

# ANNUAL REPORT

## 2023 - 24

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# GROUP HIGHLIGHTS

	2023/24	2022/23
<b>Results for the year (Rs. Mn)</b>		
Group revenue	<b>1,402</b>	<b>1,407</b>
Profit from operations	<b>155</b>	<b>179</b>
Profit before tax	<b>136</b>	<b>104</b>
Profit attributable to equity holders of the Company	<b>90.5</b>	<b>80.5</b>
<b>As at 31st March</b>		
Total Assets (Rs Mn)	<b>802</b>	<b>629</b>
Total Liabilities (Rs Mn)	<b>341</b>	<b>232</b>
Current Ratio (times)	<b>1.63</b>	<b>1.99</b>
Return on Equity (%)	<b>19.6</b>	<b>20.3</b>
<b>Per share (Rs.)</b>		
Earnings per share	<b>33.88</b>	<b>31.66</b>
Net asset value per share as at 31st March	<b>173.56</b>	<b>149.50</b>
Market price per share as at 31st March	<b>117.3</b>	<b>67.1</b>

# 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 31<sup>st</sup> March 2024.

## An Overview

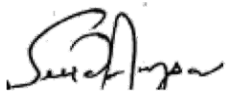
The year under review was another remarkable year thanks to the efforts of all the staff and all other stakeholders. The Group's turnover for the current financial year was Rs. 1,401.5 million. The Group recorded a profit of Rs. 90.0 million for the current financial year which was a 7.03% growth compared to previous financial year profit of Rs.84.1 million.

## Dividends

The Board of Directors of the Company had paid an interim dividend of three rupee (Rs.3/-) per ordinary share on 16<sup>th</sup> November 2023, for the financial period ended 31<sup>st</sup> March 2024.

## 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-Independent 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.

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 of the 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 in 2013. In 2018 he was Awarded the Life Time Achievement Award by CMA Sri Lanka. Received the OPA National Apex Award for Professional Excellence in the Finance & Banking Sector in 2022.

A proud receiver of the National Honours Sri Lanka Sikhamani conferred for distinguished services of a general nature awarded by the President of Sri Lanka in 2019.

### **L R WATAWALA**

Non-Independent Non-Executive Director

Prof. Lakshman 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.

### **S A J GOONETILLEKE**

Non-Independent 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-Independent 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 Keells 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**

Independent 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**

Non-Independent Non-Executive Director

Mr A R Rasiah was appointed to the Board on 23<sup>rd</sup> August, 2024. He 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. Mr. Rasiah currently 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 has represented Sri Lanka at Table- Tennis.

**M HAMZA**

Independent Non – Executive Director

Mr M Hamza was appointed to the Board on 27<sup>th</sup> May, 2024.

Mr Hamza has over 30 years of managerial experience in the FMCG industry. He was Chairman of the Handicrafts Board (Laksala) for a period of two years in 2018/19 and previously served as CEO and Executive Director at Atlas Axilia (Pvt) Limited. He had a 28-year career with the Nestle Group, holding senior Marketing and General Management positions across Sri Lanka, Pakistan, India and Indonesia. He was also a member of the Nestle South Asia Executive Committee, based in New Delhi.

Mr. Hamza was a key player in transforming the Nestle Footprint in Sri Lanka and was instrumental in building local flagship brands like Nestomalt and Milo. He holds a B.Com degree from University of Peradeniya, a MBA from the American University in Washington DC and a Post Graduate degree in General Management from IMD Switzerland.

**A P G A P GEETHANJALEE**

Non Independent Executive Director / GM –  
Finance & Operations

Ms. Geethanjalee was appointed to the Board of Gestetner of Ceylon PLC on 28<sup>th</sup> October 2022.

She is a member of the Institute of Chartered Accountants of Sri Lanka and also holds a Bachelor of Science Degree in Accounting (Sp.) from University of Sri Jayewardenepura.

Ms. Geethanjalee counts over eight years' experience in senior management. She commenced her career at Renuka Hotels Group as Group Accountant following which she joined the Gestetner Group in 2011.

After proficiently holding the positions of Group Accountant, Finance Manager & DGM Finance & Administration she, in addition to being a Director of Fintek Managed Solutions (Pvt) Ltd, is presently functionally titled GM Finance & Operations of the Gestetner Group.

# 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.

Sri Lankan economy gradually recovered in late 2023, ending six quarters of contraction, driven by government and CBSL reforms. Lower inflation and LKR appreciation reduced costs, while decreased interest rates lowered the Group's finance income and expenses.

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, BenQ, Barco, Papercut, MYQ, Scan Coin, Posmart, Vivitek, MIB, Blue and GOC in addition to services provided by Nashua Lanka (Pvt) Ltd., Gestetner Printing Services (Pvt) Ltd.(Gestetner Outsource) and Fintek Managed Solutions (Pvt) Ltd under the 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, BenQ projectors are within the top three in global market. 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 represented in the Maldives market and 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 multinationals 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 effected 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 evolving needs of the market.

## DEVELOPMENTS

The foundation to venture into new lines of business was established during the year under review, allowing the company to kick start the next financial year with an even broader product portfolio. POS machines were enhanced with internally developed software solutions and after sales services monitoring system which was used for internal purposes was developed as a marketable product within the financial year.

The Company formed a new division recruiting industrial experience expertise to expand the recently introduced products such as smart boards, POS machines and already existing products like projectors, cash registers and note counters. Another new division was formed to re-launch Sharp air conditioners. The Company predicts that both these divisions will enable the Company to grow significantly in the near future.

The Company established the Business Process Outsourcing unit to provide accounting and financial services to local and foreign clients. The unit was started with an UK well established client and expects to expand the business in future.

The Gestetner and Fintek websites were revamped to stay current on the latest web design best practices and trends. This will ensure that our website always reflects benefits such as more cohesive brand identity, improved user experience, better SEO results, increased leads and sales, better alignment with the current needs and goals of our business.



## ECONOMIC OUTLOOK

The Sri Lankan economy, which contracted by 8.7% in 2022 due to a severe foreign currency scarcity, shortages of essentials, and an acute energy crisis, has recovered and grew by 2.3% in 2023. This recovery is driven by rapid disinflation, improved external resilience, stronger fiscal balances, and financial system stability.

The depreciation of the Sri Lankan Rupee during the first three quarters of 2022 led to increased import costs, substantial price hikes, and reduced demand. However, recent currency appreciation, a rebound in tourism and remittances, declining inflation, and reduced market interest rates are positive signs for economic recovery. The economy started transitioning to growth in the second half of 2023 after six consecutive quarters of contraction, driven by both domestic and external demand.

The coordinated policy measures by the Government and the Central Bank, along with the structural reform agenda supported by the IMF's Extended Fund Facility (IMF-EFF) arrangement, in alignment with IMF programme recommendations, efforts were made in both external and internal debt restructuring, with a focus on restructuring and restoring long-term debt sustainability have reinforced overall macroeconomic stability.

## INFLATION

The headline inflation, as measured by the year-on-year change in the Colombo Consumer Price Index declined sharply from its peak of 49.2% in March 2023 to 0.9% in March 2024.

Inflation showed a sharp downward momentum from the highs witnessed in 2022 owing to the tight monetary policy, appreciation of the domestic currency and falling of global commodity prices.

The decline was mainly attributed to a combination of factors, including contractionary monetary policy in the first part of the year, a strong base effect, and subdued aggregate demand in the overall economy due to multiple price revisions in electricity tariffs, along with the buildup of general price hikes and an increase in VAT from 15% to 18%.

## FINANCIAL REVIEW

Despite the unfavorable economic conditions, the company adeptly navigated through the challenges. It not only sustained its core operations but also strategically expanded its business portfolio by integrating new lines of business.

The Group's turnover slightly decreased, ending the year at Rs. 1,401.5 million compared to the previous year's Rs. 1,407.1 million. However, profit after tax reached a record high of Rs. 90.05 million. Both the Group and Company saw considerable growth in operating results compared to the previous year. Contributing factors to this strong bottom line include the implementation of short-term strategies to meet targets, decrease in interest rates, partial reversal of stock provisions provided in previous financial years, and continued supplier support, in addition to well managed operations within the challenging environment.

The annual average Weighted Prime Lending Rate (AWPLR) for Financial Year 2023/24 was 11.11% compared to the annual average of 21.80% recorded in the previous financial year. As at 31st March 2024, the AWPLR was reported at 13.43%.

The low interest rates benefited the group in multiple ways. It reduced the interest cost of working capital and facilitated the Group's essential capex investments to expand the rental business and other expansion programs.

The finance cost decreased significantly to Rs. 18.9 million (Group) and Rs. 22.3 million (Company) compared to last year due to lower interest rates. As Sri Lanka is recovering from its crisis, the availability of foreign currency stabilized. However, the company faced many challenges to regain the trust of foreign principals due to country situation.

By the end of the year, the Group's total asset base reached Rs. 802 million, consisting of Rs. 327.9 million in non-current assets and Rs. 474.4 million in current assets. The net asset value per share rose significantly to Rs.173.56, up from Rs.149.50 in the previous year. The Group consistently upholds a robust asset base, ensuring strong alignment with its liabilities, reinforcing our financial stability and commitment to long-term growth.

## HUMAN CAPITAL

The organization has infused a highly talented work team with the intention of taking the organization to the next level. We have tapped into the best sourcing techniques thereby 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 biannual and annual reviews which target all staff members are conducted to monitor and realign the performance. All staff members are rewarded based on performance.

We value our Human Capital as a key element in its long-term strategy for sustainable business growth. It is dedicated to provide a safe working environment for its employees.

## SUSTAINABILITY

We continue our commitment towards socio-economic 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

Macroeconomic conditions show positive changes, boosting expectations for business and financial improvements, assuming no further disruptions. Sri Lanka's economy is recovering due to policy adjustments and structural reforms by the Government and Central Bank. The IMF programme secured in March 2023 aids in restoring macroeconomic stability, debt sustainability, and financial stability while promoting growth-oriented reforms. With the Government's optimistic stance on managing the economic crisis, the Board believes the Group can reasonably sustain operations moving forward.

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. Marketing division of the Group was expanded with the establishment of new divisions with industry expertise.

The Group is positive on sustainable growth considering the start of new divisions to expand the existing product lines and expansion of Production Printer business. Additionally, the group is evaluating to introduce few other branded products which will expand the product portfolio of the Group. Marketing software solution products which has been already developed will also add value to enhance the Group's existing operation.

The Group has planned to migrate to a Cloud ERP system to enhance the quality of customer service by increasing operational efficiency.

## 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 a total of Eight Directors out of which Seven are Non-Executive Directors including the Chairman, Mr. S J M Anzsar. The other Non-Executive Directors are Mr. L R Watawala (Deputy Chairman), Ms. S A J Goonetilleka, Mr. B C U Perera, Mr K M Wadia, Mr A R Rasiyah and Mr M Hamza. Out of the said Directors Messrs. K Wadia and M Hamza are Independent Directors and the others are Non Independent Directors. Ms A P G A P Geethanjalee is the only Executive Non Independent Director.

A brief description of each of the Directors is set out from pages 03 to 05.

### Compliance with Rules of Corporate Governance

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
Mr. L R Watawala Deputy Chairman	4
Mr. B C U Perera	3
Ms. S A J Goonetilleke	0
Mr. K M Wadia	3
Mr. Sharhan Muhseen (Resigned with effect from 19 <sup>th</sup> August 2024)	3
Ms. A P G A P Geethanjalee	4
Mr. M Hamza (Appointed as a Director with effect from 27th May, 2024)	0
Mr. A R Rasiyah (Ceased to be the Alternate Director to the Chairman with effect from 25th July, 2024. Appointed as a Director with effect from 23rd August 2024)	1  (Attended the Meeting at which the Chairman was not present)

Subject	Requirement	Extent of Compliance
Number of Directors	Should be a minimum of five (05).	There are Eight (08) members of the Board.
Independent Directors	At least two or one third of the Directors, whichever is higher, should be Independent Directors. Accordingly at least two (02) Directors should be Independent.	Two (02) Directors namely, Messrs. K Wadia and M Hamza are Independent Directors.

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.

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 2024. The detailed Report of the Audit Committee is given on page 14 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 Non-Independent Directors. However the Board is of the opinion that such Directors are “independent” having taken into consideration all the circumstances relating thereto.  The Company is in the process of ensuring compliance with the new Corporate Governance Rule pertaining to the composition of the Audit Committee which stipulates that the Committee should comprise of three (03) Directors out of which a minimum of two (02) Directors shall be Independent.
Chairman	One Non- Executive Director should be appointed as the Chairman.	This requirement has been complied with.  The new Corporate Governance Rules stipulate that the Chairman should be an Independent Director and the Company is in the process of ensuring compliance same .
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 including the Chairman are Members of the Institute of Chartered Accountants of Sri Lanka.  The Company is in the process of appointing a Chairman of the Audit Committee who will be an Independent Director and a Member of a recognised professional accounting body, in compliance with the new Corporate Governance Rules.

