



# **Sri Lanka – Russia Business Council**

## **Ceylon Chamber of Commerce**



**Review of Activities & Accounts**  
**2017/2018**

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# Introduction

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The Sri Lanka-Russia Business Council was inaugurated on 09th August 2001, on the initiative of the then Russian Ambassador in Sri Lanka, Mr. Mikhail A. Konarovskiy and then Chairman of the Ceylon Chamber of Commerce, Mr. Chandra Jayaratne with a primary objective to function as a promoter and facilitator of bilateral trade, investments and tourism between Sri Lanka and the Russian Federation, particularly to promote exports to Russia.

The membership of the Council was 66 as at 31<sup>st</sup> March 2016

## Objectives

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- To promote trade, tourism and other services between Sri Lanka and Russia and in particular to promote exports from Sri Lanka to Russia.
- To encourage Russian investment and joint business ventures in Sri Lanka between Russian and Sri Lankan investors.
- To exchange information on trade and investment with the appropriate bodies in Russia.
- To conduct joint meetings with Russian business organizations in Sri Lanka and in Russia.
- To serve as a recognized representative of business sector interests in Sri Lanka in matters concerning business relationships with Russia.
- To promote Sri Lankan participation in trade fairs in Russia.
- To co-operate with the Government of Sri Lanka in the pursuit of the above objectives.
- To establish links with the Chambers of Commerce in Russia to cooperate with each other in the pursuit of each other's objectives.
- To undertake all matters that is incidental or conducive to attaining the above objectives.

# Executive Committee 2017/2018

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## **PATRON**

His Excellency H. E. Yuri Borisovich Materi  
Ambassador  
Embassy of the Russian Federation

## **President**

Mr. Priyantha Hapuarachchi  
South Asia Textiles Limited

## **Vice Presidents**

Mr. Buddhapriya Ramanayake  
Mos Lanka Investments (Pvt) Ltd

&

Mr. Buddhika Liyanage  
Avian Technologies (Pvt) Ltd

## **Immediate Past President**

Mr. Isuru Samarasinghe,  
Unitrades (Pvt) Limited

## **Committee**

Access International Projects (Pvt) Ltd  
Freight Links International Pte Ltd  
Galle Face Hotel Management Company  
HVA Lanka Exports Pvt Ltd  
Imperial Tea Exports (Pvt) Ltd  
Maharaja Organization (Projects) Pvt Ltd  
Nature's Beauty Creations Limited  
Regency Teas (Pvt) Ltd  
Rhino Roofing Products Ltd

## **Secretariat**

The Ceylon Chamber of Commerce  
No.50, Navam Mawatha, Colombo 2.

# Members

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ACCESS INTERNATIONAL PROJECTS (PVT) LTD  
ADVANTIS FREIGHT (PRIVATE) LIMITED  
AITKEN SPENCE MOSCOW (PVT) LTD  
AKBAR BROTHERS (PVT) LTD  
ANDREW THE TRAVEL COMPANY (PVT) LTD  
ASIA TEAS (PVT) LTD  
AVIAN TECHNOLOGIES (PVT) LTD  
BASILUR TEA CO. (PVT) LTD.  
BUILT ELEMENT LIMITED  
CBL NATURAL FOODS (PVT) LTD  
CEYLON BISCUITS LTD  
CEYLON FRESH TEAS (PVT) LTD  
CEYLON PLANTATIONS COLOMBO (PVT) LTD  
CHRYSTOLE INFORMATION CENTRE  
CLASSIC TEAS (PVT) LTD  
CONCORD EXOTIC VOYAGES (LANKA) PVT LTD.  
CONSULTING ENGINEERS & CONTRACTORS (PVT) LTD  
DAC GRAPHICS  
DELMEGE FORSYTH & CO (EXPORTS) LTD  
DELTA SHIPPING PTE LTD  
EMPIRE TEAS (PVT) LTD  
ESWARAN BROTHERS EXPORTS (PVT) LTD  
EURO ASIA CARGO (PVT) LTD  
EURO-SCAN EXPORTS (PVT) LTD  
FIBER CEMENT PRODUCTS MANUFACTURERS ASSOCIATION  
FINLAYS COLOMBO LIMITED  
FLEXIPRINT (PVT) LTD  
FREIGHT LINKS INTERNATIONAL (PTE) LTD  
GALADARI HOTEL LTD  
GALLE FACE HOTEL MANAGEMENT COMPANY  
GEORGE STEUART TEAS PVT LTD  
GLOBAL LOGISTICS SERVICES (PVT) LTD  
GORDON VINTAGE TEAS CEYLON (PRIVATE) LIMITED  
HAYCARB PLC  
HVA FOODS PLC  
IMPERIAL TEAS (PVT) LTD  
JAFFERJEE BROTHERS  
JAY SEA FOODS PROCESSING (PVT) LTD  
JETWING TRAVELS (PVT) LTD  
JEWELEX TRADING LTD  
KAUSHALYA TEA EXPORT COMPANY  
KWANG SENG TRANSPORT SERVICES LANKA (PVT) LIMITED  
LALAN RUBBERS PVT LTD  
LANKA LOGISTICS & TECHNOLOGIES LTD.  
LANKA MOUNTCASTLE (PVT) LTD  
LANKA TRACTORS LTD  
LATEX GREEN PVT LTD  
MAC HOLDINGS (PVT) LTD

