Gestetner
OF CEYLON PLC®
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21/22
ANNUAL REPORT

CONTENTS

GROUP HIGHLIGHTS

	2021/22	2020/21
Results for the year (Rs. Mn)		
Group revenue	**1,054**	833
Profit from operations	**56**	39
Profit / (Loss) before tax	**(13)**	18
Profit / (Loss) attributable to equity holders of the Company	**(8.2)**	14.5
As at 31st March		
Total Assets (Rs Mn)	**895**	676
Total Liabilities (Rs Mn)	**578**	351
Current Ratio (times)	**1.16**	1.29
Return on Equity (%)	**(2.6)**	4.5
Per share (Rs.)		
Earnings / (Loss) per share	**(3.59)**	4.96
Net asset value per share as at 31st March	**119.19**	122.29
Market price per share as at 31st March	**66.1**	85.0

CHAIRMAN'S REVIEW

I have pleasure, on behalf of the Board of Directors, to present you the Annual Report and Accounts of Gestetner of Ceylon PLC for the year ended 31st March 2022.

An Overview

The Group's turnover for the current financial year increased by 27% to Rs. 1,054.2 million from Rs. 832.5 million in the previous financial year. However, the Group recorded a loss of Rs. 9.5 million for the current financial year. The exchange loss of Rs.52 million attributable to the exorbitant devaluation of the Rupee was the main reason for the Group loss.

Dividends

The Directors are not proposing the payment of any dividends for the year under review.

Conclusion

My sincere thanks to the other Directors for support and assistance and to all the employees at all levels for their dedicated and committed service. I also wish to express my appreciation for the continued support from our shareholders, overseas principals, bankers, suppliers and other stakeholders.

S J M Anzsar FCA
Chairman

BOARD OF DIRECTORS

S J M ANZSAR
Chairman / Non - Executive Director

Mr. S J M Anzsar was appointed to the Board of Gestetner of Ceylon PLC on 07th January 1997 and as the Chairman on 12th December 1997.

He is a Chartered Accountant with a career span of over forty years that included Partnership at an international professional firm; senior management roles at a UK based conglomerate specializing in Africa. Since the mid-nineties he has been engaged in the private equity sector focusing in Africa and Sri Lanka.

L R WATAWALA
Non - Executive Director

Prof. L R Watawala was appointed to the Board of Gestetner of Ceylon PLC on 07th November 1996.

Prof. Watawala is a Fellow Member of the Institute of Chartered Accountants of Sri Lanka (FCA), Fellow of the Institute of Certified Management Accountants of Sri Lanka (FCMA), Fellow of the Chartered Institute of Management Accountants of UK (FCMA UK), Chartered Global Management Accountant (CGMA) and Fellow of the Institute of Chartered Professional Managers of Sri Lanka (FCPM).

He served his articles and as a Qualified Assistant at Turquand Youngs & Co. (Ernst & Young), was Chairman and Managing Director of the Ceylon Leather Products Corporation, Chairman and Managing Director of the State Mining & Mineral Development Corporation, Chairman of the People's Bank, Chairman of the People's Merchant Bank, Chairman and Director General of the Board of Investment of Sri Lanka (1991-1993) and (2005-2007), Advisor to the Ministry of Finance, Chairman of Pan Asia Bank Ltd, Director South Asia Informatics Computer Institute Ltd (Singapore), Director Richard Peiris PLC, Abans Electricals PLC and Chairman of the National Insurance Trust Fund.

He currently serves on the Company Directorates of, Lanka IOC PLC, Lake House Printers & Publishers PLC.

He is the President of the Institute of Certified Management Accountants of Sri Lanka (CMA), President Institute of Chartered Professional Managers of Sri Lanka (CPM), Past President of the Association of Management Development Institutes of South Asia (AMDISA), Past President of the Institute of Chartered Accountants of Sri Lanka and South Asian Federation of Accountants (SAFA), Founder President of the Association of Accounting Technicians of Sri Lanka (AAT) and Past President of the Organization of Professionals Association of Sri Lanka (OPA).

He was installed in the Hall of Fame of the Institute of Chartered Accountants of Sri Lanka. A proud receiver of the National Honours Sri Lanka Sikhamani conferred for distinguished services of a general nature by the President of Sri Lanka in 2019. Adjunct Professor Deakin Business School, Department of Accounting, Faculty of Business and Law at Deakin University Melbourne, Australia.

S A J GOONETILLEKE
Non - Executive Director

Ms. S A J Goonetilleke was appointed to the Board of Gestetner of Ceylon PLC on 01st October 1997.

Ms. Goonetilleke is a Fellow Member of Chartered Accountants of Sri Lanka, Fellow Member of Chartered Institute of Management. Accountants (UK) and holds an MBA from Postgraduate Institute of Management - Sri Jayewardenapura.

She started her career at Ernst & Young and then served in several companies such as Chemanex Ltd, GTE Directories (Pvt) Ltd and presently serves as a Director in Reditune Ceylon (Pvt) Ltd.

B C U PERERA
Non - Executive Director

Mr. B C U Perera was appointed to the Board of Gestetner of Ceylon PLC on 01st January 2014.

Mr. B C U Perera has over thirty years of commercial experience in senior management capacity. He joined the John Keells Group in 1992 seconded to John Keells Office Automation (Pvt) Limited and held the positions of Sales & Marketing Manager, Director Sales & Marketing, Director / General Manager and became the CEO / Vice President – John Keells Holdings in the year 2000.

In 2010 he moved from IT to take up a challenging career in the F & B Sector within the same group. Mr. B C U Perera was in charge of the beverage business where he held the position of Vice President John Keells Holdings / Head of Beverages until he resigned from the John Keels Group in December 2013. Ceylon Cold Stores a public quoted company which had operated for over one hundred forty years. After joining Gestetner of Ceylon PLC as its Managing Director in January 2014 he served until 5th January 2019 and stepped down from an operational role to continue serving the board as a non-executive Director.

KEKI WADIA
Non - Executive Director

Keki Wadia (commonly known as Kris Wadia) was appointed as a Non-Executive Director with effect from 13th August 2019.

He is a senior global executive with a proven track record of successful business launches, revenue growth, and corporate turnarounds at speed and scale. Kris has been a Partner at Accenture, the global technology consulting giant and President - Global Delivery Network at Quintiles, the world's largest clinical trials outsourcer.

He is a UK Chartered Certified Accountant (FCCA) who has authored five books on business subjects and been quoted in the Financial Times (UK), CNN and Bloomberg Business Week.

A R RASIAH
Alternate Director to S J M Anzsar

Mr. A R Rasiah was appointed as an alternate Director to Chairman, Mr. S J M Anzsar of Gestetner of Ceylon PLC from 13th August 2019.

Mr. Rasiah is a Fellow Member of the Institute of Chartered Accountants of Sri Lanka and finalist of Chartered Institute of Management Accountants (UK). He holds a Bachelor of Science Degree from University of Ceylon.

His illustrious career both in finance and commerce spans over thirty-five years. He started his career with Ernst and Young and later served at Mercantile Group of Companies and Almulla Group of Companies, Kuwait. Finally, he joined Nestle Lanka PLC as Director Finance in 1994 and was with the Group till his retirement in 2005. He was formerly, Chairman of Atlas Axillia (Pvt) Ltd, Chairman of the Sri Lanka Institute of Directors and Senior Director of Nations Trust Bank PLC. Currently Mr. Rasiah functions as the Chairman of Hela Apparel Holdings PLC and as a Non-Executive Director of several public and private companies. A keen sportsman who represented Sri Lanka at Table-Tennis.

MANAGEMENT DISCUSSION & ANALYSIS

MARKET

The office automation market remains a customer centric industry, hence the spending power of the individual or the organization plays a vital role in generating income.

Depreciation of Sri Lankan Rupee thus negatively affects the cost of our products and prices and thereby consumer demand. The disruption to economic activities due to the prevailing country situation & COVID-19 pandemic diminished our ability to generate revenue in the short term.

Evolving with technology, the Company has proved its revolutionary operational power in the local market with the introduction of many pioneering products. Our brand portfolio includes some of the top-notch global brands, such as Ricoh, Gestetner, BenQ, Fujitsu, Asus, Barco, G+D Currency Technology, Papercut, NCR, MYQ, TECNO and Docuware in addition to services provided by Nashua Lanka (Pvt) Ltd., Gestetner Printing Services (Pvt) Ltd. (Gestetner Outsource) and Fintek Managed Solutions (Pvt) Ltd under parent Company Gestetner of Ceylon PLC. Our core business products are of Japanese origin. While Ricoh retains one of the leading positions in global market share, Fujitsu occupies the top notebook brand slot in Japan, BenQ projectors are within the top three in terms of global market share and Tecno is a premium smartphone brand from Transsion Holdings. The Company also sells and rents equipment in addition to undertaking high quality digital printing.

While its products are represented in all provinces of Sri Lanka, Gestetner of Ceylon PLC, is also represents in the Maldives market and it has nearly 10,000 satisfied customers both here and in the Maldives.

The Company has industry experienced staff covering island wide sales and service, enjoys close partnerships with top corporate and Multinational spanning an extended period of time, while meeting their service demands for the uninterrupted operation of products, ensuring efficiency and productivity.

HISTORY

Gestetner has a history which dates back over five decades rich in inspiring growth. From that point forward, the brand has advanced in its item offering - from standalone products to comprehensive integrated solutions for the working environment. In a bid to reflect the vital role played by Gestetner in the workplace, a change was influenced to the brand's personality few years back. From that point forward, the brand has advanced in leaps and bounds, while catering to the ever-revolving needs of the market.

DEVELOPMENTS

The foundation to venture into new lines of business were established during the year under review, availing the company to kick start the next financial year with an ever-broader product portfolio.

Installing first Ricoh Production Printer (PP) machine by the Company is a significant milestone achieved within the financial year. Company managed to import and install few such high-end PP machines ensuring high quality output to end users which have already been admired by well-established printing industry giants who started using Ricoh PP machines.

The 'ServVista' – Company post sales monitoring system was migrated to web-based application which provides tremendous contribution facilitating for fast access to company existing customers. The 'ServVista' is one of the comprehensive system developed internally enhancing the solution product line of the Company.

'Gestetner-Telkom' is the most recently formed Division of Gestetner of Ceylon PLC in its telco sub-sector. It holds distributorship rights for TECNO Mobile devices in Sri Lanka. TECNO Mobile is one of the world's fastest-growing smartphone brands and is listed among the top 10 popular mobile brands. It also holds a captive market position in Africa & South Asian Regions in smartphones and accessories.

The distributorship was obtained from Transsion Holdings with Tecno's captive market position in the smartphone and Accessories industry. This Division operates through strategically located regional distributors. Gestetner-Telkom is a Licensed Importer and Distributor of Mobile Phones and an authorized reseller of Tecno Mobile Accessories.

ECONOMIC OUTLOOK

The Sri Lankan economy rebounded in Calendar year 2021 recording a 3.7 percent growth in GDP driven by a revival in economic activity and a gradual easing of pandemic related challenges, compared to the 3.6 percent contraction recorded in Calendar Year 2020.

The successful vaccination drive, favorable weather conditions and accommodative policy stimuli contributed to a recovery in consumption and spending, although challenges on the external financing position and related foreign exchange liquidity challenges, together with inflationary stresses, exerted pressures on the economy.

However, inflation combined with rupee depreciation led to reduced liquidity in the market in the latter part of the year. The enormous challenges encountered by the Sri Lankan economy in 2021 were efficaciously addressed through extraordinary policy interventions by the Government and the Central Bank.

INFLATION

Headline inflation measured by the year-on-year (YoY) change in the National Consumer Price Index settled at 21.50% in March 2022 (5.10% in March 2021). General price levels, as established through headline and core inflation, continued largely stable in the first half of CY2021. However, price levels in the second half of CY2021 recorded a steep increase primarily driven by global and domestic supply side pressures, notable increases in global commodity prices and the impact of the lack of liquidity in the foreign exchange market which resulted in an inflationary impact on imported items.

FINANCIAL REVIEW

While the economic environment was not at all conducive to this business segment, against this prevailing back drop the company steered its course, while paving the way for new business lines to also be incorporated into their existing portfolio. The turnover of the Group saw an increase, ending the year at Rs. 1,054.3 million as opposed to the previous year's Rs. 832.5 million while profit / (Loss) after tax at the year-end is amounting to Rs. (9.54) million. The exchange loss recorded against the main trade creditor had a significant impact on financials. The operating results of both Group and Company had a considerable growth compared with the previous year. However, Group ended up with a negative bottom line and Company at a marginal profit due to the massive exchange loss of Rs.52 million (Group) and Rs.39 million (Company). In advance measures taken since end CY 2021 to mitigate any adverse financial impact by estimating any anticipated exchange rate fluctuations were not sufficient at all to meet the sudden impact on LKR depreciation due to government decision to free-float LKR in early March 2022.

The Groups total asset base was Rs. 895 million by end of the year, comprising of non-current assets of Rs. 267.9 million and current assets of Rs. 627 million. The current ratio for the year under review increased to 1.16 (times) from the previous year's 1.29 (times). The Group always continues to maintain a sound asset base to match its liabilities.

HUMAN CAPITAL

The organization has infused a highly talented work team with the intention of taking the organization to that next level. We have tapped into the best sourcing techniques hence attracting and acquiring the best talent from the industry through a careful selection process while up keeping the existing cultural dimensions. Efforts will be made to align job roles, skills, develop performance which will be aligned with reward system, hence cultivating a performance-based work environment.

We have provided an environment to work and progress by accepting responsibility and accountability in what they do. By developing a culture where everyone is respected.

We have given well directed job descriptions and job objectives to our staff members.

Periodic reviews such as monthly reviews which target the revenue generating teams and biannually and annually reviews which target all staff members are conducted to monitor and realign the performance. All staff members are rewarded based on performance.

With effects of Covid 19 pandemic, the Group has taken stringent health and safety processes in line with best practices recommended by health authorities to protect Group staff. The standard guidelines shared by the government were introduced to protect employees.
Also, the Group facilitates office staff to work from home with secure access to operating systems while ensuring the operations are in compliance with the internal controls of the Group.

The Group migrated to a new HRIS - Gallery ERP within the financial year, facilitating staff easy access and providing more flexibility to interact with Company on HR requirements.

SUSTAINABILITY

We continue our commitment towards socioeconomic development of those societies where our business presence is. In the year under review, we furthered our collaborative efforts with local communities and partner organizations, directly engaging in sustainable, participatory development initiatives from the grassroots level. We believe it is the youth that is the key driving force behind the development of a nation, therefore our efforts are geared towards developing capabilities and enhancing access to education, particularly for youth of marginalized communities in our areas of business operation.

CORPORATE GOVERNANCE

We have in place an internal governance structure with defined roles and responsibilities. Through this structure, the Board balances its role of providing oversight and guidance to the management in strategy implementation, risk management including the risk mitigation due to impact of significant foreign currency fluctuation, prevailing economic crisis in the country and meeting stakeholder expectations. The governance structure provides for delegation of authority whilst enabling the Board to retain effective control. The Board delegates authority to relevant Board committees and to the management with clearly defined mandates and authorities.

The Board operates on the firm belief that sound governance practices are fundamental to earn stakeholder trust which is critical to sustaining performance and enhancing shareholder value.

The Board perceives its role not only to ensure that the Company succeeds well beyond their term, but that it can prosper through economic cycles and changing market conditions and is sustainable into the future.

FUTURE

Prevailing economic crisis in the country has resulted in short-term uncertainty in the market. The country situation is volatile at present. In this context, we anticipate that the current economic challenges will persist for another short period of time, followed by a gradual recovery in the medium-term. The country's current shortage of foreign currency will continue until the government completes and implements economic reforms.

Based on the optimistic view of the Government to contain the economic crisis in the country while continuing to carry out ongoing businesses of all business sectors, the Board of Directors of the Group is of the view that the Group can reasonably operate during this challenging period.

The marketing strategies of the Group continue to be refined and updated according to changing consumer demands and Group will increase its focus on customer retention and satisfaction continuously. The Company website is in the process of revamping, facilitating customers with online purchasing.

The Group is positive on a sustainable growth considering the expansion of Production Printer business and Gestetner Telkom which was started recently. Marketing solution products also will add value to enhance the Group’s existing operation. Additionally, the Group is presently formulating strategies to expand the Maldives market.

CORPORATE GOVERNANCE

The policy of the Company is to manage its affairs in accordance with appropriate standards for good Corporate Governance. Implementation of policy and strategy is done in a framework that requires compliance with existing laws and regulations as well as establishing best practices in dealing with employees, customers, suppliers and the community.

The Company currently complies with the requirements set out in the Code of Best Practices for Corporate Governance issued by the Institute of Chartered Accountants of Sri Lanka and the Rules on Corporate Governance contained in the Listing Rules of the Colombo Stock Exchange.

BOARD OF DIRECTORS

The Board consists of Five Non-Executive Directors including the Chairman, Mr. S J M Anzsar. The other Non-Executive Directors are Messrs. L R Watawala (Deputy Chairman), Ms. S A J Goonetilleka, B C U Perera and Keki Wadia. Mr. A R Rasiah who is the Alternate Director to the Chairman is a Non-Executive Director. A brief description of each of the Directors is set out from pages 03 to 04.

The Board meets regularly to take decisions effectively and ensure that the operations of the Group are satisfactorily carried out and special Board Meetings are also held whenever necessary. In the year under review four (04) meetings were held and Directors' attendance thereat was as follows:

Name of Director	Meeting Attendance
Mr. S J M Anzsar Chairman	3/4
Mr. L R Watawala Deputy Chairman	4/4
Mr. B C U Perera	4/4
Mr. D M R Phillips (Resigned with effect from 31st December 2021)	0/4
Ms. S A J Goonetillke	0/4
Mr. M Hamza (Resigned with effect from 30th June 2021)	1/4
Mr. K M Wadia	4/4
Mr. A R Rasiah (Alternate Director to Chairman)	1/4

Compliance with Rules of Corporate Governance

Subject	Requirement	Extent of Compliance
Non – Executive Directors	At least two or one third of the Directors, whichever is higher, should be Non-Executive Directors.	All Directors are Non- Executive Directors.
Independent Directors	Two or one-third of Non-Executive Directors, whichever is higher, should be independent.	Mr. Keki Wadia and Mr. B C U Perera are Non-Executive Independent Directors. All the other Non-Executive Directors have served on the Board continuously for over nine years and, the Board having taken into consideration all relevant circumstances, is of the opinion that the said Directors are independent since all other criteria for defining "independence" set out in the Listing Rules of the Colombo Stock Exchange have been satisfied.

The Non - Executive Directors of the Company have submitted declarations pertaining to their independence/non- independence as required by Listing Rules of the Colombo Stock Exchange.

APPOINTMENTS

At each Annual General Meeting one third of the Directors for the time being retire from office. The Directors to retire at each Annual General Meeting are those who being subject to retirement by rotation, have been longest in office since their last election. A retiring Director is eligible for re - election.

RESPONSIBILITY OF THE BOARD

The Company's business and Group operations are managed under the supervision of the Board and include:

- Providing entrepreneurial leadership to the Company.
- Evaluating, reviewing and approving corporate strategy and Performance.
- Approving and monitoring financial reporting of the Company.
- Recommending the appointments and fee of the External Auditor.
- Ensuring compliance with all relevant laws, regulations and codes of business practice.

FINANCIAL REPORTING

The Company makes available all the financial reports to shareholders in a timely manner, providing information as per the Colombo Stock Exchange requirements and prepares the Financial Statements as per Sri Lanka Accounting Standards (LKASs/SLFRSs) and guidelines issued by the Sri Lanka Institute of Chartered Accountants.

Adequate internal control systems are in place to ensure compliance with regulatory requirements.

