the reporting date and the date on which the financial statements were authorized for issue that require adjustments to, or disclosures in the Financial Statements.

31 FAIR VALUE OF FINANCIAL INSTRUMENTS

31.1 Fair Value of the Financial Instrument Carried at Amortized Cost

Set out below is a comparison, by class, of the carrying amounts and fair values of the company's financial instruments that are not carried at fair value in the financial statements. This table does not include the fair values of non-financial assets and liabilities.

	Carrying Amount Rs.	Fair Value Rs.
Financial Assets		
Financial Instrument - Amortised cost	1,336,691,522	1,336,691,522
Trade and Other Receivables	1,471,471,717	1,471,471,717
Cash and Cash Equivalents	78,899,464	78,899,464
Total Financial Assets	2,887,062,704	2,887,062,704
Financial Liabilities		
Trade and Other Payables	1,752,431,536	1,752,431,536
Interest Bearing Loans and Borrowings	(0)	(0)
Payable to the Treasury of Government of Sri Lanka	12,641,310,517	12,641,310,517
Bank Overdraft	1,793,367,283	1,793,367,283
Total Financial Liabilities	16,187,109,336	16,187,109,336

MILCO (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
AS AT 31ST DECEMBER, 2024

31.2 Fair Value of Financial Assets and Liabilities Not Carried at Fair Value

The following describes the methodologies and assumptions used to determine fair values for those financial instruments which are not recorded at fair value in the financial statements.

31.3 Assets for which fair Value Approximate Carrying Value

For the financial assets and financial liabilities that have a short-term maturity, it is assumed that the carrying amounts approximate their fair value. This assumption is also applied to demand deposits and call deposits without a specific maturity period.

32 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

32.1 Introduction

Risk is inherent in the company's activities, but is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the company's continuing profitability and each individual within the company is accountable for the risk exposures relating to his or her responsibilities.

Risk Management Framework

The Board of Directors has overall responsibility for the establishment and oversight of the company's risk management framework. The Board has delegated its authority to its key management personnel who are responsible for developing and monitoring company's risk management policies.

Principal Financial Instruments

The principal financial instruments used by the company, from which financial instrument risk arises, are as follows:

Instrument

- Trade Receivables
- Cash and Cash Equivalents
- Trade and Other Payables
- Bank Overdrafts
- Bank Loans

32.2 Credit Risk – Default Risk

Credit risk is risk arising due to the uncertainty in counterparty's ability to meet its obligations. The risk of loss of principal or loss of a financial reward stemming from a borrower's failure to repay a loan or otherwise meets a contractual obligation.

MILCO (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
AS AT 31ST DECEMBER, 2024

32.3 Liquidity Risk and Funding Management

Liquidity risk refers to the possibility of company not having sufficient cash to meet its payment obligations. This arises primarily due to mismatches in the maturity profile of company's assets and liabilities. Adequate liquidity is critical to meet the company's financial commitment and to accommodate additional funding needs of the growing business volumes.

The company's primary objective in liquidity risk management is to ensure adequate funding for its businesses throughout market cycles.

32.3.1 Analysis of Financial Assets and Liabilities by Remaining Contractual Maturities

Company	On Demand Rs.	Less than 2 Months Rs.	2 to 12 Months Rs.	1 to 5 Years Rs.	Over 5 Years Rs.	Total Rs.
Financial Instrument - Held to Maturity	-	-	1,336,691,522	-	-	1,336,691,522
Trade and Other Receivables	-	1,471,471,717	-	-	-	1,471,471,717
Cash and Cash Equivalents	78,899,464	-	-	-	-	78,899,464
Total Financial Assets	<u>78,899,464</u>	<u>1,471,471,717</u>	<u>1,336,691,522</u>	<u>-</u>	<u>-</u>	<u>2,887,062,704</u>
Financial Liabilities						
Trade and Other Payables	-	1,752,431,536	-	-	-	1,752,431,536
Interest Bearing Loans and Borrowings	-	(0)	-	-	-	(0)
Payable to the Treasury of Government of Sri Lanka	-	-	-	-	12,641,310,517	12,641,310,517
Bank Overdraft	1,793,367,283	-	-	-	-	1,793,367,283
Total Financial Liabilities	<u>1,793,367,283</u>	<u>1,752,431,536</u>	<u>-</u>	<u>-</u>	<u>12,641,310,517</u>	<u>16,187,109,336</u>
Total Net Financial Assets/ (Liabilities)	<u>(1,714,467,819)</u>	<u>(280,959,818)</u>	<u>1,336,691,522</u>	<u>-</u>	<u>(12,641,310,517)</u>	<u>(13,300,046,632)</u>

32.4 Interest Rate Risk

Interest rate risk is a key constitute of the market risk exposure of the company due to adverse and unanticipated movements in future interest rate which arises from core business activities; granting of credit facilities, accepting deposits and issuing debt instruments.

