01-04-2012 -31-03-2013

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ANNUAL REPORT & ACCOUNTS

ஆண்டறிக்கையும் கணக்குகளும்

මාන්තායි සෝල්ට් ලිමිටඩ්

MANTAI SALT LIMITED

மாந்தை உப்பு லிமிற்றெட்

CORPORATE INFORMATION

Name of the Company	Mantai Salt Ltd (Government Own Company)
Line Ministry	Ministry of Industry & commerce.
Head Office	21,2/1,E.S.FernandoMw,GalleRoad, Colombo 06.
Mannar Saltern	Grand Bazaar, Mannar.
Chemmani Saltern	No. 321, A V Road, Ariyalai, Jaffna.
Company Registration No.	[N(PBS)942] New No. PB1078
Tax Payer Identification No. (TIN No.)	134009420
Shares Holders	General Treasury
Board of Directors	Mr. A.K.M.Shihabdeen (Chairman) Mr. P.R.Perera Mr. V.Jayathilake Mr. S.R.W.M.R.Sathkumara Mr. W.A.U.Gunawardena Mr. M.H.M.Niyas
Board Secretary	Corporate Affairs (Pvt) Ltd.
Auditor	BDO Partners Chartered Accountants, 2nd Floor, No. 126 2/1, YMBA Building, Colombo 01.
Bankers	Bank of Ceylon

MANTAI SALT LTD.

Introduction

Mantai Salt Ltd. (MSL) has long history in salt production in Sri Lanka. It manufactured common salt and distribute in the form of Iodated salt ,crushed salt, industrial salt, in our country.

Year		**Name of Institute**
From	**To**	
1938	1965	Salt Department
1966	1990	Sri Lanka National Salt Corporation
1991	1996	Lanka Salt Ltd.
1997	2001/Sept.	Mannar Saltern under G.A. Mannar
2001/Oct.	Up to date	Mantai Salt Ltd.

Vision Statement

In keeping with the nature of the business the company has the following vision.

"Development of salt - based enterprises in the North and East by exploration of natural resources connected with chemical and other processes and thereby upgrades the living of the people".

Mission Statement

The Mission of the company is as follows.

"Operation of Salterns, manufacture, processing and marketing of salt and by-products in the North and Eastern Region".

Mannar Saltern

Total extent of Mannar Saltern is 240 acres of which 110 acres was in production area up to 2010. 53 acres were developed in 2011 and now the total production area 163 acres. Average salt production before development 4000 MT. Which is 2.6% of total salt production in Sri Lanka. This market share 2.6% will be increased to 5% in the year 2012, 2012 with the increased production of 4007 MT, 2013 increased production of 4527 MT, respectively after the development of Mannar Saltern.

Chemmani Saltern

The total extent of Chemmani Saltern is 200 acres of which 80 acres are used for salt manufacture. The production activities were carried out with using the available resources. The production staff of Chemmani Saltern used their maximum efforts on salt production for last several years, but expected quantity of salt could not be produced due to poor soil condition and lack of obtaining sufficient quality sea Braine and also fresh water seepage from adjourning land.

Since Saltern have been running at a lost for several years due to low productivity, salt production from this area has been suspended from the year 2012 and exploring the possibilities for aquaculture project. Since the salt production has been stopped, this land will be handed over to G.A. Jaffna & it is in process.

Production

Year	Production (MT)		
	Mannar	Chemmani	Total
2011/2012	4,147	135	4,282
2012/2013	4,527	-	4,527

Sales

Year	Sales (MT)	Revenue (MN)	Profit (MN)
2011/2012	4,016	43.5	3.8
2012/2013	3,801	38.9	0.8

Development

100% of the development work has been completed with utilizing 25 MN under the development project of 25 MN allocated by Treasury.

Iodated Salt in 1 KG Packet

Production and distribution of iodated salt in 1 Kg laminated packet under the brand name of "Raja Salt" was established and reached the target of 50,000 packets per month and demand is increasing.

Quality

The process of obtaining SLS Mark is almost completed and awaiting for SLS certificate.

Finance

This organization is a profit earning company and it is generating the finance by production and sales of common salt and it is managed by its own funds with providing reasonable dividends to the Treasury.

Future Plan

Establishing a table salt plant 1 TPH to produce 2000 MT per annum for the purpose of producing value added production for the financial benefit of Mantai Salt Ltd. and national benefit of reducing foreign exchange out going, reducing unemployment problem and elimination of iodine deficiency disorder in Sri Lanka.

Project Cost

Plant and Machinery	-	35 MN
Plant Building	-	15 MN
		50 MN

ORGANIZATION CHART

Staff Position	Head Office	Mannar
General Manager	01	-
Manager Finance	01	-
Manager Saltern	-	01
Internal audit officer	01	-
Assistant Manager Saltern	-	02
Saltern officer		01
Storekeeper		01
Management Assistant	03	06
Supervisor		01
Driver		02
Peon	02	02
Electrician		01
Pump operator		03
Mechanic		01
Labour		08
Security Guard		03
Total Staffs	**08**	**32**

21.10.2013

Directors' Report

The Directors of the company present herewith their report together with the audited Balance sheet and Statements of Income for the year ended 31st March 2013.

Principal Activities

The principal activities of the Company during the year under review were the manufacture and sale of salt.

Financial Highlights

Financial year ended 31 st March 2013

	Rs.
Sale of salt	
Mannar Saltern	38,820,175
Total Turnover	**38,820,175**
Cost of sales	(25,504,287)
Gross Profit	
Gross Profit	**13,315,888**
Net Profit / (Loss) for the period	**499,230**
Earnings per share	**1.66**

Directors.

The following were the Directors of the company during the year.

Mr.A K M Shihabdeen	-	Chairman
Mr. S.R W M R Sathkumara	-	Director
Mr. W A U Gunawardana	-	Director
Mr.V Jayathilaka	-	Director
Mr.P R Perera	-	Director
Mr M H M Niyas	-	
		Director

Directors' Shareholding

The Directors do not hold any shares of the Company.

Directors' Interest in contracts

The Directors had no direct or indirect interest in any contract with the Company.

Auditors

The present auditor of the company isBDO PARTNERS, Chartered Accountants . New Auditors will be appointed for the financial year 2013/2014.

By order of the Board

Company Secretary

CHAIRMAN'S REVIEW

On behalf of the board of Directors of Mantai salt Ltd., I have pleasure in welcoming you to the 2012/ 2013 Annual General Meeting of the Company and present to you the Annual Report & Accounts for the year ended 31st March 2013.

Looking back on our performance from the beginning we can justify of our achievements in Production and other activities. Inspite of reduction of market price of Salt, we apply survival strategy for this year. As a result of that Mantai Salt Ltd recorded turnover of Rupees 38.8 million and able to make profits after tax of Rs 499,230/-

I am pleased to report to the share holders that the company was able to play the roll as the facilitator to develop & sustain the viable Salt Industry in Sri Lanka.

The results achieved during the year 2012/2013, the earnings per share was RS 1.66

A total approved cadre for the year was 104. The Existing cadre strength was 40 as at 31.03.2013.I am pleased to record that we continue to receive the fullest cooperation from all employees at all levels.

Mantai salt Ltd need to strengthen its current capital base through infusion of new equity capital in order to fulfill the desired objectives successfully.

We are also gratified by the continuous encouragement & support given to us by Ministry of Industry & commerce, Department of public enterprise, Finance Ministry, State Authorities as well as the Customers.

Mantai salt Ltd is thus geared to meeting all challengers and respond quickly and effectively to the needs of our customers and thus ensure its continued success.

I dedicate my sincere thanks to my colleagues on the board for the invaluable guidance &support extended to me.

A.K.M.SHIHABDEEN

CHAIRMAN

21.10.2013

MESSAGE FROM THE GENERAL MANAGER

It is the pleasure opportunity to express my message in the occasion of Annual General meeting that Mantai Salt Ltd. carried out its activities, functions progressively and achieved the following results during the period from 1st April 2012 to 31st March, 2013.