### 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.

The Remuneration Committee reviews the performance of the Group General Manger Finance & Operations 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 General Manger Finance & Operations.

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 51.

The Committee meets as and when the need arises. The Remuneration Committee met once during the year ended 31st March 2024 and Directors' attendance thereat was as follows :

Name of Director	Category	Meeting Attendance
L R Watawala (Chairman)	Deputy Chairman - Director	1
S A J Goonetilleke	Director	0
B C U Perera	Director	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.	<p>All Members are Non-Executive Non-Independent Directors. However the Board is of the opinion that such Directors are "independent" having taken into consideration all the circumstances relating thereto.</p> <p>The Company is in the process of ensuring compliance with the new Corporate Governance Rule pertaining to the composition of the Remuneration Committee which stipulates that the Committee should comprise of three (03) Directors out of which a minimum of two (02) Directors shall be Independent.</p> <p>An Independent Director shall be appointed as the Chairman of the Committee as stipulated by the said rules.</p>

#### 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 05 of the Annual Report.

### 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
S A J Goonetilleke	Director	0
B C U Perera	Director	3

Group General Manager Finance & Operations attends 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 re appointed as External Auditors of Gestetner of Ceylon PLC for the financial year ending 31st March 2025, 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. All three (03) Directors are Non-Independent. The Board is of the opinion that such Directors are "independent" having taken into consideration all relevant circumstances pertaining thereto. The Company is in the process of complying with the new Corporate Governance Rule pertaining to the composition of the Committee.

During the year committee held four (04) meetings.

Name of Director	Category	Meeting Attendance
L R Watawala (Chairman)	Deputy Chairman	4
S A J Goonetilleke	Director	0
B C U Perera	Director	3

### 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.
- Details of other Related Party Transactions entered into by the Group during the financial year is disclosed in note 32 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 2024.

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, Laser Printers, Projectors, Laptops and smart boards.

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, Scan coin machines, POS machines, Projectors, Note counting machines, provision of Outsourced Photocopying and providing after sales services.

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 significant changes to the principal activities of the Company during the financial year ended 31st March 2024.

## TURNOVER ANALYSIS

The turnover of the Group for the year Rs. 1,401,538,397/- (2022/23 - Rs. 1,407,179,440/-) analyzed among the group is as follows.

Description	2023/2024 Rs.	2022/2023 Rs.
Gestetner of Ceylon PLC	1,100,837,398	1,107,809,804
Subsidiaries	343,093,566	307,826,976
	<b>1,443,930,964</b>	<b>1,415,636,780</b>
Less: Intra Group Sales	(42,392,567)	(8,457,340)
<b>Group Revenue</b>	<b>1,401,538,397</b>	<b>1,407,179,440</b>
<b>RESULTS AND APPROPRIATIONS</b>		
Gross Profit	544,971,118	570,038,211
Other Income	5,470,634	20,634,446
Administrative Expenses	(272,417,681)	(226,761,786)
Selling & Distribution Expenses	(141,967,132)	(134,619,677)
Impairment (Charge) / Reversal of Trade Receivables	3,417,547	(9,554,744)
Other Operating (Expenses) / Income	15,727,526	(40,549,302)
Net Finance Cost	(18,982,431)	(75,640,238)
Profit Before Tax	<b>136,219,581</b>	<b>103,546,910</b>
Income Tax Expense	(46,161,164)	(19,405,528)
Profit for the Year	<b>90,058,417</b>	<b>84,141,382</b>
Other Comprehensive Income / (Expenses) for the Year, net of Tax	463,068	(3,568,178)
Accumulated Profit B/F	300,383,552	219,810,349
Dividend Paid	(26,578,120)	-
Profit Available for Appropriation	<b>364,326,917</b>	<b>300,383,552</b>
<b>Earnings Per Share</b>	<b>33.88</b>	<b>31.66</b>

## FINANCIAL STATEMENTS

The Financial Statements of the Group and the Company are set out from pages 28 to 67 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	Ceased to be the Alternate Director to the Chairman with effect from 25 <sup>th</sup> July, 2024. Appointed as a Director with effect from 23 <sup>rd</sup> August 2024
Sharhan Muhseen	Resigned with effect from 20 <sup>th</sup> August 2024
Muhammed Hamza	Appointed with effect from 27 <sup>th</sup> May 2024
Abbillawattha Palathe Gedara Anusha Pathmashika Geethanjalee	

- In terms of Article 85 of the Articles of Association Mr Keki Mino Wadia, retires by rotation and being eligible is recommended by the Board for re- election.
- In terms of Article 92 of the Articles of Association Mr Muhammed Hamza retires and being eligible is recommended by the Board for election.
- Mr Albert Rasakantha Rasiah who is over 70 years of age, vacates his office in terms of the provisions of Section 210 of the Companies Act, No.7of 2007.

Notice is given by the Company to its Shareholders of the intention to move an Ordinary Resolution for the appointment of Mr Rsiah 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 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.7of 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 Seyed Jemaldeen Muhammed Anzsar who is over 70 years of age, vacates his office in terms of the provisions of Section 210 of the Companies Act, No.7of 2007.

Notice is given by the Company to its Shareholders of the intention to move an Ordinary Resolution for the re-appointment of Mr Anzsar 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 05 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 32 to the Financial Statements.

#### DIRECTORS' SHAREHOLDINGS

Shareholdings of Directors of the Company are as follows:

Name of the Directors	As at 31.03.2024	As at 31.03.2023
Mr. S J M Anzsar	66,070	66,070
Mr. L R Watawala	1,892	1,892
Ms. S A J Goonetilleke (Mrs. S A J De Fonseka)	179,139	179,139
Mr. B C U Perera	-	-
Mr. K Wadia	-	-
Mr. A R Rasiah	35,385	35,385
Mr.Sharhan Muhseen	-	-
Mr.M Hamza	-	-
Ms. Anusha Geethanjalee	-	-

The public shareholding of the Company is 800,142 shares which amounts to 30.10% of the issued capital and the number of public shareholders of the company is 703 as at 31<sup>st</sup> March 2024.

The applicable option under CSE Rule 7.13.1 on minimum public holding is option 5 and the Float Adjusted Market Capitalization as of 31.03.2024 is Rs. 93,800,166.

#### 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

#### DIRECTORS' FEES AND EMOLUMENTS

Directors' Fee and Emoluments paid during the financial year ended 31st March 2024 amounted to Rs.11,225,000/-

#### TWENTY MAJOR SHAREHOLDERS

The total shareholders base of the company as at 31st March 2024 is 709 and twenty (20) Major Shareholders of the Company as at the said date are Indicated below :

	Shareholder	No. of Shares	%
01	GESTETNER (EASTERN) LIMITED	1,240,195	46.66%
02	SEYLAN BANK PLC/SENTHILVERL HOLDINGS (PVT) LTD	393,184	14.79%
03	CHERYL SUSAN DE FONSEKA	211,151	7.94%
04	SITA ANNE JULIANA	179,139	6.74%
05	MOHAMED INAM SHIBLY	103,600	3.90%
06	SEYED JEMALDEEN MUHAMMED ANZSAR	58,195	2.19%
07	ALBERT RASAKANTHA RASIAH	35,385	1.33%
08	HENNEDIGE SRINATH DILANJAN SOYSA	20,626	0.78%
09	SENKADAGALA FINANCE PLC/S.GOBINATH	19,000	0.71%
10	MOHAMED NAFRIN MOHIDEEN	18,378	0.69%
11	JOSEPH NILOO PHILLIPS	16,199	0.61%
12	RAZIA NUZHATH FAIZAL	13,718	0.52%
13	UDAYATHILAKA INDRAPALA SURIYABANDARA	12,617	0.47%
14	MARK ANTHONY THEODOOR RAAYMAKERS	12,552	0.47%
15	PREMPRA CAPITAL (PVT) LTD	12,500	0.47%
16	AJIT ANTHONY NEVILLE DE FONSEKA	12,100	0.46%
17	SITHY FATHIMA RAMZIYA	12,002	0.45%
18	MOHAMED JAUFER MOHAMED AMJAD	11,100	0.42%
19	VELUPILLAI BASKARASUNDARAM	11,011	0.41%
20	ARUNASALAM SITHAMPALAM	10,989	0.41%

#### DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Directors are responsible for preparing and presenting the Financial Statements as set out on page 21. 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 32 to 50 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 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.

**DIVIDEND**

A First Interim Dividend of Rs.3/- per share as recommended by the Board of Directors (on the total issued ordinary shares amounting to 2,657,812) for the Financial year ended 31st March 2024 was paid by the Company.

The Directors have complied with the Provisions of Section 56 (2) of the Companies Act No.07 of 2007 by obtaining from the Company's Auditor's a Certificate confirming the Company will, immediately after the payment of the Dividend, satisfy the Solvency Test, as required by the said Section.

**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 10 to 13.

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

During the year under review there were no material issues pertaining to employees & industrial relations.

**RELATED PARTY TRANSACTIONS**

The Company's transactions with Related Parties, as detailed in Note 32 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 15 to 16.

**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".

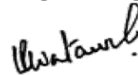
**AUDITORS**

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. 1,089,328/- and Rs. 745,200/- respectively. (2022 / 23 - Rs. 1,005,457/- (Group) and Rs. 690,000/- (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 31<sup>st</sup> March 2024.

**BY ORDER OF THE BOARD**


**L R WATAWALA**  
DIRECTOR



**A R RASIAH**  
DIRECTOR



**SECRETARY**  
**JACEY & COMPANY - SECRETARIES**  
**COLOMBO.**  
**25<sup>TH</sup> JULY 2024**

## 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 2024 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.**  
**25<sup>TH</sup> JULY 2024**

**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 31<sup>st</sup> March 2024, 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 material accounting policy information and other explanatory information as set out on pages 32 to 67.

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 31<sup>st</sup> March 2024, 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 for Professional Accountants 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 the most significance in our audit of the Financial Statements of the current period. These matters have been addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

**a) Impairment assessment of goodwill and investment in subsidiaries**

Refer to material accounting policies in Note 3.2.2 and 3.2.5 and explanatory notes 12 and 14 in the Financial Statements.

Key Audit Matter	How our audit addressed the Key Audit Matter
<p>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.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> <li>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.</li> </ul>



Key Audit Matter	How our audit addressed the Key Audit Matter
<p>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).</p> <p>The impairment assessment of the goodwill and investments in subsidiaries were identified as a key audit matter due to;</p> <ul style="list-style-type: none"> <li>• The subjectivity in the assessment of the recoverable amounts which require estimation and the use of assumptions.</li> <li>• The assessment involves consideration of future events which are inherently uncertain, and effect of those differences may significantly impact the resulting accounting estimates.</li> </ul>	<ul style="list-style-type: none"> <li>• Obtaining an understanding of management’s impairment assessment process.</li> <li>• 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 economic situation continuing in the country on those forecasts.</li> <li>• 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.</li> <li>• Performing sensitivity analysis in consideration of the potential impact of reasonably possible downside changes in these key assumptions.</li> <li>• Evaluating the adequacy of the related disclosures in notes 12 and 14 to the Financial Statements.</li> </ul>

**b) Carrying Value of Inventories**

Refer to significant accounting policies in Note 3.9, and explanatory note in Note 16 of the Financial Statements.

Key Audit Matter	How our audit addressed the Key Audit Matter
<p>The Group held inventories with an aggregate carrying value of Rs. 123,768,257/- as at 31 March 2024. 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.</p> <p>Estimating future demand for and the related selling prices of printing machines, air-conditioners and spareparts 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.</p> <p>Carrying value of inventories was identified as a key audit matter due to:</p> <ul style="list-style-type: none"> <li>The exercise of significant judgment by management in determining appropriate carrying value of inventories.</li> </ul>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> <li>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.</li> </ul> <p>Attending inventory counts as at the year end to ensure the existence and condition of the inventories as at the reporting date.</p> <ul style="list-style-type: none"> <li>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.</li> <li>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.</li> <li>Assessing the reasonableness of significant management judgements applied in determining the provision for slow-moving and obsolete inventory.</li> <li>Testing whether inventories were stated at the lower of cost and net realisable value, by comparing the cost with subsequent selling prices of such items. When items remained unsold as at the date of our testing, we compared the cost with approved selling prices.</li> </ul>

**c) Recoverability of Trade Receivables**

Refer to significant accounting policies in Note 3.4.6 and explanatory note in Note 17 of the Financial Statements.