As of the reporting date, the company has no interest rate sensitive financial assets or financial liabilities.

MILCO (PRIVATE) LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31ST DECEMBER, 2024

		For the Year Ended 31st December, 2024 Rs.	For the Year Ended 31st December, 2023 Rs.
	Note		
Revenue		15,988,443,418	15,075,401,807
Cost of Sales	I	(14,063,701,221)	(13,551,223,100)
Gross Profit		1,924,742,197	1,524,178,706
Other Operating Income	II	55,525,982	49,872,228
		1,980,268,178	1,574,050,935
Administrative Expenses	III	(1,282,022,324)	(1,278,077,757)
Distribution Expenses	IV	(491,459,018)	(466,779,038)
Other Expenses	V	(27,416,361)	(38,575,628)
Profit/ (Loss) from Operations		179,370,475	(209,381,488)
Finance Income	VI	143,535,976	175,242,958
Finance Expenses	VII	(386,840,960)	(435,245,864)
Net Profit/ (Loss) Before Taxation		(63,934,508)	(469,384,394)
Income Tax Expenses		-	-
Net Profit/(Loss) for the Year after Taxation		(63,934,508)	(469,384,394)

MILCO (PVT) LTD
DETAIL NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2024

	For the Year Ended 31st December, 2024 Rs.	For the Year Ended 31st December, 2023 Rs.
I. COST OF SALES		
Cost of Purchase of Raw Milk	8,763,648,037	6,151,761,085
Chilling Cost	489,344,901	496,889,613
Development Cost	471,487,508	432,483,139
Bowser Cost	377,258,384	378,806,895
Cost of Other Raw Materials	2,156,546,565	2,589,773,895
Total Cost of Raw Materials	12,258,285,394	10,049,714,627
Cost of Packing Materials	1,350,944,928	1,970,004,496
Cost of Processing and Packing Labor	618,763,482	580,918,687
Prime Cost	14,227,993,805	12,600,637,810
Energy Cost		
Furnace Oil	649,659,228	655,293,258
Electricity	314,888,059	394,283,295
Diesel	27,603,519	28,173,952
Water	33,786,641	39,165,287
Other Energy Cost	180,427	251,144
Total Energy Cost	1,026,117,874	1,117,166,936
Other Consumables		
Lab Chemicals	16,936,067	15,715,332
Detergent & Cleaning Material	65,606,302	99,901,879
Wages and Staff Welfare of Factory Staff	535,075,208	518,251,290
Marginal Cost	15,871,729,256	14,351,673,248
Factory Overheads		
Depreciation of Plant and Machinery	360,596,601	365,026,332
Repairs and Maintenance of Plant and Machinery	226,891,767	229,171,973
Repairs and Maintenance of Buildings	4,107,415	6,769,626
Transport	432,600	558,975
Sundry production overheads	7,489	6,040
Insurance	33,895,135	21,052,299
Total Factory Overheads	625,931,007	622,585,246
Total Cost of Production	16,497,660,263	14,974,258,494
Net Stock/ Transfer Adjustments on Finish Goods	(2,433,959,042)	(1,423,035,394)
	14,063,701,221	13,551,223,100

MILCO (PVT) LTD
DETAIL NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2024

	For the Year Ended 31st December, 2024 Rs.	For the Year Ended 31st December, 2023 Rs.
II. OTHER INCOME		
Surcharges on Returned Cheques	3,197,293	5,284,457
Non Refundable Deposit	233,500	75,500
Non Refundable tender Deposit	243,000	436,000
Differed Income	42,301,948	29,537,216
Registration of Suppliers	4,635,000	3,629,000
Sundry Income	1,008,641	6,001,451
Exchange Gain	-	-
Fines & Surcharges	508,832	769,579
Rental Income	1,127,119	1,684,608
Sale of Unserviceable Items	2,340,961	1,185,768
Disposal gain	7,611	1,268,649
SSCL on Other Income	(77,923)	-
	<u>55,525,982</u>	<u>49,872,228</u>
III. PERSONNEL EXPENSES		
Staff Salaries	314,543,110	314,505,485
Staff Allowances	24,362,012	25,456,104
Contributions to Employees' Provident Fund	34,261,834	33,142,257
Contributions to Employees' Trust Fund	8,614,411	8,313,431
Provision for Defined Benefit Plans - Gratuity	33,629,536	35,545,987
Overtime	8,257,250	16,865,575
Staff Bonus	-	-
Casual Wages	11,953,123	11,385,793
Incentives	1,566,532	1,834,460
Leave Payment	1,144,996	1,102,628
Transport Allowance	5,385,047	6,512,955
Fuel Allowances	27,648,794	29,073,479
Staff Training	1,749,407	2,848,189
Medical expenses	2,126,162	2,392,669
Death Donation	505,100	463,500
Gift Vouchers	395,300	-
Staff Welfare	80,376,692	79,133,124
Mid day Meals Allowance	1,537,521	2,846,017
Field Allowance	57,300	18,900
Uniform	2,081,026	1,489,768
Telephone Allowances	270,000	261,167
Professional allowance	3,268,727	4,536,100
	<u>573,997,910</u>	<u>577,727,589</u>