BOARD AUDIT COMMITTEE

The Board Audit Committee consists of three Non - Executive Directors, namely Prof L R Watawala (Chairman), Ms. S A J Goonetilleke and Mr. B C U Perera.

Mr. M Hamza ceased to be a member of the Board Audit Committee pursuant to his resignation as a director of the company with effect from 30th June 2021 who was replaced by Mr. B C U Perera with effect from 12th August 2021.

The Committee examines any matters relating to the financial affairs of the Company, compliance with accounting standards and laws as well as internal control policies and procedures. The Committee is also responsible for the consideration and appointment of External Auditor, the maintenance of a professional relationship with them and reviewing Accounting Principles, Policies and Practices adopted in the preparation of public financial information.

The Audit Committee held four (04) meetings during the financial year ended 31st March 2022. The detailed Report of the Audit Committee is given on page 11 of the Annual Report.

Compliance with Rules of Corporate Governance

Subject	Requirement	Extent of Compliance
Composition	Should comprise of Non-Executive Directors majority of whom shall be Independent.	All Members are Non-Executive Directors, Mr. B C U Perera is an independent Non-Executive Director. Other members are not independent however the Board is of the opinion that such Directors are "independent" having taken into consideration all the circumstances relating thereto.
Chairman	One Non- Executive Director should be appointed as the Chairman.	This requirement has been complied with.
Membership in a recognized Accounting Body	The Chairman or one Member should be a Member of a recognized Accounting Body.	Two Members of the Committee are Members of the Institute of Chartered Accountants of Sri Lanka.

REMUNERATION COMMITTEE

The Remuneration Committee consists of three Non-Executive Directors, namely Prof L R Watawala (Chairman), Ms. S A J Goonetilleke and Mr. B C U Perera.

Mr. M Hamza ceased to be a member of the Remuneration Committee pursuant to his resignation as a director of the company with effect from 30th June 2021 who was replaced by Mr. B C U Perera with effect from 12th August 2021.

The Remuneration Committee reviews the performance of the Group Chief Executive and recommends appropriate remuneration benefits and other payments based on the remuneration policy of the Company, which has been formulated on market and industry factors and performance.

The Committee also approves the remuneration of the members of the Senior Management Committee on the recommendations made by the Group Chief Executive.

The proceedings of the Committee are reported to the Board of Directors who will in turn make the final determination based on the recommendations of the Committee.

All Non-Executive Directors receive a fee for serving on the Board and serving on sub-committees. They do not receive any performance related incentive payments. The Directors' emoluments are disclosed in note 08 on page 46.

The Committee meets as and when the need arises. The Remuneration Committee met once during the year ended 31st March 2022 and Directors' attendance thereat was as follows :

Name of Director	Category	Meeting Attendance
L R Watawala (Chairman)	Deputy Chairman - Director	1/1
S A J Goonetilleke	Director	0/1
B C U Perera	Director	1/1

Compliance with Rule of Corporate Governance

Subject	Requirement	Extent of Compliance
Composition	Should comprise of Non-Executive Directors majority of whom shall be Independent.	All Members are Non-Executive Directors, Mr. B C U Perera is an independent Non-Executive Director. Other members are not independent however the Board is of the opinion that such Directors are "independent" having taken into consideration all the circumstances relating thereto.

SENIOR MANAGEMENT

Senior Management meets regularly with Departmental Heads to review progress, discuss and resolve issues concerning the operations of the Company as well as to compare performance with budget and management information that contains explanations for any variances and recommendations.

REPORT OF THE BOARD AUDIT COMMITTEE

The Audit Committee is responsible to the Shareholders and other stakeholders regarding the integrity of the Company's Financial Reporting Process in accordance with Sri Lanka Accounting Standards and other legislations. The Audit Committee also ensures the Company's internal control and procedures and compliance with legal regulatory requirements.

COMPOSITION OF AUDIT COMMITTEE

The Board Audit Committee consists of three Non - Executive Directors, namely Prof L R Watawala (Chairman), Ms. S A J Goonetilleke and Mr. B C U Perera. All Directors are individuals with extensive experience and expertise in the fields of Finance, Corporate Management and Marketing. The qualifications of the Directors are given from pages 03 to 04 of the Annual Report.

Mr. M Hamza ceased to be a member of the Board Audit Committee pursuant to his resignation as a Director of the company with effect from 30th June 2021 who was replaced by Mr. B C U Perera with effect from 12th August 2021.

MEETINGS OF THE AUDIT COMMITTEE

During the year there were four (04) meetings and attendance of the members were as follows.

Name of Director	Category	Meeting Attendance
L R Watawala (Chairman)	Deputy Chairman	4/4
S A J Goonetilleke	Director	0/4
B C U Perera	Director	4/4

GM Finance & Operations, attend these meetings by invitation.

TERMS OF REFERENCE

The terms of reference clearly define the role, responsibilities and powers of the Audit Committee and ensures that the composition and the activities of the Audit Committee are in line with International Best Practices and Corporate Governance Rules applicable to listed companies.

SUMMARY OF ACTIVITIES DURING THE FINANCIAL YEAR

The main responsibilities of the Audit Committee.

- Reviewing and monitoring the integrity of the Financial Statements.
- Reviewing the Management Letter of External Auditor and Management Response.
- Reviewing the progress of management actions to resolve highlighted significant internal controls issued by External Auditors.
- Reviewing Interim Financial Statements for purpose of quarterly announcement of financial results.
- Reviewing of Business Risk and Mitigation Plans.
- Reviewing and monitoring compliance with Companies Act No 07 of 2007.
- Reviewing and monitoring the effectiveness of the Internal Controls.
- Reviewing and monitoring Statutory and Regulatory Compliance Processes.

EXTERNAL AUDITOR

The Audit Committee evaluates the external audit functions and establishes the independence and objectivity of the external audit functions. The Audit Committee has recommended to the Board that Messrs. BDO Partners, Chartered Accountants be reappointed as External Auditors of Gestetner of Ceylon PLC for the financial year ending 31st March 2023, subject to approval by the Shareholders at the Annual General Meeting.

L R WATAWALA
CHAIRMAN
AUDIT COMMITTEE

RELATED PARTY TRANSACTIONS REVIEW COMMITTEE REPORT

The Board established the Related Party Transactions Review Committee in terms of the code of best practice on related party transactions issued by the Securities and Exchange Commission of Sri Lanka and the Section 9 of the Listing Rules of the Colombo Stock Exchange (CSE). The primary purpose of the Committee is to evaluate and consider all transactions with related parties of the Group, in order to ensure that related parties are treated on par with other shareholders and constituents of the Group.

As per the Section 9.2.2 of the Listing Rule of Colombo Stock Exchange, the Related Party Transactions Review Committee should comprise of a combination of three non-Executive and Independent Directors. Accordingly, the Related Party Transactions Review Committee of the Company comprises of three Non-Executive Directors, namely, Mr. L R Watawala (Chairman), Ms. S A J Goonetilleke and Mr. B C U Perera. Mr. B C U Perera is an independent director. The other directors are not independent and Board is of the opinion that such Directors are "independent" having taken into consideration all relevant circumstances pertaining thereto.

Mr. M Hamza ceased to be a member of the Related Party Transactions Review Committee pursuant to his resignation as a director of the company with effect from 30th June 2021 who was replaced by Mr. B C U Perera with effect from 12th August 2021.

During the year committee held four (04) meetings.

Name of Director	Category	Meeting Attendance
L R Watawala (Chairman)	Deputy Chairman	4/4
S A J Goonetilleke	Director	0/4
B C U Perera	Director	4/4

Scope of the Committee :

- Reviewing in advance all proposed Related Party Transactions of the Group.
- Adopting policies and procedures to review Related Party Transactions of the Group and reviewing and overseeing existing policies and procedures.
- Determining whether Related Party Transactions that are to be entered into by the Group require the approval of the Board or Shareholders of the Group.
- If Related Party Transactions are ongoing (Recurrent Related Party Transactions) the Committee establishes guidelines for senior management to follow in its ongoing dealings with the relevant related party.
- Ensuring that no Director of the Group shall participate in any discussion of a proposed Related Party Transaction for which he or she is a related party, unless such Director is requested to do so by the Committee for the express purpose of providing information concerning the Related Party Transaction to the Committee.

- If there is any potential conflict in any Related Party Transaction, the Committee may recommend the creation of a special committee to review and approve the proposed Related Party Transaction.

- Ensuring that immediate market disclosures and disclosures in the Annual Report as required by the applicable rules/ regulations are made in a timely and detailed manner.

The Committee is entrusted with evaluating and considering all transactions with related parties of the Group except the exempted transactions as per the Listing Rules of the CSE in order to ensure the related parties are treated on par with other shareholders and constituents of the Group and related party transactions are evaluated according to the applicable rules and regulations. To this end the Committee shall ensure that necessary processes are in place to identify, approve, disclose and monitor Related Party Transactions according to the provisions contained in the Related Party Transactions Policy pertaining to the Group and its subsidiaries.

- The Committee is required to carry out the aforementioned approval of the related parties and Related Party Transactions in line with the regulations issued by the Colombo Stock Exchange and Securities and Exchange Commission of Sri Lanka.
- During the year under review, the committee reviewed and pre-approved all proposed Related Party Transactions. The activities and views of the Committee, have been communicated to the Board of Directors quarterly.

- There were no Recurrent or Non-Recurrent Related Party Transactions that exceeded the respective thresholds mentioned in the Listing Rules of the Colombo Stock Exchange requiring disclosure in the Annual Report other than below:
  The Company sold 715,936 (Seven Hundred and Fifteen Thousand Nine Hundred and Thirty-Six) ordinary shares, being the total shareholding of the Company in Vauxhall Beira Properties (Pvt) Limited (VBPL), at Rs. 65.70 per shares and for a total consideration of Rupees forty seven million thirty six thousand nine hundred and ninety five (Rs.47,036,995/-).

- Name of the Related Party - Vauxhall Beira Properties (Pvt) Limited.
- Relationship - Other related company as common directors.
- Value of the Related Party Transaction entered into during the financial year - Rs.47,036,995/-
- Value of Related Party Transaction is 15.7 % of Equity and 8% of Total Assets.
- Terms and Conditions of the Related Party Transaction - The transaction was carried out on arm's length basis.
- The rationale for entering into the transaction – Sale of shares held by the Company in VBPL.

- Details of other Related Party Transactions entered into by the Group during the financial year is disclosed in note 30 to the financial statements.

L R WATAWALA
CHAIRMAN
RELATED PARTY TRANSACTIONS REVIEW COMMITTEE

ANNUAL REPORT OF THE BOARD OF DIRECTORS

The Board of Directors of Gestetner of Ceylon PLC is pleased to present the Annual Report together with the Audited Financial Statements of Gestetner of Ceylon PLC and the Audited Consolidated Financial Statements of the Group for the year ended 31st March 2022.

This report contains information required by Section 168 of the Companies Act No.07 of 2007 and other necessary information required by the Listing Rules of Colombo Stock Exchange.

PRINCIPAL ACTIVITIES OF THE GROUP

The core business of the Company is the import and sale of Digital Copiers, Digital Duplicators, Duplicators, Laser Printers, Projectors, Laptops and Mobile phones.

Nashua Lanka (Pvt) Limited, which is a fully owned subsidiary of the Company, imports and markets Copiers, Consumables.

Gestetner Printing Services (Pvt) Limited, which is also a fully owned subsidiary of the Company is engaged in the provision of Outsourced Photocopying / Printing Services and also IT Solutions.

Fintek Managed Solutions (Pvt) Limited, which is a fully owned subsidiary of the Company is engaged in Importing and selling of Digital Copiers, laser printers, Air conditioners, provision of Outsourced Photocopying and providing after sales services including services for G & D machines.

Gestetner Manufacturers (Pvt) Limited, the other fully owned subsidiary of the Company was engaged in manufacturing ink and currently it is not operating.

CHANGES TO THE NATURE OF THE BUSINESS

There were no changes to the principal activities of the Company during the financial year ended 31st March 2022.

TURNOVER ANALYSIS

The turnover of the Group for the year Rs. 1,054,284,432/ (2021/22 - Rs. 832,530,978/-) analyzed among the group is as follows.

Description	2021/2022 Rs.	2020/2021 Rs.
Gestetner of Ceylon PLC	782,782,651	624,248,371
Subsidiaries	272,565,872	212,719,173
	1,055,348,524	**836,967,544**
Less: Intra Group Sales	(1,064,092)	(4,436,566)
Group Revenue	**1,054,284,432**	**832,530,978**
RESULTS AND APPROPRIATIONS		
Gross Profit	326,565,192	263,440,622
Other Income	13,654,234	9,256,017
Administrative Expenses	(188,822,063)	(159,953,951)
Selling & Distribution Expenses	(88,111,263)	(65,313,793)
Impairment (Charge) / Reversal of Trade Receivables	(785,648)	1,663,236
Other Operating Expenses	(6,284,690)	(10,061,421)
Net Finance Cost	(69,599,297)	(21,293,833)
Profit / (Loss) Before Tax	**(13,383,535)**	**17,736,877**
Income Tax Reversal / (Expense)	3,841,675	(4,544,317)
Profit / (Loss) for the Year	**(9,541,860)**	**13,192,560**
Other Comprehensive Income for the Year, net of Tax	1,301,359	1,299,625
Accumulated Profit B/F	228,050,850	213,558,663
Profit Available for Appropriation	**219,810,349**	**228,050,850**
Earnings Per Share	**(3.59)**	**4.96**

FINANCIAL STATEMENTS

The Financial Statements of the Group and the Company are set out from pages 25 to 66 of the Annual Report.

DIRECTORATE

The Board of Directors of the Company as at date is set out in "Corporate Information". The Directors of the Company who held office during the year under review and changes thereto are indicated below.

Seyed Jemaldeen Muhammed Anzsar	Chairman
Lakshman Ravendra Watawala	Deputy Chairman
Sita Anne Juliana Goonetilleke	
Bulathsinghalage Chandima Upul Perera	
Keki Wadia	
Albert Rasakantha Rasiah	Alternate Director to Chairman
Dinal Mario Rex Phillips	Resigned with effect from 31st December 2021
Muhammed Hamza Muhammed	Resigned with effect from 30th June 2021

In terms of Article 85 of the Articles of Association Mr. Seyed Jemaldeen Muhammed Anzsar, retires by rotation and being eligible is recommended by the Board for re-election.

Mr. Lakshman Ravendra Watawala who is over 70 years of age, vacates his office in terms of the provisions of Section 210 of the Companies Act, No. 7 of 2007.

Notice is given by the Company to its Shareholders of the intention to move an Ordinary Resolution for the re-appointment of Mr. Watawala as a Director of the Company, in terms of the provisions of Section 211 of the Companies Act, No. 7 of 2007 and is referred to in the Notice convening the Annual General Meeting.

Mr. Albert Rasakantha Rasiah, Alternate Director to Mr. S J M Anzsar, Chairman, who is over 70 years of age, vacates his office in terms of the provisions of Section 210 of the Companies Act, No. 7 of 2007.

Notice is given by the Company to its Shareholders of the intention to move an Ordinary Resolution for the re-appointment of Mr. Rasiah as a Director of the Company, in terms of the provisions of Section 211 of the Companies Act, No. 7 of 2007 and is referred to in the Notice convening the Annual General Meeting.

The qualifications and experience of the Directors are given from pages 03 to 04 of the Annual Report.

DIRECTORS' INTEREST IN CONTRACTS

The Company maintains an Interest Register in compliance with the requirements of the Companies Act No 7 of 2007. Directors' Interest in Contracts are disclosed under related party transactions in Note 30 to the Financial Statements.

DIRECTORS' SHAREHOLDINGS

Shareholdings of Directors of the Company are as follows:

Name of the Directors	As at 31.03.2022	As at 31.03.2021
Mr. S J M Anzsar	66,070	66,070
Mr. L R Watawala	1,892	262
Ms. S A J Goonetilleke (Mrs. S A J De Fonseka)	179,139	179,139
Mr. B C U Perera	Nil	246,501
Mr. K Wadia	Nil	Nil
Mr. A R Rasiah	35,385	35,385

The public shareholding of the Company is 1,193,091 shares which amounts to 44.89% of the issued capital and the number of public shareholders of the company is 745 as at 31st March 2022.

The applicable option under CSE Rule 7.13.1 on minimum public holding is option 5 and the Float Adjusted Market Capitalization as of 31.03.2022 is Rs. 78,863,368.

BOARD SUB - COMMITTEES

The following Board Sub-Committees have been established by the Company:

Audit Committee	Remuneration Committee	Related Party Transactions Review Committee
Prof L R Watawala Chairman	Prof L R Watawala Chairman	Prof L R Watawala Chairman
Ms. S A J Goonetilleke	Ms. S A J Goonetilleke	Ms. S A J Goonetilleke
Mr. B C U Perera	Mr. B C U Perera	Mr. B C U Perera

Mr. M Hamza ceased to be a member of Board Sub Committees pursuant his resignation as a Director of the Company with effect from 30th June 2021.

Mr. B C U Perera was appointed as a member of Board Sub Committees on 12th August 2021.

DIRECTORS' FEES AND EMOLUMENTS

Directors' Fees and Emoluments were not paid during the financial year ended 31st March 2022.

TWENTY MAJOR SHAREHOLDERS

The total shareholder base of the company as at 31st March 2022 is 750 and the twenty (20) Major Shareholders of the Company as at the said date are indicated below :

	Shareholder	No. of Shares	%
01	Gestetner (Eastern) Ltd	1,240,195	46.66%
02	Mrs. C. S. De Fonseka	211,151	7.94%
03	Seylan Bank PLC/Senthilverl Holdings (Pvt) Ltd	199,160	7.49%
04	Dr T Senthilverl	194,170	7.31%
05	Mrs. S. A. J. De Fonseka	179,139	6.74%
	(Ms. S. A. J. Goonetilleke)		
06	Mr. S. J. M. Anzsar	58,195	2.19%
07	Mr. A. R. Rasiah	35,385	1.33%
08	Mr. N S R Sivaruban	30,000	1.33%
09	Mr. M.H. Nassim Hussain	24,544	0.92%
10	Dr. H. S. D. Soysa	20,626	0.78%
11	People's Leasing & Finance / Mr. S. Gobinath	19,000	0.71%
12	Mr. M. N. Mohideen	18,378	0.69%
13	Miss D. Sivaprakasapillai	17,500	0.66%
14	Mr. J. N. Phillips	16,199	0.61%
15	Mr. M. A. T. Raaymakers	12,552	0.47%
16	LOLC Finance PLC/S.L. Boralessa	12,400	0.47%
17	Est. of Mr. A.A.N de Fonseka	12,100	0.46%
18	Mr. M.M.A. Ameen	11,700	0.44%
19	Mr. A. Sithampalam	10,989	0.41%
20	Mr. D.M.R. Phillips	10,500	0.40%

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Directors are responsible for preparing and presenting the Financial Statements as set out on page 18. The Financial Statements have been prepared in conformity with the Sri Lanka Accounting Standards as laid down by the Institute of Chartered Accountants of Sri Lanka, Companies Act No. 7 of 2007 and the Listing Rules of the Colombo Stock Exchange.

ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the Financial Statements are given on pages 29 to 45 and these accounting policies have been consistently applied to all the years presented in these Financial Statements. Except for the changes set out in Note 3.1 of Notes to the Financial Statements, there were no changes in the accounting policies adopted by the Company during the year under review.

PROPERTY, PLANT AND EQUIPMENT

Details of the movement in the Property, Plant and Equipment of the Group and the Company are given in Notes 11 and 12 to the Financial Statements. The carrying value of Property, Plant and Equipment does not significantly differ from market value.

STATED CAPITAL

Three hundred & seventy-nine thousand six hundred & eighty-seven (379,687) Shares were Issued by way of a Rights Issue on 24th April 2015 in the Proportion of One (1) Share for every Six (6) Shares held.