Key Audit Matter	How our audit addressed the Key Audit Matter
<p>The carrying value of trade receivable of the Group was Rs. 235,709,068/- as at 31 March 2024. Assessing the allowance for impairment of trade receivable requires management to make subjective judgements over both the timing of recognition and estimation of the amount required for such impairment.</p> <p>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 supporting information that is relevant and available without undue cost or effort.</p> <p>Recoverability of trade receivables was identified as a key audit matter due to:</p> <ul style="list-style-type: none"> <li>• Materiality of the reported amount, which represents 29% of the Group’s total assets.</li> <li>• 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.</li> </ul>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> <li>• 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.</li> <li>• 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.</li> <li>• Recomputing management’s calculation for the impairment allowance determined based on simplified expected credit loss method.</li> <li>• Assessing, on a sample basis, whether items in the debtors ageing reports were classified within the appropriate ageing category by comparing individual items in the report with the underlying documentation such as sales invoices.</li> <li>• Requesting for confirmations from major debtors and/or verifying subsequent settlements as an alternative procedure.</li> <li>• Assessing the accuracy of the disclosures and evaluating the appropriateness of the accounting policies based on the requirements of the accounting standard.</li> </ul>

**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.

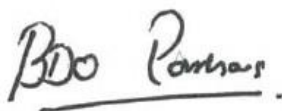
We also provide those charged with governance with a statement that we have complied with ethical requirements in accordance with Code of Ethics regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where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

From the matters communicated with those charged with governance, we determine those matters that were of the 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 the 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.



**CHARTERED ACCOUNTANTS**

**Colombo**

**25<sup>th</sup> July 2024**

VR/cc

GESTETNER OF CEYLON PLC  
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31ST MARCH 2024

	Notes	Group		Company	
		2023/2024 Rs.	2022/2023 Rs.	2023/2024 Rs.	2022/2023 Rs.
Revenue	4	1,401,538,397	1,407,179,440	1,100,837,398	1,107,809,804
Cost of sales		(856,567,279)	(837,141,229)	(667,393,130)	(687,155,430)
<b>Gross profit</b>		<u>544,971,118</u>	<u>570,038,211</u>	<u>433,444,268</u>	<u>420,654,374</u>
Other income	5	5,470,634	20,634,446	32,622,309	20,591,179
Administrative expenses		(272,417,681)	(226,761,786)	(220,967,715)	(176,121,539)
Selling and distribution expenses		(141,967,132)	(134,619,677)	(106,428,485)	(104,749,122)
Impairment reversal/(charge) for trade and other receivable	17.1	3,417,547	(9,554,744)	1,494,635	(1,394,715)
Other operating expenses	6	15,727,526	(40,549,302)	5,291,141	(29,659,206)
<b>Profit from operations</b>		<u>155,202,012</u>	<u>179,187,148</u>	<u>145,456,153</u>	<u>129,320,971</u>
Net finance expense	7	(18,982,431)	(75,640,238)	(22,323,799)	(74,363,379)
<b>Profit before taxation</b>	8	<u>136,219,581</u>	<u>103,546,910</u>	<u>123,132,354</u>	<u>54,957,592</u>
Income tax expenses	9	(46,161,164)	(19,405,528)	(28,783,279)	(13,574,104)
<b>Profit for the year</b>		<u>90,058,417</u>	<u>84,141,382</u>	<u>94,349,075</u>	<u>41,383,488</u>
<b>Other comprehensive income</b>					
<b>Items that are or may be re-classified to profit or loss</b>					
<b>Items that will not be re-classified to profit or loss</b>					
Gain/(loss) on re-measurement of defined benefit obligation		661,526	(5,097,396)	838,000	(4,168,358)
Tax impact on remeasurement of defined benefit obligation		(198,458)	1,529,218	(251,400)	1,250,507
<b>Total other comprehensive income</b>		<u>463,068</u>	<u>(3,568,178)</u>	<u>586,600</u>	<u>(2,917,851)</u>
<b>Total comprehensive income for the year, net of tax</b>		<u>90,521,485</u>	<u>80,573,204</u>	<u>94,935,675</u>	<u>38,465,637</u>
Basic earnings per share (Rs.)	10	33.88	31.66	35.50	15.57
Dividend per share (Rs.)	10.1	10.00	-	10.00	-

Figures in brackets indicate deductions.

The accounting policies and notes on pages 32 to 67 form an integral part of the Financial Statements.

Colombo  
25th July 2024

GESTETNER OF CEYLON PLC  
CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31ST MARCH 2024

	Notes	Group		Company	
		As at 31.03.2024 Rs.	As at 31.03.2023 Rs.	As at 31.03.2024 Rs.	As at 31.03.2023 Rs.
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	11	235,782,729	166,263,110	189,350,182	118,506,883
Intangible assets	12	42,404,200	43,801,044	4,491,276	5,937,352
Right-of-use assets	13	35,558,480	6,829,356	35,558,480	6,829,356
Investment in subsidiaries	14	-	-	145,260,485	145,260,485
Deferred tax assets	15	14,250,322	26,414,422	6,989,261	10,460,984
<b>Total non-current assets</b>		<b>327,995,731</b>	<b>243,307,932</b>	<b>381,649,684</b>	<b>286,995,060</b>
<b>Current assets</b>					
Inventories	16	123,768,257	127,578,406	90,037,796	101,475,094
Trade and other receivables	17	328,456,373	231,116,166	248,806,928	162,781,403
Amounts due from related companies	18	3,557,765	10,803,704	17,914,015	14,749,661
Cash and cash equivalents	19	18,699,960	16,207,551	11,383,487	14,773,970
<b>Total current assets</b>		<b>474,482,355</b>	<b>385,705,827</b>	<b>368,142,226</b>	<b>293,780,128</b>
<b>Total assets</b>		<b>802,478,086</b>	<b>629,013,759</b>	<b>749,791,910</b>	<b>580,775,188</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
Stated capital	20	91,965,565	91,965,565	91,965,565	91,965,565
General reserves	21	5,000,000	5,000,000	5,000,000	5,000,000
Retained earnings		364,326,917	300,383,552	311,695,696	243,338,141
<b>Total shareholders' equity</b>		<b>461,292,482</b>	<b>397,349,117</b>	<b>408,661,261</b>	<b>340,303,706</b>
<b>Liabilities</b>					
<b>Non-current liabilities</b>					
Lease liability - non-current portion	22	26,751,097	-	26,751,097	-
Amounts due to related companies	26	-	16,360,401	-	-
Retirement benefit obligation	23	23,922,050	21,305,815	20,953,754	18,345,550
		<b>50,673,147</b>	<b>37,666,216</b>	<b>47,704,851</b>	<b>18,345,550</b>
<b>Current liabilities</b>					
Trade and other payables	24	133,135,196	115,125,409	114,055,346	98,408,458
Lease liability - current portion	22	8,807,382	8,724,906	8,807,382	8,724,907
Short term borrowings	25	45,000,000	19,794,412	45,000,000	9,737,270
Amounts due to related companies	26	206,401	8,081,834	50,061,053	73,099,838
Income tax liability	27	23,550,694	14,334,643	21,062,956	12,453,338
Bank overdraft	19	79,812,784	27,937,222	54,439,061	19,702,121
<b>Total current liabilities</b>		<b>290,512,457</b>	<b>193,998,426</b>	<b>293,425,798</b>	<b>222,125,932</b>
<b>Total liabilities</b>		<b>341,185,604</b>	<b>231,664,642</b>	<b>341,130,649</b>	<b>240,471,482</b>
<b>Total equity and liabilities</b>		<b>802,478,086</b>	<b>629,013,759</b>	<b>749,791,910</b>	<b>580,775,188</b>
Net assets per share		173.56	149.50	153.76	128.04

**Commitments and contingencies**

28 and 29

Figures in brackets indicate deductions.

The accounting policies and notes on pages 32 to 67 form an integral part of the Financial Statements.

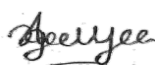
These Financial Statements are in compliance with the requirements of the Companies Act No. 07 of 2007.



U. Sanath Rangana  
Head of Finance

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

Approved and signed for and on behalf of the Board.



A.P.G.A.P. Geethanjalee  
Director

Colombo  
25th July 2024



A.R. Rasiah  
Director

GESTETNER OF CEYLON PLC  
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31ST MARCH 2024

Group	Stated capital Rs.	General reserve Rs.	Retained earnings Rs.	Total Rs.
Balance as at 01st April 2022	91,965,565	5,000,000	219,810,348	316,775,913
Profit for the year	-	-	84,141,382	84,141,382
Other comprehensive income for the year	-	-	(3,568,178)	(3,568,178)
<b>Balance as at 31st March 2023</b>	<b>91,965,565</b>	<b>5,000,000</b>	<b>300,383,552</b>	<b>397,349,117</b>
Profit for the year	-	-	90,058,417	90,058,417
Other comprehensive income for the year	-	-	463,068	463,068
Dividend paid	-	-	(26,578,120)	(26,578,120)
<b>Balance as at 31st March 2024</b>	<b>91,965,565</b>	<b>5,000,000</b>	<b>364,326,917</b>	<b>461,292,482</b>

Company	Stated capital Rs.	General reserve Rs.	Retained earnings Rs.	Total Rs.
Balance as at 01st April 2022	91,965,565	5,000,000	204,872,504	301,838,069
Profit for the year	-	-	41,383,488	41,383,488
Other comprehensive income for the year	-	-	(2,917,851)	(2,917,851)
<b>Balance as at 31st March 2023</b>	<b>91,965,565</b>	<b>5,000,000</b>	<b>243,338,141</b>	<b>340,303,706</b>
Profit for the year	-	-	94,349,075	94,349,075
Other comprehensive income for the year	-	-	586,600	586,600
Dividend paid	-	-	(26,578,120)	(26,578,120)
<b>Balance as at 31st March 2024</b>	<b>91,965,565</b>	<b>5,000,000</b>	<b>311,695,696</b>	<b>408,661,261</b>

Figures in brackets indicate deductions.

The accounting policies and notes on pages 32 to 67 form an integral part of the Financial Statements.

Colombo  
25th July 2024



GESTETNER OF CEYLON PLC  
CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31ST MARCH 2024

	Group		Company	
	2023/2024 Rs.	2022/2023 Rs.	2023/2024 Rs.	2022/2023 Rs.
<b>Cash flows from operating activities</b>				
Profit before taxation	136,219,581	103,546,910	123,132,354	54,957,592
<b>Adjustments for</b>				
Depreciation of property, plant and equipment	81,633,089	74,166,977	62,367,290	44,315,215
Amortisation of intangible assets	2,272,425	2,534,609	2,040,679	1,981,148
Amortisation of right-of-use assets	6,829,356	6,829,357	6,829,356	6,829,357
Write off - Inventory	-	24,987,242	-	24,987,242
- Trade Receivables	4,325	1,281,858	4,325	1,281,858
- ESC	-	880,762	-	-
Provision/(reversal) for - Inventories	(15,731,851)	13,338,460	(5,359,355)	3,306,106
- Related party receivables	-	-	63,889	84,000
Interest income	-	(6,630,669)	-	(6,630,669)
Interest expenses	15,869,814	50,981,745	23,273,246	50,885,731
Impairment charge for trade receivables	(3,417,547)	9,554,744	(1,494,635)	1,394,715
Provision for defined benefit obligations	6,727,166	5,659,787	5,574,054	4,685,893
Dividend income	-	-	(27,221,175)	-
	94,186,777	183,584,872	66,077,674	133,120,596
<b>Operating cash flows before change in working capital</b>	230,406,358	287,131,782	189,210,028	188,078,188
<b>Changes in working capital</b>				
Decrease in inventories	19,542,000	41,723,580	16,796,653	46,013,902
(Decrease)/increase in trade and other receivables	(93,926,986)	95,976,758	(84,535,216)	91,370,483
(Decrease)/increase in trade and other payables	18,009,787	(194,409,422)	15,646,888	(169,413,810)
Increase in amount due from related companies	7,245,939	(8,995,793)	(3,228,243)	(2,990,680)
Increase/(decrease) in amount due to related companies	(24,235,834)	9,442,235	(23,038,785)	14,424,940
(Decrease)/increase in short-term borrowings	25,205,588	(124,554,581)	35,262,730	(101,126,009)
	(48,159,506)	(180,817,223)	(43,095,973)	(121,721,174)
<b>Cash generated from operations</b>	182,246,852	106,314,559	146,114,055	66,357,014
Interest paid	(15,234,721)	(49,275,174)	(22,638,153)	(49,179,160)
Gratuity paid	(3,449,405)	(5,627,022)	(2,127,850)	(5,479,022)
Income tax paid	(24,979,471)	(5,491,161)	(16,953,338)	(4,872,739)
	(43,663,597)	(60,393,357)	(41,719,341)	(59,530,921)
<b>Net cash generated from operating activities</b>	138,583,255	45,921,202	104,394,714	6,826,093
<b>Cash flows from investing activities</b>				
Purchase of property, plant and equipment and intangible assets	(152,028,288)	(59,521,587)	(133,805,192)	(52,514,707)
Proceeds from disposal of property, plant and equipment	-	143,774	-	143,774
Interest received	-	6,630,669	-	6,630,669
Dividend paid	(26,578,120)	-	(26,578,120)	-
Dividend income	-	-	27,221,175	-
<b>Net cash generated used in investing activities</b>	(178,606,408)	(52,747,144)	(133,162,137)	(45,740,264)
<b>Cash flow from financing activities</b>				
Lease rentals paid	(9,360,000)	(9,360,000)	(9,360,000)	(9,360,000)
<b>Net cash flow used in financing activities</b>	(9,360,000)	(9,360,000)	(9,360,000)	(9,360,000)
<b>Net decrease in cash and cash equivalents during the year</b>	(49,383,153)	(16,185,942)	(38,127,423)	(48,274,171)
<b>Cash and cash equivalents at the beginning of the year (Note A)</b>	(11,729,671)	4,456,271	(4,928,151)	43,346,020
<b>Cash and cash equivalents at the end of the year (Note B)</b>	(61,112,824)	(11,729,671)	(43,055,574)	(4,928,151)
<b>At the beginning</b>				<b>Note A</b>
Cash at bank	15,451,261	78,299,872	14,042,680	77,156,205
Cash in hand	756,290	552,236	731,290	507,236
Bank overdraft	(27,937,222)	(74,395,837)	(19,702,121)	(34,317,421)
	(11,729,671)	4,456,271	(4,928,151)	43,346,020
<b>At the end</b>				<b>Note B</b>
Cash at bank	16,991,858	15,451,261	9,700,385	14,042,680
Cash in hand	1,708,102	756,290	1,683,102	731,290
Bank overdraft	(79,812,784)	(27,937,222)	(54,439,061)	(19,702,121)
	(61,112,824)	(11,729,671)	(43,055,574)	(4,928,151)

The accounting policies and notes on pages 32 to 67 form an integral part of the Financial Statements.