OVERVIEW

Manufactured 4527 MT of salt for the year 2012/2013 against the budgeted quantity of 4500 MT and 3801 MT of salt was sold in the form of iodated salt 1 Kg packets, industrial salt & crushed salt and the total net turnover for the year is Rs 38.8 Million.

Actual profit before taxation for this year Rs 499,230.00 as per accounts prepared.

Mannar Saltern

Total extent of Mannar Saltern is 240 acres of which 110 acres is in production area up to 2010. 53 acres were developed in 2011 and now the present total production area is 163 acres. Average salt production before development was 4000 MT. Which is 2.6% of total salt production in Sri Lanka. This market share 2.6% will be increased to 5% in the year 2012, 2013 with the increased production of 5000 MT, 6000 MT respectively after the development of Mannar Saltern.

Chemmani Saltern

The total extent of Chemmani Saltern is 200 acres of which 80 acres are used for salt manufacture. The production activities were carried out with using the available resources. The production staff of Chemmani Saltern used their maximum efforts on salt production for last several years, but expected quantity of salt could not be produced due to poor soil condition and lack of obtaining sufficient quality sea brain and also fresh water seepage from adjourning land.

Since Saltern have been running at a lost for several years due to low productivity, salt production from this area has been suspended from the year 2012 and exploring the possibilities for aquaculture project

PERFORMANCE & DEVELOPMENT DRIVE

Salt is one of the oldest and universal consumables since man started eating prepared food. No food or drink will taste the same without Salt. Salt is considered the Universal Carrier for Iodine in the elimination of Iodine Deficiency Disorders in developing countries. Therefore, as stakeholders in the industry, we recognize the importance of both improving the quality of edible Salt and ensuring the maintenance of accepted iodization standards for Salt.

The objective of this proposed a strategic development plan, to develop the existing Mantai Saltern Mannar, by area expansion and its facilities to enhance the production, introduce value added products qualitatively and quantitatively to the salt market in Sri Lanka. Development plan, process implementation by novel technologies and defining the business scope walk through main phases of the market plan ending at the phase of marketing mix. Further the below mentioned are the prime objectives of the proposal.

1. Expansion of the existing evaporation area is to increase the production.
2. Enhance the productivity by process improvements in salt manufacturing process.
3. Upgrade the crystal salt in terms of quality and quantity by improving the process.
4. Enhance the productivity of the crystal salt washing and packaging by introducing novel systems.
5. Development of the required infrastructure facilities to enhance the productivity
6. Introduction of "Brand" concept to the marketed products.
7. Implementation of a new project of mechanical salt washery & iodated crystal salt.

Mantai Saltern has to face the strategic competition in the local market for its survival and profitability against the giants from both public and private sector. There should be a strategic plan to face the upcoming market era where quality is highly concerned but price is competitive. Facing the above, Mantai has to increase its production to get higher productivity. Hence it is highly required to expand the production and upgrade the processes to reach desired productivity and quality. Concerning the above,

Development of Mannar Saltern development work has been completed with utilizing 25 MN allocated by Treasury. Detail as follows:

- Developing 53 acres and increasing salt manufacturing area.
- Construction of deep crystallizer ponds 04 Nos.
- Rubble pitching around the deep crystallizers.
- Purchasing of submersible pumps (02 Nos) for the pumping of lagoon brine.
- Installation of high capacity transformer to Saltern.
- Installation of weighbridge 40 MT near the Iodization plant building
- Purchasing of new Massy Ferguson Tractor and Trailer.

After completion of the above Development of 53 acres at Mannar. The annual salt production will be Increased by 2000 MT ie 5000 MT in 2013 and 6000 MT in 2014.

QUALITY

Production and distribution of iodated salt in 1 Kg laminated packet under the brand name of "Raja Salt" was established and reached the target of 50,000 packets per month and demand is increasing.

SLS certificate has been obtained from SLS &our iodated salt is produced with SLS Mark.

Targeting the brand concept, with SLS" mark in 2013, ICCIDD status, ISO 9001-2008, ISO 22000 status at the end of year of 2014.

Introduction of washing system for the crystal salt plant will be much benefited to the productivity.

Existing practice of Salt washing for iodated crystal salt has to be improved with mechanical washing to enhance the quality & productivity.

FUTURE PLAN

Establishing a table salt plant 1 TPH to produce 2000 MT per annum for the purpose of producing value added production for the financial benefit of Mantai Salt Ltd. and national benefit of reducing foreign exchange out going, reducing unemployment problem in Mannar district and elimination of iodine deficiency disorder in Sri Lanka.

Project Cost

Plant and Machinery	-	35 MN
Plant Building	-	15 MN
		50 MN

I take this opportunity to thank Ministry of Industry & commerce, Department of public enterprise, Ministry of Finance, State Authorities for having assisted financial support, extended fullest co-operation and provided valuable guidance for achieving the above targets and the better progress of Mantai Salt Ltd.

P. EHAMPHARAM

GENERAL MANGER

MANTAI SALT LIMITED

ILLUSTRATIVE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2013

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF MANTAI SALT LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of Mantai Salt Limited, which comprise the Statement of Financial Position as at 31st March 2013, and the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory notes as set out on pages 5 to 29.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Sri Lanka Accounting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Scope of Audit and Basis of Opinion

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Sri Lanka Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit. We therefore believe that our audit provides a reasonable basis for our opinion.

Opinion

In our opinion, so far as it appears from our examination, the Company maintained proper accounting records for the year ended 31st March 2013 and the Financial Statements give a true and fair view of the Company's state of affairs as at 31st March 2013 and its profit and cash flows for the year then ended in accordance with the Sri Lanka Financial Reporting Standards (SLFRSs).

Report on Other Legal and Regulatory Requirements

These financial statements also comply with the requirements of Section 151(2) of the Companies Act No. 07 of 2007.

CHARTERED ACCOUNTANTS
Colombo
16th October 2013.

MANTAI SALT LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31ST MARCH 2013

	Ref Note	SLFRS 2012/2013 Rs.	SLFRS 2011/2012 Rs.
Revenue	03	38,820,175	43,586,657
Cost of Sales	04	(25,504,287)	(29,310,068)
Gross Profit		13,315,888	14,276,589
Other Income	05	1,624,907	710,158
		14,940,795	14,986,747
Administrative Expenses	06	(10,117,665)	(9,079,415)
Selling & Distribution Expenses	07	(4,297,025)	(2,001,700)
Operating Profit		**526,105**	**3,905,633**
Finance Costs	08	(26,875)	(28,942)
Profit before Tax		499,230	3,876,691
Income Tax Expense		-	-
Profit after Tax		**499,230**	**3,876,691**
Other Comprehensive Income		-	-
Total Comprehensive Income		**499,230**	**3,876,691**
Earning Per Share	10	1.66	12.92
Dividend Paid per Share	11	-	-

The accounting policies and notes on pages 5 to 29 from an integral part of these financial statements.

16th October 2013
Colombo

MANTAI SALT LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31ST MARCH 2013

	Ref. Note	SLFRS Balance 31/03/2013 Rs	SLFRS Balance 31/03/2012 Rs	SLFRS Balance 01/04/2011 Rs
ASSETS				
NON CURRENT ASSETS				
Property, Plant & Equipment	**12**	67,949,088	66,640,275	62,476,290
Fixed Deposits		9,878,487	14,000,000	18,092,987
Deferred Revenue Expenditure	**13**	28,774,189	25,219,197	5,656,154
Total Non Current Assets		106,601,764	105,859,472	86,225,431
CURRENT ASSETS				
Inventories	**14**	13,559,099	9,525,846	8,626,854
Trade & Other Receivables	**15**	10,620,532	12,033,562	6,800,674
Cash & Cash Equivalents	**16**	3,437,069	4,061,592	7,027,079
Total Current Assets		27,616,701	25,621,000	22,454,607
TOTAL ASSETS		**134,218,465**	**131,480,472**	**108,680,038**
EQUITY & LIABILITIES				
Stated Capital		30,000,000	30,000,000	30,000,000
Government Grants		55,869,677	51,740,318	30,556,203
Revaluation Reserve		14,500,000	14,500,000	14,500,000
Retained Earnings		23,566,383	23,067,154	19,190,463
		123,936,060	119,307,472	94,246,666
NON CURRENT LIABILITIES				
Deferred Liability	**17**	3,189,514	3,352,662	3,129,082
CURRENT LIABILITIES				
Trade & Other Payables	**18**	7,092,891	8,820,338	11,304,289
Total Current Liabilities		7,092,891	8,820,338	11,304,289
Total Liabilities		10,282,405	12,173,000	14,433,371
TOTAL EQUITY AND LIABILITIES		**134,218,465**	**131,480,472**	**108,680,038**

The accounting policies and notes on pages 5 to 29 from an integral part of these financial state

These Financial Statements are in compliance with the requirements of the Companies Act No. 07 of 2007

....
(Mr. / Mrs. / Miss) (Name:
....) Finance Manager (FM)

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

....

