



Sri Lanka – Russia Business Council

Ceylon Chamber of Commerce



Review of Activities & Accounts

2020/2021

Contents

	Page
1. Introduction and Objectives	3
2. Executive Committee	4
3. Membership	5
4. Review of Activities	7
5. Trade between Sri Lanka and Russia	10
6. Financial Review	13

Introduction

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.

Objectives

- 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

2020/2021

PATRON

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

President

Mr. Buddhika Liyanage
Avian Technologies (Pvt) Ltd

Vice Presidents

Niral Kadawatharatchie
Freight Links International (Pvt) Ltd

Kolitha Wickremasinghe
Salota International (Pvt) Ltd

Treasure

Buddhapriya Ramanayake
MOS Lanka Investments (Pvt) Ltd

Immediate Past President
Mr. Priyantha Hapuarachchi
South Asia Textiles Limited

Committee

Regency Teas (Pvt) Ltd
Unitraders (Pvt) Ltd
Maharaja Organisation projects (pvt) Ltd
MAC Holdings (Pvt) Ltd
Rhino Roofing Products Limited
Nature's Beauty Creations Limited
Spillburg Holdings (Pvt) Ltd
Orifini Jewelers
Imperial Tea Exports (Pvt) Ltd

Secretariat

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

Membership as at 31/03/2021

ACCESS INTERNATIONAL PROJECTS (PVT) LTD
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 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
GALLE FACE HOTEL MANAGEMENT COMPANY
GEORGE STEUART TEAS (PRIVATE) LTD
GORDON VINTAGE TEAS CEYLON (PRIVATE) LIMITED
HAYCARB PLC
HERITAGE TEAS (PVT) LTD
HVA FOODS PLC
IMPERIAL TEAS (PVT) LTD
JAFFERJEE BROTHERS
JAY SEA FOODS PROCESSING (PVT) LTD
JETWING TRAVELS (PVT) LTD
KAUSHALYA TEA EXPORT COMPANY
LALAN RUBBERS PVT 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
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
 RANFER TEAS (PVT) LTD
 REGENCY TEAS (PVT) LTD
 RHINO ROOFING PRODUCTS LIMITED
 SALOTA INTERNATIONAL (PVT) LTD
 SCANWELL LOGISTICS COLOMBO (PVT) LTD
 SHAN TEAS (PVT) LTD
 SIGIRI ROOFING (PVT) LTD
 SINDBAD (PRIVATE) LTD
 SKYMARK TRAVELS
 SOUTH ASIA TEXTILE INDUSTRIES LANKA (PVT) LTD
 SPILLBURG HOLDINGS (PRIVATE) LIMITED
 SRI RAMCO ROOFINGS LANKA (PVT) LTD
 STASSEN EXPORTS (PVT) LTD
 SUNSHINE TEA (PVT) LTD
 TANGERINE TOURS 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

Members Appointed

Date Appointed	Member	Category
01/Apr/2020	SHAN TEAS (PVT) LTD	Category 1
01/Jan/2021	APS LOGISTICS INTERNATIONAL (PVT) LTD	Category 1

Number of New Appointments **2**

Members Terminated

Date Terminated	Member	Category
25/May/2020	GALADARI HOTEL	Category 1
25/May/2020	ADVANTIS FREIGHT (PRIVATE) LIMITED	Category 1
25/May/2020	REGIONAL DEVELOPMENT BANK	Category 1
25/May/2020	MAY COMPANY CEYLON (PVT) LTD	Category 1
25/May/2020	KWANG SENG TRANSPORT SERVICES LANKA (PVT) LIMITED	Category 1
25/May/2020	CROSSBRAND INVESTMENTS (PVT) LTD	Category 1

Number of Terminated Members **6**

The 17th Annual General Meeting

Sri Lanka - Russia Business Council of the Ceylon Chamber of Commerce held its 17th Annual General Meeting (AGM) on 28th October 2020 Virtually. H. E. Yuri Borisovich Materi, The Ambassador of the Russian Federation in Sri Lanka Russian Federation was the Chief Guest.