## MATERIAL ACCOUNTING POLICY INFORMATION TO THE 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 are situated at Gestetner Centre, No. 248, Vauxhall Street, Colombo 02.

The consolidated Financial Statements, as at and for the year ended 31<sup>st</sup> March 2024 comprise 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, smart board 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 31<sup>st</sup> March 2024 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 information on the financial performance of the Company and the Group for the year under review;
- Statement of Financial Position providing 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 information to the users, on the ability of the Company and the Group to generate cash and cash equivalents and the needs to utilise those cash flows; and
- Notes to the Financial Statements comprising Accounting Policies and other explanatory information.

## MATERIAL ACCOUNTING POLICY INFORMATION TO THE FINANCIAL STATEMENTS

### 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 recognised 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 31<sup>st</sup> March 2024 were authorised for issue by the Board of Directors on 25<sup>th</sup> July 2024.

### 2.4 Functional and presentation currency

The Financial Statements have been 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 recognised in the period in which the estimates are revised and in any future periods affected.

Information about critical judgments in applying the accounting policies that have the most significant effect on the amounts recognised 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 15** - 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 23** - measurement of defined benefit obligation - key assumptions underlying the measurement of employee benefits liability
- **Note 12** - impairment test of goodwill: key assumptions underlying recoverable amounts

## MATERIAL ACCOUNTING POLICY INFORMATION TO THE FINANCIAL STATEMENTS

### 2.6 Going concern

The Group has prepared the Financial Statements for the year ended 31st March 2024 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 2024, based on available information, the management has assessed the prevailing market conditions and the economic situation in the country 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 conditions have been considered as of the reporting date. 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 and 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 MATERIAL ACCOUNTING POLICY INFORMATION

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 Financial Reporting 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 meet the definition of a business and the control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses to ascertain 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 a group of similar identifiable assets.

## MATERIAL ACCOUNTING POLICY INFORMATION TO THE FINANCIAL STATEMENTS

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 recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if relates to the issue of debt or equity securities.

The Group measures the goodwill at the acquisition date as :

- the fair value of the consideration transferred; plus
- the recognised 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 recognised 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 the 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 the control commences until the date on which the control ceases.

The Group re-assesses to ascertain 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 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 recognise the investment in subsidiaries at cost.

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

Set out below are the Group's principal subsidiaries as at 31 March 2024.

Name of entity	Place of business	% of Ownership interest held by the Group	Principal activities
Gestetner Printing Services (Private) Limited	Colombo/ Sri Lanka	100%	Provision of outsourced photocopying/ printing services and also IT solution
Nashua Lanka (Private) Limited	Colombo/ Sri Lanka	100%	Imports and markets copiers and consumables
Gestetner Manufacturers (Private) Limited	Colombo/ Sri Lanka	100%	Manufacturing ink and currently is not operating. The board of directors is evaluating various business opportunities, and has ready access to financial resources from its parent entity and other related companies

## MATERIAL ACCOUNTING POLICY INFORMATION TO THE FINANCIAL STATEMENTS

Name of entity	Place of business	% of Ownership interest held by the Group	Principal activities
Fintek Managed Solutions (Private) Limited	Colombo/ Sri Lanka	100%	Importing and selling of Digital Copiers, laser printers, Air conditioners, Scan coin machines, POS machines, Projectors, Note counting machines, provision of Outsourced Photocopying and providing after sales services.

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)**

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 the control over a subsidiary, it de-recognises the assets and liabilities of the subsidiary and any related NCI (If applicable) and other components of equity. Any resulting gain or loss is recognised 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 recognised 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 recognised.

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, the 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 unrealised 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.

## MATERIAL ACCOUNTING POLICY INFORMATION TO THE FINANCIAL STATEMENTS

### 3.3 Foreign currency translation

Transactions in foreign currencies are translated to Sri Lankan 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 recognised in the statement of profit or loss.

### 3.4 Financial instruments

#### 3.4.1 Recognition and initial measurement

Trade receivable and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised 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 Fair Value through Profit or Loss (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 being measured at: amortised cost; Fair Value through Other Comprehensive Income (FVOCI) - debt investment; FVOCI - equity investment; or FVTPL. Financial assets are not re-classified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case, all affected financial assets are re-classified on the first day of the first reporting period following the change in the business model. A financial asset is measured at amortised cost if it meets both 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 the payments of principal and interest on the principal amount outstanding

The Group's financial assets classified under amortised 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 the following conditions and 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 the 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.

## MATERIAL ACCOUNTING POLICY INFORMATION TO THE FINANCIAL STATEMENTS

All financial assets not classified as measured at amortised 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 amortised cost or at FVOCI as at FVTPL and 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 the 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 realising 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

### **Financial Assets - Assessment whether contractual cash flows are solely the 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 the 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 and as such that it would not meet this condition.



## MATERIAL ACCOUNTING POLICY INFORMATION TO THE FINANCIAL STATEMENTS

### 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 recognised 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 de-recognises a financial asset when the contractual rights to the cash flows from the financial asset expires, 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 the assets recognised 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 de-recognised.

#### Financial liabilities

The Group de-recognises a financial liability when its contractual obligation is discharged or cancelled, or expire. The Group de-recognises 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 de-recognition 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.

## MATERIAL ACCOUNTING POLICY INFORMATION TO THE FINANCIAL STATEMENTS

### 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 has currently a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise 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 (FVTPL) 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 the 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 use a lifetime expected loss allowance for all trade and other receivables. The Group uses its historical credit loss experience adjusted as appropriate considering the current observable data to reflect the effect of the current conditions and its forecasts of future conditions.

When determining whether the credit risk of a financial asset has increased significantly since the initial recognition and when estimating Expected Credit Losses (ECLs), the Group considers reasonable and supportive 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 to ascertain whether the 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 reorganisation.

#### 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 entirety 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 the market participants at the measurement date.

## MATERIAL ACCOUNTING POLICY INFORMATION TO THE FINANCIAL STATEMENTS

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 categorised 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 the 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 the 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 the recent arm's length transactions between the 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 the 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 in 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 an equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

## MATERIAL ACCOUNTING POLICY INFORMATION TO THE FINANCIAL STATEMENTS

### 3.6 Property, plant and equipment

#### Recognition and Measurement

Property, plant and equipment are recognised if it is probable that future economic benefits associated with the asset will flow to the Company/Group 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 recognised 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 de-recognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

#### De-recognition

Property, plant and equipment are de-recognised 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 derecognised. Depreciation does not cease when the assets become idle or are retired from active use unless the asset is fully depreciated.

## MATERIAL ACCOUNTING POLICY INFORMATION TO THE FINANCIAL STATEMENTS

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 and machinery	3-5
Furniture and equipment	05
Motor vehicles	05

### Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets other than the 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 (CGU) is the greater of its value in use and its fair value less costs to sell. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market 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 continues use that are largely independent of the cash inflows of other assets or a group of assets.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised 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 recognised 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 amortisation, if no impairment loss has been recognised.

### 3.7 Leases

At inception of a contract, the Group assesses to ascertain whether a contract is, or contains, a lease. If a contract is, or contains, a lease, 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

## MATERIAL ACCOUNTING POLICY INFORMATION TO THE FINANCIAL STATEMENTS

- 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 the 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 designs 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 re-assessment 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 recognises 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 re-measured 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.

## MATERIAL ACCOUNTING POLICY INFORMATION TO THE FINANCIAL STATEMENTS

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 the 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 recognise the right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Group recognises 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 recognises 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 amortisation and any accumulated impairment losses, if any.

### Subsequent expenditure

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

### Amortisation

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

## MATERIAL ACCOUNTING POLICY INFORMATION TO THE FINANCIAL STATEMENTS

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 realisable 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 realisable 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 recognised 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 recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees.

#### Mercantile Service Provident Fund (MSPF)

The Group and the employees except from 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.



## MATERIAL ACCOUNTING POLICY INFORMATION TO THE FINANCIAL STATEMENTS

### 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 the employees have earned in return for their services 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 the Gratuity Act No.12 of 1983, the liability to an employee arises only on the 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 recognises all actuarial gains and losses arising from defined benefit plans immediately in the 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 that the objective of this requirement will be met by using the 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 recognises 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 and imports and distributes office automation products. The Group recognises revenue at the time the 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 and 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.

## MATERIAL ACCOUNTING POLICY INFORMATION TO THE FINANCIAL STATEMENTS

Gains and losses arising from the 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 recognised 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 the 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 recognised 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 is recognised 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 the foreign currency movements are in a net gain or net loss position.

### 3.16 Income tax

Income tax expense comprises the current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to items recognised 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 the 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 thereto.

#### 3.16.2 Deferred tax

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

## MATERIAL ACCOUNTING POLICY INFORMATION TO THE FINANCIAL STATEMENTS

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 legally an enforceable right to offset the 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 the current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised 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 utilised. 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 realised.

### 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 (EPS)

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 the performance of the operating segments, have been identified as the Group Chief Executive and Board of Directors.

However, operating segments are not presented as the exports make 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.

## MATERIAL ACCOUNTING POLICY INFORMATION TO THE FINANCIAL STATEMENTS

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

The new and amended standards and interpretations that are issued, but are not yet effective, upto the date of issuance at the Group's Financial Statements are disclosed below.

The Group intends to adopt these amended standards and interpretations, if applicable, when they become effective.

- SLFRS 17 - Insurance contract
- liability in a Sale and Leaseback (Amendments to SLFRS 16 Leases) - Mandatorily effective for periods beginning on or after 1 January 2024
- classification of Liabilities as Current or Non-Current (Amendments to LKAS 1 Presentation of Financial Statements) - Mandatorily effective for periods beginning on or after 1 January 2024)
- non-current Liabilities with Covenants (Amendments to LKAS 1 Presentation of Financial Statements) - Mandatorily effective for periods beginning on or after 1 January 2024
- supplier Finance Arrangements (Amendments to LKAS 7 Statement of Cash Flows and SLFRS 7 Financial Instruments: Disclosures) - Mandatorily effective for periods beginning on or after 1 January 2024
- lack of Exchangeability (Amendments to LKAS 21 The Effects of Changes in Foreign Exchange Rates) - Mandatorily effective for periods beginning on or after 1 January 2025

The assessment of the impact on the Group does not have any material impact on the Financial Statement.