Mr./Miss/Mrs. (Name: ....) **Mr./Miss/Mrs** (Name: ....)
(Director/Directress) **(Director/Directress)**
16th October 2013 Colombo

MANTAI SALT LIMITED
STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 31ST MARCH 2013

		2012/2013	2011/2012
		Rs.	Rs.
Cash Flow from Operating Activities			
Operating Profit / (Loss) before Tax		499,230	3,876,691
Add:			
Depreciation		1,507,318	2,000,093
Amortization		368,825	
Gratuity Provision		267,476	668,080
Fixed Deposit interest income		(972,871)	(334,416)
		1,170,748	2,333,757
Operating Profit for the year before Changes in Working Capital		1,669,977	6,210,447
Changes in working capital			
(Increase)/Decrease in Inventories		(4,033,253)	(898,994)
(Increase)/Decrease in Trade & Other Receivables		1,413,029	(5,869,665)
Increase/(Decrease) in Trade & Other Payable		(1,727,451)	(101,290)
		(4,347,675)	(6,869,949)
Cash Generated from Operations		(2,677,698)	(659,502)
Income Tax paid		-	(1,319,500)
Gratuity paid		(430,622)	(444,500)
WHT Paid		-	(41,143)
ESC paid		-	(385,818)
		(430,622)	(2,190,961)
Net cash in flow from Operating Activities		(3,108,320)	(2,850,463)
Cash flow from Investing Activities			
Purchase of property, plant & equipment		(2,816,129)	(5,277,067)
Investment Withdrawal		6,000,000	-
Investment in fixed deposits		(1,878,487)	4,092,987
Fixed Deposit Interest Income		972,871	334,416
Land Development Cost		(3,923,817)	(20,449,474)
Grant Received from Ministry of Trade & Commerce		4,129,359	21,184,114
		2,483,797	(115,024)
Net Increase in cash & cash equivalents during the year		(624,523)	(2,965,487)
Cash & Cash Equivalents at the beginning of the year	Note 1	4,061,592	7,027,079
Cash & Cash Equivalents at the end of the year	Note 2	3,437,069	4,061,592

	Note 2	Note 1
Cash and Cash Equivalents		
Cash at Bank		
Bank of Ceylon - Metropolitan Branch	3,032,033	2,989,965
Manner Branch	287,517	530,113
Jaffna Branch	113,954	113,954
Petty Cash		
Head Office	285	8,941
Manner	3,305	995
Chemmani	(25)	129
Cash in Transits	-	417,495
	3,437,069	4,061,592

The accounting policies and notes on pages 5 to 29 from an integral part of these financial statements.

16th October 2013 Colombo

MANTAI SALT LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31ST MARCH 2013

	Stated Capital Rs.	Government Grants Rs.	Revaluation Reserves Rs.	Retained Earnings Rs.	Total Rs.
Balance as at 1st April 2011	**30,000,000**	**30,556,203**	**14,500,000**	**19,190,463**	**94,246,666**
Adjustments due to first time adoption of SLFRS	-	-	-	-	-
Net Profit for the year	-	-	-	3,876,691	3,876,691
Capital Contribution by Government	-	21,184,115	-	-	21,184,115
Dividend 2011 / 2012	-	-	-	-	-
Balance as at 31st March 2012	**30,000,000**	**51,740,318**	**14,500,000**	**23,067,154**	**119,307,472**
				-	
Balance as at 01st April 2012	**30,000,000**	**51,740,318**	**14,500,000**	**23,067,154**	**119,307,472**
Net Profit for the year	-	-	-	499,230	499,230
Capital Contribution by Government	-	4,129,359	-	-	4,129,359
Dividend 2012/ 2013	-	-	-	-	-
Balance as at 31st March 2013	**30,000,000**	**55,869,677**	**14,500,000**	**23,566,383**	**123,936,060**

The accounting policies and notes on pages 5 to 29 from an integral part of these financial statements.

16th October 2013
Colombo

1. General

1.1 Accounting Convention

The Financial Statements of Mantai Salt Limited, which is a Public Enterprise, comprises the Statement of Financial Position, Statement of Comprehensive Income, Statement of Cash Flow Statement, Statement of Changes in Equity, Accounting Policies and Notes to the Financial Statements. These Statements are prepared in conformity with the generally accepted Accounting Principles, Sri Lanka Accounting Standards laid down by the Institute of Charted Accountants of Sri Lanka and Sri Lanka Accounting and Auditing Standard Act No. 15 of 1995 and applied consistently on Historical cost valuation policy contained in the Accounting Policies.

1.1.1 Date of Authorization to Issue

The Financial Statements for the year ended 31st March, 2013 were authorized for issue in accordance with a Resolution of the Board of Directors on 16th of October 2013.

1.1.2 Responsibility for Financial Statements

The Board of Directors are responsible for the preparation and presentation of these Financial Statements. The responsibility of the Directors in relation to the Financial Statements are set out in "the Statement of Director's responsibility".

1.2 Summary of Significant Accounting Policies

1.2.1General Accounting Policies

1.2.1.1Basis of Preparation of Financial Statements

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

The Company prepared its Financial Statements in accordance with the Sri Lanka Accounting Standards (SLAS) effective upto 31st March, 2012 for all period's upto and including the year ended 31st March, 2012.

These Financial Statements for the year ended 31st March, 2013 are the first, the Company has prepared in accordance with the Sri Lanka Accounting Standards (SLFRS/LKAS) effective for the periods beginning on or after 01stJanuary, 2012. (Refer Note 2.6.8 for explanation of the transition)

The Company has consistently applied the accounting policies used in preparation of its opening SLFRS statement of financial position as at 01st April, 2011 through all periods presented, as if these policies had always been in effect.

An explanation of how the transition of SLFRSs has affected the reported financial position and financial performance of the Company is provided in Note 19.

1.2.1.2 Significant Accounts Judgements, Estimates and Assumptions

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

1.2.1.3 Basis of Measurement

The Financial Statements have been prepared under the historical cost convention with exception of certain assets and liabilities at fair value.

1.2.1.4 Functional and Presentation Currency

Item included in the Financial Statements are measured using the currency of primary economic environment in which the entity operates (the functional currency). The Financial Statements are presented in Sri Lanka Rupees, which is the Company's functional and presentation currency.

1.2.1.5 Statement of Compliance

The Statement of financial position, Statement of comprehensive income, Statement of Changes in Equity and Cash Flows, together with Accounting Policies and Notes ("financial statements") of the Company as at 31st March, 2013 are prepared in compliance with the Sri Lanka Accounting Standards (LKAS & SLFRS) issued by the Institute of Chartered Accountants of Sri Lanka.

The preparation and presentation of these Financial Statements are in compliance with the Companies Act No. 7 of 2007.

1.2.1.6 Going Concern

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

1.2.1.7 Comparative Information

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

1.2.1.8 Materiality and Aggregation

Each material class of similar items are presented separately in the Financial Statements. Items of a dissimilar nature or function are presented separately unless they are immaterial.