MACK AIR (PVT) LTD  
MALTRAS INTERNATIONAL (PVT) LTD  
MARINE TRANSPORT SERVICES (PVT) LTD  
MAY COMPANY CEYLON (PVT) LTD  
MEGA TREND LANKA (PVT) LTD  
MILLENNIUM TEAS (PVT) LTD  
MOS LANKA INVESTMENTS (PVT) LTD  
NATURE CEYLON TRADING PVT LTD  
NATURE'S BEAUTY CREATIONS LIMITED  
OROFINI JEWELLERY (PVT) LTD  
PREMIER NATURAL TEAS (PVT) LTD  
QATAR AIRWAYS  
RANFER TEAS (PVT) LTD  
REGENCY TEAS (PVT) LTD  
REGIONAL DEVELOPMENT BANK  
RHINO ROOFING PRODUCTS LIMITED  
SALOTA INTERNATIONAL (PVT) LTD  
SIGIRI ROOFING (PVT) LTD  
SINDBAD (PRIVATE) LTD  
SKYMARK TRAVELS  
SOUTH ASIA TEXTILES LIMITED  
SPILLBURG HOLDINGS (PRIVATE) LIMITED  
SRI RAMCO ROOFINGS LANKA (PVT) LTD  
STASSEN EXPORTS (PVT) LTD  
SUNSHINE TEA (PVT) LTD  
TANGERINE TOURS LTD  
TEA TANG (PVT) LTD  
THE CAPITAL MAHARAJA ORGANISATION LIMITED THE  
THE SWADESHI INDUSTRIAL WORKS PLC  
UNILEVER LIPTON CEYLON LIMITED  
UNITRADES (PVT) LTD  
UNIWORLD TEAS (PVT) LTD  
WALKERS TOURS LTD  
WORLD TRAVEL CENTER COLOMBO (PVT) LTD  
WORLDLINK SHIPPING COLOMBO (PVT) LTD  
ZAM GEMS (PVT) LTD

# Review of Activities

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## The 14<sup>th</sup> Annual General Meeting

Sri Lanka - Russia Business Council of The Ceylon Chamber of Commerce held its 14<sup>th</sup> Annual General Meeting (AGM) on Wednesday, 01<sup>st</sup> November, 2017 at the Russian Centre Colombo. H.E. Yuri Borisovich Materiy, Ambassador of Russian Federation was the Chief Guest.

Mr. Priyantha Hapuarachchi, Chief Financial Officer of South Asia Textiles Limited, was elected as the President of the Council for the year 2017/2018.

Mr. Buddhapriya Ramanayake, Director, Mos Lanka Investments (Pvt) Ltd and Mr. Buddhika Liyanage, Director, Avian Technologies (Pvt) Ltd were appointed as the Vice Presidents of the Council and Mr. Isuru Samarasinghe, Managing Director Unitrades (Pvt) Limited joined the committee as the immediate Past President.