GESTETNER OF CEYLON PLC  
NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March

	Group		Company	
	2023/2024 Rs.	2022/2023 Rs.	2023/2024 Rs.	2022/2023 Rs.
<b>4 REVENUE</b>				
Machine sales	484,737,606	264,025,002	375,714,288	168,946,146
Mobile phones	-	306,467,390	-	306,467,390
Spares sales	198,869,993	166,590,859	171,146,517	138,075,216
Consumable sales	282,750,272	257,583,645	235,621,003	217,215,356
Export income	1,926,859	6,038,422	1,926,859	6,038,422
Service income	472,182,599	411,367,781	316,428,731	271,067,348
	<b>1,440,467,329</b>	<b>1,412,073,099</b>	<b>1,100,837,398</b>	<b>1,107,809,804</b>
<b>4.1 Other subsidiaries</b>				
Machine outsource income	1,525,536	1,152,234	-	-
Consumables sales	1,938,099	2,411,447	-	-
Inter group sales	(42,392,567)	(8,457,340)	-	-
	<b>1,401,538,397</b>	<b>1,407,179,440</b>	<b>1,100,837,398</b>	<b>1,107,809,804</b>
<b>5 OTHER INCOME</b>				
Sundry income	434,523	462,847	365,023	419,580
Incentive for target achievement	5,036,111	20,171,599	5,036,111	20,171,599
Dividend income	-	-	27,221,175	-
	<b>5,470,634</b>	<b>20,634,446</b>	<b>32,622,309</b>	<b>20,591,179</b>
<b>6 OTHER OPERATING EXPENSES</b>				
Write off - Inventory	-	24,987,242	-	24,987,242
- Trade receivables	4,325	1,281,858	4,325	1,281,858
- ESC	-	880,762	-	-
Provision/(reversal) for - Inventories	(15,731,851)	13,338,460	(5,359,355)	3,306,106
- Related party receivables	-	-	63,889	84,000
Other expenses	-	60,980	-	-
	<b>(15,727,526)</b>	<b>40,549,302</b>	<b>(5,291,141)</b>	<b>29,659,206</b>
<b>7 NET FINANCE INCOME/(EXPENSES)</b>				
<b>Finance income</b>				
Interest income - intercompany	-	-	3,032,265	2,948,901
- fixed deposit	-	6,630,669	-	6,630,669
- bank	52,675	-	52,675	-
Gain on translation of foreign currency	286,128	-	286,128	-
<b>Total finance income</b>	<b>338,803</b>	<b>6,630,669</b>	<b>3,371,068</b>	<b>9,579,570</b>
<b>Finance cost</b>				
Interest expense - intercompany loans	-	95,651	10,313,730	17,263,664
- lease liabilities	635,093	1,706,571	635,093	1,706,571
- short-term loans	1,375,553	31,643,402	1,265,000	22,056,892
- overdraft	13,859,168	17,536,121	11,059,423	12,807,505
Loss on translation of foreign currency	-	28,313,209	-	28,313,209
Bank charges	3,451,420	2,975,953	2,421,621	1,795,108
<b>Total finance expense</b>	<b>19,321,234</b>	<b>82,270,907</b>	<b>25,694,867</b>	<b>83,942,949</b>
<b>Net finance income</b>	<b>(18,982,431)</b>	<b>(75,640,238)</b>	<b>(22,323,799)</b>	<b>(74,363,379)</b>
<b>8 PROFIT BEFORE TAX</b>				
<b>Profit before tax is stated after charging all expenses including the following;</b>				
Directors' emoluments	11,225,000	4,218,950	11,225,000	4,218,950
Auditor's remuneration - Statutory audit	1,089,328	1,005,457	745,200	690,000
Professional fees	9,852,781	5,307,789	8,403,516	5,190,889
Depreciation and amortisation	83,905,514	76,701,586	64,407,969	46,296,363
Amortisation on right-of-use asset	6,829,356	6,829,357	6,829,356	6,829,357
Write off - Inventory	-	24,987,242	-	24,987,242
- Trade Receivables	4,325	1,281,858	4,325	1,281,858
- ESC	-	880,762	-	-
Provision/(reversal) for - Inventories	(15,731,851)	13,338,460	(5,359,355)	3,306,106
- Related party receivables	-	-	63,889	84,000
Defined benefit plan cost - employee benefits	6,727,166	5,659,787	5,574,054	4,685,893
Defined contribution plan cost (MSPS/EPF/ETF)	19,610,458	17,346,975	15,161,471	12,950,299
Salaries and wages	163,537,881	122,304,206	133,205,529	91,832,261

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For the year ended 31st March

**9 INCOME TAX EXPENSE**

**9.1 Current income tax expenses**

	Group		Company	
	2023/2024 Rs.	2022/2023 Rs.	2023/2024 Rs.	2022/2023 Rs.
Income tax expense on current year's profit (Note 9.2)	34,195,522	17,435,128	25,562,956	14,953,335
Income tax over provision in previous year	-	(27,633)	-	-
Deferred tax charge/(reversal) for the year (Note 15)	11,965,642	1,998,033	3,220,323	(1,379,231)
Total income tax expenses	46,161,164	19,405,528	28,783,279	13,574,104

**9.2 Reconciliation between the current tax expenses and the product of accounting profit**

Profit before income tax expenses	136,219,581	103,546,910	123,132,354	54,957,592
Aggregate disallowable expenses	131,128,576	112,284,717	77,495,076	65,380,355
Aggregate allowable expenses	(158,842,533)	(126,968,110)	(127,247,993)	(75,637,972)
Income from other sources	22,144,145	27,137,907	11,830,415	9,969,894
	130,649,769	116,001,424	85,209,852	54,669,869
Less: Tax loss utilised (Note 9.3)	(16,661,102)	(52,261,676)	-	-
Total taxable income	113,988,667	63,739,748	85,209,852	54,669,869
Income tax rate at 14%	-	20,527	-	20,527
Income tax rate at 24%	-	7,726,196	-	6,788,379
Income tax rate at 30%	34,196,600	9,688,405	25,562,956	8,144,429
Income tax expense for the year	34,196,600	17,435,128	25,562,956	14,953,335

In terms of the Inland Revenue Act No. 24 of 2017, the Company is liable for Income Tax at the rate of 30%.

**9.3 Reconciliation of tax losses**

Tax loss brought forward	22,951,257	75,212,933	-	-
Tax loss utilised	(16,661,102)	(52,261,676)	-	-
Tax loss carried forward	6,290,155	22,951,257	-	-

**10 BASIC EARNINGS PER SHARE**

The basic earnings per share is calculated by dividing the net profit for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year.

	Group		Company	
	2023/2024 Rs.	2022/2023 Rs.	2023/2024 Rs.	2022/2023 Rs.
Profit attributable to ordinary shareholders	90,058,417	84,141,382	94,349,075	41,383,488
Weighted average number of ordinary shares	2,657,812	2,657,812	2,657,812	2,657,812
Basic earnings per share (Rs.)	33.88	31.66	35.50	15.57

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.

**10.1 DIVIDEND PER SHARE**

The dividend per share is based on the dividend paid during the year and the number of ordinary shares outstanding as at that date.

	Group		Company	
	2023/2024 Rs.	2022/2023 Rs.	2023/2024 Rs.	2022/2023 Rs.
Dividend paid	26,578,120	-	26,578,120	-
Dividend per share	10.00	-	10.00	-

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NOTES TO THE FINANCIAL STATEMENTS

## 11 PROPERTY, PLANT AND EQUIPMENT

11.1 Group	Plant and machinery Rs.	Furniture and equipment Rs.	Motor vehicles Rs.	Total Rs.
<b>Cost/valuation</b>				
Balance at the beginning of the year	642,844,479	42,428,654	1,176,347	686,449,480
Additions during the year	135,377,986	15,774,722	-	151,152,708
Balance at the end of the year	778,222,465	58,203,376	1,176,347	837,602,188
<b>Accumulated depreciation</b>				
Balance at the beginning of the year	486,737,161	32,272,862	1,176,347	520,186,370
Charge for the year	75,826,615	5,806,474	-	81,633,089
Balance at the end of the year	562,563,776	38,079,336	1,176,347	601,819,459
<b>WDV as at 31.03.2024</b>	<b>215,658,689</b>	<b>20,124,040</b>	<b>-</b>	<b>235,782,729</b>
<b>WDV as at 31.03.2023</b>	<b>156,107,318</b>	<b>10,155,792</b>	<b>-</b>	<b>166,263,110</b>
11.2 Company	Plant and machinery Rs.	Furniture and equipments Rs.	Motor vehicles Rs.	Total Rs.
<b>Cost/valuation</b>				
Balance at the beginning of the year	445,134,122	34,554,493	214,347	479,902,962
Additions during the year	127,739,152	5,471,437	-	133,210,589
Balance at the end of the year	572,873,274	40,025,930	214,347	613,113,551
<b>Accumulated depreciation</b>				
Balance at the beginning of the year	335,984,703	25,197,029	214,347	361,396,079
Charge for the year	58,739,378	3,627,912	-	62,367,290
Balance at the end of the year	394,724,081	28,824,941	214,347	423,763,369
<b>WDV as at 31.03.2024</b>	<b>178,149,193</b>	<b>11,200,989</b>	<b>-</b>	<b>189,350,182</b>
<b>WDV as at 31.03.2023</b>	<b>109,149,419</b>	<b>9,357,464</b>	<b>-</b>	<b>118,506,883</b>

Fully depreciated assets of the Group as at the year end is Rs.392,063,127/- (2022/2023 - Rs.365,504,477/-) and that of the Company is Rs.313,790,211/- (2022/2023 - Rs.287,671,760/-).

The temporarily idling property, plant and equipment without a carrying value amounts to Rs. 38,075,238/- (2022/2023 - Rs.38,075,238/-) as at 31st March 2024.

No property, plant and equipment has been pledged as a collateral as at 31st March 2024.

There were no restrictions existed on the title to the property, plant and equipment of the Group/Company as at 31st March 2024.

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12 INTANGIBLE ASSETS

12.1 Group

	As at 31.03.2024			As at 31.03.2023 Rs.
	Computer software Rs.	Goodwill Rs.	Total Rs.	
<b>Cost</b>				
Balance at the beginning of the year	19,641,426	37,977,635	57,619,061	55,803,530
Additions during the year	875,580	-	875,580	1,815,531
Balance at the end of the year	20,517,006	37,977,635	58,494,641	57,619,061
<b>Amortisation</b>				
Balance at the beginning of the year	13,488,183	329,833	13,818,016	11,283,408
Charge for the year	2,272,425	-	2,272,425	2,534,609
Balance at the end of the year	15,760,608	329,833	16,090,441	13,818,017
Written down value as at reporting date	4,756,398	37,647,802	42,404,200	43,801,044

**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, at 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 the 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 subject to an impairment test based on value in use. The value in use was determined by discounting the future cash flows generated from the continued use of the unit and key assumptions used are given below.

- 1) Business Growth - The forecast has been done at minimum expected growth rates (9.5%) to avoid any risk due to effect of macro economic condition.continuing in the country
- 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 (13.34%)
- 4) Margin - Current Average GP margins considered (44%)
- 5) Strategies - The marketing strategies, staff monitoring and 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 recognised during the financial year.

12.2 Company	As at 31.03.2024 Rs.	As at 31.03.2023 Rs.
<b>Computer software</b>		
<b>Cost</b>		
Balance at the beginning of the year	16,647,087	14,831,556
Additions during the year	594,603	1,815,531
Balance at the end of the year	17,241,690	16,647,087
<b>Amortisation</b>		
Balance at the beginning of the year	10,709,735	8,728,587
Charge for the year	2,040,679	1,981,148
Balance at the end of the year	12,750,414	10,709,735
Written down value as at reporting date	4,491,276	5,937,352



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13 RIGHT-OF-USE ASSETS

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

	Group		Company	
	As at 31.03.2024 Rs.	As at 31.03.2023 Rs.	As at 31.03.2024 Rs.	As at 31.03.2023 Rs.
<b>Cost</b>				
Balance at the beginning of the year	34,146,780	34,146,780	34,146,780	34,146,780
Additions during the year	35,558,480	-	35,558,480	-
<b>Balance at the end of the year</b>	<b>69,705,260</b>	<b>34,146,780</b>	<b>69,705,260</b>	<b>34,146,780</b>
<b>Accumulated amortisation</b>				
Balance at the beginning of the year	27,317,424	20,488,067	27,317,424	20,488,067
Charge for the year	6,829,356	6,829,357	6,829,356	6,829,357
<b>Balance at the end of the year</b>	<b>34,146,780</b>	<b>27,317,424</b>	<b>34,146,780</b>	<b>27,317,424</b>
<b>Written down value</b>	<b>35,558,480</b>	<b>6,829,356</b>	<b>35,558,480</b>	<b>6,829,356</b>

14 INVESTMENT IN SUBSIDIARIES

	Company			
	No of shares	Percentage of holding	As at 31.03.2024 Rs.	As at 31.03.2023 Rs.
Gestetner Manufacturers (Private) Limited	99,996	100%	999,960	999,960
Gestetner Printing Services (Private) Limited	999,996	100%	9,999,960	9,999,960
Nashua Lanka (Private) Limited	1,700,000	100%	17,000,000	17,000,000
Fintek Managed Solutions (Private) Limited	12,800,000	100%	128,000,000	128,000,000
			<b>155,999,920</b>	<b>155,999,920</b>
Impairment of investment in Fintek Managed Solutions (Private) Limited			(9,739,475)	(9,739,475)
Provision for investment in Gestetner Manufactures (Private) Limited			(999,960)	(999,960)
			<b>145,260,485</b>	<b>145,260,485</b>

15 DEFERRED TAX ASSETS

	Group		Company	
	As at 31.03.2024 Rs.	As at 31.03.2023 Rs.	As at 31.03.2024 Rs.	As at 31.03.2023 Rs.
<b>The movement of deferred tax</b>				
Balance at the beginning of the year	26,414,422	26,883,237	10,460,984	7,831,246
Charge/(reversal) during the year	(11,965,642)	(1,998,033)	(3,220,323)	1,379,231
On re-measurement of defined benefit obligations	(198,458)	1,529,218	(251,400)	1,250,507
<b>Balance at the end of the year</b>	<b>14,250,322</b>	<b>26,414,422</b>	<b>6,989,261</b>	<b>10,460,984</b>

Deferred tax assets and liability as at 31st March 2024 were assessed on the income tax rate of 30% (2022/2023-30%)

15.1 The closing deferred tax assets / (liability) balance related to the following

Accelerated depreciation on property, plant and equipment	(4,993,223)	(3,984,458)	(5,159,596)	(3,530,274)
Right-of-use asset	(10,667,544)	(2,048,808)	(10,667,544)	(2,048,808)
Defined benefits obligations	6,283,717	6,391,745	6,286,126	5,503,665
Provision for inventories	6,083,446	12,008,377	4,388,082	5,995,889
Provision for impairment of trade debtors	2,052,636	5,454,443	1,474,649	1,923,040
Lease liability	10,667,544	2,617,472	10,667,544	2,617,472
Brought forward tax loss	4,823,746	5,975,651	-	-
	<b>14,250,322</b>	<b>26,414,422</b>	<b>6,989,261</b>	<b>10,460,984</b>

15.2 Unrecognised deferred tax assets

Deferred tax assets arising from the tax losses have not been recognised amounting to Rs. 6,284,351/- (2022/2023 - Rs. 7,000,443/-) from Gestetner Manufacturers (Private) Limited as it is not probable that future taxable profit will be available against which the Group can utilise the benefits therefrom.