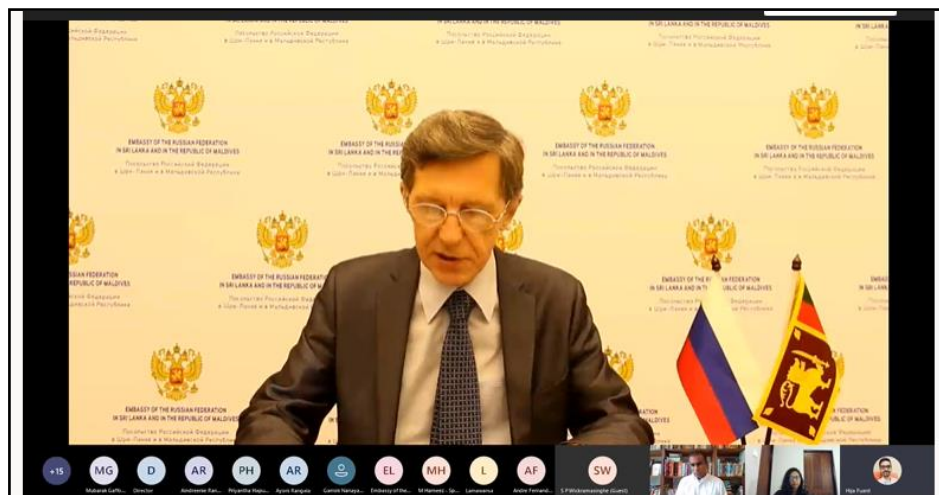
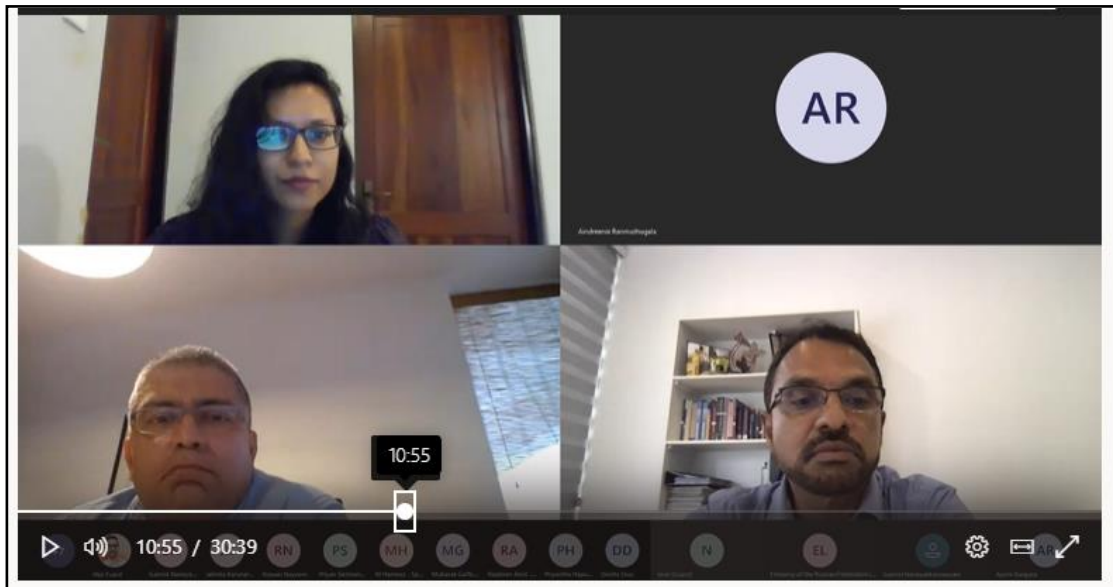
Mr. Buddhika Liyanage, Director, Avian Technologies Pvt Ltd, was elected as the President of the Council for the year 2020/2021.