1.2.1.8 Critical Accounting Estimates and Judgements

The Company makes certain estimates and assumptions regarding the future. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

2. Assets and their Bases of Valuation

2.1 Property, Plant & Equipment

Property, Plant & Equipments are stated at cost or valuation less aggregated depreciation. The cost of an item of Property, Plant & Equipment comprises its purchase price, construction cost and any directly attributable costs to bring the assets to working condition for its intended use. Land is to be revalued once in ever three years.

2.1.1 Useful Life of Property, Plant and Equipment

The Company reviews the assets' residual values, useful life and methods of depreciation at each reporting date; judgments made by the management based on the professional experts are exercised in the estimation of these values, rates and methods.

2.1.2 Depreciation

Depreciation of Property, Plant & Equipment is provided as required by the revised LKAS 18 for Property, Plant & Equipment, which required depreciating the assets from date of becoming available for use & depreciation is not provided on lands.

The depreciation rates applied from the year ended 31st March 2013 are as follows:

All Buildings	5% Per Annum
All Plant & Machinery	10% Per Annum
All Equipment	10% Per Annum
All Furniture	10% Per Annum

2.1.3 Impairment of Non-Financial Assets

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

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

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

A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the assets recoverable amount since the last impairment loss was recognized. If that is the case the carrying amount of the asset is increased to its recoverable amount. The increased amount cannot "exceed" the

Carrying amount that would have been determined, net of depreciation had, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of comprehensive income.

2.1.4 Financial Assets

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

2.1.4.1 Initial Recognition and Measurement

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

Purchases or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

The Company's financial assets include Investment in cash and trade and other receivables.

2.1.4.2 Subsequent Measurement

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

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

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

(b) Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate method (EIR), less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the statement of comprehensive income. The losses arising from impairment are recognized in the statement of comprehensive income in finance costs.

(c) Held-to-Maturity Investments

Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held-to-maturity when the Company has the positive intention and ability to hold them to maturity. After initial measurement, held-to-maturity investments are measured at amortized cost using the effective interest rate (EIR) method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the statement of comprehensive income. The losses arising from impairment are recognized in the statement of comprehensive income in finance costs.

(d) Available-for-Sale Financial Investments

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

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

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

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

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

2.1.4.3 De-Recognition

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

(a) The rights to receive cash flows from the asset have expired

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

The Company has transferred substantially all the risks and rewards of the asset, or the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of it, the asset is recognized to the extent of the Company's continuing involvement in it.

In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

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

2.1.4.4Impairment of Financial Assets

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

Financial Assets Carried at Amortized Cost

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

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

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

Available-for-Sale Financial Assets

Financial assets for available-for-sale, the Company assesses at each reporting date whether there is objective evidence that an investment or a group of investments is impaired. In the case of equity investments classified as available-for-sale, objective evidence would include a significant or prolonged decline in the fair value of the investment below its cost. 'Significant' is evaluated against the original cost of the investment and 'prolonged' against the period in which the fair value has been below its original cost. Where there is evidence of impairment, the cumulative loss - measured as the difference between the acquisition cost and the current fair value,

Less any impairment loss on that investment previously recognized in the statement of comprehensive income - is removed from other comprehensive income and recognized in the statement of comprehensive income. Impairment losses on equity investments are not reversed through the statement of comprehensive income; increases in their fair value after impairments are recognized directly in other comprehensive income.

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

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

2.2 Deferred Revenue Expenditure

Deferred Revenue Expenditures were capitalized and amortized from the year ended 31st March 2005.

2.2.1. Amortization of Deferred Revenue Expenditure

Land Development Costs are to be amortized over a period of ten years from the year following of cost incurred. No amortization is to be done if there is no production.

2.3 Inventories

Inventories are valued at lower of cost and net realizable value. In general cost is determined on first in first out basis and includes all expenditure incurred in acquiring the inventories and bringing them to their present condition and location. Cost includes all direct expenditure and production overheads. Work in Progress is to be valued at cost and with regard to the anticipated losses.

2.4 Financial Liabilities

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

2.4.1 Initial Recognition and Measurement

All financial liabilities are recognized initially at fair value. This includes directly attributable transaction costs. The Company's financial liabilities include trade and other payables.

2.4.2 Subsequent Measurement

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

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

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

(b) Other Financial Liabilities

After initial recognition, other financial liabilities are subsequently measured at amortized cost using the effective interest rate method. Gains and losses are recognized in the statement of comprehensive income when the liabilities are derecognized as well as through the effective interest rate method (EIR) amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the statement of comprehensive income.

2.4.3 De-Recognition

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

2.4.4 Off-setting of Financial Instruments

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

2.5 Trade and Other Receivable

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

Other receivables are recognized at the amounts they are estimated to realize net of provisions for impairment. The amount of the provision is recognized in the Statement of Comprehensive Income.

2.6 Cash and Cash Equivalents

Cash and Cash Equivalents are defined as Cash in Hand, Demand Deposits and short term highly liquid investments readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

For the purpose of Cash Flow Statement, Cash & Cash Equivalent consists of Cash in Hand and deposits in banks net of outstanding bank overdrafts. Investment with short term maturities i.e. three months or less from the date of acquisitions is also treated as cash equivalents.

2.6.1 Cash Flow Statement

Cash Flow Statement has been prepared using the indirect method.

2.6.2 Liabilities and Provision

Liabilities and provisions are recognized in the Statement of Financial Position when there is a present obligation as a result of past events, the settlement of which is expected to result in an outflow of resources embodying economic benefits, obligating payables at the demand of a creditor or within one year of Statement of Financial Position date. Liabilities payable after one year from the Statement of Financial Position date are treated as non current liabilities in the Statement of Financial Position.

2.6.2.1 Provisions

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

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

2.6.3 Trade and Other Payables

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

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

2.6.4 Current Tax

a) Current Taxes

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

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

2.6.5 Employee Benefits

(a) Defined Benefit Plans – Gratuity

Provision for Retirement Gratuity of Rs. 3,189,514/- is made for all Permanent employees who have completed more than One (01) year of service with the Company. For those employees who have completed One (01) year of continuous service, the provision is calculated on the basis of half months' salary on the Statement of Financial Position date, for each completed year of service. This provision is not actuarially computed, and is not funded outside the business.

The liability of retirement gratuity is payable under the payment of gratuity Act No. 12 of 1983.

(b) Defined Contribution Plans – EPF & ETF

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

2.6.6 Revenue

Revenue is recognized to the extent that it is probable that embodying economic benefit will flow to the company and the revenue can be reliably measured.

Revenue from sales of goods are recognized in the income statement when significant risks and rewards of the ownership have been transferred to the buyer.

Other income is recognized when the right to receive is established and it is probable that embodying economic benefit will flow to the Company and the revenue can be reliably measured.

(a) Interest Income
Interest income is recognized using the effective interest method.

2.6.7 Profit and Loss

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

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

2.6.8 First - Time Adoption of SLAS (SLFRS / LKAS)

These Financial Statements, for the year ended 31st March, 2013, are the first the Company has prepared in accordance with SLFRS. For periods up to and including the year ended 31st March, 2012, the Company prepared its Financial Statements in accordance with previous SLAS.

Accordingly, the Company has prepared its Financial Statements which comply with SLFRS applicable for periods ending on or after 31st March, 2013 and prior periods, together with the comparative period's data as at and for the years ended 31st March, 2012, as described in the accounting policies.

In preparing these Financial Statements, the Company's opening statement of financial position was prepared as at 01st April, 2011, the Company's date of transition to SLFRS. This note explains the principal adjustments made by the Company in restating its SLAS statement of financial position as at 01st April, 2011 and its previously published SLAS financial statements as at and for the year ended 31st March, 2012.