The Committee elected comprised of Mr Nimal S Cooke, Executive Director Maharaja Organisation (Projects) Limited, Ms. Shamindi Kumarasinghe, Manager - Exports, Mr. Kolitha Weerakoon - Director, Imperial Teas (Pvt) Ltd, Mr. Harsha Fernando, Executive Director, HVA Lanka Exports (Pvt) Ltd, Mr. Niral Kadawatharatchie, COO, Freight Links International Pte Ltd, Mr. Christopher Chandiram, Director/COO, Access International Projects (Pvt) Ltd, Mr. Jude C. Fernando, Director, Rhino Roofing Products Ltd and Mr. Mubarak Gaffoor, Director - Sales, Galle Face Hotel Management Company.

On the invitation of the council, His Excellency, Dr. Saman Weerasinghe, Ambassador of the Sri Lankan Embassy in Russian Federation and the Guest of Honour of the event addressed the gathering.













## **Russia National Day Supplement - 14th June 2017**

Sri Lanka- Russia Business Council published a six page supplement in Daily Mirror on the occasion of National Day of Russian Federation on 14<sup>th</sup> June 2017. Avian Technologies (Pvt) Ltd , Built Element (Pvt) Ltd, Basilur Tea Exports (Pvt) Ltd, Empire Teas (Pvt) Ltd, Imperial Tea Exports (Pvt) Ltd, HVA Lanka Exports (Pvt) Ltd, Mos Lanka Investments (Pvt) Ltd, Regency Teas (Pvt) Ltd, Stassen Exports (Pvt) Ltd, Maltras International (Pvt) Ltd, MAC Holdings (Pvt) Ltd and South Asia Textiles Limited contributed to the supplement.

## **SLRBC bids farewell to His Excellency, Alexander Karchava**

A farewell Dinner was organized by the Sri Lanka - Russia Business Council on 15th August 2017 at the Colombo Swimming Club. The event was organized to bid farewell to His Excellency Alexander Karchava and in recognition of the tremendous services rendered during his tenure as the Patron of the Council.

His Excellency Alexander Karchava completed his tenure of service in end of August 2017. From the first day in his capacity as the Ambassador of Russia in Sri Lanka, H.E. Ambassador Karchava has been actively involved in promoting economic ties between the two countries. He has been meeting members of the council, members of the Sri Lankan business community at large and visiting Russian business people.

The Sri Lanka Russia Business Council presented a token to His Excellency Alexander Karchava in appreciation and recognition of his unstinted support to the council.

Key officials from Russian Embassy, Russian Cultural Center and as special guest Dr. Rohan Pethiyagoda, Chairman Sri Lanka Tea Board were present at the event. The members of the Executive Committee of Sri Lanka Russia Business Council and the member of the council also participated the farewell.



## **Felicitations Dinner to His Excellency Yuri Materiy, The New Ambassador of the Russian Federation to Sri Lanka**

The Sri Lanka – Russia Business Council organized a felicitations dinner to welcome the new Ambassador of the Russian Federation to Sri Lanka His Excellency Yuri Materiy at the Jubilee Ballroom of Galle Face Hotel on Tuesday, 30<sup>th</sup> January 2018. The Executive Committee of the council, guests from various government departments, invitees from the Embassy of the Russian Federation in Sri Lanka and members of the Business Council attended the event.



### **Trade Enquiries**

The trade enquiries received from various sources requesting for contacts of buyers, sellers, agents were circulated among members.

### **Establishment of Links with Prominent Chambers in Russia**

During the year under review, the Council continued its efforts in maintaining close relations with prominent Chambers in Russia for promotion of bilateral trade.

### **Liaison with the Russian Embassy in Sri Lanka**

The Russian Embassy in Sri Lanka has extended its fullest co-operation to all activities of the Council from its inception. The Embassy also supported the Council members by providing trade related information and facilitating the issue of visas.

The Council wishes to place on record its appreciation for the assistance provided by His Excellency Yuri Borisovich Materiy, Ambassador, Russian Federation in Sri Lanka and Embassy Officials for coordinating the activities pertaining to the Council and for attending the Council events regularly.