The current stated capital of the Company is Rs.91,965,565/- comprising of 2,657,812 Ordinary Shares.

PROVISION FOR TAXATION

Provision for Taxation has been computed at the rates given in Note 09 to the Financial Statements.

STATUTORY PAYMENTS

The Directors to the best of their knowledge and belief are satisfied that all statutory payments in relation to the Government and the Employees have been made to date.

CORPORATE GOVERNANCE

A description of the Company's Corporate Governance practices is set out from pages 08 to 13.

DETAILS OF MATERIAL ISSUES PERTAINING TO THE EMPLOYEES & INDUSTRIAL RELATIONS OFTHE ENTITY

During the year under review there were no material issues pertaining to employees & industrial relations other than those disclosed in note 33 to the financial statements found on page 64.

RELATED PARTY TRANSACTIONS

The Company's transactions with Related parties, as detailed in Note 30 to the Financial Statements, have complied with Colombo Stock Exchange Listing Rules Section 9 and Code of Best Practices on Related Party Transactions under the Securities Exchange Commission Directive issued under Section 13 (c) of the Securities Exchange Commission Act as declared by the Board of Directors. The Related party transaction review committee report is set out from pages 12 to 13.

GOING CONCERN

The Board of Directors is satisfied that the Group has adequate resources to continue its operation in the foreseeable future. Accordingly, the Financial Statements are prepared based on the "Going Concern Concept".

AUDITORS

The Financial Statements for the year have been audited by Messrs. BDO Partners, Chartered Accountants, who have expressed their willingness to continue as Auditors of the Company and a resolution proposing their reappointment as Auditors and authorizing the Directors to fix their remuneration will be submitted at the forthcoming Annual General Meeting.

Audit fee payable to Auditors in respect of the Group and the Company are Rs. 793,000/- and Rs. 500,000/- respectively. (2020 / 21 - Rs. 1,020,000/- (Group) and Rs. 590,000/- (Company).

AUDITORS' RELATIONSHIP WITH THE COMPANY

The Company did not have any relationship with the Auditors other than that of the Auditor, during the financial year ended 31st March 2022.

BY ORDER OF THE BOARD

L R WATAWALA
DIRECTOR

A R RASIAH
DIRECTOR

SECRETARY
JACEY & COMPANY - SECRETARIES
COLOMBO.
15TH AUGUST 2022

STATEMENT OF DIRECTORS' RESPONSIBILITIES

This Statement of Directors' Responsibilities is to be read in conjunction with the Auditor's Report and is made to distinguish the respective responsibilities of the Directors and of the Auditors in relation to the Financial Statements contained in this Annual Report.

The Directors of the Group are required by the Companies Act No. 07 of 2007 to prepare Financial Statements which give a true and fair view of the state of affairs of the Company and of the Group as at the end of the financial year.

The Directors confirm that the Financial Statements of the Group for the year ended 31st March 2022 presented in the Report have been prepared in accordance with the Sri Lanka Accounting Standards and the Companies Act No 07 of 2007. In preparing the Financial Statements, the Directors have selected appropriate accounting policies and have applied them consistently to all periods presented in the Financial Statements, unless otherwise indicated. Reasonable and prudent judgments and estimates have been made and applicable Accounting Standards have been followed and the Financial Statements have been prepared on a going concern basis.

The Directors are of the view that adequate funds and other resources are available within the Group for the Group to continue in operation in the foreseeable future.

The Directors have taken all reasonable steps expected of them to safeguard the assets of the Group and to establish appropriate systems of internal controls in order to prevent, deter and detect any fraud, misappropriation or irregularities.

The Directors have also taken all reasonable steps to ensure that the Group maintain adequate and accurate accounting books of record which reflect the transparency of transactions and provide an accurate disclosure of the Group's financial position.

The Directors are required to provide the auditors with every opportunity to take whatever steps and undertake whatever inspection they consider appropriate for the purpose of enabling them to give their Audit Report.

As per the provisions of the new Companies Act No. 07 of 2007 the Board of Directors of the Group shall cause the Notice of Meeting to be sent to every shareholder of the Group not later than fifteen working days before the date fixed for holding the Annual General Meeting.

The Directors are of the view that they have discharged their responsibilities as set out in this statement.

COMPLIANCE REPORT

The Directors confirm that, to the best of their knowledge, all taxes and levies payable by the Group and all contributions, levies and taxes payable on behalf of the employees of the Group, and all other known statutory obligations as at the reporting date have been paid or provided for in the Financial Statements.

BY ORDER OF THE BOARD

SECRETARY
JACEY & COMPANY - SECRETARIES COLOMBO.
15TH AUGUST 2022

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+94-11-2387002-03
Fax : +94-11-2336064
E-mail : bdopartners@bdo.lk
Website : www.bdo.lk

Chartered Accountants
"Charter House"
65/2, Sir Chittampalam A Gardiner Mawatha
Colombo 02
Sri Lanka

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF GESTETNER OF CEYLON PLC

Report on the Audit of the Financial Statements

Opinion
We have audited the financial statements of Gestetner of Ceylon PLC ('the Company') and the consolidated financial statements of the Company and its subsidiaries ('the Group'), which comprise the statement of financial position as at 31st March 2022, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information as set out on pages 29 to 66.

In our opinion, the accompanying financial statements of the Company and the Group give a true and fair view of the financial position of the Company and the Group as at 31st March 2022, and of their financial performance and cash flows for the year then ended in accordance with Sri Lanka Accounting Standards.

Basis for Opinion
We conducted our audit in accordance with Sri Lanka Auditing Standards (SLAuSs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by CA Sri Lanka (Code of Ethics) and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters
Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

a) Impairment assessment of goodwill and investment in subsidiaries
Refer to significant accounting policies in Note 3.2.5 and 3.2.7 and explanatory notes 13 and 16 in the financial statements.

Key Audit Matter	How our audit addressed the Key Audit Matter
The carrying value of the Company's investment in Fintek Managed Solutions (Private) Limited amounted to Rs. 118,260,525 and the allocated goodwill to the said cash generating unit ("CGU") amounted to Rs. 37,647,802 in the consolidated financial statements as at the reporting date.	Our audit procedures included: • Assessing the existence of any indicators of impairment based on the market outlook, performance during the year and net assets from the audited financial statements of the subsidiaries.

Key Audit Matter	How our audit addressed the Key Audit Matter
Due to impairment conditions identified, the management tested its investment in Fintek Managed Solutions (Private) Limited and the related receivables for impairment and determined the recoverable amount based on a discounted forecast cash flow model. This model uses several key assumptions, including estimates of future sales, expense growth rates and weighted average cost of capital (discount rate). The impairment assessment of goodwill and investments in subsidiaries were identified as a key audit matter due to; • The subjectivity in the assessment of the recoverable amounts which requires estimation and the use of assumptions. • The assessment involves consideration of future events which are inherently uncertain, and effect of those differences may significantly impact the resulting accounting estimates.	• Obtaining an understanding of management's impairment assessment process. • Assessing the appropriateness of cashflow projection in calculation of the value-in-use, evaluating the reasonableness of the key assumptions such as the revenue growth rate, gross profit margin percentage and discount rate based on our knowledge of the business and industry by comparing the assumptions to historical results and published risk-free rate and comparing the subsequent period's actual results with the forecast, and other relevant information. Further, our evaluation involved the use of comparable market data considering the impacts of the current economic conditions prevailing in the country on those forecasts. • On a sample basis, testing the accuracy and relevance of the input data to supporting evidence, such as approved budgets and considering the reasonableness of these budgets to the historic results and subsequent period actuals. • Performing sensitivity analysis in consideration of the potential impact of reasonably possible downside changes in these key assumptions. • Evaluating the adequacy of the related disclosures in notes 16 to the financial statements.

b) Carrying Value of Inventories

Refer to significant accounting policies in Note 3.9, and explanatory note in Note 17 of the financial statements.

Key Audit Matter	How our audit addressed the Key Audit Matter
The Group held inventories with an aggregate carrying value of Rs. 207,627,688 as at 31 March 2022. Changes in economic sentiment or consumer preferences and the introduction of newer machines with the latest design and technologies could result in inventories on hand no longer being sought after or being sold at a discount below their cost. Estimating future demand for and the related selling prices of printing machines, air conditioners and spare parts are inherently subjective and uncertain because it involves management estimating the extent of markdown of selling prices necessary to sell the older or slow-moving models in the period subsequent to the reporting date. Carrying value of inventories was identified as a key audit matter due to: • The exercise of significant judgment by management in determining appropriate carrying value of inventories.	Our audit procedures included: • Assessing whether the inventory provisions at the end of the reporting period were determined in a manner consistent with the Group's inventory provision policy by recalculating the inventory provisions based on the percentages and other parameters in the Group's inventory provision policy. • Attending inventory counts as at the year end to ensure the existence and condition of the inventories as at the reporting date. • Assessing, on a sample basis, whether items in the inventory ageing report were classified within the appropriate ageing category by comparing individual items with the underlying documentation which included purchase invoices and goods receipt notes. • Enquiring of management about any expected changes in plans for markdowns or disposals of slow moving or obsolete inventories and comparing their representations with actual transactions subsequent to the reporting date. • Assessing the reasonableness of significant management judgements applied in determining provision for slow-moving and obsolete inventory. • Testing whether inventories were stated at the lower of cost and net realisable value, by comparing cost with subsequent selling prices of such items. When items remained unsold as at the date of our testing, we compared cost with approved selling prices.

c) **Recoverability of Trade Receivables**
Refer to significant accounting policies in Note 3.4.6 and explanatory note in Note 18 of the financial statements.

<table>
<tr><th>Key Audit Matter</th><th>How our audit addressed the Key Audit Matter</th></tr>
<tr><td>
The carrying value of trade receivables of the Group was Rs. 230,933,998 as at 31 March 2022. Assessing the allowance for impairment of trade receivables requires management to make subjective judgements over both the timing of recognition and estimation of the amount required for such impairment.
The Group measures loss allowances using Simplified Expected Credit Loss (ECL) method. For this purpose, the Group has established a provision matrix that is based on the historical loss experience. The Group considers reasonable and supportable information that is relevant and available without undue cost or effort.
Recoverability of trade receivables was identified as a key audit matter due to:

Materiality of the reported amount, which represents 26% of the Group's total assets.
The assessment of the recoverability of trade receivables is inherently subjective and requires significant management judgement in accordance with SLFRS 09, which increases the risk of error or potential management bias.

</td><td>
Our audit procedures included:

Obtaining an understanding of, assessing the design and implementation of management's key internal controls relating to credit control, debt collections and making allowances for doubtful debtors.
Assessing the reasonableness of management's loss allowance estimate by examining the information used by management to form such judgements, including testing the accuracy of the historical default data and evaluating whether the historical loss rates are appropriately adjusted based on current economic conditions.
Recomputing management's calculation for the impairment allowance determined based on simplified expected credit loss method.
Assessing, on a sample basis, whether items in the debtors ageing report were classified within the appropriate ageing category by comparing individual items in the report with the underlying documentation such as sales invoices.
Requesting for confirmations from major debtors and/ or verifying subsequent settlements as an alternative procedure.
Assessing the accuracy of the disclosures and evaluating the appropriateness of the accounting policies based on the requirements of the accounting standard.

</td></tr>
</table>

Other Information
Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and the auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Management and Those Charged with Governance for the Financial Statements
Management is responsible for the preparation of financial statements that give a true and fair view in accordance with Sri Lanka Accounting Standards, and for such internal control as management determines, is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to a going concern and using the going concern basis of accounting unless the management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's and the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SLAuSs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SLAuSs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company and the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures, are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieve fair presentation.

- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with ethical requirements in accordance with Code of Ethics regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements
As required by Section 163 (2) of the Companies Act No. 07 of 2007, we have obtained all the information and explanations that were required for the audit and, as far as appears from our examination, proper accounting records have been kept by the Company.

CA Sri Lanka membership number of the engagement partner responsible for signing this independent auditor's report is 3890.

BDO Partners

CHARTERED ACCOUNTANTS
Colombo
15th August 2022
VR/cc

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

All amounts are in Sri Lankan Rupees

For the Year Ended 31 st March,	Note	GROUP		COMPANY	
		2022	2021	**2022**	2021
Revenue	**4**	**1,054,284,432**	832,530,978	**782,782,651**	624,248,371
Cost of Sales		**(727,719,240)**	(569,090,356)	**(540,282,586)**	(443,919,499)
Gross Profit		**326,565,192**	263,440,622	**242,500,065**	180,328,872
Other Income	**5**	**13,654,234**	9,256,017	**13,808,234**	5,486,551
Administrative Expenses		**(188,822,063)**	(159,953,951)	**(142,674,034)**	(113,721,193)
Selling & Distribution Expenses		**(88,111,263)**	(65,313,793)	**(62,343,443)**	(44,173,019)
Impairment Reversal / (Charge) of Trade and Other Receivables	**18.1**	**(785,648)**	1,663,236	**134,328**	2,497,782
Other Operating Expenses	**6**	**(6,284,690)**	(10,061,421)	**(1,716,211)**	(8,683,374)
Results from Operating Activities		**56,215,762**	**39,030,710**	**49,708,939**	**21,735,619**
Finance Expenses	**7**	**(70,044,471)**	(31,675,920)	**(52,924,882)**	(16,093,753)
Finance Income	**7**	**445,174**	10,382,087	**2,345,430**	6,445,726
Net Finance Cost		**(69,599,297)**	(21,293,834)	**(50,579,452)**	(9,648,027)
Profit / (Loss) Before Tax	**8**	**(13,383,535)**	17,736,876	**(870,513)**	12,087,592
Income Tax Reversal / (Expense)	**9**	**3,841,676**	(4,544,317)	**2,09 7,519**	(3,046,179)
Profit / (Loss) for the Year		**(9,541,859)**	13,192,560	**1,227,006**	9,041,413
Other Comprehensive Income					
Items that will not be reclassified to Profit or Loss					
Remeasurement of Defined Benefit Liability	**25**	**1,506,097**	1,185,926	**1,179,586**	1,070,255
Tax on Other Comprehensive Income		**(204,738)**	113,699	**(283,101)**	65,832
Other Comprehensive Income for the year, net of Tax		**1,301,359**	1,299,625	**896,485**	1,136,087
Total Comprehensive Income Attributable to O ners of the Company		**(8,240,500)**	14,492,185	**2,123,491**	10,177,500
Earnings / (Loss) per share	**10**	**(3.59)**	4.96	**0.46**	3.40

Figures in brackets indicate deductions.
The accounting policies and notes from pages 29 to 66 form an integral part of these Financial Statements.

STATEMENT OF FINANCIAL POSITION

All amounts are in Sri Lankan Rupees

As at 31 st March,	Note				
		2022	2021	**2022**	2021
ASSETS					
Non Current Assets					
Property, Plant & Equipment	**11/12**	**182,867,805**	160,983,226	**112,266,695**	87,927,558
Intangible Assets	**13/14**	**44,520,122**	42,172,464	**6,102,969**	3,201,848
Right-of-Use Assets	**15**	**13,658,713**	20,488,069	**13,658,713**	20,488,069
Investments In Subsidiaries	**16**	**-**	-	**145,260,485**	117,260,485
Other Investment	**16.2**	**-**	40,687,746	**-**	40,687,746
Amounts Due from Related Companies	**19**	**-**	-	**6,000,000**	25,000,000
Deferred Tax Assets	**23**	**26,883,237**	20,366,827	**7,831,246**	3,644,087
Total Non-Current Assets		**267,929,877**	284,698,332	**291,120,108**	298,209,793
Current Assets					
Inventories	**17**	**207,627,688**	136,944,285	**175,782,344**	101,543,972
Trade & Other Receivables	**18**	**338,810,289**	200,556,339	**256,828,459**	133,628,757
Amounts Due from Related Companies	**19**	**1,807,911**	-	**5,842,981**	-
Cash & Cash Equivalents	**20**	**78,852,108**	54,205,664	**77,663,441**	50,991,123
Total Current Assets		**627,097,996**	391,706,288	**516,117,225**	286,163,852
Total Assets		**895,027,873**	676,404,620	**807,237,333**	584,373,645
EQUITY					
Stated Capital	**21**	**91,965,565**	91,965,565	**91,965,565**	91,965,565
General Reserve	**22**	**5,000,000**	5,000,000	**5,000,000**	5,000,000
Retained Earnings		**219,810,348**	228,050,848	**204,872,504**	202,749,013
Total Equity Attributable to Owners of the Company		**316,775,913**	325,016,413	**301,838,069**	299,714,578
LIABILITIES					
Non Current Liabilities					
Lease Liability	**24**	**8,724,908**	16,378,336	**8,724,908**	16,378,336
Amounts Due to Related Companies	**28**	**15,000,000**	16,000,000	**-**	-
Defined Benefit Obligation	**25**	**16,175,654**	15,107,974	**14,970,321**	14,030,964
Total Non-Current Liabilities		**39,900,562**	47,486,310	**23,695,229**	30,409,300
Current Liabilities					
Lease Liability	**24**	**7,653,428**	4,460,881	**7,653,428**	4,460,881
Trade & Other Payables	**26**	**309,534,831**	171,957,798	**267,822,267**	131,866,554
Short-Term Borrowings	**27**	**144,348,993**	99,946,983	**110,863,279**	47,380,000
Amounts Due to Related Companies	**28**	**-**	722,813	**58,674,898**	58,829,463
Current Tax Liabilities	**29**	**2,418,309**	11,604,751	**2,372,742**	11,712,869
Bank Overdrafts	**20**	**74,395,837**	15,208,671	**34,317,421**	-
Total Current Liabilities		**538,351,398**	303,901,897	**481,704,035**	254,249,767
Total Liabilities		**578,251,960**	351,388,207	**505,399,264**	284,659,067
Total Equity & Liabilities		**895,027,873**	676,404,620	**807,237,333**	584,373,645
Net Assets Per Share (Rs.)		**119.19**	**122.29**	**113.57**	**112.77**

The accounting policies and notes from pages 29 to 66 form an integral part of these Financial Statements.

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

Head of Finance - A P G A P Geethanjalee

The Board of Directors is responsible for the preparation and presentation of these Financial Statements.
Signed and approved for and on behalf of the Board by,

Director - L R Watawala

Director - A R Rasiah

15th August 2022
Colombo.

STATEMENT OF CHANGES IN EQUITY

All amounts are in Sri Lankan Rupees

For the Year Ended 31st March,	GROUP			
	Stated Capital	General Reserve	Retained Earnings	Total
Balance as at 1st April 2020	91,965,565	5,000,000	213,558,663	**310,524,228**
Comprehensive Income for the Year				
Profit for the year	-	-	13,192,560	**13,192,560**
Other Comprehensive Income (net of tax)	-	-	1,299,625	**1,299,625**
Total Comprehensive Income for the Year	-	-	14,492,185	**14,492,185**
Balance as at 31st March 2021	**91,965,565**	**5,000,000**	**228,050,848**	**325,016,413**
Balance as at 1st April 2021	91,965,565	5,000,000	228,050,848	**325,016,413**
Comprehensive Income for the Year				
Loss for the year	-	-	(9,541,859)	**(9,541,859)**
Other Comprehensive Income (net of tax)	-	-	1,301,359	**1,301,359**
Total Comprehensive Income for the Year	-	-	(8,240,500)	**(8,240,500)**
Balance as at 31st March 2022	**91,965,565**	**5,000,000**	**219,810,348**	**316,775,913**

For the Year Ended 31st March,	COMPANY			
	Stated Capital	General Reserve	Retained Earnings	Total
Balance as at 1st April 2020	91,965,565	5,000,000	192,571,513	**289,537,078**
Comprehensive Income for the Year				
Profit for the year	-	-	9,041,413	**9,041,413**
Other Comprehensive Income (net of tax)	-	-	1,136,087	**1,136,087**
Total Comprehensive Income for the Year	-	-	10,177,500	**10,177,500**
Balance as at 31st March 2021	**91,965,565**	**5,000,000**	**202,749,013**	**299,714,578**
Balance as at 1st April 2021	91,965,565	5,000,000	202,749,013	**299,714,578**
Comprehensive Income for the Year				
Profit for the year	-	-	1,227,006	**1,227,006**
Other Comprehensive Income (net of tax)	-	-	896,485	**896,485**
Total Comprehensive Income for the Year	-	-	2,123,491	**2,123,491**
Balance as at 31st March 2022	**91,965,565**	**5,000,000**	**204,872,504**	**301,838,069**

Figures in brackets indicate deductions.
The accounting policies and notes from pages 29 to 66 form an integral part of these Financial Statements.