The effects of Company's transition to SLFRS are described in Note 19

2.6.9 Effect of Sri Lanka Accounting Standards Issued But not Yet Effective

The standards and interpretations that are issued but not yet effective up to the date of issuance of the Company's Financial Statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

a) SLFRS 9 - Financial Instruments: Classification and Measurement

SLFRS 9, as issued reflects the first phase of work on replacement of LKAS 39 and applies to classification and measurement of financial assets and liabilities as defined in LKAS 39. SLFRS 9 was issued in 2012 and become effective for the financial periods beginning on or after 01st January, 2015. Accordingly, the Financial Statements for the year ending 31st March, 2016 will adopt the SLFRS 9. The Group will quantify the effect in due course.

b) SLFRS 13 - Fair Value Measurement

SLFRS 13 establishes a single source of guidance under SLFRS for all fair value measurements. SLFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under SLFRS when fair value is required or permitted. This standard is effective for annual periods beginning on or after 01st January, 2015. Accordingly, the financial statements for the year ending 31st March, 2016 will adopt the SLFRS 13. Pending the full study of this standard, the financial impact is not yet known and reasonably estimable.

2.6.10 Financial Risk Management

Financial Risk Factors

Financial risks are risks arising from financial instruments to which the Company is exposed during or at the end of the reporting period. The Company's activities expose it to a variety of financial risks: Market Risk, Credit Risk and Liquidity Risk. The primary objective of the financial risk management is to establish risk limits, and ensure that exposure to risk stays within these limits.

2.6.11 Fair Value of the Financial Instrument Carried at Amortized Cost

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

	Carrying Amount Rs.	Fair Value Rs.
Financial Assets		
Trade and Other Receivables	10,620,532	10,620,532
Fixed deposit	9,878,487	9,878,487
Cash and Cash Equivalents (Excluding Bank Overdraft)	3,437,070	3,437,070
Total Financial Assets	**23,936,089**	**23,936,089**
Financial Liabilities		
Trade and Other Payables	7,092,891	7,092,891
Total Financial Liabilities	**7,092,891**	**7,092,891**

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

Assets for which fair Value Approximates Carrying Value

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

2.6.12 Events after the End of the Reporting Period

All material events occurring after the reporting date have been considered and where necessary adjustments to or disclosures have been made in the respective notes to the Financial Statements.

2.6.13 Comparative Information

Comparative information has been restated where necessary to conform to current year's presentation/classification.

2.6.14 Commitment and Contingencies

Contingencies are possible assets or obligation that are arisen from a past event and would be confirmed only on the occurrence or non-occurrence of uncertain future events. No contingent liabilities have arisen at 31st March 2013.

MANTAI SALT LIMITED
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Note 3 - Revenue

	Gross	VAT	ESC	NBT	NET 2012/2013	NET 2011/2012
Sale of Salt - Manner	44,461,545	4,763,737	99,245	778,388	38,820,175	43,416,989
-Chemmani	-	-	-	-	-	169,669
	44,461,545	**4,763,737**	**99,245**	**778,388**	**38,820,175**	**43,586,657**

Note 4 - Cost of Sales

		Chemmani	Manner	Total 2012/13	Total 2011/12
Direct Wages		361,947	8,952,595	9,314,542	9,275,718
Production Overheads -	Note 4B	580	5,852,400	5,852,980	4,934,770
Factory Operating Cost -	Note 4C	1,008,781	13,178,836	14,187,617	16,611,883
Total Cost		1,371,308	27,983,831	29,355,139	30,822,371
Change in Work in Progress	Note 4A	-	-	-	-
Cost of Production		1,371,308	27,983,831	29,355,139	30,822,371
Change in stock of finished product-Note 4A		612,000	(4,462,852)	(3,850,852)	(1,512,303)
Cost of Sales		1,983,308	23,520,979	25,504,287	29,310,068

Note 04 A

	Chemmani		Manner	
	Work In Progress	Finished Products	Work In Progress	Finished Products
Opening	-	612,000	-	6,163,800
Closing	-	-	-	(10,626,652)
	-	612,000	-	(4,462,852)

Note 04 B - Production Overheads

	Chemmani	Manner	Total	Total
Fuel	-	1,137,294	1,137,294	1,404,536
Machinery Upkeep	-	640,493	640,493	647,020
Production Tools Maintenance	-	112,203	112,203	136,601
Electricity	-	988,966	988,966	648,424
Water		44,351	44,351	39,128
Packing Materials	580	2,884,473	2,885,053	1,505,813
Chemical Expenses	-	5,620	5,620	122,420
Thatching Material Expenses	-	39,000	39,000	430,829
	580	5,852,400	5,852,980	4,934,771

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NOTES TO THE FINANCIAL STATEMENTS
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Note 04 C - Factory Operating Cost	**Chemmani**	**Manner**	**Total 2012/13**	**Total 2011/12**
Staff Salaries & Wages	812,805	8,284,926	9,097,731	9,916,520
EPF	118,400	1,397,309	1,515,710	1,419,175
ETF	29,600	349,327	378,927	354,794
Bonus	-	464,229	464,229	478,587
Staff Welfare	-	129,895	129,895	79,298
Tea Allowance	13,350	196,090	209,440	392,874
Telephone	9,884	59,396	69,280	133,464
Printing & Stationery	5,442	88,537	93,979	114,954
Postage	6,360	14,223	20,583	17,804
Traveling	3,693	101,505	105,198	24,898
Over Time	-	118,243	118,243	510,598
Office Maintenance	-	2,200	2,200	23,470
Office Equipment Maintenance	-	56,781	56,781	41,065
Building Maintenance	-	(209,509)	(209,509)	709,953
Transport	4,814	69,140	73,954	132,685
Vehicle Maintenance	-	226,078	226,078	185,160
Depreciation of Property, Plant & Equipment	-	1,383,934	1,383,934	1,027,136
Amortization of Land Development Cost	-	368,825	368,825	886,430
News Paper & Periodicals	-	9,170	9,170	8,220
Rates & Taxes	-	-	-	2,279
Training Expenses	-	-	-	132,520
Holiday Payment	-	-	-	20,000
Misselenious	4,433	68,536	72,969	-
	1,008,781	13,178,836	14,187,617	16,611,883

MANTAI SALT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2013

Note 05 - Other Income	**Total**	**VAT**	**ESC**	**NBT**	**NET 2013**	**NET 2012**
Factory Quarters Rent	-	-	-	-	125,615	115,406
Interest on Staff Loan	-	-	-	-	88,246	42,083
Fixed Deposit Interest	-	-	-	-	972,871	334,416
Other Income	-	-	-	-	438,175	143,254
Tender Expenses Received	-	-	-	-	-	75,000
	-	-	-	-	1,624,907	710,158

Note 06 - Administrative Expenses	**2012/2013**	**2011/2012**
	Rs.	**Rs.**
Chairman Allowance	720,000	720,000
Board Member's Fees	392,000	339,000
Fuel	574,638	471,080
Staff Salaries	3,768,072	3,346,786
Tea Expenses	202,588	113,515
Over Time	23,511	71,548
Bonus	86,250	100,000
EPF	387,369	391,154
ETF	96,842	97,788
Gratuity Provision	152,132	668,080
Staff Welfare	63,348	159,539
Rent	540,000	513,750
Electricity	66,690	48,723
Telephone	205,542	187,760
Printing & Stationery	511,910	335,962
Postage	8,892	6,517
Traveling	168,630	172,169
Office Equipment Upkeep	123,419	14,114
Office Maintenance	29,350	1,865
Audit Fees	84,700	70,000
Audit Fees Under Provision (2011/2012)	1,937	-
News Papers & Periodicals	11,065	10,325
Depreciation of Property, Plant & Equipments	123,384	86,528
Vehicle Allowance	1,080,000	840,000
Water Charges	28,100	21,653
Secretarial Fee	24,720	9,672
Advertisement	355,441	131,312
Donation Expenses	35,000	-
Internal audit Fee	20,000	80,000
Legal Fee	30,000	12,400
Tender Expenses	60,000	-
Testing Charges	-	17,584
Training Expenses	3,000	10,000
Pump Maintenance	-	10,816
Miscellaneous	14,000	19,775
AGM Fee	39,800	-
Audit Management Fee	28,000	-
Consultation Fee	55,000	-
ETF Surcharge	2,335	-
	10,117,665	9,079,415