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NOTES TO THE FINANCIAL STATEMENTS

	Group		Company	
	As at 31.03.2024 Rs.	As at 31.03.2023 Rs.	As at 31.03.2024 Rs.	As at 31.03.2023 Rs.
<b>16 INVENTORIES</b>				
Inventory - Machines, accessories and spareparts	148,657,832	168,199,832	104,664,736	121,461,389
Less: Provision for obsolete inventories (Note 16.1)	(24,889,575)	(40,621,426)	(14,626,940)	(19,986,295)
	<b>123,768,257</b>	<b>127,578,406</b>	<b>90,037,796</b>	<b>101,475,094</b>
<b>16.1 Movement of provision for obsolete inventories</b>				
Balance at the beginning of the year	40,621,426	27,453,456	19,986,295	16,680,189
Provision/ (reversal) for inventories recognised during the year	(15,731,851)	13,338,460	(5,359,355)	3,306,106
Written-off for the period	-	(170,490)	-	-
Balance at the end of the year	<b>24,889,575</b>	<b>40,621,426</b>	<b>14,626,940</b>	<b>19,986,295</b>
<b>17 TRADE AND OTHER RECEIVABLES</b>				
Trade receivable	250,549,167	185,771,372	182,892,657	119,912,733
Less: Allowance for expected credit losses (Note 17.1)	(14,840,099)	(18,257,646)	(4,915,498)	(6,410,133)
	<b>235,709,068</b>	<b>167,513,726</b>	<b>177,977,159</b>	<b>113,502,600</b>
Deposits	2,625,312	1,865,561	2,375,112	1,620,861
Advances and prepayments	9,750,063	14,612,321	8,162,069	3,167,906
Advances to suppliers	71,873,681	38,236,905	55,738,938	38,236,905
Staff loans <b>Note 17.2</b>	281,824	200,191	-	-
Withholding tax recoverable	8,294	201,482	8,294	201,482
Other receivables	8,208,131	8,485,980	4,545,356	6,051,649
	<b>328,456,373</b>	<b>231,116,166</b>	<b>248,806,928</b>	<b>162,781,403</b>
<b>17.1 Movement of provision for impairment of trade receivable</b>				
Balance at the beginning of the year	18,257,646	8,702,902	6,410,133	5,015,418
Provision for impairment recognised during the year	3,712	9,554,744	-	1,394,715
Reversal for impairment recognised during the year	(3,421,259)	-	(1,494,635)	-
Balance at the end of the year	<b>14,840,099</b>	<b>18,257,646</b>	<b>4,915,498</b>	<b>6,410,133</b>
<b>17.2 Staff loans</b>				
Balance at the beginning of the year	200,191	442,426	-	352,124
Loans granted during the year	81,633	109,889	-	-
Recoveries made during the year	-	(352,124)	-	(352,124)
Balance at the end of the year	<b>281,824</b>	<b>200,191</b>	<b>-</b>	<b>-</b>
<b>18 AMOUNTS DUE FROM RELATED COMPANIES</b>				
<b>Amount receivable within one year</b>				
Fintek Managed Solutions (Private) Limited	-	-	17,914,015	3,945,957
Vauxhall Beira Properties (Private) Limited	3,557,765	10,803,704	-	10,803,704
Gestetner Manufacturers (Private) Limited	-	-	1,064,847	1,000,958
	<b>3,557,765</b>	<b>10,803,704</b>	<b>18,978,862</b>	<b>15,750,619</b>
Provision for related party receivables	-	-	(1,064,847)	(1,000,958)
	<b>3,557,765</b>	<b>10,803,704</b>	<b>17,914,015</b>	<b>14,749,661</b>

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	Group		Company	
	As at 31.03.2024 Rs.	As at 31.03.2023 Rs.	As at 31.03.2024 Rs.	As at 31.03.2023 Rs.
<b>19 CASH AND CASH EQUIVALENTS</b>				
<b>Favourable balances</b>				
Cash at banks	16,991,858	15,451,261	9,700,385	14,042,680
Cash in hand	1,708,102	756,290	1,683,102	731,290
	<u>18,699,960</u>	<u>16,207,551</u>	<u>11,383,487</u>	<u>14,773,970</u>
<b>Unfavourable balances</b>				
Bank overdraft	79,812,784	27,937,222	54,439,061	19,702,121
Cash and cash equivalents for the purpose of statement of cash flow	<u>(61,112,824)</u>	<u>(11,729,671)</u>	<u>(43,055,574)</u>	<u>(4,928,151)</u>

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

	Facility amount Rs.	Amount outstanding Rs.	Repayment terms and Interest rate	Security offered
<b>Bank overdraft</b>				
Commercial Bank of Ceylon PLC	20,000,000	18,639,203	AWPLR + 1.75%	Stock & Debtors
Nation Trust Bank PLC	15,000,000	12,743,789	AWPLR +2.00%	Stock & Debtors
Hatton National Bank PLC	25,000,000	25,373,723	AWPLR +1.75%	Stock & Debtors
Hatton National Bank PLC	25,000,000	23,056,069	AWPLR + 1.5%	Corporate Guarantee from Vauxhall Beira Properties (Pvt) Limited
<b>Short-term borrowing</b>				
Commercial Bank of Ceylon PLC	60,000,000	45,000,000	AWPLR+1.75%	Stock & Debtors

	Group		Company	
	As at 31.03.2024 Rs.	As at 31.03.2023 Rs.	As at 31.03.2024 Rs.	As at 31.03.2023 Rs.
<b>20 STATED CAPITAL</b>				
<b>Number of shares - Ordinary shares (Nos.)</b>	2,657,812	2,657,812	2,657,812	2,657,812
	<u>2,657,812</u>	<u>2,657,812</u>	<u>2,657,812</u>	<u>2,657,812</u>
<b>Value - Ordinary shares (Rs.)</b>	91,965,565	91,965,565	91,965,565	91,965,565
	<u>91,965,565</u>	<u>91,965,565</u>	<u>91,965,565</u>	<u>91,965,565</u>

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.

	Group		Company	
	As at 31.03.2024 Rs.	As at 31.03.2023 Rs.	As at 31.03.2024 Rs.	As at 31.03.2023 Rs.
<b>21 GENERAL RESERVE</b>				
General reserve	5,000,000	5,000,000	5,000,000	5,000,000
	<u>5,000,000</u>	<u>5,000,000</u>	<u>5,000,000</u>	<u>5,000,000</u>

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

<b>22 LEASE LIABILITY</b>				
Balance at the beginning of the year	8,724,907	16,378,336	8,724,907	16,378,336
Addition for the year	35,558,480	-	35,558,480	-
Interest for the year	635,093	1,706,571	635,093	1,706,571
Payments made during the year	(9,360,000)	(9,360,000)	(9,360,000)	(9,360,000)
Balance at the end of the year	<u>35,558,480</u>	<u>8,724,907</u>	<u>35,558,480</u>	<u>8,724,907</u>

<b>22.1 Maturity analysis</b>				
Amount payable within one year	8,807,382	8,724,906	8,807,382	8,724,907
Amount payable more than one year	26,751,097	-	26,751,097	-
	<u>35,558,479</u>	<u>8,724,906</u>	<u>35,558,479</u>	<u>8,724,907</u>

<b>22.2 Amounts recognised in profit or loss</b>				
Interest on lease liabilities	635,093	1,706,571	635,093	1,706,571
Amortisation charge for the year	6,829,356	6,829,357	6,829,356	6,829,357
	<u>7,464,449</u>	<u>8,535,928</u>	<u>7,464,449</u>	<u>8,535,928</u>

GESTETNER OF CEYLON PLC  
NOTES TO THE FINANCIAL STATEMENTS

	Group		Company	
	As at 31.03.2024 Rs.	As at 31.03.2023 Rs.	As at 31.03.2024 Rs.	As at 31.03.2023 Rs.
<b>23 DEFINED BENEFIT OBLIGATION</b>				
Balance at the beginning of the year	21,305,815	16,175,654	18,345,550	14,970,321
Charge for the year	6,727,166	5,659,787	5,574,054	4,685,893
Actuarial (gain)/loss	(661,526)	5,097,396	(838,000)	4,168,358
Benefits paid during the year	(3,449,405)	(5,627,022)	(2,127,850)	(5,479,022)
Balance at the end of the year	<u>23,922,050</u>	<u>21,305,815</u>	<u>20,953,754</u>	<u>18,345,550</u>

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

I. Discount rate	13%	16%	13%	16%
II. Expected rate of salary increase	8%	14%	8%	14%
III. Expected rate of staff turnover	15%	15%	15%	15%
IV. Retirement age	55	55	55	55

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

Current service cost	3,318,236	3,233,439	2,638,766	2,440,345
Interest cost	3,408,930	2,426,348	2,935,288	2,245,548
	<u>6,727,166</u>	<u>5,659,787</u>	<u>5,574,054</u>	<u>4,685,893</u>

23.3 The amount recognised in Other Comprehensive Income is as follows:

Actuarial (gain)/loss	<u>(661,526)</u>	<u>5,097,396</u>	<u>(838,000)</u>	<u>4,168,358</u>
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This obligation is not externally funded.

The defined benefit obligation of the Group has been determined based on the Projected Unit Credit Method in accordance with LKAS 19-Employee Benefits.

23.4 Sensitivity analysis

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

	Group		Company	
	Discount rate Rs.	Future salary increment rate Rs.	Discount rate Rs.	Future salary increment rate Rs.
Increase in one percentage point	967,179	1,198,608	846,692	1,049,628
Decrease in one percentage point	(1,055,576)	(1,113,716)	(923,959)	(975,454)

	Group		Company	
	As at 31.03.2024 Rs.	As at 31.03.2023 Rs.	As at 31.03.2024 Rs.	As at 31.03.2023 Rs.
<b>24 TRADE AND OTHER PAYABLES</b>				
Trade payables	12,158,826	10,486,716	9,669,210	8,710,946
Accruals	86,624,353	72,317,412	78,448,929	64,187,955
Import creditors	5,999,923	5,999,923	-	-
Advance received from customers	8,511,885	-	7,799,655	-
MSPS/ETF Payable	3,921,290	2,635,703	2,922,073	1,998,813
Other taxes payable	15,918,919	23,685,655	15,215,479	23,510,744
	<u>133,135,196</u>	<u>115,125,409</u>	<u>114,055,346</u>	<u>98,408,458</u>

25 SHORT-TERM BORROWINGS

Commercial Bank of Ceylon PLC	45,000,000	19,794,412	45,000,000	9,737,270
	<u>45,000,000</u>	<u>19,794,412</u>	<u>45,000,000</u>	<u>9,737,270</u>

GESTETNER OF CEYLON PLC  
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	Group		Company	
	As at 31.03.2024 Rs.	As at 31.03.2023 Rs.	As at 31.03.2024 Rs.	As at 31.03.2023 Rs.
<b>26 AMOUNTS DUE TO RELATED COMPANIES</b>				
<b>26.1 Amount payable within one year</b>				
Gestetner Printing Services (Private) Limited	-	-	22,043,069	38,305,473
Nashua Lanka (Private) Limited	-	-	27,811,583	34,794,365
Vauxhall Beira Properties (Private) Limited	206,401	8,081,834	206,401	-
	<u>206,401</u>	<u>8,081,834</u>	<u>50,061,053</u>	<u>73,099,838</u>
<b>26.2 Amount payable more than one year</b>				
Vauxhall Beira Properties (Private) Limited	-	16,360,401	-	-
	<u>-</u>	<u>16,360,401</u>	<u>-</u>	<u>-</u>
Terms of the Loan between Vauxhall Beira Properties (Private) Limited and Fintek Managed Solutions (Private) Limited for a sum of Rs.16,360,401/- Fully paid during the year . The interest charged at market rate during the tenure of the loan.				
<b>27 INCOME TAX PAYABLE</b>				
Balance at the beginning of the year	14,334,643	2,418,309	12,453,338	2,372,742
Provision for the year (Note 9.2)	34,195,522	17,435,128	25,562,956	14,953,335
Income tax over provision in previous year	-	(27,633)	-	-
	<u>48,530,165</u>	<u>19,825,804</u>	<u>38,016,294</u>	<u>17,326,077</u>
Income tax paid during the year	(24,979,471)	(5,491,161)	(16,953,338)	(4,872,739)
Balance at the end of the year	<u>23,550,694</u>	<u>14,334,643</u>	<u>21,062,956</u>	<u>12,453,338</u>

**28 UNRECOGNISED CONTRACTUAL COMMITMENTS**

There have been no capital commitments contracted but not provided for, or authorised by the Board but not contracted for, outstanding as at the reporting date.