Mr. Niral Kadawatharatchie, Chief Executive Officer, Freight Links International (Pvt) Ltd and Mr. Kolitha Wickremasinghe, Managing Director, Salota International (Pvt) Ltd were elected as Vice Presidents. Mr. Buddhapriya Ramanayake, Director, MOS Lanka Investments (Pvt) Ltd was elected as the Treasurer. Mr. Priyantha Hapuarachchi, South Asia Textiles Limited will serve as the Immediate Past President.

The Committee elected comprised of;

1. Regency Teas (Pvt) Ltd
2. Unitraders (Pvt) Ltd
3. Maharaja Organisation projects (pvt) Ltd
4. MAC Holdings (Pvt) Ltd
5. Rhino Roofing Products Limited
6. Nature's Beauty Creations Limited
7. Spillburg Holdings (Pvt) Ltd
8. Orifini Jewelers
9. Imperial Tea Exports (Pvt) Ltd





Russia National Day Supplement 2021

Sri Lanka- Russia Business Council published a six-page supplement in Daily Mirror on the occasion of National Day of Russian Federation on 15th June 2021

A discussion with Prof. Janitha Liyanage, Ambassador Designate to Russia

An interactive session was organized by the Sri Lanka - Russia Business Council Executive Committee members to discuss trade related issues faced, if any, and exchange/share views for further development of trade and investment between Sri Lanka and Russia. The discussion took place virtually on 13 August 2021.

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 Materi, 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

SRI LANKA'S EXTERNAL TRADE WITH RUSSIA



SUMMARY OF EXTERNAL TRADE WITH RUSSIA

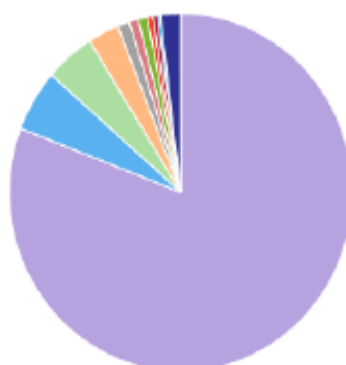
2016 - 2020

Rs. Mn				US \$. Mn		
Year	Export	Import	Balance of Trade	Export	Import	Balance of Trade
2016	26,497	29,082	-2,585	176.65	193.88	-17.23
2017	31,984	26,655	5,329	209.79	174.83	34.95
2018	30,112	33,113	-3,001	185.26	203.72	-18.47
2019	29,873	36,913	-7,040	167.09	206.47	-39.38
2020	30,317	43,728	-13,412	163.41	235.71	-72.29

PERCENTAGE SHARE OF RUSSIA IN TOTAL TRADE OF SRI LANKA

Year	Export %	Import %
2016	1.72	1.02
2017	1.79	0.82
2018	1.53	0.92
2019	1.40	1.06
2020	1.53	1.51

MAIN ITEMS EXPORTED FROM SRI LANKA TO RUSSIA - 2020

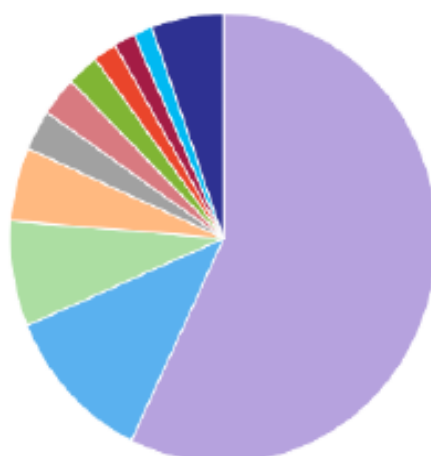


- Coffee, tea, mate and spices
 ● Articles of Apparel and clothing accessories, knitted or crocheted
 ● Rubber and articles thereof.
- Other vegetable textile fibres
 ● Fish and crustaceans, molluscs and other aquatic invertebrates
- Miscellaneous chemical products
 ● Articles of Apparel and clothing accessories, not knitted or crocheted
- Electrical machinery and equipment and parts thereof
 ● Animal or vegetable fats and oils and their cleavage products
- Miscellaneous edible Preparations
 ● Others