MANTAI SALT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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	2012/2013	**2011/2012**
Note 07 - Selling & Distribution	**Rs.**	**Rs.**
Exhibition Expenses	50,000	268,150
Transport (Raigam)	3,584,025	1,733,550
Fuel Marketting Vehicle	108,000	-
MV Allow Marketting Dept	300,000	-
Sales Discount (Raigam)	255,000	
	4,297,025	2,001,700

Note 08 - Finance Cost		
Bank Charges		
Head Office	10,825	12,005
Manner	16,050	14,357
Chemmani	-	2,580
	26,875	28,942

Note 09 - Profit / (Loss) before tax

This is stated after charging all expenses including the following

Chairperson Emoluments	720,000	720,000
Board Member's Fees	392,000	339,000
Depreciation & Amortization	1,876,143	2,000,095
Audit Fee	84,700	70,000
	3,072,843	3,129,095

Note 10 - Earnings Per Share

Earnings per share is Calculated by dividing net profit for the year attributable to ordinary shareholders of the

	2013	**2012**
	Rs.	**Rs.**
Amount Used as the Numerator		
Net Profit / (Loss) for the year	499,230	3,876,691
	Number	**Number**
Number of ordinary shares used as the Denominator		
Ordinary Shares in issue applicable to Earnings per Share	300,000	300,000
Earnings per Share (Rs.)	1.66	12.92

MANTAI SALT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2013

Note 11 - Dividend Per Share

Dividend per share is Calculated by dividing net profit for the year attributable to ordinary shareholders of the company by number of ordinary shares outstanding at the year end.

	2012/2013 Rs.	2011/2012 Rs.
Amount Used as the Numerator		
Dividend for the year	-	-
	Number	**Number**
Number of ordinary shares used as the Denominator		
Ordinary Shares in issue applicable to Dividend per Share	300,000	300,000
Dividend per Share (Rs.)	-	-

MANTAI SALT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
AS AT 31ST MARCH 2013

Note 12 - Property, Plant & Equipment

Cost	Ref No	Balance as at 31.03.2012	Additions	Disposal / Write Off	Balance as at 31.03.2013	Balance as at 31/03/2012	Balance as at 01/04/2011
Head Office							
Computer with accessories		386,700	168,900	-	555,600	386,700	370,700
Photocopier		220,000	-	-	220,000	220,000	105,000
Fax Machine		85,650	-	-	85,650	85,650	63,000
Cellular Phone		26,490	-	-	26,490	26,490	13,740
Furniture		205,804	10,157	-	215,961	205,804	152,722
Calculator		2,740	-	-	2,740	2,740	1,340
Office Equipment - Wall Clock		2,600	2,800	-	5,400	2,600	2,600
Other Equipment - Fans		7,000	-	-	7,000	7,000	7,000
Motor Cycle		79,950	-	-	79,950	79,950	79,950
Camera		26,100	-	-	26,100	26,100	-
Printer Machine HP		23,000	-	-	23,000	23,000	-
Name Board		35,400	-	-	35,400	35,400	-
		1,101,434	**181,857**	**-**	**1,283,291**	**1,101,434**	**796,052**
Manner Factory							
Factory Land		42,900,000	-	-	42,900,000	42,900,000	42,900,000
Factory Building		2,756,250	546,254	-	3,302,504	2,756,250	2,756,250
Machinery & Equipment		700,000	1,116,388	-	1,816,388	700,000	700,000
Furniture & Fittings		236,921	-	-	236,921	236,921	236,921
Buildings		844,160	-	-	844,160	844,160	844,160
Laboratory Equipment		19,766	971,630	19,766	971,630	19,766	19,766
Name Board		9,500	-	-	9,500	9,500	9,500
Electric Weight Machine		124,437	-	-	124,437	124,437	124,437
Push Carts		88,380	-	-	88,380	88,380	88,380
Water Pump		603,124	-	-	603,124	603,124	569,104
Calculators (2)		4,900	-	-	4,900	4,900	1,300
Aluminum Folding Ladder		4,100	-	-	4,100	4,100	4,100
Crushing Machine		356,845	-	-	356,845	356,845	356,845
Refrigerator		33,500	-	-	33,500	33,500	33,500
Motor Bicycle		99,475	-	-	99,475	99,475	99,475
Motor Tricycle		207,992	-	-	207,992	207,992	207,992
Fan		16,700	-	-	16,700	16,700	16,700
Tractor		1,728,900	-	-	1,728,900	1,728,900	158,900
Computers		281,862	-	-	281,862	281,862	273,862
Tools		55,560	-	-	55,560	55,560	55,560
Sprayer		25,900	-	-	25,900	25,900	25,900
Plate Compactor		135,000	-	-	135,000	135,000	135,000
Water Tank		10,900	-	-	10,900	10,900	10,900
Photocopier		167,000	-	-	167,000	167,000	167,000
Water Filter		7,550	-	-	7,550	7,550	7,550
Telephone		6,450	-	-	6,450	6,450	2,700
Cycle		12,750	-	-	12,750	12,750	12,750
Truck TATA		1,156,250	-	-	1,156,250	1,156,250	1,156,250
Generator		100,929	-	-	100,929	100,929	100,929
Welding plant		56,900	-	-	56,900	56,900	56,900
Wighing Scale Water Proof		91,673	-	-	91,673	91,673	-
Fax machine		40,500	-	-	40,500	40,500	40,500
Subsimible Pump		1,210,110	-	-	1,210,110	1,210,110	-
Sealer Machine 8"		3,200	-	-	3,200	3,200	-
Weighbridge		1,995,773	-	-	1,995,773	1,995,773	-
Pen Drive		2,000	-	-	2,000	2,000	-
Bed		14,000	-	-	14,000	14,000	-
Steel Cabinet 4 Drawers		14,000	-	-	14,000	14,000	-
Lamp Charger		1,550	-	-	1,550	1,550	-
Key Board		3,000	-	-	3,000	3,000	-
Talpolin		17,010	-	-	17,010	17,010	-
		56,144,816	**2,634,272**	**19,766**	**58,759,322**	**56,144,816**	**51,173,131**

MANTAI SALT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
AS AT 31ST MARCH 2013

Note 12 - Property, Plant & Equipment (cont..d)

Cost	Ref No	Balance as at 31.03.2012	Additions	Disposal / Write Off	Balance as at 31.03.2013	Balance as at 31/03/2012	Balance as at 01/04/2011
Chemmani Factory							
Land - (as per valuation report)		12,100,000	-	-	12,100,000	12,100,000	12,100,000
Office Building		161,236	-	-	161,236	161,236	161,236
Building - Temporary Shed		4,080	-	-	4,080	4,080	4,080
Water Pump		489,125	-	-	489,125	489,125	489,125
Water Tank - Cart		37,500	-	-	37,500	37,500	37,500
Hero Push Bicycle		21,060	-	-	21,060	21,060	21,060
Furniture		63,400	-	-	63,400	63,400	63,400
Equipment		16,386	-	-	16,386	16,386	16,386
Kitchen Utensil		2,385	-	-	2,385	2,385	2,385
Calculator		1,200	-	-	1,200	1,200	1,200
Name Board		9,880	-	-	9,880	9,880	9,880
Hydro Meters		3,700	-	-	3,700	3,700	3,700
Telephone Installation		41,820	-	-	41,820	41,820	41,820
Spring Balance		19,500	-	-	19,500	19,500	19,500
Tools -Sprayer		8,500	-	-	8,500	8,500	8,500
Fax Machinery		17,250	-	-	17,250	17,250	17,250
CDMA Phone		4,620	-	-	4,620	4,620	4,620
Generator		100,928	-	-	100,928	100,928	100,928
		13,102,570	-	-	13,102,570	13,102,570	13,102,570
Total		**70,348,820**	**2,816,129**	**19,766**	**73,145,183**	**70,348,820**	**65,071,754**

MANTAI SALT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
AS AT 31ST MARCH 2013