MILCO (PVT) LTD DETAIL NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2024		For the Year Ended 31st December, 2024 Rs.	For the Year Ended 31st December, 2023 Rs.
III.I	ADMINISTRATION AND ESTABLISHMENT EXPENSES		
	Repairs and Maintenance	35,053,778	45,695,229
	Directors Expense	2,748,167	3,645,549
	Travelling	4,568,541	5,220,142
	Garden Maintains	25,211,667	19,248,477
	Bank Charges	7,094,697	6,208,191
	Bungalow Expenses	2,453,412	143,498
	Quality Control Expenses	2,907,760	1,754,792
	Depreciation on Property, Plant and Equipment	49,025,530	53,873,882
	Legal Charges	4,618,244	8,115,072
	Printing and Stationary	13,960,572	17,104,354
	Security Charges	60,918,840	67,592,594
	PEST control	2,557,210	1,343,850
	Sundry Expenses	352,639	876,771
	Electricity expenses	24,846,663	29,907,350
	Water expenses	1,615,535	1,588,398
	Rent & Rates	21,204,700	20,430,116
	Stamp Expenses	174,425	37,237
	Postage Expenses	578,002	460,196
	Advertisement	2,691,640	1,814,828
	News Papers & Periodicals	886,570	901,140
	Vehicle License	302,190	193,910
	Vehicle Hiring	4,792,029	7,106,561
	Accounting & Auditing expenses	3,574,442	3,914,546
	Consultancy Charges	1,938,040	3,026,712
	Insurance	36,792,177	19,172,956
	Fuel Expenses	39,344,701	41,439,854
	DESMI Project Expenses	10,349,421	11,252,474
	Telephones Expenses	6,347,944	5,713,481
	ESC - Write Off	-	-
	Entertainment Expenses	-	855,257
	Charity and donations	-	-
	Social Security Contribution Levy (SSCL)	339,614,767	320,297,738
	Internet and network chargers	383,744	746,014
	Vehicle tracking system maintenance fee	686,250	669,000
		<u>708,024,414</u>	<u>700,350,168</u>
	Total Administration Expenses	<u>1,282,022,324</u>	<u>1,278,077,757</u>

MILCO (PVT) LTD	For the Year	
DETAIL NOTES TO THE FINANCIAL STATEMENTS	Ended	For the Year Ended
FOR THE YEAR ENDED 31ST DECEMBER, 2024	31st December,	31st December,
	2024	2023
	Rs.	Rs.

IV. SELLING AND DISTRIBUTION EXPENSES

Advertisements and Sales Promotion	115,455,993	95,841,314
Sales division salaries	15,457,877	15,025,628
Transport Expenses	134,664,765	137,636,753
Sales Commission/Discount	51,540,697	48,510,689
Warehousing Chargers	972,308	1,050,187
OutLet Expense	136,776,397	144,792,535
Repair & Maintanance of Motor Vehicle	2,912,481	3,413,394
Repairs & Maintenance of Bottle Coolers	283,745	918,773
VAT reimbursement for Distributors	8,617,007	-
Bad and Doubt Full Debts	4,876,819	-
Fuel	8,800,983	6,380,650
Free issues and write off of Finish Goods	11,099,946	13,209,114
	<u>491,459,018</u>	<u>466,779,038</u>

V. OTHER EXPENSES

Stock write-off/free issue- Finish goods	6,215,623	35,223,778
Discarded Milk	10,039,208	2,874,225
Stock write-off- Raw & packing materials	5,893,549	-
Default Tax on Vat	5,058,800	-
Expenses on Kiri Sisilakaya project	209,182	477,625
	<u>27,416,361</u>	<u>38,575,628</u>

VI. FINANCE INCOME

Interest on call/fixed deposit	20,793,049	43,217,366
Interest on Fixed Deposit - Foreign Currency (USD)	114,437,652	124,359,900
Interest on Distress Loan	8,039,701	7,447,573
Interest on Motor Cycle Loan	265,574	218,120
	<u>143,535,976</u>	<u>175,242,958</u>

VII. FINANCE COSTS

Interest on Bank Overdrafts	241,983,786	323,947,216
Lease Interest	-	171,684
Exchange losses	144,857,174	111,126,964
	<u>386,840,960</u>	<u>435,245,864</u>