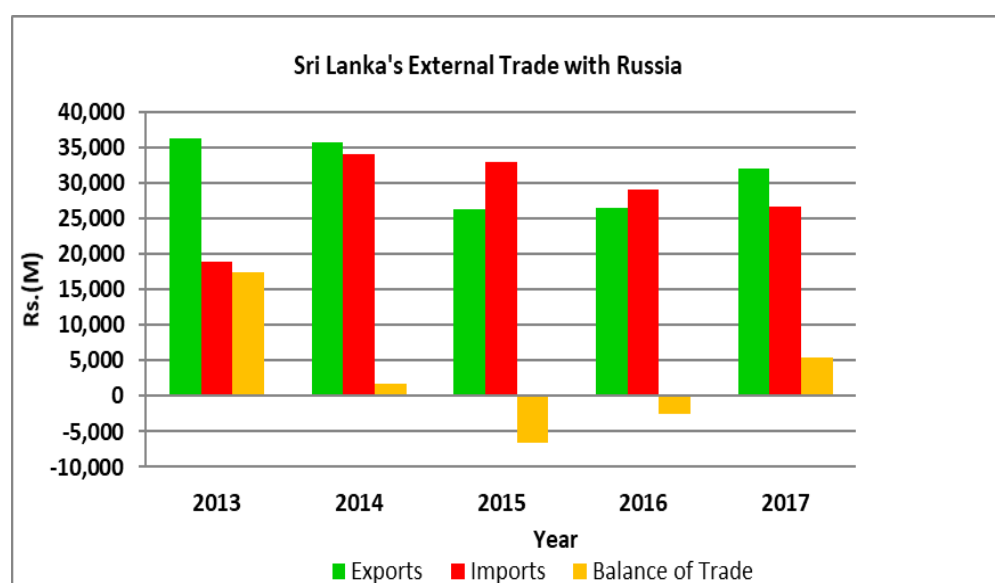
# Sri Lanka - Russia External Trade 2013 - 2017

Year	Exports	Imports	Rs.M Balance of Trade	Exports	Imports	US\$M. Balance of Trade
2013	36,139	18,830	17,309	237.04	123.51	113.53
2014	35,746	33,989	1,758	234.47	222.94	11.53
2015	26,312	32,947	(6,636)	172.58	216.11	(43.52)
2016	26,497	29,082	(2,585)	173.80	190.75	(16.95)
2017	31,984	26,655	5,329	209.79	174.84	34.95

Rate of Exchange as at 31-December-2017 - US \$ 1 = Rs.152.4575

Percentage share of Russia in total trade of Sri Lanka

	Exports	Imports
	%	%
2013	2.74	0.81
2014	2.42	1.35
2015	1.85	1.28
2016	1.72	1.02
2017	1.79	0.82