Note 12 - Property, Plant & Equipment (cont..d)

Provision for Depreciation	Rat %	Balance as at 31.03.2012	Additions	Dep. For the year	Balance as at 31.03.2013	Balance as at 31/03/2012	Balance as at 01/04/2011
Head Office							
Computer with accessories	10%	104,959	12,668	38,670	156,297	104,959	66,320
Photocopier	10%	114,168	-	22,000	136,168	114,168	105,000
Fax Machine	10%	64,845	-	8,565	73,410	64,845	63,000
Cellular Phone	10%	4,996	-	2,649	7,645	4,996	2,357
Furniture	10%	125,251	339	20,580	146,170	125,251	106,607
Calculator	10%	1,456	-	274	1,730	1,457	1,340
Camera	10%	2,024	-	2,610	4,634	2,024	-
Printing Machine	10%	1,607	-	2,300	3,907	1,607	-
Name Board	10%	2,890	-	3,540	6,430	2,890	-
Office Equipment - Wall Clock	10%	2,600	117	260	2,977	2,600	2,340
Other Equipment - Fans	10%	3,500	-	700	4,200	3,500	2,800
Petty Cash box				117	117	-	-
Motor Cycle	10%	55,965	-	7,995	63,960	55,965	47,970
		484,261	**13,124**	**110,260**	**607,645**	**484,262**	**397,600**
Manner Factory							
Factory Building	5%	137,813	14,206	137,813	289,831	137,813	296,220
Machinery & Equipment	10%	70,000	96,652	70,000	236,652	70,000	-
Building	5%	338,428	-	56,414	394,842	338,428	-
Furniture & Fitting	10%	169,484	-	82,360	251,844	169,484	145,792
Laboratory Equipment	10%	19,766	58,668	-	58,668	19,766	20,429
Name Board	10%	9,500	-	-	9,500	9,500	9,500
Electric Weight Machine	10%	110,804	-	12,444	123,248	110,804	98,361
Push Carts	10%	59,231	-	8,838	68,069	59,231	50,393
Water Pump	10%	475,431	-	60,312	535,743	475,430	417,905
Calculators (2)	10%	1,500	-	490	1,990	1,500	1,170
Aluminum Folding Ladder	10%	4,100	-	410	4,510	4,100	3,690
Crushing Machine	10%	285,477	-	35,685	321,161	285,477	249,792
Refrigerator	10%	23,450	-	3,350	26,800	23,450	20,100
Motor Bicycle	10%	69,634	-	9,948	79,581	69,634	59,686
Motor Tricycle	10%	145,595	-	20,799	166,394	145,595	124,796
Fan	10%	5,767	-	1,670	7,437	5,767	4,097
Tractor	10%	171,474	-	172,890	344,364	171,474	79,450
Computers	10%	91,150	-	28,186	119,336	91,150	62,979
Tools	10%	20,991	-	5,556	26,547	20,991	15,435
Sprayer	10%	9,166	-	2,590	11,756	9,166	6,576
Plate Compactor	10%	33,732	-	13,500	47,232	33,732	20,232
Water Tank	10%	3,013	-	1,090	4,103	3,013	1,923
Photocopier	10%	40,858	-	16,700	57,558	40,858	24,158
Water Filter	10%	1,481	-	755	2,236	1,481	726
Telephone	10%	981	-	645	1,626	981	405
Cycle	10%	2,728	-	1,275	4,003	2,728	1,453
TATA Truck	10%	257,543	-	115,625	373,168	257,543	141,918
Generator	10%	19,438	-	10,093	29,531	19,438	9,345
Welding Plant	10%	8,730	-	5,690	14,420	8,730	3,040
Fax Machine	10%	6,180	-	4,050	10,230	6,180	2,130
Weighing Scale	10%	6,932	-	9,167	16,099	6,932	-
Submiseble Pump	10%	82,991	-	121,011	204,002	82,991	-
Sealer Machine	10%	236	-	320	556	236	-
Wight bridge	10%	119,373	-	199,577	318,950	119,373	-
Pen Drive	10%	192	-	200	392	192	-
Bed	10%	1,120	-	1,400	2,520	1,120	-
Steel Cabinet	10%	1,024	-	1,400	2,424	1,024	-
Lamp Charger	10%	93	-	155	248	93	-
Tolpolin	10%	750	-	1,701	2,451	750	-
Key Board	10%	147	-	300	447	147	-
		2,806,302	**169,526**	**1,214,408**	**4,170,470**	**2,806,301**	**1,871,680**

Note 12 - Property, Plant & Equipment (cont..d)

Provision for Depreciation	Rat %	Balance as at 31.03.2012	Additions	Dep. For the year	Balance as at 31.03.2013	Balance as at 31/03/2012	Balance as at 01/04/2011
Office Building	5%	64,495	-	-	64,495	64,495	56,433
Building - Temporary Shed	5%	1,632	-	-	1,632	1,632	1,428
Water Pump	10%	166,151	-	-	166,151	166,151	117,238
Water Tank - Cart	10%	16,447	-	-	16,447	16,447	12,697
Hero Push Bicycle	10%	11,861	-	-	11,861	11,861	9,755
Furniture	10%	56,864	-	-	56,864	56,864	50,524
Equipment	10%	16,386	-	-	16,386	16,386	14,822
Kitchen Utensil	10%	2,385	-	-	2,385	2,385	2,266
Calculator	10%	1,200	-	-	1,200	1,200	1,080
Name Board	10%	3,865	-	-	3,865	3,865	2,877
Hydro Meters	10%	2,960	-	-	2,960	2,960	2,590
Telephone Installatio	10%	33,456	-	-	33,456	33,456	29,274
Spring Balance	10%	9,155	-	-	9,155	9,155	7,205
Tools -Sprayer	10%	4,190	-	-	4,190	4,190	3,340
Fax machinery	10%	6,734	-	-	6,734	6,734	5,009
CDMA phone	10%	762	-	-	762	762	300
Generator	10%	19,439	-	-	19,439	19,439	9,346
		417,981	-	-	417,981	417,982	326,184
Total		**3,708,545**	**182,650**	**1,324,668**	**5,196,096**	**3,708,545**	**2,595,464**

Total Assets	73,145,183	70,348,820	65,071,754
Total Assets Accumulated Depreciation	(5,196,096)	(3,708,545)	(2,595,464)
Written down value	**67,949,088**	**66,640,275**	**62,476,290**

Note 13 - Land Development Costs

	Manner	Chemmani	Total	31/03/2012	01/04/2011
Balance as at 01.04.2012	24,137,723	5,176,066	29,313,789	8,864,316	6,880,458
Addition during the year	3,923,817	-	3,923,817	20,449,474	1,983,858
Balance as at 31.03.2013	**28,061,540**	**5,176,066**	**33,237,606**	**29,313,790**	**8,864,316**
Provision for Amortization					
Balance as at 01.04.2012	2,130,824	1,963,769	4,094,593	3,208,161	2,520,116
Amortization to the Factory Operating Cost	368,825	-	368,825	886,432	688,046
Balance as at 31.03.2013	**2,499,649**	**1,963,769**	**4,463,418**	**4,094,593**	**3,208,162**

Total Land Development Cost	33,237,606	29,313,790	8,864,316
Total Acc. Amortization	(4,463,418)	(4,094,593)	(3,208,162)
Written down value	**28,774,189**	**25,219,197**	**5,656,154**

Note 14 - Inventories

	Chemmani	Manner	31/03/2013 Total	03/03/2012 Total	01/04/2011 Total
Finished Goods		10,626,652	10,626,652	6,775,800	5,263,497
Diesel & Kerosene Oil		124,161	124,161	74,661	175,873
Packing Material		1,475,053	1,475,053	1,496,232	1,807,377
Building Material		340,248	340,248	4,957	1,599
Pump Spare Parts		82,409	82,409	514,072	-
Printing & Stationery		206,048	206,048	181,835	185,464
Thatching Materials		-	-	455	9,520
Tools Items		115,685	115,685	149,455	280,776
Chemical Items		26,325	26,325	31,945	139,045
Office Maintenance items		-	-	-	-
Machinery Spare Parts		562,518	562,518	296,433	763,703
		13,559,099	**13,559,099**	**9,525,846**	**8,626,854**