	Rs. Mn	%	US \$ Mn
Coffee, tea, mate and spices	24,506	80.83	132.09
Articles of Apparel and clothing accessories, knitted or crocheted	1,694	5.59	9.13
Rubber and articles thereof.	1,412	4.66	7.61
Other vegetable textile fibres	892	2.94	4.81
Fish and crustaceans, molluscs and other aquatic invertebrates	341	1.12	1.84
Miscellaneous chemical products	261	0.86	1.41
Articles of Apparel and clothing accessories, not knitted or crocheted	261	0.86	1.40
Electrical machinery and equipment and parts thereof	153	0.50	0.82
Animal or vegetable fats and oils and their cleavage products	138	0.46	0.75
Miscellaneous edible Preparations	85	0.28	0.46
Other	574	1.89	3.09
Total	30,317	100.00	163.41

RATE OF EXCHANGE AVERAGE 2020 - US \$ 1 = Rs. 185.52

MAIN ITEMS IMPORTED TO SRI LANKA FROM RUSSIA - 2020



● Cereals ● Iron and Steel ● Salt ● Paper and paperboard ● Lead & articles thereof
● Rubber and articles thereof. ● Fertilizers ● Copper and articles thereof
● Inorganic chemicals ● Coffee, tea, mate and ● Others

	Rs. Mn	%	US \$ Mn
Cereals	24,984	57.14	134.67
Iron and Steel	5,035	11.52	27.14
Salt	3,325	7.60	17.92
Paper and paperboard	2,316	5.30	12.48
Lead & articles thereof	1,276	2.92	6.88
Rubber and articles thereof.	1,251	2.86	6.75
Fertilizers	1,047	2.39	5.64
Copper and articles thereof	772	1.77	4.16
Inorganic chemicals	704	1.61	3.80
Coffee, tea, mate and spices	627	1.43	3.38
Other	2,390	5.46	12.88
Total	43,728	100.00	235.71

RATE OF EXCHANGE AVERAGE 2020 - US \$ 1 = Rs. 185.52

Secrétariat

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

Accounts

M/s. KPMG were elected auditors of the Council. The Audited statement of the Accounts of the Council for the period 01 April 2020 to 31 March 2021.

By order of the Committee

A handwritten signature in blue ink, appearing to read 'A. Rangala', with a horizontal line underneath.

Sgd.
Ayoni Rangala
For Secretary

Financial Review 2020-2021



KPMG
(Chartered Accountants)
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INDEPENDENT AUDITOR'S REPORT

TO THE EXECUTIVE COMMITTEE OF SRI LANKA - RUSSIA BUSINESS COUNCIL

Opinion

We have audited the statements of receipts and payments ("the Statement") of Sri Lanka - Russia Business Council, for the year ended 31 March 2021 and notes to the statement of receipts and payments.

In our opinion, the accompanying statement presents fairly, in all material respects, the receipts and payments of the Council for the year ended 31 March 2021 in accordance with the receipts and payments basis of accounting described in Note 2.

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 Statement* section of our report. We are independent of the Council in accordance with the Code of Ethics issued by CA Sri Lanka (Code of Ethics) and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Basis of Accounting and Restriction on Distribution

We draw attention to Note 2 to the Statement, which describes the basis of accounting. The Statement is prepared to provide information to the Executive Committee of Sri Lanka - Russia Business Council. As a result, the Statement may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of Executive Committee and Those Charged with Governance for the Statement

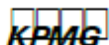
The Executive Committee is responsible for preparation and fair representation of the Statement in accordance with the receipts and payments basis of accounting described in Note 2; this includes determining that the such receipts and payments basis of accounting is an acceptable basis for the preparation of the Statement in necessary to enable the preparation of the Statement that is free from material misstatements, whether due to fraud or error.