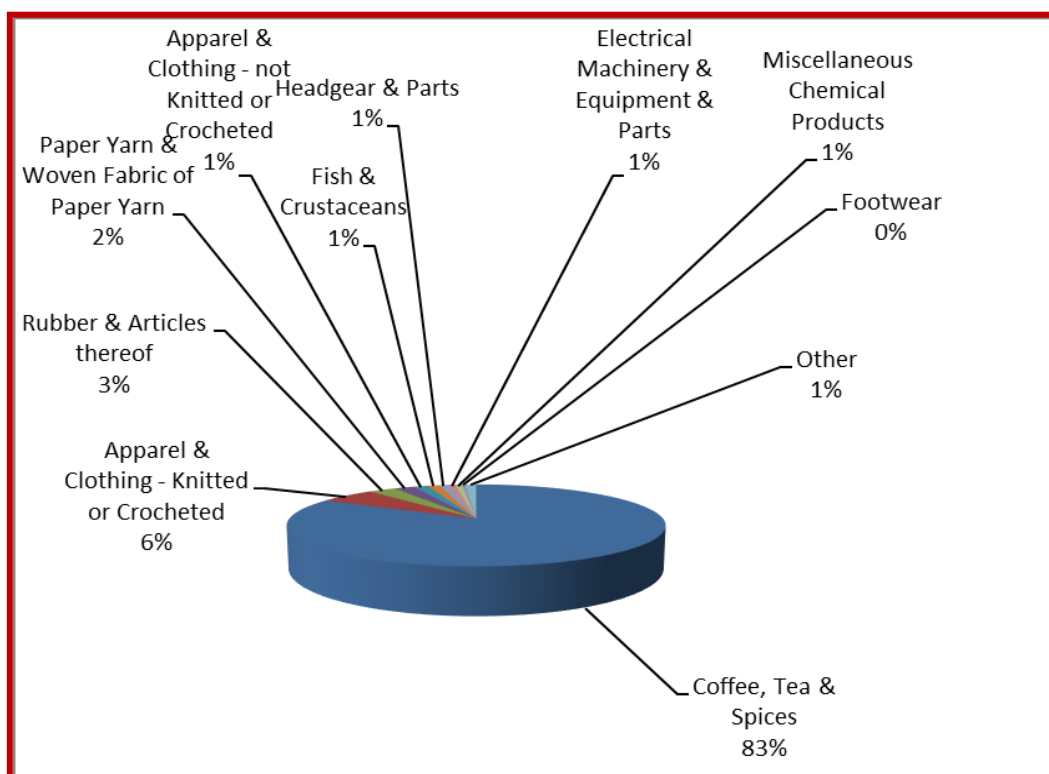


Source - Sri Lanka Customs  
Compiled by the Foreign Trade/Information Division  
The Ceylon Chamber of Commerce  
Date -26/Mar/2018

**SRI LANKAS EXTERNAL TRADE WITH RUSSIA - 2017**  
**MAIN ITEMS EXPORTED FROM SRI LANKA TO RUSSIA - 2017**

	Rs.M	%	US\$M.
Coffee, Tea & Spices	26,586	83.12	174.38
Apparel & Clothing - Knitted or Crocheted	1,850	5.78	12.13
Rubber & Articles thereof	894	2.80	5.86
Paper Yarn & Woven Fabric of Paper Yarn	638	1.99	4.18
Apparel & Clothing - not Knitted or Crocheted	454	1.42	2.98
Fish & Crustaceans	382	1.19	2.50
Headgear & Parts	272	0.85	1.78
Electrical Machinery & Equipment & Parts	237	0.74	1.56
Miscellaneous Chemical Products	210	0.66	1.38
Footwear	125	0.39	0.82
Other	336	1.05	2.20
<b>Total</b>	<b>31,984</b>	<b>100.00</b>	<b>209.79</b>