STATEMENT OF CASH FLOWS

All amounts are in Sri Lankan Rupees

For the Year Ended 31st March,	Note	GROUP 2022	GROUP 2021	COMPANY 2022	COMPANY 2021
Operating Activities (A)					
Cash Generated from Operations		**108,211,806**	238,225,052	**100,371,684**	174,110,400
Exchange Gain / (Loss)	**7**	**(52,316,893)**	(4,752,596)	**(39,954,176)**	319,477
Interest Paid	**7**	**(15,168,459)**	(23,435,952)	**(10,411,587)**	(13,084,630)
Employee Benefits Paid	**25**	**(365,750)**	(2,107,000)	**(365,750)**	(2,107,000)
Tax Paid	**29**	**(12,065,914)**	(7,856,912)	**(11,712,869)**	(7,017,408)
Net Cash Generated From Operating Activities		**28,294,790**	200,072,592	**37,927,302**	152,220,839
Investing Activities					
Purchase of Property, Plant & Equipment & Intangible Assets	**11/12/13/14**	**(103,297,681)**	(56,012,086)	**(78,934,830)**	(32,467,374)
Interest Received	**7**	**445,174**	7,556,834	**2,345,430**	6,445,726
Loans settlements	**19**	**-**	-	**19,000,000**	-
Proceeds from Disposal of FVOCI Equity Investment		**47,036,996**	-	**47,036,996**	-
Investment in Subsidiaries	**16**	**-**	-	**(28,000,000)**	-
Net Cash Used in Investing Activities		**(55,815,512)**	(48,455,252)	**(38,552,405)**	(26,021,648)
Financing Activities					
Lease Rentals Paid	**24**	**(7,020,000)**	(6,861,227)	**(7,020,000)**	(5,850,000)
Net Cash from / (Used) in Financing Activities		**(7,020,000)**	(6,861,227)	**(7,020,000)**	(5,850,000)
Increase / (Decrease) in Cash & Cash Equivalents		**(34,540,722)**	144,756,113	**(7,645,103)**	120,349,191
Movements in Cash & Cash Equivalents					
As at the Beginning of the Year	**20**	**38,996,993**	(105,759,120)	**50,991,123**	(69,358,068)
Increase in Cash & Cash Equivalents		**(34,540,722)**	144,756,113	**(7,645,103)**	120,349,191
Cash & Cash Equivalents as at 31st March	**20**	**4,456,271**	38,996,993	**43,346,020**	50,991,123

For the Year Ended 31st March **(A) CASH GENERATED FROM OPERATIONS**	Note	GROUP 2022	GROUP 2021	COMPANY 2022	COMPANY 2021
Profit / (Loss) Before Tax	**8**	**(13,383,535)**	17,736,876	**(870,513)**	12,087,592
Adjustments;					
Depreciation of PPE & Amortization of Intangible Assets	**11/12/13/14**	**79,065,444**	74,769,608	**51,694,572**	52,401,228
Depreciation of Right-of-Use Assets	**15**	**6,829,356**	8,931,060	**6,829,356**	6,829,356
Gain on Disposal of Investment	**5**	**(6,349,249)**	-	**(6,349,249)**	-
Provision for Related Party Receivables	**6**	**-**	-	**196,427**	65,768
Exchange (Gain) / Loss	**7**	**52,316,893**	4,752,596	**39,954,176**	(319,477)
Interest Income	**7**	**(445,174)**	(7,556,834)	**(2,345,430)**	(6,445,726)
Interest Expenses	**7**	**17,727,577**	26,603,848	**12,970,706**	16,093,753
Impairment Charge for Trade Receivables	**18.1**	**785,648**	(1,663,236)	**(134,328)**	(2,497,782)
Provision for Inventories	**6**	**6,284,690**	8,790,180	**1,519,784**	8,617,606
Employee Benefits	**25**	**2,939,527**	3,883,069	**2,484,693**	3,266,296
Negative Variable Lease rental Payments	**24**	**-**	(6,629,613)	**-**	(5,300,840)
Changes in Working Capital					
- Trade & Other Receivables	**18**	**(139,039,598)**	38,755,130	**(123,065,375)**	50,443,831
- Inventories	**17**	**(76,968,093)**	47,022,006	**(75,758,156)**	48,583,365
- Trade & other Payables	**26**	**137,577,033**	(45,278,028)	**135,955,714**	(72,263,214)
- Short-Term Borrowings	**27**	**44,402,011**	67,948,238	**63,483,279**	20,547,289
- Related Party	**19/28**	**(3,530,725)**	160,150	**(6,193,973)**	42,001,354
Cash Generated from Operations		**108,211,806**	238,225,052	**100,371,684**	174,110,400

CASH & CASH EQUIVALENTS

For the purpose of the Statement of Cash Flows, the year end cash equivalents comprise the following Cash & Cash Equivalents

		GROUP 2022	GROUP 2021	COMPANY 2022	COMPANY 2021
Cash & Bank Balances	**20**	**78,852,108**	54,205,664	**77,663,441**	50,991,123
Bank Overdrafts	**20**	**(74,395,837)**	(15,208,671)	**(34,317,421)**	-
		4,456,271	38,996,993	**43,346,020**	50,991,123

Figures in brackets indicate deductions.

The accounting policies and notes from pages 29 to 66 form an integral part of these Financial Statements.

1 REPORTING ENTITY

1.1 Domicile and Legal form

Gestetner of Ceylon PLC (the "Company") is a Quoted Public Company with limited liability incorporated in Sri Lanka under the provisions of the Companies Act No. 17 of 1982 and re-registered under the new Companies Act No. 7 of 2007. The registered office and the principal place of business of the Company is situated at Gestetner Centre, No. 248, Vauxhall Street, Colombo 02.

The consolidated financial statements, as at and for the year ended 31st March 2022 comprises the Company and its Subsidiaries (together referred to as the "Group" and individually as "Group entities").

1.2 Principal Activities and Nature of Operations

The Group is primarily involved in importing and selling of Digital Copiers, Digital Duplicators, Duplicators, Laser Printers, Laptops, G&D machines, Mobile phones and air conditioners, provision of outsourced Photocopying / Printing Services, IT Solutions and providing after sales services.

There were no significant changes in the nature of principal activities of the Group during the financial year under review.

2 BASIS OF PREPARATION

2.1 Statement of Compliance

The Consolidated Financial Statements of the Group and separate Financial Statements of the Company, as at 31st March 2022 and for the year then ended, have been prepared and presented in accordance with Sri Lanka Accounting Standards (SLFRSs and LKASs), laid down by the Institute of Chartered Accountants of Sri Lanka and in compliance with the requirements of the Companies Act No. 07 of 2007, and the Listing Rules of the Colombo Stock Exchange.

These Financial Statements include the following components:

- Statement of Profit or Loss and Other Comprehensive Income providing the information on the financial performance of the Company and the Group for the year under review;
- Statement of Financial Position providing the information on the financial position of the Company and the Group as at the year-end;
- Statement of Changes in Equity depicting all changes in shareholders 'equity of the Company and the Group during the year under review;
- Statement of Cash Flows providing the information to the users, on the ability of the Company and the Group to generate cash and cash equivalents and the needs to utilize those cash flows ;and
- Notes to the Financial Statements comprising Accounting Policies and other explanatory information.

2.2 Basis of Measurement

The Financial Statements have been prepared on the historical cost basis except for the following material items in the Statement of Financial Position.

The defined benefit liability is recognized at the present value of the defined benefit obligation computed using the Projected Unit Credit Method in accordance with Sri Lanka Accounting Standard 19 (LKAS 19) - "Employee Benefits".

2.3 Directors' Responsibility Statement

The Board of Directors is responsible for the preparation and presentation of these Financial Statements as per the provisions of the Companies Act No. 07 of 2007 and SLFRSs and LKASs.

The Financial Statements for the year ended 31st March 2022 were authorized for issue by the Board of Directors on 15th August 2022.

2.4 Functional and Presentation Currency

The financial statements are presented in Sri Lankan Rupees, which is the Group's functional currency. All financial information presented in Sri Lankan Rupees have been rounded to the nearest Rupee.

2.5 Use of Estimates and Judgments

The preparation of the financial statements in conformity with Sri Lanka Accounting Standards requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes;

- Note 11 to 12 – Useful lives of property plant and equipment – review of the residual values, useful lives and methods of depreciation at each reporting date.
- Note 23 - Deferred tax asset/liability – availability of future taxable profits against which carry forward tax losses can be used.
- Note 3.4.6 - Provision for impairment of debtors.
- Note 3.9 - Provisions for obsolete and slow-moving items - key assumptions underlying the determination of the provision percentages.
- Note 25 - Measurement of defined benefit obligation – key assumptions underlying the measurement of employee benefits liability.
- Note 13 - Impairment test of goodwill: key assumptions underlying recoverable amounts.

2.5.1 Impact of prevailing macroeconomic conditions

The prevailing macroeconomic conditions and their implications have increased the uncertainty of estimates made in the preparation of the Financial Statements. The estimation uncertainty is associated with:

- the extent and duration of the disruption to businesses arising from the prevailing macroeconomic conditions and the related actions of stakeholders such as government, businesses and customers.

- the extent and duration of the prevailing macroeconomic conditions due to impact on GDP, capital markets, credit risk of customers, impact of unemployment and possible decline in consumer discretionary spending.

- the effectiveness of Government and Central Bank measures that have been put in place in response to the prevailing circumstances.

The significant accounting estimates impacted by these forecasts and associated uncertainties are related to impairment of financial assets and recoverable amount assessments of non-financial assets, recoverable value of property, plant and equipment, intangible assets and net realizable value of inventory.

The impact of prevailing macroeconomic conditions on accounting estimates is discussed under the relevant notes to these Financial Statements.

2.6 Going Concern

The Group has prepared the Financial Statements for the year ended 31st March 2022 on the basis that it will continue to operate as a going concern.

In determining the basis of preparing the Financial Statements for the year ended 31st March 2022, based on available information, the management has assessed the prevailing macroeconomic conditions and its effect on the Group and the appropriateness of the use of the going concern basis.

It is the view of the management that there are no material uncertainties that may cast significant doubt on the Group's ability to continue to operate as a going concern. In determining the above, significant management judgements, estimates and assumptions including the impact of the current macroeconomic challenges have been considered as of the reporting date and specific disclosures have been made under the relevant notes to the Financial Statements. The Directors are satisfied that the Group has adequate resources to continue in operational existence for the foreseeable future and hence has adopted the going concern basis in preparing and presenting these Financial Statements.

2.7 Materiality & Aggregation

In compliance with the Sri Lanka Accounting Standard - LKAS 01 on 'Presentation of Financial Statements', each material class of similar items is presented separately in the Financial Statements. Items of dissimilar nature or functions too are presented separately, unless they are immaterial.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in the Financial Statements of the Group.

3.2 Basis of consolidation

The Group's Financial Statements comprise Consolidated Financial Statements of the Company and its subsidiaries prepared as per the Sri Lanka Accounting Standard-SLFRS 10 on 'Consolidated Financial Statements'.

3.2.1 Business combinations

The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The Group has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognized in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

The Group measures goodwill at the acquisition date as :

- the fair value of the consideration transferred; plus
- the recognized amount of any non-controlling interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquiree; less
- the net recognized amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

3.2.2 Subsidiaries
Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements of control.

The cost of an acquisition is measured at the fair value of the consideration, including contingent consideration. The

acquired identifiable assets, liabilities and contingent liabilities are measured at their fair value at the date of acquisition, subsequent to the acquisition the Company continues to recognize the investment in subsidiaries at cost.

The Directors have concluded that the Group controls all subsidiaries as it has majority control and voting rights over its subsidiaries.

Set out below are the group's principal subsidiaries as at 31 March 2022.

Name of entity	Place of business	% of Ownership interest held by the group	Principal Activities
Gestetner Printing Services (Pvt) Limited	Colombo/Sri Lanka	100%	Provision of Outsourced photocopying/ printing services and also IT Solution.
Nashua Lanka (Pvt) Limited	Colombo/Sri Lanka	100%	Imports and markets copiers and consumables.
Gestetner Manufacturers (Pvt) Limited	Colombo/Sri Lanka	100%	The Company was engaged in manufacturing ink and currently it is not operating. The board of directors of the company is evaluating various business opportunities, and the company has ready access to financial resources from its parent entity and other related Companies.
Fintek Managed Solutions (Pvt) Limited	Colombo/Sri Lanka	100%	Importing and selling of digital copiers, laser printers, air conditioners, provision of outsourced photocopying and providing after sales services including services for G&D machines.

The accounting policies of Subsidiaries have been changed where necessary to align them with the policies adopted by the Group.

3.2.3 Non-controlling interest
NCI are measured initially at their proportionate share of the acquiree's identifiable net assets at the date of acquisition. Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

3.2.4 Loss of control

When the Group loses control over a subsidiary, it derecognizes the asset and liabilities of the subsidiary and any related NCI (If applicable) and other components of equity. Any resulting gain or loss is recognized in profit or loss. Any interest in the former subsidiary is measured at fair value when the control is lost.

The carrying amount of the investment at the date that such entity ceases to be a Subsidiary would be regarded as the cost of initial measurement of a financial asset.

3.2.5 Goodwill

Goodwill recognized in a business combination is an asset representing the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognized.

Goodwill acquired in a business combination is initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net amount of the identifiable assets, liabilities and contingent liabilities acquired.

Following the initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is reviewed for impairment annually, or more frequently, if events or changes in circumstances indicate that the carrying value may be impaired.

3.2.6 Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated.

3.2.7 Accounting for Investment in subsidiaries

When separate financial statements are prepared, investments in subsidiaries are accounted for using the cost method. Investments in subsidiaries are stated in the Company's Statement of financial position at cost less accumulated impairment losses.

3.3 Foreign Currency Translation

Transactions in foreign currencies are translated to Sri Lanka Rupees at the exchange rates prevailing at the date of transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to Sri Lankan Rupees at the exchange rates at that date.

Non-monetary assets and liabilities which are stated at historical cost denominated in foreign currencies are translated to Sri Lankan Rupees at the exchange rate at the date of the transactions.

Foreign exchange differences arising on translation are recognized in the Statement of Profit and Loss.

3.4 Financial Instruments

3.4.1 Recognition and initial measurement

Trade receivables and debt securities issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

3.4.2 Classification and subsequent measurement

On initial recognition, a financial asset is classified as measured at: amortized cost; FVOCI – debt investment; FVOCI – equity investment; or FVTPL. Financial assets are not reclassified subsequent to their initial recognition unless the

Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model. A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and

- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Group's financial assets classified under amortized cost includes trade and other receivable, amounts due from related companies and cash and cash equivalents.

A debt investment is measured at FVOCI if it meets both of the following conditions and it not designated as at FVTPL:

- It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

The Group's financial assets classified under FVOCI includes equity investment in Vauxhall Beira Properties (Pvt) Limited.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

The Group does not have any financial assets classified as measured at FVTPL.

Financial assets – Business model assessment:

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered may include:

- The stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realizing cash flows through the sale of the assets;

- The risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;

- How the performance of the portfolio is evaluated and reported to the Group's management;

- How managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and

Financial Assets – Assessment whether contractual cash flows are solely payments of principal and interest:

For the purpose of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value-for-money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual cash flows such that it would not meet this condition.

Financial assets – subsequent measurement, gain and losses:

Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

3.4.3 Financial Liabilities - Classification, Subsequent Measurement and Gains and Losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.
Financial liabilities measured at amortised cost include "Interest Bearing Borrowings", "Trade and Other Payables", "Short Term Borrowings", "Amounts due to Related Companies" and "Bank Overdrafts".

3.4.4 Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognized in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognized.

Financial liabilities

The Group derecognises a financial liability when its contractual obligation is discharged or cancelled, or expired. The Group derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

3.4.5 Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

3.4.6 Impairment of financial assets

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets (including equity securities) are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Group on terms that the Group would not consider otherwise, indicates that a debtor or issuer will enter bankruptcy, or the disappearance of an active market for a security.

The Group uses simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade and other receivables. The Group uses its historical credit loss experience adjusted as appropriate considering current observable data to reflect the effects of current conditions and its forecasts of future conditions.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort.

3.4.6.1 Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- Significant financial difficulty of the borrower or issuer;
- adverse changes in the payment status of the debtor; and
- It is probable that the borrower will enter bankruptcy or other financial reorganization.

3.4.6.2 Presentation of Allowance for ECL in the Statement of Financial Position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.
The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirely or a portion thereof.

3.4.7 Determination of Fair Value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

Level 1

When available, the Group measures the fair value of an instrument using active quoted prices or dealer price quotations (assets and long positions are measured at a bid price; liabilities and short positions are measured at an ask price), without any deduction for transaction costs. A market is regarded as active if transactions for asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2

If a market for a financial instrument is not active, then the Group establishes fair value using a valuation technique. Valuation techniques include using recent arm's length transactions between knowledgeable, willing parties (if available), reference to the current fair value of other instruments that are substantially the same, discounted cash flow analyses, credit models, option pricing models and other relevant valuation models. The chosen valuation technique makes maximum use of market inputs, relies as little as possible on estimates specific to the Group, incorporates all factors that market participants would consider in setting a price, and is consistent with accepted economic methodologies for pricing financial instruments. Inputs to valuation techniques reasonably represent market expectations and measures of the risk-return factors inherent in the financial instrument.

Level 3

Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation.

Valuation techniques include net present value and discounted cash flow models, comparison with similar instruments for which observable market prices exist. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, risk premiums in estimating discount rates, bond and equity prices, foreign exchange rates, expected price volatilities and corrections.

3.5 Stated Capital

Ordinary Shares are classified as equity. Incremental costs directly attributable to the issue of Ordinary Shares are recognized as a deduction from equity, net of any tax effects.

3.6 Property, Plant and Equipment

Recognition and Measurement
Property, plant and equipment are recognized if it is probable that future economic benefits associated with the asset will flow to the company and the cost of the asset can be reliably measured. Items of Property, Plant and Equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labor, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and borrowing costs on qualifying assets.

When parts of an item of Property, Plant and Equipment have different useful lives, they are accounted for as separate items (major components) of Property, Plant and Equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of Property, Plant and Equipment, and are recognized net within other income in profit or loss.

Subsequent Costs

The cost of replacing a part of an item of Property, Plant and Equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of Property, Plant and Equipment are recognized in profit or loss as incurred.

De-recognition

Property, Plant and Equipment are derecognized on disposal or when no future economic benefits are expected from its use. 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 recognised in ‘Other income' in the Statement of Profit or Loss in the year the asset is de-recognised.

Depreciation

The Group provides depreciation from the date the assets are available for use up to the date of disposal, at the following rates on a straight-line basis over the periods appropriate to the estimated useful lives based on the pattern in which the asset’s future economic benefits are expected to be consumed by the Group of the different types of assets, except for which are disclosed separately.

Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale or the date that the asset is derecognized. Depreciation does not cease when the assets become idle or is retired from active use unless the asset is fully depreciated.

The estimated depreciation rates for the current and comparative years of significant items of property, plant and equipment are as follows:

Asset Category	Useful Life (Years)
Plant & Machinery	3-5 years
Furniture & Equipment	05
Motor Vehicles	05

Impairment of non-financial assets

The carrying amounts of the Group’s non-financial assets, other than inventories are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset’s recoverable amount is estimated.
The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a

pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest Group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the “cash generating unit, or CGU”).

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss. Impairment losses recognized in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit on a pro rata basis.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the asset’s carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

3.7 Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- the contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Group has the right to direct the use of the asset. The Group has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Group has the right to direct the use of the asset if either: the Group has the right to operate the asset; or
- the Group designed the asset in a way that predetermines how and for what purpose it will be used.

3.7.2 As a Lessee

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. However, for the leases of land and buildings in which it is a lessee, the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of Property, Plant and Equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on a rate, initially measured using the rate as at the commencement date; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in a rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets in 'Right-of-use Assets' and lease liabilities in 'Lease Liability' in the statement of financial position.

Short-term leases and leases of low-value assets

The Group has elected not to recognize right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Group recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

3.7.3 As a Lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

If an arrangement contains lease and non-lease components, then the Company applies SLFRS 15 to allocate the consideration in the contract.

The Group recognizes lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'Service Income'.

3.8 Intangible Assets

An intangible asset is recognised only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Group in accordance with the Sri Lanka Accounting Standard- LKAS 38 on 'Intangible Assets'. Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are stated in the Statement of Financial Position at cost less any accumulated amortization and any accumulated impairment losses if any.

Subsequent expenditure
Subsequent expenditure is capitalized if only it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognized in profit or loss as incurred.

Amortization
Intangible assets are amortized on a straight-line basis in profit or loss over their estimated useful lives, from the date that they are available for use.

The estimated useful lives for the current and comparative years of Intangible assets are as follows:

Asset Category	Useful Life (Years)
Software	05
Brand	05

3.9 Inventories
Inventories are measured at the lower of cost and net realizable value. The cost of inventories is based on the first-in first-out principle, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of selling expenses.

Appropriate provisions will be made for the value of any stocks which are obsolete.

3.10 Liabilities and Provisions
A provision is recognized in the Statement of Financial Position when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation.

3.11 Employee Benefits

Defined Contribution Plans
A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts.

Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in profit or loss in the periods during which services are rendered by employees.

Mercantile Service Provident Fund
The Group and employees except for Fintek Managed Solutions (Private) Limited contribute 12% and 10% respectively on the salary of each employee to the Mercantile Service Provident Fund.

Employee’s Provident Fund
Fintek Managed Solutions (Private) Limited and their employees contribute 12% and 8% respectively on the salary of each employee to the Employee’s Provident Fund.

Employees’ Trust Fund
The Group contributes 3% of the salary of each employee to the Employees’ Trust Fund.

Defined Benefit Plan- Gratuity
A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group’s obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees

have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value.

Provision has been made for retirement gratuity from the first year of service for all employees in conformity with LKAS 19. However, under the payment of Gratuity Act No.12 of 1983, the liability to an employee arises only on completion of 5 years of continued services.

The liability is not externally funded. The defined benefit obligation is calculated by a qualified actuary as at the current reporting date using the Projected Unit Credit (PUC) method as recommended by LKAS 19 – "Employee benefits". The Group recognizes all actuarial gains and losses arising from defined benefit plans immediately in statement of other comprehensive income and all expenses related to defined benefit plans in administrative expenses in Profit or Loss.

3.12 Revenue

Disaggregation of revenue
SLFRS 15 requires an entity to disaggregate revenue from contracts with customers into categories that depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors. The Group's contracts with customers are similar in nature and revenue from these contracts are not significantly affected by economic factors apart from exports sales. The Group believes objective of this requirement will be met by using types of goods or service as per Note No 4.

3.12.1 Sale of goods
The Group's revenue comprises only the revenue from contracts with customers. Revenue principally comprises sales of Digital Copiers, Digital Duplicators, Duplicators, Laser Printers, Air conditioners, Laptops, G&D machines, Spares and Consumables to external customers. Revenue excludes duty, other taxes collected on behalf of third parties, rebates, and discounts. The Group considers sales and delivery of products as one performance obligation and recognizes revenue when it transfers control to a customer.

3.12.2 Sale of services
The Group provides Outsourced Photocopying / Printing Services, IT Solutions, manages a Copy Bureau, imports and distributes office automation products. The Group recognizes revenue at the time services are rendered, when the performance obligation is satisfied.

3.13 Other Income
Net gains and losses of a revenue nature arising from the disposal of property, plant & equipment and other non-current assets, including investments, are accounted for in the Statement of profit or loss, after deducting from the proceeds on disposal, the carrying amount of such assets and the related selling expenses.

Gains and losses arising from activities incidental to the main revenue generating activities and those arising from a group of similar transactions which are not material, are aggregated, reported and presented on a net basis.

Dividend income is recognized in the Statement of profit or loss on the date that the Group's right to receive the payment is established.

3.14 Expenditure
All expenditure incurred in running of the business and in maintaining the capital assets in a state of efficiency has been charged to profit or loss in arriving at the profit for the year.

Expenditure incurred for the purpose of acquiring, expanding or improving assets of a permanent nature by means of which to carry on the business or for the purpose of increasing the earning capacity of the business has been treated as capital expenditure.

3.15 Finance Income and Finance Costs

Finance income comprises interest income on funds invested recognized as it accrues in profit or loss, using the effective interest method.

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

Foreign currency gains and losses on financial assets and financial liabilities are reported on a net basis as either finance income or finance cost depending on whether foreign currency movements are in a net gain or net loss position.

3.16 Income Tax

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in profit or loss except to the extent that it relates to items recognized directly in equity or in other comprehensive income.

3.16.1 Current Tax

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

The amount of current tax payable is the best estimate of the tax amount expected to be paid that reflects uncertainty related to income taxes, if any.

Provision for taxation is based on the profit for the year adjusted for taxation purposes in accordance with the provisions of the Inland Revenue Act No. 24 of 2017 and the amendments.

3.16.2 Deferred Tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

3.17 Events after the Reporting Date

The materiality of the events after the reporting date has been considered and appropriate adjustments and provisions have been made in the financial statements wherever necessary.

3.18 Basic Earnings Per Share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the year.

3.19 Contingent Liabilities

Contingent liabilities are possible obligations whose existence will be confirmed only by uncertain future events or present obligations where the transfer of economic benefits is not probable or cannot be readily measured as defined in the Sri Lanka Accounting Standard- LKAS 37 on 'Provisions, Contingent Liabilities and Contingent Assets'. Contingent liabilities are not recognised in the Statement of Financial Position but are disclosed unless its occurrence is remote.

3.20 Segmental Reporting

The Group operates in two geographical segments-domestic and export sales.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-makers. The chief operating decision-makers, who are responsible for making the strategic decisions, allocating resources and assessing performance of the operating segments, have been identified as the Group Chief Executive and Board of Directors.

However operating segments are not presented as exports makes up less than 1% of the sales turnover.

3.21 Statement of Cash Flows

The Statement of Cash Flows has been prepared using the "Indirect Method" of preparing Cash Flows in accordance with the Sri Lanka Accounting Standard LKAS- 07 "*Cash Flow Statements".* Cash and cash equivalents comprise short term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. The cash and cash equivalent include cash in hand and balances with banks.

3.22 New Accounting Standards issued but not effective as at reporting date

Following amendments to Sri Lanka Accounting Standards issued, but not effective as at the reporting date have not been applied in preparing the Consolidated

Financial Statements. The Group plans to apply these amendments to the standards from their effective dates:

Amendments effective from annual periods beginning on or after 1 January 2021

- **Interest Rate Benchmark Reform – Phase 2 - Amendments to SLFRS 9, LKAS 39, SLFRS 7, SLFRS 4 and SLFRS 16**

The amendments address issues that might affect financial reporting as a result of the reform of an interest rate benchmark, including the effects of changes to contractual cash flows or hedging relationships arising from the replacement of an interest rate benchmark with an alternative benchmark rate. The amendments provide practical relief from certain requirements in SLFRS 9, LKAS 39, SLFRS 7, SLFRS 4 and SLFRS 16 relating to:

- changes in the basis for determining contractual cash flows of financial assets, financial liabilities and lease liabilities; and
- hedge accounting

Narrow-scope amendments effective from annual periods beginning on or after 1 January 2022

- **Amendments to LKAS 1- Presentation of financial statements on classification of liabilities**

These narrow-scope amendments to LKAS 1, 'Presentation of financial statements', clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period.

Classification is unaffected by the expectations of the entity or events after the reporting date. The amendment also clarifies what LKAS 1 means when it refers to the 'settlement' of a liability.

- **Amendments to SLFRS 3 – Business Combinations**

This amendment updates a reference in SLFRS 3 to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations

- **COVID-19 related concessions (Amendments to SLFRS 16)**

The amendments provide relief to lessees from applying SLFRS 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the COVID-19 Pandemic.

As a practical expedient, a lessee may elect not to assess whether a COVID-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from COVID-19 related rent concession the same way it would account for the change under SLFRS-16, if the change were not a lease modification. The amendment applies to annual reporting periods beginning on or after June 01, 2020.

- **Amendments to LKAS 16 – Property, Plant and Equipment**

This amendment prohibits a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognise such sales proceeds and related cost in profit or loss.

- **Amendments to LKAS 37 – Provisions, Contingent Liabilities and Contingent Assets**

This amendment specifies which costs a company includes when assessing whether a contract will be loss-making.

All amounts are in Sri Lankan Rupees

	For the Year Ended 31st March,	GROUP 2022	GROUP 2021	COMPANY 2022	COMPANY 2021
4	**REVENUE**				
	Machine Sales	**368,845,640**	236,129,698	**256,657,376**	175,922,651
	Mobile Phones	**45,318,783**	-	**45,318,783**	-
	Spares Sales	**127,381,324**	109,528,196	**103,803,890**	89,799,092
	Consumables Sales	**227,590,792**	197,254,934	**194,567,912**	169,710,728
	Export Income	**132,902**	2,225,379	**132,902**	2,225,379
	Service Income	**274,143,001**	282,416,582	**182,301,789**	186,590,521
		1,043,412,442	827,554,789	**782,782,651**	624,248,371
4.1	**Other Subsidiaries**				
	Machine Outsource Income	**1,566,571**	2,433,546	**-**	-
	Consumables Sales	**7,035,964**	4,709,959		
	Service Income	**3,333,547**	2,269,250	**-**	-
	Inter Group Sales	**(1,064,092)**	(4,436,566)	**-**	-
		1,054,284,432	832,530,978	**782,782,651**	624,248,371
5	**OTHER INCOME**				
	Sundry Income	**340,237**	2,668,171	**494,237**	1,406,398
	Gain on Disposal of Investment	**6,349,249**	-	**6,349,249**	-
	Reversal of Provision for Inventory	**-**	2,507,693	**-**	-
	Incentive for Target Achievement	**6,964,748**	4,080,153	**6,964,748**	4,080,153
		13,654,234	9,256,017	**13,808,234**	5,486,551
6	**OTHER OPERATING EXPENSES**				
	Provision for Inventories	**6,284,690**	8,790,180	**1,519,784**	8,617,606
	Write off of ESC	**-**	1,246,366	**-**	-
	Write off of other receivables	**-**	24,875	**-**	-
	Provision for Related Party Receivables	**-**	-	**196,427**	65,768
		6,284,690	10,061,421	**1,716,211**	8,683,374
7	**NET FINANCE INCOME / (COST)**				
	FINANCE INCOME				
	Interest Income	**445,174**	7,556,834	**2,345,430**	3,620,473
	Dividend Income	**-**	2,505,776	**-**	2,505,776
	Gain on Translation of Foreign Currency	**-**	319,477	**-**	319,477
	TOTAL FINANCE INCOME	**445,174**	10,382,087	**2,345,430**	6,445,726
	FINANCE COST				
	Interest Cost on Lease Liabilities	**(2,559,119)**	(3,167,896)	**(2,559,119)**	(3,009,123)
	Loss on Translation of Foreign Currency	**(52,316,893)**	(5,072,072)	**(39,954,176)**	-
	Finance Cost on Bank Charges & Bank Overdraft	**(15,168,459)**	(23,435,952)	**(10,411,587)**	(13,084,630)
	TOTAL FINANCE COST	**(70,044,471)**	(31,675,920)	**(52,924,882)**	(16,093,753)
	NET FINANCE COST	**(69,599,297)**	(21,293,833)	**(50,579,452)**	(9,648,027)
8	**PROFIT / (LOSS) BEFORE TAX**				
	Profit / Loss before tax is stated after charging all expenses including the following;				
	Directors' Emoluments	**-**	3,207,500	**-**	3,207,500
	Auditor's Remuneration - Statutory Audit	**793,000**	1,020,000	**500,000**	590,000
	Depreciation & Amortization	**79,065,444**	74,769,608	**51,694,572**	52,401,228
	Depreciation on Right-of-use Asset	**6,829,356**	8,931,060	**6,829,356**	6,829,356
	Provision for Inventories	**6,284,690**	8,790,180	**1,519,784**	8,617,606
	Provision for Related Party Receivables	**-**	-	**196,427**	65,768
	Defined Benefit Plan Cost -Employee Benefits	**2,939,527**	3,883,069	**2,484,693**	3,266,296
	Defined Contribution Plan Cost (MSPS/EPF/ETF)	**16,738,999**	14,596,956	**12,730,081**	10,397,429
	Salaries & Wages	**123,035,776**	105,182,177	**91,171,684**	74,497,340
	No of Employees	**219**	193	**163**	134

For the Year Ended 31st March,	GROUP 2022 Rs.	GROUP 2021 Rs.	COMPANY 2022 Rs.	COMPANY 2021 Rs.

9 INCOME TAX EXPENSE

The Group is liable to taxation at the rate of 24% on its taxable income in accordance with Inland Revenue Act No. 24 of 2017. The composition of income tax expenses is as follows.

9.1 Current Tax Expenses

	Group 2022	Group 2021	Company 2022	Company 2021
Current Tax (Note 9.2)	**2,879,472**	12,177,608	**2,372,742**	11,712,869
Adjustment - Previous Year	**-**	230,037	**-**	230,037
Origination of Temporary Differences (Note 23.2)	**(6,721,149)**	(7,863,328)	**(4,470,260)**	(8,896,728)
Total Tax Expenses recognized in Profit or Loss	**(3,841,676)**	4,544,317	**(2,097,519)**	3,046,179
Effective Tax rate	**29%**	26%	**241%**	25%

9.2 Reconciliation between Accounting Profit and Taxable Profit

	Group 2022	Group 2021	Company 2022	Company 2021
Profit / (Loss) Before Income Tax Expense	**(13,383,535)**	17,736,876	**(870,513)**	12,087,592
Aggregate Disallowable Expenses	**108,750,532**	112,780,976	**65,606,195**	74,249,920
Aggregate Allowable Expenses	**(99,526,330)**	(84,835,950)	**(55,028,571)**	(42,641,161)
Income from other sources	**4,444,277**	10,152,610	**180,000**	6,216,249
	284,944	55,834,513	**9,887,111**	49,912,600
Less: Tax Loss Utilized (Note 9.3)	**(3,817,327)**	(4,014,136)	**-**	-
Taxable Income	**(3,532,383)**	51,820,376	**9,887,111**	49,912,600
Income Tax @ 14%	**231**	372,617	**231**	372,617
Income Tax @ 24%	**2,879,242**	11,804,991	**2,372,511**	11,340,252
Current Tax Expense	**2,879,472**	12,177,608	**2,372,742**	11,712,869

9.3 Reconciliation of Tax Losses

	Group 2022	Group 2021	Company 2022	Company 2021
Tax Loss Brought Forward	**63,518,388**	67,351,687	**-**	-
Tax Loss Utilized	**(3,817,327)**	(4,014,136)	**-**	-
Tax Loss for the Year	**15,511,872**	180,837	**-**	-
Tax Loss Carried Forward	**75,212,933**	63,518,388	**-**	-

10 EARNINGS / (LOSS) PER SHARE

Basic earnings per share is calculated by dividing the profit for the year attributable to Ordinary Shareholders of Gestetner of Ceylon PLC, by weighted average number of Ordinary Shares outstanding during the period.

For the Year Ended 31st March,	GROUP 2022 Rs.	GROUP 2021 Rs.	COMPANY 2022 Rs.	COMPANY 2021 Rs.
Profit / (Loss) Attributable to Ordinary Shareholders (Rs.)	**(9,541,859)**	13,192,560	**1,227,006**	9,041,413
Weighted Average Number of Shares	**2,657,812**	2,657,812	**2,657,812**	2,657,812
Earnings / (Loss) Per Share (Rs.)	**(3.59)**	4.96	**0.46**	3.40

There were no potentially dilutive ordinary shares outstanding at the end of the year, hence, the dilutive Earnings Per Share is equal to basic Earnings Per Share for the year.

11 PROPERTY, PLANT & EQUIPMENT

GROUP					
As at 31st March,	Plant & Machinery Rs.	Furniture & Equipment Rs.	Motor Vehicles Rs.	TOTAL 2022 Rs.	TOTAL 2021 Rs.
Cost					
As at 01st of April	495,574,335	33,325,999	1,176,347	**530,076,681**	474,228,773
Additions	91,434,777	7,407,614	-	**98,842,391**	55,847,908
As at 31st March	**587,009,112**	**40,733,613**	**1,176,347**	**628,919,072**	530,076,681
Accumulated Depreciation					
As at 01st of April	344,726,184	23,671,924	695,347	**369,093,455**	296,028,931
Charge for the Year	72,785,861	3,931,450	240,501	**76,957,812**	73,064,524
As at 31st March	**417,512,045**	**27,603,374**	**935,848**	**446,051,267**	**369,093,455**
Written Down Value					
As at 31st March	**169,497,067**	**13,130,239**	**240,499**	**182,867,805**	160,983,226

12 PROPERTY, PLANT & EQUIPMENT

COMPANY					
As at 31st March,	Plant & Machinery Rs.	Furniture & Equipment Rs.	Motor Vehicles Rs.	TOTAL 2022 Rs.	TOTAL 2021 Rs.
Cost					
As at 01st of April	329,199,209	25,486,337	214,347	**354,899,893**	322,596,697
Additions	67,071,926	7,407,614		**74,479,540**	32,303,196
As at 31st March	**396,271,135**	**32,893,952**	**214,347**	**429,379,433**	354,899,893
Accumulated Depreciation					
As at 01st of April	247,406,062	19,351,926	214,347	**266,972,335**	215,722,730
Charge for the Year	47,568,651	2,571,752	-	**50,140,403**	51,249,605
As at 31st March	**294,974,713**	**21,923,678**	**214,347**	**317,112,738**	266,972,335
Written Down Value					
As at 31st March	**101,296,422**	**10,970,274**	**-**	**112,266,695**	87,927,558

Fully depreciated assets of the Group as at the year end is Rs. 250,128,808/- (2021 - 144,192,820/-) and that of the Company is Rs. 244,515,806/- (2021- Rs. 138,579,818/-).

The temporarily idle property plant and equipment without a carrying value amounts to Rs. 38,075,238 as at 31st March 2022.

No Property Plant & Equipment has been pledged as collateral as at 31st March 2022.

There were no restrictions existed on the title to the property, plant and equipment of the Group / Company as at 31st March 2022.