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

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M.R. Mubarek PCA	P.V.S. Perera PCA	C.P. Jayatilaka PCA
T.J.A. Rajapakse PCA	R.W.J.C. Perera PCA	Ms. S. Joseph PCA
Ms. B.M.B. Jayaratne ACA	W.S.D.C. Rajapakse PCA	S.T.D.L. Perera PCA
S.A.U. Karunaratne PCA	R.M.D.B. Rajapakse PCA	Ms. R.E.D.T.H. Rodrigo PCA
R.H. Rajan PCA	M.M.M. Shanmugam ACA	Ms. C.T.K.S. Perera ACA
A.S.R.P. Indulalan ACA		

Principal: S.R.J. Perera FCA(ACG), LL.B, Attorney at Law, H.R. Descombre ACA
Ms. P. M. K. Samararatne PCA, W.A.A. Samararatne CPA, ACMA, MNCB



Auditor's Responsibilities for the Audit of the Statement

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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 the Statement.

A further description of the auditor's responsibilities for the audit of the financial statements is located at Sri Lanka Accounting and Auditing Standards website at: <http://slaasc.com/auditing/auditorsresponsibility.php>. This description forms part of our auditor's report.

A handwritten signature in blue ink, appearing to be 'Kmy'.

CHARTERED ACCOUNTANTS

Colombo, Sri Lanka
16 June 2021

SRI LANKA - RUSSIA BUSINESS COUNCIL
STATEMENT OF RECEIPTS AND PAYMENTS

For the year ended 31 March,

	2021	2020
	<u>Rs.</u>	<u>Rs.</u>
Receipts		
Membership subscription	515,000	200,000
Entrance fees	2,000	3,000
Investment income	201,613	244,374
Income received in connection with:		
- Annual general meeting	-	30,000
- Dinner with designated ambassador	43,748	-
- National day supplement	420,000	675,000
- Russian visa facilitation fees	-	210,600
- Interactive session with designated ambassador to Russia	-	3,000
Total receipts	1,182,361	1,365,974
Payments		
Expenses incurred in connection with:		
- AGM expenses	2,000	202,127
- A Russian Soiree	-	69,221
- National day supplement	259,200	345,000
- Russian visa facilitation fees	-	182,819
- Dinner with designated Ambassador	49,353	-
Entertainment & refreshment expenses	2,640	14,847
Printing and stationery	8,338	6,626
Postage, fax and courier services	990	115
Sundry expenses	1,450	5,472
Audit fee	34,931	35,833
Secretarial fees	163,512	160,036
Income tax	49,785	95,596
Communication cost	18,000	18,000
Domain registration	-	5,750
Web hosting charges	55,600	55,000
Web site	11,092	-
Total payments	656,891	1,196,442
Net receipt for the year	525,470	169,532

Note 1 - All the receipts and payments of the Council are done through the current accounts of The Ceylon Chamber of Commerce. Therefore, the balance reflects the Council's cash and cash equivalents.

	2021	2020
	<u>Rs.</u>	<u>Rs.</u>
Current account with The Ceylon Chamber of Commerce	372,237	246,767
Fixed deposits held on behalf of the Council by The Ceylon Chamber of Commerce:		
- Hutton National Bank PLC	-	500,000
- National Development Bank PLC	2,754,987	454,987
- Sampath Bank PLC	-	1,400,000
	3,127,224	2,601,754

SRI LANKA - RUSSIA BUSINESS COUNCIL
STATEMENT OF RECEIPTS AND PAYMENTS

For the year ended 31 March,

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 recognized when received rather than when earned, and expenses are recognized when paid rather than when incurred.

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

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



.....
Buddhika Liyanage
President

16 June 2021
Colombo



.....
Kolitha A W Wickremasinghe
Vice President

Sri Lanka - Russia Business Council
of
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E-mail - ayonir@chamber.lk