Rate of Exchange as at 31-December-2017 - US \$ 1 = Rs. 152.4575

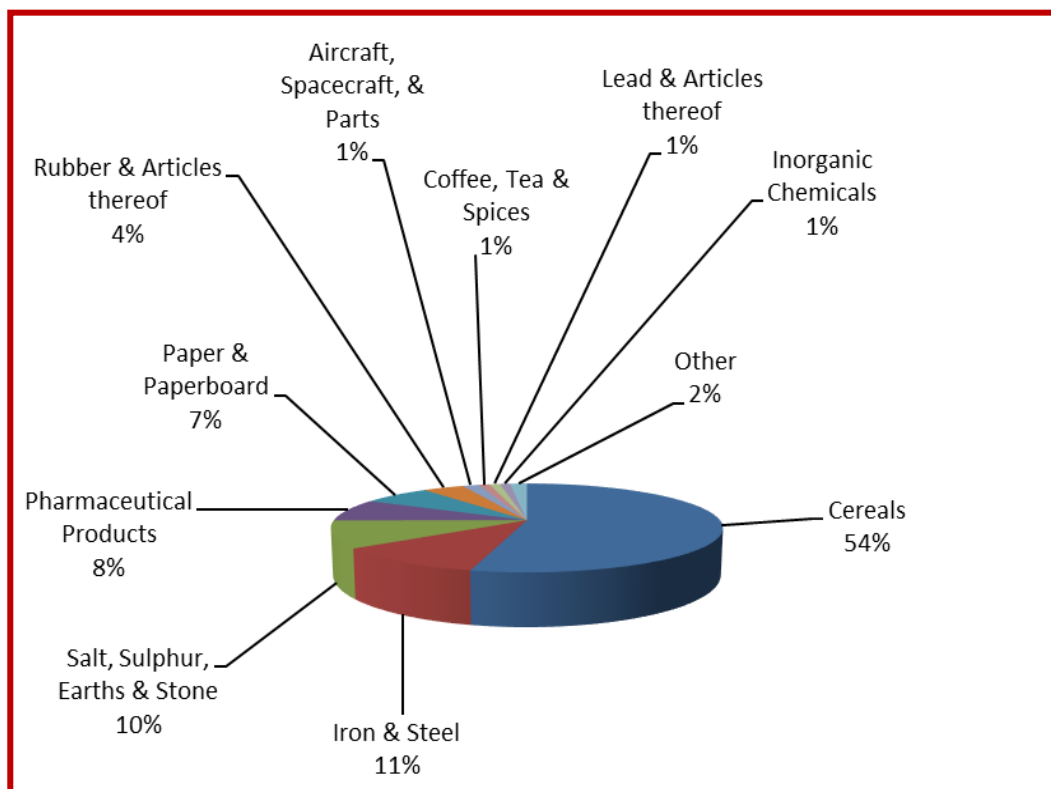




**SRI LANKAS EXTERNAL TRADE WITH RUSSIA - 2017**  
**MAIN ITEMS IMPORTED TO SRI LANKA FROM RUSSIA - 2017**

	Rs.M	%	US\$M.
Cereals	14,373	53.92	94.27
Iron & Steel	2,937	11.02	19.26
Salt, Sulphur, Earths & Stone	2,667	10.01	17.50
Pharmaceutical Products	2,123	7.96	13.92
Paper & Paperboard	1,803	6.76	11.83
Rubber & Articles thereof	1,069	4.01	7.01
Aircraft, Spacecraft, & Parts	427	1.60	2.80
Coffee, Tea & Spices	278	1.04	1.82
Lead & Articles thereof	276	1.04	1.81
Inorganic Chemicals	263	0.99	1.72
Other	440	1.65	2.88
<b>Total</b>	<b>26,655</b>	<b>100.00</b>	<b>174.84</b>

Rate of Exchange as at 31-December-2017 - US \$ 1 = Rs. 152.4575



# Tourism

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The total number of tourist arrivals in 2017 was 2,116,407 compared to 2,050,832 in 2016. The total arrivals from Russian Federation recorded an increase of 1.7% arrivals compared to 2016.



Source: Sri Lanka Tourism Development Authority

# Secretariat

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The Ceylon Chamber of Commerce provided secretarial service to the Council during the period under review.

# Accounts

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M/s. KPMG were elected auditors of the Council. The Audited statement of the Accounts of the Council for the period April 1, 2017 to March 31, 2018 is annexed.

By order of the Committee

Sgd.  
Ayoni Rangala  
For Secretary

# Financial Review

## 2017-2018



KPMG  
(Chartered Accountants)  
32A, Sir Mohamed Macan Markar Mawatha,  
P. O. Box 186,  
Colombo 00300, Sri Lanka.

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+94 - 11 244 6058  
Internet : [www.kpmg.com/lk](http://www.kpmg.com/lk)

### **Report of the Auditors' on the Statement of Receipts and Payment of The Sri Lanka Russia Business council.**

#### **To the Executive Committee of The Sri Lanka Russia Business council.**

We have audited the accompanying Statement of Receipts and Payments ("the Statement") of The Sri Lanka Russia Business council. ("the Council") for the year ended 31 March 2018. This Statement is the responsibility of the Executive Committee of the Council. Our responsibility is to express an opinion on the accompanying statement based on our audit.

We conducted our audit in accordance with Sri Lanka Auditing Standards. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the Statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Statement. An audit also includes assessing the accounting policies used and significant estimates made by management as well as evaluating the overall presentation of the Statement. We believe that our audit provides a reasonable basis for our opinion.

The Council's policy is to prepare the accompanying statement on the receipts and payments basis. On this basis revenue is recognized when received rather than when earned, and expenses are recognized when paid rather than when incurred.

In our opinion, the accompanying statement presents fairly, in all material respects the receipts and payments of The Council during the year ended 31 March 2018 in accordance with the receipts and payment basis as described in Note 2.

**CHARTERED ACCOUNTANTS**

26 June 2018  
Colombo

KPMG, a Sri Lankan partnership and a member firm  
of the KPMG network of independent member firms  
affiliated with KPMG International Cooperative  
("KPMG International"), a Swiss entity.