13 INTANGIBLE ASSETS

GROUP				
As at 31st March,	Computer Software Rs.	Goodwill Rs.	TOTAL 2022 Rs.	TOTAL 2021 Rs.
Cost				
As at 01st of April	13,370,605	37,977,635	**51,348,240**	51,184,062
Additions	4,455,290	-	**4,455,290**	164,178
As at 31st March	**17,825,895**	**37,977,635**	**55,803,530**	51,348,240
Accumulated Amortization / Impairment Loss				
As at 01st of April	8,845,943	329,833	**9,175,776**	7,470,692
Amortization Charge for the Year	2,107,632	-	**2,107,632**	1,705,084
As at 31st March	**10,953,575**	**329,833**	**11,283,408**	9,175,776
Written Down Value				
As at 31st March	**6,872,320**	**37,647,802**	**44,520,122**	42,172,464

Impairment of goodwill

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use (VIU). The fair value less costs to sell calculation is based on available data from an active market, in an arm's length transaction, of similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the cash generating unit being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash inflows and the growth rate used for extrapolation purposes.

Assumptions used in estimating recoverable amounts are given below:

The recoverable values were subjected to an impairment test based on value in use. The value in use was determined by discounting the future cash flows generated from the continuing use of the unit and key assumptions used are given below.

1) Business Growth - The forecast has been done at minimum expected revenue growth rates (13.3%) to avoid any risk due to effect of prevailing macro economic conditions.
2) Inflation - Based on the current inflation rate and the percentage of the total cost subjected to the inflation.
3) Discount Rate - Weighted Average Cost of Capital (12.2%).
4) Margin - Current Average GP margins considered (35%).
5) 'Strategies - The marketing strategies, staff monitoring & evaluation strategies, internal controls, strategies on post sales business.
6) The capital expenditure required for revenue generation has been budgeted adequately.
7) Period of Projection - 5 Years.

No impairment loss was recognized during the financial year.

14 INTANGIBLE ASSETS

COMPANY			
As at 31st March,	Computer Software Rs.	TOTAL 2022 Rs.	TOTAL 2021 Rs.
Cost			
As at 01st of April	10,376,266	**10,376,266**	10,212,088
Additions	4,455,290	**4,455,290**	164,178
As at 31st March	**14,831,556**	**14,831,556**	10,376,266
Amortization			
As at 01 of April	7,174,418	**7,174,418**	6,022,795
Charge for the Year	1,554,169	**1,554,169**	1,151,623
As at 31st March	**8,728,587**	**8,728,587**	7,174,418
Written Down Value			
As at 31st March	**6,102,969**	**6,102,969**	3,201,848

15 RIGHT-OF-USE ASSETS

Set out below are the carrying amounts of right-of use assets recognised and the movements during the year.

As at 31st March,	GROUP		COMPANY	
	2022 Rs.	2021 Rs.	**2022 Rs.**	2021 Rs.
Cost				
Balance as at 01st April	**37,474,478**	37,474,478	**34,146,780**	34,146,780
Expiration of operating lease agreement during the year	**(3,327,698)**	-	**-**	-
Balance as at 31st March	**34,146,780**	37,474,478	**34,146,780**	34,146,780
Accumulated Depreciation				
Balance as at 01st April	**16,986,409**	8,055,349	**13,658,711**	6,829,355
Depreciation on operating lease agreement expired	**(3,327,698)**	-	**-**	-
Charge for the year	**6,829,356**	8,931,060	**6,829,356**	6,829,356
Balance as at 31st March	**20,488,067**	16,986,409	**20,488,067**	13,658,711
Net Book Value as at 31st March	**13,658,713**	20,488,069	**13,658,713**	20,488,069

As at 31st March,	Percentage Holding	COMPANY	
		2022 Rs.	2021 Rs.
16 INVESTMENTS IN SUBSIDIARIES			
Gestetner Manufacturers (Pvt) Ltd - 99,996 Shares @ Rs.10/-	100%	**999,960**	999,960
Gestetner Printing Services (Pvt) Ltd - 999,996 Shares @ Rs.10/-	100%	**9,999,960**	9,999,960
Nashua Lanka (Pvt) Ltd - 1,700,000 Shares @ Rs.10/-	100%	**17,000,000**	17,000,000
Fintek Managed Solutions (Pvt) Ltd - 12,800,000 Shares @ Rs.10/-	100%	**128,000,000**	100,000,000
Impairment of Investment in Fintek Managed Solutions (Pvt) Ltd		**(9,739,475)**	(9,739,475)
Provision for Investment in Gestetner Manufactures (Pvt) Ltd	100%	**(999,960)**	(999,960)
		145,260,485	117,260,485

16.1

As at 31st March,	GROUP		COMPANY	
OTHER INVESTMENT	**2022 Rs.**	2021 Rs.	**2022 Rs.**	2021 Rs.
Investment in Vauxhall Beira Properties (Pvt) Ltd				
Balance as at 31 March	**40,687,746**	40,687,746	**40,687,746**	40,687,746
Disposal	**(40,687,746)**	-	**(40,687,746)**	-
Balance as at 31st March	**-**	40,687,746	**-**	40,687,746

Disposal gain has been recognized in other income.

		GROUP		COMPANY	
	As at 31st March,	**2022 Rs.**	2021 Rs.	**2022 Rs.**	2021 Rs.
17	**INVENTORIES**				
	Inventory - Machines, Accessories & Spare Parts	**187,801,631**	126,172,506	**145,183,020**	84,763,832
	Goods in Transit	**47,279,513**	31,940,545	**47,279,513**	31,940,545
	Less: Provision for Obsolete Inventories (Note 17.1)	**(27,453,456)**	(21,168,766)	**(16,680,189)**	(15,160,405)
		207,627,688	136,944,285	**175,782,344**	101,543,972
17.1	**Movement of Provision for Obsolete Inventories**				
	Balance at the Beginning of the Year	**21,168,766**	14,886,279	**15,160,405**	6,542,799
	Provision for Inventories Recognised During the Year	**6,284,690**	8,790,180	**1,519,784**	8,617,606
	Reversal of Inventories Recognised During the Year	**-**	(2,507,693)	**-**	-
	Balance at the End of the Year	**27,453,456**	**21,168,766**	**16,680,189**	**15,160,405**
18	**TRADE & OTHER RECEIVABLES**				
	Trade Receivables	**239,636,900**	178,946,982	**172,679,253**	122,411,989
	Provision for Impairment of Trade Receivables (Note 18.1)	**(8,702,902)**	(7,917,254)	**(5,015,418)**	(5,149,746)
	Trade Receivables after Provision	**230,933,998**	171,029,728	**167,663,834**	117,262,243
	Deposits	**1,467,861**	1,679,936	**994,661**	1,206,736
	Advances & Prepayments	**47,565,225**	2,881,846	**30,797,457**	1,833,215
	Staff Loans (Note 18.2)	**442,426**	392,309	**352,124**	386,595
	Withholding Tax Recoverable	**20,145**	20,145	**8,154**	8,154
	Other Receivables	**58,380,634**	24,552,375	**57,012,228**	12,931,814
		338,810,289	200,556,339	**256,828,459**	**133,628,757**
18.1	**Movement of Provision for Impairment of Trade Receivable**				
	Balance at the Beginning of the Year	**7,917,254**	9,580,490	**5,149,746**	7,647,528
	Reversal of Impairment Recognised During the Year	**(134,328)**	(2,540,936)	**(134,328)**	(2,497,782)
	Provision for Impairment Recognised During the Year	**919,976**	877,700	**-**	-
	Balance at the End of the Year	**8,702,902**	7,917,254	**5,015,418**	5,149,746
18.2	**Staff Loans**				
	Balance at the Beginning of the Year	**392,309**	834,408	**386,595**	659,180
	Loans Granted During the Year	**507,254**	211,290	**288,500**	160,960
	Recoveries made During the Year	**(457,137)**	(653,389)	**(322,970)**	(433,545)
	Balance at the End of the Year	**442,426**	392,309	**352,124**	386,595
19	**AMOUNTS DUE FROM RELATED COMPANIES**				
	Amount Receivable within One Year				
	Fintek Managed Solutions (Pvt) Limited	**-**	-	**4,035,070**	-
	Vauxhall Beira Properties (Pvt) Limited	**1,807,911**	-	**1,807,911**	-
	Gestetner Manufacturers (Pvt) Limited	**-**	-	**916,958**	720,531
	Provision for Related Party Receivables	**-**	-	**(916,958)**	(720,531)
		1,807,911	-	**5,842,981**	-
	Amount Receivable more the One Year				
	Fintek Managed Solutions (Pvt) Limited (Note 19.1)	**-**	-	**6,000,000**	25,000,000
		-	-	**6,000,000**	25,000,000

19.1 Term loan granted to Fintek Managed Solutions was partly paid during the year and the remaining balance will be settled after one year.

Interest to be charged at market rate during the tenure of the loan.

As at 31st March,	GROUP 2022	GROUP 2021	COMPANY 2022	COMPANY 2021
20 CASH AND CASH EQUIVALENTS				
Favourable Balance				
Cash in Hand	**552,236**	983,340	**507,236**	973,464
Cash at Bank	**78,299,872**	53,222,324	**77,156,205**	50,017,659
	78,852,108	54,205,664	**77,663,441**	50,991,123
Unfavourable Balance				
Bank Overdraft	**(74,395,837)**	(15,208,671)	**(34,317,421)**	-
Cash & Cash Equivalents for the purpose of Cash Flow Statement	**4,456,271**	38,996,993	**43,346,020**	50,991,123

Details of the unfavourable balance of the Group together with the related securities offered as at the reporting date are set out below.

Institution & facility	Principal amount / Approved facility Rs.	Amount outstanding Rs.	Repayment terms & interest rate	Security offered
Bank overdraft				
Commercial Bank of Ceylon PLC	30,000,000	9,690,261	AWPLR + 1.75%	Stock & Debtors
DFCC Vardhana Bank PLC	15,000,000	13,129,509	AWPLR + 2.50%	Stock & Debtors
Nation Trust Bank PLC	15,000,000	11,712,671	AWPLR +1.50%	Stock & Debtors
Bank of Ceylon	15,000,000	-	AWPLR +4.00%	Stock & Debtors
Hatton National Bank PLC	35,000,000	39,863,396	AWPLR + 3.00%	Corporate Guarantee from Vauxhall Beira Properties (Pvt) Ltd
Short-Term Borrowings				
Commercial Bank of Ceylon PLC	144,348,993	144,348,993	4% / AWPLR + 2.5%	Stock & Debtors

As at 31st March,	GROUP 2022	GROUP 2021	COMPANY 2022	COMPANY 2021
21 STATED CAPITAL				
Issued & Fully paid Shares				
2,657,812 Ordinary Shares	**91,965,565**	91,965,565	**91,965,565**	91,965,565

The holders of Ordinary Shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets.

As at 31st March,	2022	2021	2022	2021
22 GENERAL RESERVE				
General Reserve	**5,000,000**	5,000,000	**5,000,000**	5,000,000
	5,000,000	5,000,000	**5,000,000**	5,000,000

The general reserve relates to retained earnings that has been built for the purpose of expansion of similar business in future.

23 DEFERRED TAX ASSETS / LIABILITIES

As at 31st March,	GROUP 2022	GROUP 2021	COMPANY 2022	COMPANY 2021
Balance at the Beginning of the Year	**(20,366,827)**	(12,389,800)	**(3,644,087)**	5,318,472
Origination of Temporary Differences	**(6,516,410)**	(6,806,947)	**(4,187,159)**	(7,518,045)
Effect due to Tax rate change	**-**	(1,170,080)	**-**	(1,444,514)
Balance at the End of the Year	**(26,883,237)**	(20,366,827)	**(7,831,246)**	(3,644,087)

23.1 Analysis of Deferred Tax Assets and Liabilities

As at 31st March,	**Group**		Group		**Company**		Company	
	2022		2021		**2022**		2021	
	Temporary Difference	**Tax**	Temporary Difference	Tax	**Temporary Difference**	**Tax**	Temporary Difference	Tax
Deferred Tax-Liabilities								
Property, Plant & Equipment	**6,777,291**	**1,626,550**	1,806,690	433,606	**6,755,348**	**1,621,283**	17,470,673	4,192,962
Fair value gain on investments at FVOCI	**-**	**-**	4,890,946	489,095	**-**	**-**	4,890,946	489,095
	6,777,291	**1,626,551**	6,697,636	922,701	**6,755,347**	**1,621,283**	22,361,619	4,682,057
Deferred Tax-Assets								
Employee Benefits	**(16,175,654)**	**(3,882,157)**	(15,107,974)	(3,625,914)	**(14,970,321)**	**(3,592,877)**	(14,030,962)	(3,367,431)
Provision for Impairment of Trade Debtors	**(8,702,902)**	**(2,081,501)**	(7,917,254)	(1,900,154)	**(5,015,418)**	**(1,203,700)**	(5,149,747)	(1,235,939)
Provision for Inventories	**(27,453,456)**	**(6,724,795)**	(21,168,766)	(5,080,503)	**(16,680,189)**	**(4,003,245)**	(15,160,406)	(3,638,497)
Right-of-Use Asset / Lease Liability	**(2,719,622)**	**(652,709)**	(351,151)	(84,277)	**(2,719,622)**	**(652,709)**	(351,151)	(84,276)
Tax Loss	**(63,202,613)**	**(15,168,627)**	(44,161,166)	(10,598,680)	**-**	**-**	-	-
	(118,254,248)	**(28,509,790)**	(88,706,311)	(21,289,528)	**(39,385,550)**	**(9,452,532)**	(34,692,267)	(8,326,144)
Net Deferred Tax Liabilities / (Assets)	**(111,476,957)**	**(26,883,237)**	(82,008,675)	(20,366,827)	**(32,630,203)**	**(7,831,246)**	(12,330,648)	(3,644,087)

23.2 Movement in Temporary Differences

Group	2021						**2022**			
	Balance as at 01.04.2020	Recognized in Profit or Loss	Recognized in Other comprehensive Income	Effect Due to Income Tax Rate Change		Balance as at 31.03.2021	**Balance as at 01.04.2021**	**Recognized in Profit or Loss**	**Recognized in OCI**	**Balance as at 31.03.2022**
				Profit or Loss	OCI					
Property, Plant and Equipment	10,486,257	(8,169,002)	-	(1,883,649)	-	433,606	**433,606**	**1,192,944**	**-**	**1,626,550**
Right-of-Use Assets / Lease Liability	(488,049)	328,671	-	75,101	-	(84,277)	**(84,277)**	**(568,433)**	**-**	**(652,709)**
Retirement Benefit Obligations	(4,064,992)	(327,593)	284,622	-	482,049	(3,625,914)	**(3,625,914)**	**(460,981)**	**204,738**	**(3,882,157)**
Provision for Impairment of Trade Debtors	(2,670,044)	516,314	-	253,576	-	(1,900,154)	**(1,900,154)**	**(181,347)**	**-**	**(2,081,501)**
Provision for Inventories	(4,082,227)	(1,227,334)	-	229,058	-	(5,080,503)	**(5,080,503)**	**(1,644,292)**	**-**	**(6,724,795)**
Tax Losses	(12,940,210)	1,787,374	-	554,156	-	(10,598,680)	**(10,598,680)**	**(4,569,947)**	**-**	**(15,168,627)**
Fair value gain on investments at FVOCI	1,369,465	-	-	-	(880,370)	489,095	**489,095**	**(489,095)**	**-**	
	(12,389,800)	(7,091,570)	284,622	(771,758)	(398,321)	(20,366,827)	**(20,366,827)**	**(6,721,149)**	**204,738**	**(26,883,237)**

23.2 Movement in Temporary Differences (Continued)

Company	2021						2022			
	Balance as at 01.04.2020 Rs.	Recognized in Profit or Loss	Recognized in Other comprehensive Income	Effect Due to Income Tax Rate Change		Balance as at 31.03.2021 Rs.	**Balance as at 01.04.2021 Rs.**	**Recognized in Profit or Loss**	**Recognized in OCI**	**Balance as at 31.03.2022 Rs.**
				Profit or Loss	OCI					
Property, Plant and Equipment	12,291,820	(6,342,884)	-	(1,755,974)	-	4,192,961	**4,192,961**	**(2,571,678)**	**-**	**1,621,283**
Right-of-Use Assets / Lease Liability	(465,783)	314,966	-	66,540	-	(84,276)	**(84,276)**	**(568,433)**	**-**	**(652,709)**
Retirement Benefit Obligations	(3,903,738)	(278,231)	256,861	-	557,677	(3,367,431)	**(3,367,431)**	**(508,547)**	**283,101**	**(3,592,877)**
Provision for Impairment of Trade Debtors	(2,141,308)	599,468	-	305,901	-	(1,235,939)	**(1,235,939)**	**32,239**	**-**	**(1,203,700)**
Provision for Inventories	(1,831,984)	(2,068,225)	-	261,712	-	(3,638,497)	**(3,638,497)**	**(364,748)**	**-**	**(4,003,245)**
Fair value gain on investments at FVOCI	1,369,465	-		-	(880,370)	489,095	**489,095**	**(489,095)**	**-**	**-**
	5,318,472	(7,774,907)	256,861	(1,121,821)	(322,693)	(3,644,087)	**(3,644,087)**	**(4,470,260)**	**283,101**	**(7,831,246)**

23.3 Unrecognised Deferred Tax Assets

As at 31st March	GROUP		COMPANY	
	2022 Rs.	2021 Rs.	**2022 Rs.**	2021 Rs.
Deferred Tax Assets				
Tax Losses	**19,357,222**	19,357,222	**-**	-

Deferred tax assets arising from the tax losses have not been recognised for Nashua Lanka (Pvt) Ltd and Gestetner Manufacturers (Pvt) Ltd as it is not probable that future taxable profit will be available against which the Group can utilize the benefits therefrom.

As at 31 March,	GROUP		COMPANY	
	2022	2021	**2022**	2021
24 LEASE LIABILITY				
Amount Payable more than one Year	8,724,908	16,378,336	8,724,908	16,378,336
	8,724,908	16,378,336	**8,724,908**	16,378,336
Amount Payable within one Year	7,653,428	4,460,881	7,653,428	4,460,881
	7,653,428	4,460,881	**7,653,428**	4,460,881
24.1 Movement during the year				
Balance as at 01 April	**20,839,217**	31,162,161	**20,839,217**	28,980,934
Interest on Lease liabilities	**2,559,119**	3,167,896	**2,559,119**	3,009,123
Payments	**(7,020,000)**	(6,861,227)	**(7,020,000)**	(5,850,000)
Negative Variable Lease rental Payments	**-**	(6,629,613)	**-**	(5,300,840)
Balance as at 31 March	**16,378,336**	20,839,217	**16,378,336**	20,839,217
24.2 Amounts recognized in profit or loss				
Interest on Lease liabilities	2,559,119	3,167,896	2,559,119	3,009,123
Depreciation Charge for the year	6,829,356	8,931,060	6,829,356	6,829,356
	9,388,475	**12,098,956**	**9,388,475**	**9,838,479**

25 DEFINED BENEFIT OBLIGATION

At the beginning of the Year	**15,107,974**	14,517,831	**14,030,964**	13,941,923
Included in Profit or Loss	**2,939,527**	3,883,069	**2,484,693**	3,266,296
Actuarial Gain	**(1,506,097)**	(1,185,926)	**(1,179,586)**	(1,070,255)
Benefits Paid	**(365,750)**	(2,107,000)	**(365,750)**	(2,107,000)
At the end of the year	**16,175,654**	15,107,974	**14,970,321**	14,030,964

The principle assumptions used in determining employee benefits liability were as follows:

Discount Rate	**15.00%**	7.3%	**15.00%**	7.3%
Salary Increment Rate	**8%**	5%	**8%**	5%
Employees' Turnover Ratio	**15%**	15%	**15%**	15%
Retirement Age (Years)	**55**	55	**55**	55

The amount recognised in the profit or loss is as follows:

Current Service Cost	**2,381,337**	2,503,875	**1,966,085**	1,941,813
Past Service Cost	**(537,138)**	-	**(498,637)**	-
Interest Cost	**1,095,328**	1,379,194	**1,017,245**	1,324,483
	2,939,527	3,883,069	**2,484,693**	3,266,296

The amount recognised in Other Comprehensive Income is as follows:

Actuarial (Gain) / Loss	**(1,506,097)**	(1,185,926)	**(1,179,586)**	(1,070,255)

This obligation is not externally funded.