**29 CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

**29.1 Contingent liabilities**

There were no contingencies existing at the reporting date other than disclosed in below.

The bank guarantee issued in favor of customers amounting to Rs. 8,266,520/- for the tender process.

**29.2 Contingent assets**

There were no contingent assets as at the reporting date.

**30 EVENTS OCCURRING AFTER THE REPORTING DATE**

No circumstances have arisen since the end of the reporting date, which would require adjustments to, or disclosures, in the Financial Statements.

**31 GOING CONCERN OF THE SUBSIDIARY COMPANY**

**Gestetner Manufacturers (Private) Limited**

The subsidiary company has incurred a net loss amounting to Rs.21,541/- for the financial year ended 31st March 2024 (2022/2023 - Rs.68,278/-) and its accumulated loss as at that date stands amounting to Rs.2,366,008/- (2022/2023 - Rs.2,344,467/-). The current liabilities exceed the current assets as at 31st March 2024 by Rs.1,366,008/- (2022/2023 - Rs.1,344,467/-). However, the Financials Statements of the subsidiary company have been prepared on the going concern basis without making any adjustments to the recorded assets and liabilities which may be required when the subsidiary company is unable to continue as a going concern. The Directors are confident (Financial support letter dated 5th June 2024) that the subsidiary company will be able to continue to operate as a going concern with the continuous support from its parent and other related companies.

GESTETNER OF CEYLON PLC  
NOTES TO THE FINANCIAL STATEMENTS

### 32 RELATED PARTY TRANSACTIONS

The Company carries out transactions with parties who are defined as related parties in Sri Lanka Accounting Standard LKAS 24 'Related Party Disclosures',

32.1 The following transactions were carried out with related parties:

Name of the company	Nature of the relationship	Name of the Director	Details of transaction	2023/2024 Rs.	2022/2023 Rs.
Gestetner Printing Services (Private) Limited	Subsidiary company	Mr S J M Anszar	Expenses transfers	113,310	23,838
		Mr L R Watawala	Sale of goods and services	1,247,638	1,066,765
		Ms S A J Goonatilleke	Salaries and other expenses		
		Mr A M G Gomez	transfers	36,906	18,761
		Mr B C U Perera	Settlements	19,506,531	(181,579)
			Interest on funds	(4,641,980)	(8,754,871)
Nashua Lanka (Private) Limited	Subsidiary company	Mr S J M Anszar	Expenses transfers	13,700	67,945
		Ms S A J Goonatilleke	Settlements	12,640,833	2,563,526
		Mr A M G Gomez	Interest on funds	(5,671,751)	(8,329,325)
		Mr B C U Perera			
Gestetner Manufacturers (Private) Limited	Subsidiary company	Mr S J M Anszar	Audit and tax fee paid	63,889	84,000
		Mr L R Watawala			
		Mr A M G Gomez			
		Ms S A J Goonatilleke			
Vauxhall Beira Properties (Private) Limited	Other related company	Mr S J M Anszar	Services obtained	9,360,000	898,445
		Ms S A J Goonatilleke	Settlements	(20,370,105)	(8,097,348)
		Mr M P L Perera			
		Mr A M G Gomez			
Fintek Managed Solutions (Private) Limited	Subsidiary company	Mr S J M Anszar	Expenses transfers	5,297,286	4,893,268
		Mr A R Rasiah	Salaries and other expenses		
		Mr P L S Virajith	transfers	2,198,106	2,269,774
		Mr A M G Gomez	Settlements	(10,276,740)	3,933,716
		Ms A P G A P Geethanjalee	Sales of goods and services	13,717,140	(20,051,682)
			Interest on funds	3,032,266	2,865,809

This note should be read in conjunction with notes 18 and 26 to the Financial Statements.

### 32.2 Terms and conditions of the related party transactions

All above transactions were carried out at arm's length basis. The sales to, and purchases from, related parties are carried out at terms equivalent 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 transactions are unsecured and interest is charged at the time of settlement at market rate. The above explanation is applicable to receivables and payables of all related parties.

### 32.3 Rational for entering into related party transactions

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

GESTETNER OF CEYLON PLC  
NOTES TO THE FINANCIAL STATEMENTS

32 RELATED PARTY TRANSACTIONS (CONTD...)

32.4 Transactions with Key Management Personnel

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

	Group		Company	
	2023/2024 Rs.	2022/2023 Rs.	2023/2024 Rs.	2022/2023 Rs.
<b>Key Management compensation</b>				
Short-term employee benefit	11,225,000	4,218,950	11,225,000	4,218,950
Post employee benefit	-	-	-	-

32.5 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) dependants 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.

GESTETNER OF CEYLON PLC  
NOTES TO THE FINANCIAL STATEMENTS

33 FINANCIAL INSTRUMENTS  
33.1 Financial assets and liabilities

	As at 31st March 2024			As at 31st March 2023		
	Group	Company	Company	Group	Company	Company
	Financial assets at amortised cost Rs.	Total carrying amount Rs.	Financial assets at amortised cost Rs.	Financial assets at amortised cost Rs.	Total carrying amount Rs.	Total carrying amount Rs.
<b>Financial assets</b>						
Trade and other receivables	253,174,479	253,174,479	185,267,769	176,436,690	176,436,690	121,533,594
Amounts due from related companies	3,557,765	3,557,765	17,914,015	10,803,704	10,803,704	14,749,661
Cash and cash equivalents	18,699,960	18,699,960	11,383,487	16,207,551	16,207,551	14,773,970
	275,432,204	275,432,204	214,565,271	203,447,945	203,447,945	151,057,225

	As at 31st March 2024			As at 31st March 2023		
	Group	Company	Company	Group	Company	Company
	Financial liabilities at amortised cost Rs.	Total carrying amount Rs.	Financial liabilities at amortised cost Rs.	Financial liabilities at amortised cost Rs.	Total carrying amount Rs.	Total carrying amount Rs.
<b>Financial liabilities</b>						
Trade and other payables	31,999,035	31,999,035	27,806,762	38,835,447	38,835,447	34,220,502
Lease liability	35,558,479	35,558,479	35,558,479	8,724,906	8,724,906	8,724,906
Short-term borrowings	45,000,000	45,000,000	45,000,000	19,794,412	19,794,412	9,737,270
Amounts due to related companies	206,401	206,401	50,061,053	8,081,834	8,081,834	73,099,838
Bank overdraft	79,812,784	79,812,784	54,439,061	27,937,222	27,937,222	19,702,121
	192,576,699	192,576,699	212,865,355	103,373,821	103,373,821	145,484,637

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



GESTETNER OF CEYLON PLC  
NOTES TO THE FINANCIAL STATEMENTS

34 FINANCIAL RISK MANAGEMENT

The Group has the exposure to the following risks from its use of financial instruments:

- Credit Risk
- Liquidity Risk
- Market Risk

This note represents qualitative and quantitative information about the 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 the 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 adhere to limits.

34 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 with the result that the Group's exposure to bad debts is not significant.

	Group		Company	
	As at 31 March		As at 31 March	
	2024	2023	2024	2023
	Rs.	Rs.	Rs.	Rs.
Trade and other receivables	253,174,479	176,436,690	185,267,769	121,533,594
Amounts due from related companies	3,557,765	10,803,704	17,914,015	14,749,661
Cash and cash equivalents	18,699,960	16,207,551	11,383,487	14,773,970
	<u>275,432,204</u>	<u>203,447,945</u>	<u>214,565,271</u>	<u>151,057,225</u>

	Group		Company	
	As at 31 March		As at 31 March	
	2024	2023	2024	2023
	Rs.	Rs.	Rs.	Rs.
<b>Trade receivables - past due neither not impaired</b>				
Past due 1 - 30 days	123,568,114	99,754,463	94,385,243	67,223,934
Past due 31 - 60 days	58,229,518	43,716,258	48,040,743	31,423,574
Past due 61 - 90 days	28,120,083	2,797,895	12,954,304	2,319,694
More than 90 days	25,791,353	21,245,110	22,596,868	12,535,399
	<u>235,709,068</u>	<u>167,513,726</u>	<u>177,977,158</u>	<u>113,502,601</u>

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

GESTETNER OF CEYLON PLC  
NOTES TO THE FINANCIAL STATEMENTS

34 FINANCIAL RISK MANAGEMENT (CONTD..)

34.1 Credit risk (Contd..)

The ageing analysis of trade receivable and provision for impairment were as follows for the Group and the Company:

	31st March 2024							
	Group				Company			
Weighted average loss rate	Gross carrying amount Rs.	loss allowance Rs.	credit impaired	Weighted average loss rate	Gross carrying amount Rs.	loss allowance Rs.	credit impaired	
Past due 1 - 30 days	0.00%	123,568,114	-	No	0.00%	94,385,243	-	No
Past due 31 - 60 days	0.32%	58,819,376	(186,364)	Yes	0.38%	48,630,602	(186,364)	Yes
Past due 61 - 90 days	0.94%	28,447,984	(268,284)	Yes	2.02%	13,282,206	(268,284)	Yes
More than 90 days	36.22%	39,713,692	(14,385,451)	Yes	16.77%	26,594,607	(4,460,850)	Yes
		<u>250,549,166</u>	<u>(14,840,099)</u>			<u>182,892,658</u>	<u>(4,915,498)</u>	

34.2 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.

	Group As at 31 March		Company As at 31 March	
	2024 Rs.	2023 Rs.	2024 Rs.	2023 Rs.
<b>Liquid assets</b>				
Cash and cash equivalents	18,699,960	16,207,551	11,383,487	14,773,970
<b>Total liquid assets</b>	<u>18,699,960</u>	<u>16,207,551</u>	<u>11,383,487</u>	<u>14,773,970</u>
<b>Borrowings</b>				
Short-term borrowings	45,000,000	19,794,412	45,000,000	9,737,270
Bank overdraft	79,812,784	27,937,222	54,439,061	19,702,121
<b>Total borrowings</b>	<u>124,812,784</u>	<u>47,731,634</u>	<u>99,439,061</u>	<u>29,439,391</u>
<b>Net cash/(borrowings)</b>	<u>(106,112,824)</u>	<u>(31,524,083)</u>	<u>(88,055,574)</u>	<u>(14,665,421)</u>

34.2.1 The following are the contractual maturities of financial liabilities as at 31 March 2024:

Group	Within 1 year	Between			More than 4 years	Total Rs.	Carrying value Rs.
	Rs.	1-2 years Rs.	2-3 years Rs.	3-4 years Rs.	Rs.		
Trade and other payables	31,999,035	-	-	-	-	31,999,035	31,999,035
Lease liability	8,807,382	7,863,734	7,021,191	6,268,921	5,597,251	35,558,479	35,558,479
Short term borrowings	45,000,000	-	-	-	-	45,000,000	45,000,000
Amounts due to related companies	206,401	-	-	-	-	206,401	206,401
Bank overdraft	79,812,784	-	-	-	-	79,812,784	79,812,784
	<u>165,825,602</u>	<u>7,863,734</u>	<u>7,021,191</u>	<u>6,268,921</u>	<u>5,597,251</u>	<u>192,576,699</u>	<u>192,576,699</u>

34.2.2 The following are the contractual maturities of financial liabilities as at 31 March 2023:

Group	Within 1 year	Between			More than 4 years	Total Rs.	Carrying value Rs.
	Rs.	1-2 years Rs.	2-3 years Rs.	3-4 years Rs.	Rs.		
Trade and other payables	38,835,447	-	-	-	-	38,835,447	38,835,447
Lease liability	8,724,907	-	-	-	-	8,724,907	8,724,907
Short term borrowings	19,794,412	-	-	-	-	19,794,412	19,794,412
Amounts due to related companies	8,081,834	-	-	-	-	8,081,834	8,081,834
Bank overdraft	27,937,222	-	-	-	-	27,937,222	27,937,222
	<u>103,373,822</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>103,373,822</u>	<u>103,373,822</u>