MANTAI SALT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
AS AT 31ST MARCH 2013

Note 15 - Trade & Other Receivables	**Rs. 31/03/2013**	**Rs. 31/03/2012**	**Rs. 01/04/2011**
Trade Debtors	2,829,567	3,591,056	-
Manner Fishermen's Society	1,165,946	1,165,946	1,165,946
Mr. Harichandra	262,876	262,875	262,875
Mr.Abraham	75	75	75
Trade debtors - C.W.E.	17,618	17,618	17,618
Fixed Deposit Interest Receivable	84,930	277,534	362,655
Income Tax Receivable	3,348,681	3,348,681	2,029,181
Withholding Tax	243,100	145,491	105,844
Suspense Account	12	-	-
Deposit & Advances			
Telephone deposit	32,838	32,838	32,838
Refundable Deposit - Water Connection	3,000	3,000	3,000
Rent Advance	40,000	265,000	40,000
Newspaper Advance - Manner	-	-	500
Advance Wages - Manner	22,415	20,167	20,167
Receivable from Manner DS	-	518,085	-
Staff debtors			
Festival advance	261,362	220,500	244,950
Staff Loan	2,273,292	2,129,876	2,480,204
Prepayment	34,820	34,820	34,820
	10,620,532	**12,033,562**	**6,800,674**

Note 16 - Cash & Cash Equivalents			
Cash at Bank			
Bank of Ceylon - Metropolitan Branch	3,032,033	2,989,965	6,685,703
Manner Branch	287,517	530,113	267,101
Jaffna Branch	113,954	113,954	67,351
Trincomalee Branch	-	-	-
Cash in Hand			
Petty Cash - Head Office	285	8,941	1,985
Manner	3,305	995	989
Chemmani	(25)	129	3,950
Cash in Transits Chemmanii	-	417,495	-
	3,437,069	**4,061,592**	**7,027,079**

Note 17 - Deferred Liabilities			
Gratuity			
Balance on 01.04.2011	3,352,661	3,129,082	3,170,290
Add: Provision for the year	152,132	668,080	399,986
Transfer from Government	115,344	-	-
LESS: During The year Payments	(430,622)	(444,500)	(441,194)
Balance on 31.03.2012	**3,189,514**	**3,352,662**	**3,129,082**

MANTAI SALT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
AS AT 31ST MARCH 2013

Note 18 - Trade & Other Payables	**As at 31/03/2013**	**As at 31/03/2012**	**As at 01/04/2011**
Goods & Services Tax	452,359	452,359	452,359
Refundable Deposits	5,800	5,800	6,000
Lanka Salt Northern Region	763,513	763,513	763,513
Unclaimed Salary	50,219	42,862	29,159
Advance Sales	500	500	5,703,500
Refundable Deposits-Sales Agent	-	1,500,000	1,500,000
Accrued Expenses			
Accrued Expenses	390,149	1,418,234	701,860
Salary Permanent	275,816	(131,752)	-
Casual wages Payable	458,152	458,152	-
PAYE - (H/O & Manner)	18,460	4,841	4,660
Water - Manner Qtrs	(18,960)	(6,184)	2,209
Water - H/O	-	-	2,876
Electricity Qtrs	(28,832)	399	-
Telephone	-	-	-
E.P.F	312,108	262,232	255,364
E.T.F	45,692	39,336	38,307
Audit Fee Payable	84,700	75,063	70,000
Union membership	14,500	14,500	500
VAT Payable	3,774,791	3,214,743	1,293,979
NBT Payable	572,355	467,831	329,992
ESC Payable	(78,431)	237,910	150,011
	7,092,891	**8,820,338**	**11,304,289**

MANTAI SALT LIMITED
NOTES TO THE ACCOUNTS
Reconciliation to the Statement of Financial Position as at 1st April 2011

Note 19	Notes	SLAS Balance 31/3/2011	Adjustments	SLFRS Balance 1/04/2011
Non-Current Assets				
Property, Plant and Equipment		62,476,290	-	62,476,290
Fixed Deposits		18,092,987	-	18,092,987
Deferred Revenue Expenditure		5,656,154	-	5,656,154
Total Non-Current Assets		86,225,431	-	86,225,431
Current Assets				
Inventories		8,626,854	-	8,626,854
Trade and Other Receivables		6,800,674	-	6,800,674
Cash and Cash Equivalents		7,027,079	-	7,027,079
Total Current Assets		22,454,607	-	22,454,607
Total Assets		**108,680,038**	**-**	**108,680,038**
Capital and Reserves				
Stated Capital		60,556,203	-	60,556,203
Revaluation Reserves		14,500,000	-	14,500,000
Retained Earnings		19,190,463	-	19,190,463
Total Equity		94,246,666	-	94,246,666
Non-Current Liabilities				
Retirement Benefit Obligation		3,129,082	-	3,129,082
Total Non-Current Liabilities		3,129,082	-	3,129,082
Current Liabilities				
Trade and Other Payables		11,304,289	-	11,304,289
Total Current Liabilities		11,304,289	-	11,304,289
Total Liabilities		14,433,371	-	14,433,371
Total Equity and Liabilities		**108,680,038**	**-**	**108,680,038**

MANTAI SALT LIMITED
NOTES TO THE ACCOUNTS
Reconciliation to the Statement of Financial Position as at 31st March 2012

Note 19 Contd…	Notes	SLAS Balance 31/03/2012	Adjustments	SLFRS Balance 31/03/2012
Non-Current Assets				
Property, Plant and Equipment		66,640,275	-	66,640,275
Fixed Deposits		14,000,000	-	14,000,000
Deferred Revenue Expenditure		25,219,197	-	25,219,197
Total Non-Current Assets		105,859,472	-	105,859,472
Current Assets				
Inventories		9,525,846	-	9,525,846
Trade and Other Receivables		12,033,562	-	12,033,562
Cash and Cash Equivalents		4,061,592	-	4,061,592
Total Current Assets		25,621,000	-	25,621,000
Total Assets		**131,480,472**	**-**	**131,480,472**
Capital and Reserves				
Stated Capital		81,740,317	-	81,740,317
Revaluation Reserves		14,500,000	-	14,500,000
Retained Earnings		23,067,153	-	23,067,153
Total Equity		119,307,470	-	119,307,470
Non-Current Liabilities				
Retirement Benefit Obligation		3,352,662	-	3,352,662
Total Non-Current Liabilities		3,352,662	-	3,352,662
Current Liabilities				
Trade and Other Payables		8,820,340	-	8,820,340
Total Current Liabilities		8,820,340	-	8,820,340
Total Liabilities		12,173,002	-	12,173,002
Total Equity and Liabilities		**131,480,472**	**-**	**131,480,472**

MANTAI SALT LIMITED
NOTES TO THE ACCOUNTS

Reconciliation to the Statement of Comprehensive Income for the year ended 31st March 2012

Note 19 Contd…	**Notes**	**SLAS 31/03/2012**	**Adjustments**	**SLFRS 31/03/2012**
Revenue		43,586,657	-	43,586,657
Cost of Sales		(29,310,068)	-	(29,310,068)
Gross Profit		**14,276,589**	**-**	**14,276,589**
Other Income		710,158	-	710,158
		14,986,747	-	14,986,747
Selling & Distribution Expenses		(2,001,700)	-	(2,001,700)
Administrative Expenses		(9,079,415)	-	(9,079,415)
Operating Profit		**3,905,633**	**-**	**3,905,633**
Finance Costs		(28,942)	-	(28,942)
Profit before Tax		**3,876,691**	**-**	**3,876,691**
Income Tax Expense		-	-	-
Profit after Tax		**3,876,691**	**-**	**3,876,691**
Other Comprehensive Income		-	-	-
Total Comprehensive Income		3,876,691	-	3,876,691