The Gratuity Liability of the Group has been determined based on the Projected unit credit method in accordance with LKAS 19- Employee Benefits.

25 DEFINED BENEFIT OBLIGATION (Continued)

Sensitivity Analysis

Reasonably possible changes to one of the relevant assumptions at the reporting date holding other assumptions constant would have affected the defined benefit obligation by the amounts shown below.

As At 31st March 2022	GROUP		COMPANY	
	Discount Rate	Future Salary Increment Rate	Discount Rate	Future Salary Increment Rate
Increase in one percentage point	**(595,049)**	**755,380**	**(540,930)**	**687,919**
Decrease in one percentage point	**644,968**	**(705,836)**	**586,407**	**(642,802)**

As at 31st March,	GROUP		COMPANY	
	2022	2021	**2022**	2021
26 TRADE & OTHER PAYABLES				
Trade Payables	**25,212,851**	6,306,722	**23,061,372**	3,695,508
Accruals	**23,340,816**	15,733,360	**11,605,928**	9,380,616
Import Creditors	**257,952,692**	147,224,813	**230,600,198**	116,571,327
MSPS/ETF Payable	**2,927,672**	2,692,903	**2,453,971**	2,219,103
Other Taxes Payable	**100,800**	-	**100,800**	-
	309,534,831	171,957,798	**267,822,267**	131,866,554
27 SHORT TERM BORROWINGS				
Commercial Bank of Ceylon PLC	**144,348,993**	99,946,983	**110,863,279**	47,380,000
	144,348,993	99,946,983	**110,863,279**	47,380,000
28 AMOUNTS DUE TO RELATED COMPANIES				
Amount payable within one year				
Gestetner Printing Services (Pvt) Limited	**-**	-	**29,578,389**	27,760,985
Fintek Managed Solutions (Pvt) Limited	**-**	-	**-**	9,176,687
Nashua Lanka (Pvt) Limited	**-**	-	**29,096,509**	21,891,791
Vauxhall Beira Properties (Pvt) Limited	**-**	722,813	**-**	-
	-	722,813	**58,674,898**	58,829,463
Amount payable more than one year				
Vauxhall Beira Properties (Pvt) Ltd	**15,000,000**	16,000,000	-	-
	15,000,000	16,000,000	-	-

28.1 The Loan between Vauxhall Beira Properties (Pvt) Ltd and Fintek Managed Solutions (Pvt) Ltd for a sum of Rs.15,000,000/- (Rs. Fifteen Million) to be settled after one year.

Interest to be charged at market rate during the tenure of the loan.

As at 31st March,	GROUP		COMPANY	
	2022 Rs.	2021 Rs.	**2022 Rs.**	2021 Rs.
29 CURRENT TAX LIABILITIES				
Balance at the Beginning of the Year	**11,604,751**	7,054,018	**11,712,869**	6,787,371
Tax Provision for the Year (Note 9.2)	**2,879,472**	12,177,608	**2,372,742**	11,712,869
	14,484,223	19,231,626	**14,085,611**	18,500,240
Tax Paid During the Year	**(12,065,914)**	(7,626,875)	**(11,712,869)**	(6,787,371)
Balance at the End of the Year	**2,418,309**	11,604,751	**2,372,742**	11,712,869

As at 31 st March 2022

30 RELATED PARTY DISCLOSURES

30.1 The Company carries out transactions with parties who are defined as related parties in Sri Lanka Accounting Standard LKAS 24 'Related Party Disclosures', the details of which are reported below.

Name of the Company	Nature of the Relationship	Name of the Director	Details of Transactions	Amount Received/(Paid) 2021/2022 (Rs.)	Amount Received/(Paid) 2020/2021 (Rs.)
Gestetner Printing Services (Private) Limited	Subsidiary Company	Mr S J M Anzsar	Expenses Transfers	**73,431**	144,573
		Mr L R Watawala Mr D M R Phillips	Sale of Goods and Services	**1,127,979**	1,832,595
		Ms S A J Goonatilleke Mr A M G Gomez	Salaries & Other Expenses Transfers	**23,815**	26,687
		Mr B C U Perera	Settlements	**(3,042,604)**	648,315
Nashua Lanka (Private) Limited	Subsidiary Company	Mr S J M Anzsar	Expenses Transfers	**(471,718)**	(277,810)
		Ms S A J Goonatilleke Mr A M G Gomez	Purchase of Goods and Services	**(3,043,289)**	(688,810)
		Mr B C U Perera	Salaries & Other Expenses Transfers	**1,236,600**	1,451,578
			Settlements	**(5,141,949)**	(2,576,432)
			Sales of Goods and Services	**215,635**	129,364
Gestetner Manufacturers (Private) Limited	Subsidiary Company	Mr S J M Anzsar Mr L R Watawala Mr D M R Phillips Mr A M G Gomez Ms S A J Goonatilleke	Audit & Taxation Fees Paid	**(196,427)**	(65,768)
Vauxhall Beira Properties (Pvt) Limited	Common Directors	Mr S J M Anzsar	Obtained of Services	**7,020,000**	5,850,000
		Ms S A J Goonatilleke	Settlements	**(7,020,000)**	(5,850,000)
		Mr M P L Perera	Share Transaction	**47,036,995**	-
Fintek Managed Solutions (Private) Limited	Subsidiary Company	Mr S J M Anzsar	Expenses Transfers	**2,689,029**	3,197,172
		Mr A R Rasiah Mr P L S Virajith	Salaries & Other Expenses Transfers	**2,019,784**	1,429,977
		Mr A M G Gomez	Settlements	**41,901,696**	31,768,838
			Sales of Goods and Services	**(8,369,179)**	(15,617,520)
			Loan Settlements	**(19,000,000)**	-
			Long Term Loan	**-**	25,000,000

This note should be read in conjunction with notes 19 and 28 to the Financial Statements.

30.2 Terms & Conditions of the Related Party Transactions

All above transactions are carried out at arm's length basis. The sales to and purchases from related parties are carried out at terms equivalents to those that prevail in any other arm's length transaction with a party outside the Group. There is no mortgage/ guarantee provided for outstanding balances as at any given time/date , accordingly all transaction are unsecured and interest is charged at the time of settlement at the market rate. The above explanation is applicable to receivables and payables of all related parties .

30.3 Rational for entering into Related Party Transactions

All transaction refer to are either purchase of items or obtaining / provision of services. Accordingly above refer to transactions completed within the Group, at an arm's length price.

30.4 Transactions With Key Management Personnel

According to Sri Lanka Accounting Standard 24 - Related Party Disclosures, Key Management Personnel, are those having authority and responsibility for planning, directing and controlling the activities of the entity. Accordingly, the Board of Directors (including Executive & Non - Executive Directors) of the Company have been classified as Key Management Personnel of the Company.

As at 31st March,	Group		Company	
	2022	2021	2022	2021
Key Management Compensation				
Short-Term Employee Benefits and Post-Employment Benefits	-	3,207,500	-	3,207,500
	-	**3,207,500**	**-**	**3,207,500**

30.5 Transactions, Arrangements and Agreements involving with Key Management Personnel (KMP) and their Close Family Members (CFM)

CFM of a KMP are those family members who may be expected to influence or be influenced by, that individual in their dealing with the entity. They may include;

(a) the individual's domestic partner and children;
(b) children of the individual's domestic partner ; and
(c) dependents of the individual or the individual's domestic partner.

CFM are related parties to the entity. There were no transaction with CFM during the year.

31 FINANCIAL INSTRUMENTS

31.1 Financial Assets and Liabilities

The Financial Assets and Liabilities recognized in the Statement of Financial Position in accordance with SLFRS 09.

Financial Assets	GROUP		COMPANY	
As at 31st March	2022	2021	2022	2021
Amortised Cost				
Trade and Other Receivables	**291,245,064**	197,674,494	**226,022,849**	131,787,388
Amounts Due from Related Parties	**-**	-	**11,842,981**	25,000,000
Cash & Cash Equivalents	**78,852,108**	54,205,664	**77,663,441**	50,991,123
Total Financial Assets	**370,097,172**	251,880,158	**315,529,271**	207,778,511
FVOCI				
Other Investments	**-**	40,687,746	**-**	40,687,746
Total Financial Assets	**-**	40,687,746	**-**	40,687,746

Financial Liabilities	GROUP		COMPANY	
As at 31st March	2022	2021	2022	2021
Trade & Other Payables	**286,194,015**	156,224,438	**256,216,339**	122,485,938
Short-Term Borrowings	**144,348,993**	99,946,983	**110,863,279**	47,380,000
Lease Liability	**16,378,336**	20,839,217	**16,378,337**	20,839,217
Amounts Due to Related Parties	**15,000,000**	16,722,813	**58,674,898**	58,829,463
Bank Overdrafts	**74,395,837**	15,208,671	**34,317,421**	-
Total Financial Liabilities	**536,317,182**	308,942,122	**476,450,274**	249,534,617

31.1.(a) Financial Instruments

The following table shows the carrying amounts and fair values of financial assets and financial liabilities. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

As at 31st March 2022

Group	Carrying Amount			
Description	**FVOCI**	**Financial Assets at Amortized Cost**	**Other Financial Liabilities**	**Total**
Financial Assets not measured at fair value				
Trade and Other Receivables	-	291,245,064	-	**291,245,064**
Cash and Cash Equivalents	-	78,852,108	-	**78,852,108**
	-	**370,097,172**	**-**	**370,097,172**
Financial Liabilities not measured at fair value				
Trade & Other Payables	-	-	286,194,015	**286,194,015**
Short-Term Borrowings	-	-	144,348,993	**144,348,993**
Lease Liability	-	-	16,378,336	**16,378,336**
Amounts Due to Related Parties	-	-	15,000,000	**15,000,000**
Bank Overdrafts	-	-	74,395,837	**74,395,837**
	-	**-**	**536,317,181**	**536,317,181**

As at 31st March 2021

Group	Carrying Amount			
Description	**FVOCI**	**Financial Assets at Amortized Cost**	**Other Financial Liabilities**	**Total**
Financial Assets measured at fair value				
Other Investments	40,687,746	-	-	40,687,746
	40,687,746	-	-	40,687,746
Financial Assets not measured at fair value				
Trade and Other Receivables	-	197,674,494	-	197,674,494
Cash and Cash Equivalents	-	54,205,664	-	54,205,664
	-	251,880,158	-	251,880,158
Financial Liabilities not measured at fair value				
Trade & Other Payables	-	-	156,224,438	156,224,438
Short-Term Borrowings	-	-	99,946,982	99,946,982
Lease Liability	-	-	20,839,217	20,839,217
Amounts Due to Related Parties	-	-	16,722,813	16,722,813
Bank Overdrafts	-	-	15,208,671	15,208,671
	-	-	308,942,122	308,942,122

31.1.(a) Financial Instruments (Continued)

All amounts are in Sri Lankan Rupees

As at 31st March 2022

Company	Carrying Amount			
Description	**FVOCI**	**Financial Assets at Amortized Cost**	**Other Financial Liabilities**	**Total**
Financial Assets not measured at fair value				
Trade and Other Receivables	-	226,022,849	-	**226,022,849**
Amounts Due from Related Companies	-	11,842,981	-	**11,842,981**
Cash and Cash Equivalents	-	77,663,441	-	**77,663,441**
	-	**315,529,271**	-	**315,529,271**
Financial Liabilities not measured at fair value				
Trade & Other Payables	-	-	256,216,339	**256,216,339**
Short-Term Borrowings	-	-	110,863,279	**110,863,279**
Lease Liability	-	-	16,378,337	**16,378,337**
Amounts Due to Related Parties	-	-	58,674,898	**58,674,898**
Bank Overdrafts	-	-	34,317,421	**34,317,421**
	-	-	**476,450,274**	**476,450,274**

As at 31st March 2021

Company	Carrying Amount			
Description	**FVOCI**	**Financial Assets at Amortized Cost**	**Other Financial Liabilities**	**Total**
Financial Assets measured at fair value				
Other Investments	40,687,746	-	-	**40,687,746**
	40,687,746	-	-	**40,687,746**
Financial Assets not measured at fair value				
Trade and Other Receivables	-	131,787,388	-	**131,787,388**
Amounts Due from Related Companies	-	25,000,000	-	**25,000,000**
Cash and Cash Equivalents	-	50,991,123	-	**50,991,123**
	-	207,778,511	-	**207,778,511**
Financial Liabilities not measured at fair value				
Trade & Other Payables	-	-	122,485,938	**122,485,938**
Short-Term Borrowings	-	-	47,380,000	**47,380,000**
Lease Liability	-	-	20,839,217	**20,839,217**
Amounts Due to Related Parties	-	-	58,829,463	**58,829,463**
	-	-	**249,534,618**	**249,534,618**

Classes of financial instruments that are not carried at fair value and of which carrying amounts are a reasonable approximation of fair value. This includes trade receivables, cash and cash equivalents, trade payable, other payables, amounts due to and due from related parties, lease liability and bank overdraft. The carrying amounts of these financial assets and liabilities are a reasonable approximation of fair values due to their short-term nature.

31.2 Financial Risk Management

The Group has exposure to the following risks from it's use of financial instruments:
- Credit Risk
- Liquidity Risk
- Market Risk

This note represents qualitative and quantitative information about Group's exposure to each of the above risks, the Group's objectives, policies and procedures for measuring and managing risk.

Risk Management Framework

The Board of Directors has overall responsibilities for the establishment and oversight of the Group's risk management framework. The Group's risk management policies are established to identify and adherence to limits.

31.2.1 Credit Risk

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

The Group trades only with recognised, creditworthy third parties. It is the Group's policy that all clients who wish to trade on credit terms are subject to credit appraisal. In addition,Receivable balances are monitored on an ongoing basis to minimise bad debt risk and to ensure default rates are kept very low. The improved operating environment resulted in improved collections during the financial year. There could be stresses in the ensuing year on account of the macroeconomic uncertainty and related impacts to our customers on account of elevated inflation and interest rates and the possible impact on consumer discretionary spend. However, Group has increased the trend towards COD policy and credit policy has been more tighten to mitigate any adverse impact. A review of age analysis of trade receivables and follow-up meetings are carried out by the business unit managers on regular basis and by the Group Management at least once a month.

	GROUP		COMPANY	
	2022	2021	**2022**	2021
Trade Receivable & Other Receivable	**291,245,064**	197,674,494	**226,022,849**	131,787,388
Amounts Due from Related Companies	**-**	-	**11,842,981**	25,000,000
Cash & Cash Equivalents	**78,299,872**	53,222,324	**77,156,205**	50,017,659
	369,544,936	250,896,818	**315,022,035**	206,805,047

As at 31st March,	GROUP		COMPANY	
Trade receivables	**2022**	2021	**2022**	2021
Past due neither not impaired				
Past due 1 - 30 days	**136,465,658**	87,865,026	**102,062,039**	61,311,698
Past due 31 - 60 days	**55,361,715**	34,435,743	**40,681,881**	24,060,848
Past due 61 - 90 days	**27,686,165**	31,399,003	**12,085,600**	16,397,933
More than 90 days	**11,420,460**	17,329,901	**12,699,987**	15,491,764
	230,933,998	171,029,673	**167,529,507**	117,262,243

The requirement for an impairment is analysed at each reporting date on applicable basis. The calculation is based on actual incurred historical data.

The aging analysis of trade receivables and provision for impairment were as follows for the Group and Company:

As at 31st March 2022 - Group	**Weighted average loss rate**	**Gross carrying amount**	**Loss allowance**	**Credit Impaired**
Past due 1 - 30 days	0.00%	136,465,658	-	No
Past due 31 - 60 days	0.42%	55,596,067	(234,352)	No
Past due 61 - 90 days	0.57%	27,846,587	(160,422)	No
More than 90 days	42.10%	19,728,588	(8,308,128)	Yes
		239,636,900	**(8,702,902)**	

As at 31st March 2022 - Company	**Weighted average loss rate**	**Gross carrying amount**	**Loss allowance**	**Credit Impaired**
Past due 1 - 30 days	0.00%	102,062,039	-	No
Past due 31 - 60 days	0.57%	40,681,881	(234,352)	No
Past due 61 - 90 days	1.32%	12,085,600	(160,422)	No
More than 90 days	25.88%	17,849,733	(4,620,644)	Yes
		172,679,253	**(5,015,418)**	

31.2.2 Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligation associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Group monitors its funds using a daily cash management process. This process considers the maturity of both the Group's financial investments and financial assets (e.g. accounts receivable, other financial assets) and projected cash flows from operations. With prevailing economic situation in the country, the Group regularly review operational cash flows and take necessary remedies in advance to avoid any liquidity risk.

As at 31st March,	GROUP		COMPANY	
Net (Debt) / Cash	**2022 Rs.**	2021 Rs.	**2022 Rs.**	2021 Rs.
Cash & Cash Equivalents	**78,852,108**	54,205,664	**77,663,441**	50,991,123
Total Liquid Assets	**78,852,108**	54,205,664	**77,663,441**	50,991,123
Bank Overdrafts	**74,395,837**	15,208,671	**34,317,421**	-
Short term borrowings	**144,348,993**	99,946,983	**110,863,279**	47,380,000
Total Borrowings	**218,744,830**	**115,155,654**	**145,180,700**	**47,380,000**
Net Cash/(Borrowings)	**(139,892,722)**	(60,949,990)	**(67,517,259)**	3,611,123

The following are the contractual maturities of financial liabilities as at 31 March 2022:

Group	Within 1 year	Between 1-2 years	Between 2-3 years	Between 3-4 years	More than 4 years	Total	Carrying Value
Trade and other payables	286,194,016	-	-	-	-	286,194,016	286,194,016
Short term borrowings	144,348,993	-	-	-	-	144,348,993	144,348,993
Lease liability	11,066,572	9,206,621	-	-	-	20,273,193	16,378,336
Bank overdraft	74,395,837	-	-	-	-	74,395,837	74,395,837
Amounts due to related companies	-	15,000,000	-	-	-	15,000,000	15,000,000
	516,005,418	**24,206,621**	**-**	**-**	**-**	**540,212,039**	**536,317,182**

The following are the contractual maturities of financial liabilities as at 31 March 2021:

Group	Within 1 year	Between 1-2 years	Between 2-3 years	Between 3-4 years	More than 4 years	Total	Carrying Value
Trade and other payables	156,224,438	-	-	-	-	156,224,438	156,224,438
Short term borrowings	99,946,983	-	-	-	-	99,946,983	99,946,983
Lease Liability	9,579,119	11,066,572	9,995,092	-	-	30,640,783	20,839,217
Bank overdraft	15,208,671	-	-	-	-	15,208,671	15,208,671
Amounts due to related companies	722,813	16,000,000	-	-	-	16,722,813	16,722,813
	281,682,024	**27,066,572**	**9,995,092**	**-**	**-**	**318,743,688**	**308,942,122**

The following are the contractual maturities of financial liabilities as at 31 March 2022:

Company	Within 1 year	Between 1-2 years	Between 2-3 years	Between 3-4 years	More than 4 years	Total	Carrying Value
Trade and other payables	256,216,340	-	-	-	-	256,216,340	256,216,340
Short term borrowings	110,863,279	-	-	-	-	110,863,279	110,863,279
Lease Liability	11,066,572	9,206,621	-	-	-	20,273,193	16,378,336
Amount due to related companies	58,674,898	-	-	-	-	58,674,898	58,674,898
Bank overdraft	34,317,421	-	-	-	-	34,317,421	34,317,421
	471,138,511	**9,206,621**	**-**	**-**	**-**	**480,345,132**	**476,450,275**

The following are the contractual maturities of financial liabilities as at 31 March 2021:

Company	Within 1 year	Between 1-2 years	Between 2-3 years	Between 3-4 years	More than 4 years	Total	Carrying Value
Trade and other payables	122,485,937	-	-	-	-	122,485,937	122,485,937
Short term borrowings	47,380,000	-	-	-	-	47,380,000	47,380,000
Lease Liability	9,579,119	11,066,572	9,995,092	-	-	30,640,784	20,839,217
Amount due to related companies	58,829,463	-	-	-	-	58,829,463	58,829,463
	238,274,519	**11,066,572**	**9,995,092**	**-**	**-**	**259,336,184**	**249,534,617**

As at 31st March 2022

31.2 Financial Risk Management (Continued)

31.2.3 Market Risk

Market Risk is the risk that changes in market prices, such as foreign exchanges rates, interest rates etc. will affect the Group's income or the value of its holdings of financial instruments. The objective of the market risk management is to manage and control market risk exposures within acceptable parameters while optimizing the returns.