GESTETNER OF CEYLON PLC  
NOTES TO THE FINANCIAL STATEMENTS

34 FINANCIAL RISK MANAGEMENT (CONTD..)

34.2.3 The following are the contractual maturities of financial liabilities as at 31 March 2024:

Company	Within 1 year Rs.	Between			More than 4 years Rs.	Total Rs.	Carrying value Rs.
		1-2 years Rs.	2-3 years Rs.	3-4 years Rs.			
Trade and other payables	27,806,762	-	-	-	-	27,806,762	27,806,762
Lease liability	8,807,382	7,863,734	7,021,191	6,268,921	5,597,251	35,558,479	35,558,479
Short term borrowings	45,000,000	-	-	-	-	45,000,000	45,000,000
Amounts due to related companies	50,061,053	-	-	-	-	50,061,053	50,061,053
Bank overdraft	54,439,061	-	-	-	-	54,439,061	54,439,061
	<b>186,114,258</b>	<b>7,863,734</b>	<b>7,021,191</b>	<b>6,268,921</b>	<b>5,597,251</b>	<b>212,865,355</b>	<b>212,865,355</b>

34.2.4 The following are the contractual maturities of financial liabilities as at 31 March 2023:

Company	Within 1 year Rs.	Between			More than 4 years Rs.	Total Rs.	Carrying value Rs.
		1-2 years Rs.	2-3 years Rs.	3-4 years Rs.			
Trade and other payables	34,220,503	-	-	-	-	34,220,503	34,220,503
Lease liability	8,724,907	-	-	-	-	8,724,907	8,724,907
Short term borrowings	9,737,270	-	-	-	-	9,737,270	9,737,270
Amounts due to related companies	73,099,838	-	-	-	-	73,099,838	73,099,838
Bank overdraft	19,702,121	-	-	-	-	19,702,121	19,702,121
	<b>145,484,639</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>145,484,639</b>	<b>145,484,639</b>

34.3 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange 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 the market risk exposures within acceptable parameters while optimising 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. The exchange rate movements arose on Sri Lankan Rupee due to the impact of the prevailing economic development and which could lead to decreased pressure on the local currency resulting in lower foreign exchange risk. The Group adopted prudent measures, as and when required, to manage the impact on prevailing economic situations, liquidity constraints and currency fluctuations.

Exposure to currency risk

	Group		Company	
	2024 USD	2023 USD	2024 USD	2023 USD
Trade payables - foreign creditors	-	-	-	-
	-	-	-	-

The following significant exchange rates were applicable during the year:

	Average rate		Spot rate	
	2024 Rs.	2023 Rs.	2024 Rs.	2023 Rs.
USD Rate	318.85	337.00	301.18	335.00

GESTETNER OF CEYLON PLC  
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34 FINANCIAL RISK MANAGEMENT (CONTD..)

34.3 Market risk (contd...)

b). Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument fluctuates 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 .

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

	Type of rate	Carrying amount As at 31st March	
		2024 Rs.	2023 Rs.
Amounts due to related companies	Fixed rate	-	16,360,401
Short-term borrowings	Variable rate	45,000,000	19,794,412
Bank overdraft	Variable rate	79,812,784	27,937,222
		<u>124,812,784</u>	<u>64,092,035</u>

During the year, the Sri Lankan economy demonstrated positive development, marking a recovery from challenges stemming from COVID-19 pandemic, tax cuts, and sovereign debt crisis. Supported by vital measures, including the financial assistance from the International Monetary Fund (IMF), the Sri Lankan economy shows signs of recovery. As shown by the evidence, office automation market is emerging with new dimensions with its own ability to act as hedge against inflation.

Sensitivity analysis

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

		Group		Company	
		Strengthening	Weakening	Strengthening	Weakening
		Profit or loss		Profit or loss	
		Rs.	Rs.	Rs.	Rs.
31st March 2024	USD (5% movement)	(6,240,639)	6,240,639	(4,971,953)	4,971,953
31st March 2023	USD (5% movement)	(2,386,582)	2,386,582	(1,471,970)	1,471,970

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

	Type of rate	Carrying amount As at 31st March	
		2024 Rs.	2023 Rs.
<b>Financial assets</b>			
Amounts due from related companies	Fixed rate	17,914,015	14,749,661
		<u>17,914,015</u>	<u>14,749,661</u>
<b>Financial liabilities</b>			
Short term borrowings	Fixed rate	45,000,000	9,737,270
Amounts due to related companies	Variable rate	50,061,053	73,099,838
Bank overdraft	Variable rate	54,439,061	19,702,121
		<u>149,500,114</u>	<u>102,539,229</u>

GESTETNER OF CEYLON PLC  
NOTES TO THE FINANCIAL STATEMENTS

34 FINANCIAL RISK MANAGEMENT (CONTD..)

34.3 Market risk (Contd..)

c). Capital management

The Board's policy is to maintain a strong capital base so as to maintain the shareholder, creditor and the 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 As at 31 March		Company As at 31 March	
	2024 Rs.	2023 Rs.	2024 Rs.	2023 Rs.
Total liabilities	341,185,604	231,664,642	341,130,649	240,471,481
Cash and cash equivalents	18,699,960	16,207,551	11,383,487	14,773,970
Net debt	359,885,564	247,872,193	352,514,136	255,245,451
Total equity	461,292,482	397,349,117	408,661,261	340,303,706
Net debt to equity ratio	78%	62%	86%	75%

The Group is not subject to externally imposed capital requirements.

## TEN YEAR SUMMARY

Year Ended 31st March	2023/24	2022/23	2021/22	2020/21	2019/20	2018/19	2017/18	2016/17	2015/16	2014/15
	Rs 000'	Rs 000'	Rs 000'	Rs 000'	Rs 000'	Rs 000'	Rs 000'	Rs 000'	Rs 000'	Rs 000'
<b>Operating Results</b>										
Revenue	1,401,538	1,407,179	1,054,284	832,531	1,034,982	909,427	712,371	744,844	617,794	630,434
Profit / (Loss) before tax	136,220	103,547	(13,384)	17,737	(12,796)	56,280	72,063	61,369	48,154	73,384
Income Tax Reversal / (Expense)	(46,161)	(19,406)	3,842	(4,544)	8,143	(13,393)	(21,397)	(19,617)	(13,354)	(21,054)
Profit / (Loss) for the year	90,058	84,141	(9,542)	13,192	(4,653)	42,886	50,667	41,752	34,801	52,330
<b>Capital Employed</b>										
Stated Capital	91,966	91,966	91,966	91,966	91,966	91,966	91,966	91,966	91,966	46,403
Reserves	369,327	305,384	224,810	233,051	218,559	221,189	180,163	128,391	128,166	117,286
Total Equity	461,292	397,349	316,776	325,017	310,524	313,155	272,128	220,357	220,132	163,689
<b>Represented By :</b>										
Non-Current Assets	327,996	243,308	267,930	284,698	304,410	153,306	161,894	160,390	95,706	95,075
Current Assets	474,482	385,706	627,098	391,706	435,367	404,450	316,116	377,528	293,346	240,402
Total Liabilities	(341,186)	(231,665)	(578,252)	(351,388)	(429,253)	(244,601)	(205,882)	(317,561)	(168,920)	(171,788)
Net Assets	461,292	397,349	316,776	325,016	310,524	313,155	272,128	220,357	220,132	163,689
<b>Key Indicators</b>										
Earnings / (Loss) per share (Rs.)	33.88	31.66	(3.59)	4.96	(1.75)	16.14	19.06	15.71	13.23	22.54
Net assets per share (Rs.)	173.56	149.50	119.19	122.29	116.83	117.82	102.39	82.91	82.82	71.85
Market value per share (Rs.)	117.25	67.10	66.10	85.00	91.00	88.00	119.00	118.80	120.00	129.20
Dividend per share (Rs.)	10.00	-	-	-	-	1.25	-	15.00	1.00	9.00
Dividends approved (Rs. '000)	26,578	-	-	-	-	3,322	-	39,867	2,658	23,920
Annual sales growth (%)	(0.004)	33.50	26.64	(19.56)	13.81	27.70	(4.40)	20.57	(2.01)	16.02
Equity to total assets ratio (%)	57.48	63.17	35.39	48.05	41.98	56.15	56.93	40.96	56.58	48.79
Dividend cover (no of times)	3.39	-	-	-	-	12.91	-	1.05	13.23	2.50
Dividend payout ratio (%)	29.51	-	-	-	-	7.75	-	95.49	7.64	45.71
Price earnings ratio (no. of times)	3.46	2.45	(18.41)	17.12	(51.98)	5.45	6.24	7.56	9.07	5.73
Current Ratio (no. of times)	1.63	1.99	1.16	1.29	1.16	1.91	1.96	1.37	1.91	1.52

## 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

Shareholder Category	31 <sup>st</sup> March 2024			31 <sup>st</sup> March 2023			
	No. of Shareholders	No. of Shares	%	No. of Shareholders	No. of Shares	%	
1	1,000	637	81,782	3.08	645	93,799	3.53
1,001	10,000	50	151,829	5.71	65	202,714	7.63
10,001	100,000	17	296,932	11.17	16	311,484	11.72
100,001	1,000,000	4	887,074	33.38	3	809,620	30.46
1,000,001	99,999,999	1	1,240,195	46.66	1	1,240,195	46.66
Over 100,000,000	-	-	-	-	-	-	-
<b>Total</b>		<b>709</b>	<b>2,657,812</b>	<b>100.00</b>	<b>730</b>	<b>2,657,812</b>	<b>100.00</b>

## MARKET VALUE

	2023/24	2022/23	2021/22
Highest	117.50	79.90	101.75
Lowest	95.10	42.20	65.00
Closing	117.25	67.10	66.10

## EARNINGS

	2023/24	2022/23	2021/22
Earnings Per Share - Basic (Rs.)	33.88	31.66	(3.59)
Price Earning Ratio (P/E) (Times)	3.46	2.45	(18.41)

## NET ASSETS PER SHARE

	2023/24	2022/23	2021/22
The Group (Rs.)	173.56	149.50	119.19
The Company (Rs.)	153.76	128.04	113.57

# **GESTETNER OF CEYLON PLC**

## **NOTICE OF MEETING**

**NOTICE** is hereby given that the Sixtieth (60<sup>th</sup>) Annual General Meeting of GESTETNER OF CEYLON PLC will be held at No: 248, Vauxhall Street, Colombo 02 on 26<sup>th</sup> September 2024 at 11.00 am for the following purposes:

1. To receive and consider the Audited Financial Statements for the year ended 31<sup>st</sup> March, 2024 together with the Report of the Auditors' thereon and the Annual Report for the said year.
2. (i) To re-elect Mr Keki Minoo Wadia, Director, who retires by rotation in Terms of Article 85 of the Articles of Association.  
  
(ii) To elect Mr. Muhammed Hamza, Director, who retires in terms of Article 92 of the Articles of Association.  
  
(iii) To appoint as a Director Mr. Albert Rasakantha Rasiah who is over 70 years old 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 appointment.

“RESOLVED THAT Mr. Albert Rasakantha Rasiah who is over 70 years of age be and is hereby 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 Albert Rasakantha Rasiah.”

- (iv) To re-appoint as a Director Mr. Lakshman Ravendra Watawala who is over 70 years old 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.”

- (v) To re-appoint as a Director Mr. Seyed Jemaldeen Muhammed Anzsar 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. Seyed Jemaldeen Muhammed Anzsar 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 Seyed Jemaldeen Muhammed Anzsar.”

3. To authorise 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 authorise the Directors to determine their remuneration.

**BY ORDER OF THE BOARD  
JACEY & COMPANY  
SECRETARIES  
COLOMBO**

30<sup>th</sup> August 2024.

**NOTE:**

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 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

Syed Jemaldeen Muhammed Anzsar - Chairman  
Lakshman Ravendra Watawala - Deputy Chairman  
Bulathsinghalage Chandima Upul Perera  
Sita Anne Juliana Goonetilleke  
Keki Minoo Wadia  
Albert Rasakantha Rasiah  
Muhammed Hamza  
Abbillawattha Palathe Gedara Anusha Pathmashika Geethanjalee

## 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	Amana Bank PLC
Bank of Ceylon	Sampath Bank PLC
Hatton National Bank PLC	National Development Bank PLC
Standard Chartered Bank	Union Bank of Sri Lanka
DFCC Vardhana Bank	
Nations Trust Bank PLC	

## REGISTERED OFFICE

Gestetner Center, No. 248 , Vauxhall Street, Colombo 02

Tel : + 94-11-2323826 / + 94-11-4725500

Fax : + 94-11-2541351

E-mail : [gocl@gestetnersl.com](mailto:gocl@gestetnersl.com)

Web : [www.gestetnersl.com](http://www.gestetnersl.com)