M.R. Mihular FCA	P.Y.S. Perera FCA	C.P. Jayatilake FCA
T.J.S. Rajakarier FCA	W.W.J.C. Perera FCA	Ms. S. Joseph FCA
Ms. S.M.B. Jayasekara ACA	W.K.D.C. Abeyaratne FCA	S.T.D.L. Perera FCA
G.A.U. Karunaratne FCA	R.M.D.B. Rajapakse FCA	Ms. B.K.D.T.N. Rodrigo FCA
R.H. Rajan ACA	M.N.M. Shameel ACA	

**Principals** - S.R.I. Perera FCMA(UK), LLB, Attorney-at-Law, H.S. Goonewardene ACA  
Ms. C.T.K.N. Perera ACA

**SRI LANKA - RUSSIA BUSINESS COUNCIL**  
**STATEMENT OF RECEIPTS AND PAYMENTS**

*For the year ended 31 March ,*

	<b>2018</b>	<b>2017</b>
	<b><u>Rs</u></b>	<b><u>Rs</u></b>
<b>Receipts</b>		
Membership subscription	390,000	540,000
Entrance fees	4,000	17,000
Investment income	147,746	79,115
Income received in connection with:		
- Annual general meeting	30,000	15,000
- Felicitation to russian ambassador January 2018	205,000	-
- Farewell to the ambassador	196,000	-
- National day supplement	800,000	775,000
- Moscow delegation 2017	-	600,000
- Welcome dinner	12,000	12,000
- Dinner with two ambassadors	78,000	-
<b>Total receipts</b>	<b><u>1,862,746</u></b>	<b><u>2,038,115</u></b>
<b>Less: Payments</b>		
Expenses incurred in connection with:		
- Annual general meeting expenses	321,009	160,054
- Welcome dinner to director Russian center	-	54,231
- National day supplement	381,000	431,000
- Farewell to the ambassador	307,556	-
- Felicitation to Russian ambassador January 2018	243,066	-
- Moscow delegation 2017	5,000	530,213
- Dinner with two ambassadors	110,548	-
Entertainment and refreshment	12,479	1,330
Printing and stationery	8,191	1,260
Postage, fax and courier services	4,085	2,990
Sundry expenses	15,000	28,160
Audit fee	32,945	29,690
Secretarial fees	125,305	135,189
Income tax	-	18,500
Communication cost	12,000	12,000
Tax Advisory Services	11,765	22,862
Withholding tax	14,745	7,912
Web hosting charges	54,173	92,500
Vat on secretarial fee	18,796	-
<b>Total payments</b>	<b><u>1,677,663</u></b>	<b><u>1,527,890</u></b>
<b>Net receipts</b>	<b><u>185,083</u></b>	<b><u>510,225</u></b>

**Note 1:** All the receipts and payments of the Council are done through the current accounts of the The Ceylon Chamber of Commerce. Therefore the balance reflects the Associations cash and Cash Equivalents.

	<b>2018</b>	<b>2017</b>
	<b><u>Rs</u></b>	<b><u>Rs</u></b>
Current account with the Ceylon Chamber of Commerce	549,097	414,014
Fixed deposits held on behalf of the Council by the Ceylon Chamber of Commerce:		
- Hatton National Bank PLC	850,000	-
- Sampath Bank PLC	500,000	1,300,000
	<b><u>1,899,097</u></b>	<b><u>1,714,014</u></b>

**SRI LANKA - RUSSIA BUSINESS COUNCIL  
STATEMENT OF RECEIPTS AND PAYMENTS**

*For the year ended 31 March 2018 ,*

**Note 2 - Basis of Preparation**

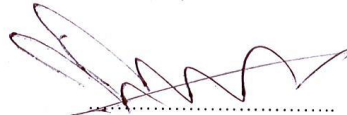
The Council's policy is to prepare the accompanying statement on the receipts and payments basis. On this basis revenue is recognised when received rather than when earned , and expenses are recognised when paid rather than when incurred.

The Committee of Management is responsible for the preparation and presentation of the Statement of Receipts and Payments.

For and on behalf of the Committee of the Sri Lanka - Russia Business Council :



.....  
Mr. Priyantha Hapuarachchi  
President  
Sri Lanka Russia Business Council



.....  
Mr. Buddhapriya Ramanayake  
Vice President  
Sri Lanka Russia Business Council

26 June 2018  
Colombo



**Sri Lanka - Russia Business Council**  
**of**  
**The Ceylon Chamber of Commerce**  
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E-mail - [info@chamber.lk](mailto:info@chamber.lk)