(a) Currency Risk

Currency risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group is

exposed to currency risk on purchases that are denominated in a currency other than the functional currency which is Sri Lankan Rupees.

Being imports oriented, fluctuations in foreign currency exchange rates have a significant impact on the stocks purchased by the Group. The Financial Statements presented, are significantly affected by foreign exchange fluctuations.

The Sri Lankan Rupee witnessed significant volatility, particularly during the latter part of the year. Whilst the exchange rate was maintained at stable levels during the year, as per the guidelines issued to the banks by the Central Bank of Sri Lanka, the currency depreciated sharply in March 2022 once the CBSL allowed a free float of the currency which resulted in a steep depreciation of the Sri Lankan Rupee by 31 March 2022. In addition to the depreciation of the currency, there were significant challenges in the foreign currency market on the back of a marked reduction in liquidity amidst declining confidence and a depletion of foreign currency reserves in the country. This resulted in a series of measures such as the continuation of certain import controls and stipulations on foreign currency conversions and remittances. The lack of confidence in the market however resulted in a sharp reduction in foreign currency employment remittances which exacerbated the liquidity situation. The Group adopted prudent measures, as and when required, to manage the financial impacts arising from the liquidity constraints and currency fluctuations Including price level adjustments to match foreign currency payouts to the foreign suppliers, imports prioritization based on how essential products are to customers, relationships expansion with financial institutions to ensure prioritized foreign currency, close monitoring of the behavior of exchange rates and the market conditions to provide continuous market updates to Group Management.

Exposure to Currency Risk	GROUP		COMPANY	
As at 31st March	**2022 USD**	2021 USD	**2022 USD**	2021 USD
Trade Payables - Foreign Creditors	**862,474**	867,620	**771,238**	820,968
Gross Statement of Financial Position Exposure	**862,474**	867,620	**771,238**	820,968

The following significant exchange rates were applicable during the year:

As at 31st March	Average Rate		Reporting Date Spot Rate	
	2022 Rs.	2021 Rs.	**2022 Rs.**	2021 Rs.
USD	**298.99**	199.00	**299.80**	201.80

Sensitivity Analysis

A strengthening of the Rs, as indicated below, against the USD at 31st March 2022 would have increased/ (decreased) the equity and profit or loss by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Group considered to be reasonably possible at the end of the reporting period. The analysis assumes that all other variables, in particular interest rates, remain constant.

		GROUP		COMPANY	
		Strengthening	Weakening	Strengthening	Weakening
		Profit or Loss Rs.	Profit or Loss Rs.	Profit or Loss Rs.	Profit or Loss Rs.
31st March 2022	USD (10% movement)	**(25,856,974)**	**25,856,974**	**(23,121,719)**	**23,121,719**
31st March 2021	USD (10% movement)	(15,054,895)	15,054,895	(11,657,134)	11,657,134

(b) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's Investments in securities and debt obligation .The Group utilises various financial instruments to manage exposures to interest rate risks and closely monitors the interest rate fluctuations in the market and negotiates favorable rates on borrowing to manage interest rate risk.

At the reporting date, the Group's interest-bearing financial instruments were as follows:

As at 31st March	Carrying Amount	
	2022 Rs.	2021 Rs.
Fixed Rate Instruments		
Financial Liabilities		
Amounts Due to Related Companies	**15,000,000**	16,722,813
	15,000,000	16,722,813
Variable Rate Instruments		
Financial Liabilities		
Short-Term Borrowings	**144,348,993**	99,946,983
Bank Overdrafts	**74,395,837**	15,208,671
	218,744,830	115,155,654

The Central Bank of Sri Lanka (CBSL) adopted a tightening monetary policy stance during the latter part of the financial year, resulting in an upward trend in interest rates. Elevated pressures on inflation on account of many factors including increases in global commodity prices, food supply and the sharp depreciation of the currency in March 2022 have resulted in strong policy actions by the CBSL on monetary policy post the end of the reporting period. Such actions have raised monetary policy rates significantly and helped to bridge the gap between policy and market interest rates.

Sensitivity Analysis

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on short term borrowing & bank overdraft where floating rates are applicable by 5% / 1% interest with all other variables held constant.

		GROUP		COMPANY	
		Strengthening	Weakening	Strengthening	Weakening
		Profit or Loss Rs.	Profit or Loss Rs.	Profit or Loss Rs.	Profit or Loss Rs.
31st March 2022	Interest Rate (5% movement)	**(10,937,242)**	**10,937,242**	**(7,259,035)**	**7,259,035**
31st March 2021	Interest Rate (1% movement)	(1,151,557)	1,151,557	(473,800)	473,800

(b) Interest Rate Risk (Continued)

At the reporting date, the Company's interest-bearing financial instruments were as follows:

As at 31st March,	Carrying Amount	
	2022	2021
Fixed Rate Instruments		
Financial Assets		
Amounts Due from Related Companies	**11,842,981**	25,000,000
	11,842,981	25,000,000
Financial Liabilities		
Amounts Due to Related Companies	**58,674,898**	58,829,463
	58,674,898	58,829,463
Variable Rate Instruments		
Financial Liabilities		
Bank Overdrafts	**34,317,421**	-
Short terms borrowings	**110,863,279**	47,380,000
	145,180,700	47,380,000

(c) Capital Management

The Board's policy is to maintain a strong capital base so as to maintain shareholder, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital and level of dividends to ordinary shareholders.

The Group's Net Debt to adjusted Equity ratio at the end of the reporting period was as follows:

	GROUP		COMPANY	
As at 31st March,	**2022**	2021	**2022**	2021
Total Liabilities	**578,251,960**	351,388,207	**505,399,264**	284,659,067
Cash and Cash Equivalents	**(78,852,108)**	(54,205,664)	**(77,663,441)**	(50,991,123)
Net Debt	**499,399,852**	297,182,543	**427,735,823**	233,667,944
Total Equity	**316,775,913**	325,016,413	**301,838,069**	299,714,578
Net Debt to Equity Ratio	**158%**	91%	**142%**	78%

The Group is not subject to externally imposed capital requirements.

32 CAPITAL COMMITMENTS

There were no material capital expenditure approved by the Board of Directors as at 31st March 2022.

33 CONTINGENT LIABILITIES

There are no material contingent liabilities outstanding as at the reporting date other than disclosed below.

a) "The writ application bearing writ appeal No: CA/WRIT/98/2019 instituted by the Company against the Commissioner of Labour and five others challenging the award of arbitration in industrial arbitration case No: A 3511 is currently pending in the honorable court of appeal and has been fixed for argument.

The company's liability, if any, would be limited to only such as may be the final determination made by the Court of appeal which does not however arise at this stage.

b) Bank Guarantee issued in favour of Customers amounting to Rs.5,673,501 for the tender process.

As at 31 st March 22

34 EVENTS OCCURRING AFTER THE REPORTING DATE

No events have occurred since the reporting date which would require adjustment to, or disclose in, Financial Statements.

35 GOING CONCERN OF SUBSIDIARY

Gestetner Manufacturers (Pvt) Limited

The Company has incurred a Net Loss of Rs.215,427/- for the financial year ended 31st March 2022 (2021 - Rs. 66,768/-) and its accumulated loss as at that date stands at Rs. 2,276,189/- (2021 - Rs. 2,060,762). The current Liabilities of the Company exceeds the Current Assets as at 31st March 2022 by Rs.1,276,189/- (2021 - Rs. 1,060,762). However, the Financial Statements of the Company has been prepared on going concern basis without making any adjustment to the recorded asset amounts & classifications of liabilities which may be required when the Company is unable to continue as a going concern. The Directors are confident (Financial support letter dated 01st July 2022) that the Company will be able to continue to operate as a going concern with the continuous support from its parent and other related companies.

36 RISK MANAGEMENT

MARKET RISK

Risk	Potential Impact	Treatment
Competition and Customer Demand	Decline in market share, new rivals	Adding new models with latest technology which attract existing and potential customers. Continuously focus on product diversification.
Economical & Political Environment.	Negative impact on the Company due to changes in the economic and political environment.	Economic and political variables/ potential fluctuations are continuously evaluated including the impact of prevailing situation in the country.

FINANCIAL RISK

Please refer note no 31.2 on financial risk management

COMPLIANCE RISK

Risk	Potential Impact	Treatment
Legal and Regulatory	Regulatory risk arises when the Company does not comply with regulatory requirements which are subject to change from time to time.	The Management reviews changes in regulations and assesses the business impact of such changes. A compliance statement is presented to every Board Meeting. Company officials constantly attend seminars & work with Regulators to ensure that regulatory requirements are fully understood and complied with. Seek professional advice from external consultants such as legal, and tax consultants as and when needed.

OPERATIONAL RISK

Risk	Potential Impact	Treatment
Technology	Possibility of products being outdated or obsolete due to advanced technology.	Ensure strong supplier and customer relationship to meet customers' changing requirements and suppliers' new developments. Upgrade knowledge of technical staff through training.
Human Resource	Impact on business competitiveness due to difficulties in attracting, developing and retaining employees with the appropriate skills, experience and aptitude.	Recruitment of high caliber staff and effective communication lines are developed in the Company's culture to foster good employer employee relationships. Training programs are carried out in order to infuse motivation, commitment and empowerment among the staff. Maintain healthy relationship with employees at all levels through welfare activities.
Inventory	Risk of carrying inventory that is not saleable.	Maintain optimum levels in all possible categories of inventory. Close regular monitoring on inventory movements.
Fraud	The risk that the internal control weaknesses leading to corruption and employees abusing entrusted power for private gain and in turn leading to misappropriation of assets or fraudulent financial reports.	Establishment of stringent procedures and internal control measures and their continuous improvement.

TEN YEAR SUMMARY

Year Ended 31st March	2021/22 Rs 000'	2020/21 Rs 000'	2019/20 Rs 000'	2018/19 Rs 000'	2017/18 Rs 000'	2016/17 Rs 000'	2015/16 Rs 000'	2014/15 Rs 000'	2013/14 Rs 000'	2012/13 Rs 000'
Operating Results										
Revenue	1,054,284	832,531	1,034,982	909,427	712,371	744,844	617,794	630,434	543,383	457,214
Profit / (Loss) before tax	(13,384)	17,737	(12,796)	56,280	72,063	61,369	48,154	73,384	45,383	42,546
Income Tax Reversal / (Expense)	3,842	(4,544)	8,143	(13,393)	(21,397)	(19,617)	(13,354)	(21,054)	(14,078)	(13,198)
Profit / (Loss) for the year	(9,542)	13,192	(4,653)	42,886	50,667	41,752	34,801	52,330	31,305	29,349
Capital Employed										
Stated Capital	91,966	91,966	91,966	91,966	91,966	91,966	91,966	46,403	46,403	46,403
Reserves	224,810	233,051	218,559	221,189	180,163	128,391	128,166	117,286	76,372	54,474
Total Equity	316,776	325,016	310,524	313,155	272,128	220,357	220,132	163,689	122,775	100,877
Represented By ;										
Non-Current Assets	267,930	284,698	304,410	153,306	161,894	160,390	95,706	95,075	88,281	53,982
Current Assets	627,098	391,706	435,367	404,450	316,116	377,528	293,346	240,402	138,151	137,388
Total Liabilities	(578,252)	(351,388)	(429,253)	(244,601)	(205,882)	(317,561)	(168,920)	(171,788)	(103,657)	(90,493)
Net Assets	316,776	325,016	310,524	313,155	272,128	220,357	220,132	163,689	122,775	100,877
Key Indicators										
Earnings / (Loss) per share (Rs.)	(3.59)	4.96	(1.75)	16.14	19.06	15.71	13.23	22.54	13.74	12.88
Net assets per share (Rs.)	119.19	122.29	116.83	117.82	102.39	82.91	82.82	71.85	53.89	44.28
Market value per share (Rs.)	66.10	85.00	91.00	88.00	119.00	118.80	120.00	129.20	129.90	160.00
Dividend per share (Rs.)	-	-	-	1.25	-	15.00	1.00	9.00	5.00	4.00
Dividends approved (Rs.'000)	-	-	-	3,322	-	39,867	2,658	23,920	11,391	9,113
Annual sales growth (%)	26.64	(19.56)	13.81	27.70	(4.40)	20.57	(2.01)	16.02	18.85	(1.04)
Equity to total assets ratio (%)	35.39	48.05	41.98	56.15	56.93	40.96	56.58	48.79	54.22	52.71
Dividend cover (no of times)	-	-	-	12.91	-	1.05	13.23	2.50	2.75	3.22
Dividend payout ratio (%)	-	-	-	7.75	-	95.49	7.64	45.71	36.39	31.05
Price earnings ratio (no. of times)	(18.41)	17.12	(51.98)	5.45	6.24	7.56	9.07	5.73	9.45	12.42
Current Ratio (no. of times)	1.16	1.29	1.16	1.91	1.96	1.37	1.91	1.52	1.50	1.75

INVESTOR INFORMATION

Gestetner of Ceylon PLC is a public quoted company, the issued ordinary shares of which are listed on the Colombo Stock Exchange.

DISTRIBUTION OF SHARES

ShareholderCategory		31st March 2022			31st March 2021		
		No. of Shareholders	No. of Shares	%	No. of Shareholders	No. of Shares	%
1	1,000	659	100,146	3.77	614	88,367	3.32
1,001	10,000	71	223,783	8.42	47	147,438	5.55
10,001	100,000	15	310, 068	11.67	11	229, 637	8.64
100,001	1,000,000	4	783,620	29.48	4	952,175	35.83
1,000,001	99,999,999	1	1,240,195	46.66	1	1,240,195	46.66
Over	100,000,000	-	-	-	-	-	-
Total		**750**	**2,657,812**	**100.00**	**677**	**2,657,812**	**100.00**

MARKET VALUE

	2021/2022	2020/2021	2019/2020
Highest	101.75	140.00	114.90
Lowest	65.00	85.00	90.20
Closing	66.10	85.00	91.00

EARNINGS

	2021/2022	2020/2021	2019/2020
Earnings Per Share - Basic (Rs.)	(3.59)	4.96	(1.75)
Price Earnings Ratio (P/E) (Times)	(18.41)	17.12	(51.98)

NET ASSETS PER SHARE

	2021/2022	2020/2021	2019/2020
The Group (Rs.)	119.19	122.29	116.83
The Company (Rs.)	113.57	112.77	108.94

GESTETNER OF CEYLON PLC

NOTICE OF MEETING

NOTICE is hereby given that the Fifty-Eight (58th) Annual General Meeting of GESTETNER OF CEYLON PLC will be held as a Virtual Meeting on 19th, September 2022 at 11 a.m. for the following purposes:

1. To receive and consider the Audited Financial Statements for the year ended 31st March, 2022 together with the Report of the Auditors' thereon and the Annual Report for the said year.

2. (i) To re-elect Mr. Seyed Jemaldeen Muhammed Anzsar, Director, who retires by rotation in terms of Article 85 of the Articles of Association.

   (ii) To re-appoint as a Director Mr. Lakshman Ravendra Watawala who is over 70 years of age and who vacates his office in terms of Section 210 of the Companies Act, No. 7 of 2007 (the Companies Act).

   Notice is hereby given to propose the undernoted Ordinary Resolution in compliance with Section 211 of the Companies Act, in relation to his re-appointment.

   "RESOLVED THAT Mr. Lakshman Ravendra Watawala who is over 70 years of age be and is hereby re-appointed as a Director of Gestetner of Ceylon PLC and it is hereby declared that the age limit of 70 years referred to in Section 210 of the Companies Act No. 7 of 2007 shall not apply to the said Mr. Lakshman Ravendra Watawala."

   (iii) To re-appoint Mr. Albert Rasakantha Rasiah, Alternate Director to Mr. S J M Anzsar, Chairman, who is over 70 years of age and who vacates his office in terms of Section 210 of the Companies Act, No. 7 of 2007 (the Companies Act).

   Notice is hereby given to propose the undernoted Ordinary Resolution in compliance with Section 211 of the Companies Act, in relation to his re-appointment.

   "RESOLVED THAT Mr. Albert Rasakantha Rasiah who is over 70 years of age and who is the Alternate Director to Mr. S J M Anzsar, be and is hereby re-appointed and it is hereby declared that the age limit of 70 years referred to in Section 210 of the Companies Act No. 7 of 2007 shall not apply to the said Mr. Albert Rasakantha Rasiah."

3. To authorize the Directors to determine and make donations.

4. To re-appoint the retiring Auditors Messrs. BDO Partners, Chartered Accountants, to hold office until the conclusion of the next Annual General Meeting and to authorize the Directors to determine their remuneration.

BY ORDER OF THE BOARD
JACEY & COMPANY SECRETARIES
COLOMBO
26TH AUGUST 2022

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN HIS/HER STEAD.
2. A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
3. THE COMPLETED FORM OF PROXY MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY AT NO. 248 VAUXHALL STREET, COLOMBO 02 OR MUST BE E-MAILED TO 'gocl@gestetnersl.com' NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR THE MEETING.

CORPORATE INFORMATION

NAME OF THE COMPANY
Gestetner of Ceylon PLC

COMPANY REGISTRATION NO.
PQ 215

LEGAL FORM
A Public Quoted Company with limited liability, incorporated in Sri Lanka in 1964.

The Shares of the Company are listed on the Colombo Stock Exchange.

BOARD OF DIRECTORS

Seyed Jemaldeen Muhammed Anzsar	- Chairman
Lakshman Ravendra Watawala	- Deputy Chairman
Sita Anne Juliana Goonetilleke	
Bulathsinghalage Chandima Upul Perera	
Keki Wadia	
Albert Rasakantha Rasiah	- Alternate Director to Chairman

COMPANY SECRETARY
Messrs Jacey & Company.
No. 9/5, Thambiah Avenue, Colombo 07.

AUDITORS
Messrs BDO Partners, Chartered Accountants,
"Charter House", 65/2, Sir Chittampalam A Gardiner Mawatha,
Colombo - 02, Sri Lanka.

BANKERS
Commercial Bank of Ceylon PLC
Bank of Ceylon
Hatton National Bank PLC
Standard Chartered Bank
DFCC Vardhana Bank
Union Bank of Sri Lanka
Nations Trust Bank PLC
Amana Bank PLC
Sampath Bank PLC
National Development Bank PLC
Bank of China, Colombo Branch

REGISTERED OFFICE
Gestetner Centre, No. 248 , Vauxhall Street, Colombo 02
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E-mail : gocl@gestetnersl.com
Web : www.gestetnersl.com

50 yrs 1964–2014
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