

Annual Report and Audited Accounts 2021-2022



SRI LANKA-ITALY BUSINESS COUNCIL
OF
THE CEYLON CHAMBER OF COMMERCE

CONTENTS

	Page Number
1. Introduction and Objectives	3
2. Executive Committee 2021-2022	4
3. Membership	5-6
4. Review of Activities	7-9
5. Secretariat & Auditors	9
6. Financial Review 2021-2022	10-13
7. Trade & Tourism between Sri Lanka – Italy- 2021	14-16

INTRODUCTION TO THE COUNCIL

The Sri Lanka – Italy Business Council was inaugurated in October 1998, under the aegis of the Ceylon Chamber of Commerce. The groundwork for the formation of the Council was laid by a proposal made by the then Ambassador of Italy in Sri Lanka, His Excellency Maurizio Teucci, to the Ceylon Chamber of Commerce, in 1997.

The primary objective of the Council is to promote trade, tourism, and services between Sri Lanka and Italy. The numerous activities the Council organized during the period under review bears testimony to the immense support it receives from the Office Bearers and Executive Committee.

OBJECTIVES

- To promote trade, tourism, and services between Sri Lanka and Italy and in particular to promote exports from Sri Lanka to Italy.
- To encourage the establishment of joint ventures in Sri Lanka between Italian and Sri Lankan investors.
- To exchange information on trade and investment with the appropriate bodies in Italy.
- To conduct joint meetings with Italian business organizations in Sri Lanka and in Italy.
- To serve as a recognized representative of business sector interests in Sri Lanka in matters concerning business relationships with Italy
- To co-operate with the Government of Sri Lanka in the pursuit of the above objects.
- To undertake all matters that are incidental or conducive to attaining the above objects.

EXECUTIVE COMMITTEE

2021 - 2022



PATRON

Her Excellency Rita Giuliana Mannella, Ambassador for Italy in Sri Lanka

PRESIDENT

Mr. Tyrell Roche, General Manager (Finance), Lanka Tiles PLC

VICE PRESIDENTS

Mr. Niranjan Dissanayake, Country Manager, Sri Lanka & Maldives, Ferrero Lanka (Pvt) Ltd

Ms. Kulanthi Silva, Chief Brand Officer, NP Capital Ltd

IMMEDIATE PAST PRESIDENT

Ms. Sonali Liyanamana, CEO, Worldlink Air Services (Pvt) Ltd.

COMMITTEE

1. Mr. Shamil Mendis - Spear International (Pvt) Ltd.
2. Mr. Rajeev Aloysius -The Autodrome PLC
3. Ms. Dushy Jayaweera, Acorn Aviation (Private) Limited
4. Mr. Ranjit Jayewardene, Ranmal International Pvt Ltd
5. Mr. Jonathan Suppiah, Inter Air and Sea Logistics Pvt Ltd
6. Mr. Janaka Gunasekera, Deputy Managing Director, A Baur & Co. Ltd
7. Mr. Daminda Mulgama, Expo Lanka Freight Pvt Ltd
8. Mr. Shamendra Heshan Perera, Air Global Pvt Ltd

SECRETARY: Ms. Ayoni Rangala, Manager, the Ceylon Chamber of Commerce

MEMBERSHIP (updated as at 31/03/2022)

A BAUR & COMPANY (PVT) LIMITED

ABANS PLC
ACCESS INTERNATIONAL PROJECTS (PVT) LTD
ACORN AVIATION (PVT), LTD
AGILITY LOGISTICS (PVT) LTD
AIR GLOBAL (PVT) LTD
AITKEN SPENCE SHIPPING LTD
AITKEN SPENCE TRAVELS (PVT) LTD
ALLY WEERASINGHE LTD
APS LOGISTICS INTERNATIONAL (PVT) LTD
AUS'AFRASIA DESIGNER TILES (PVT) LTD

C.W. MACKIE PLC

CENTRAL AGENCY
CEYLON COLD STORES PLC
CL SYNERGY (PVT) LTD
COCO AGRO (PVT) LTD
CLARION SHIPPING (PVT) LTD

DANKOTUWA PORCELAIN PLC

DFCC BANK PLC
DHL GLOBAL FORWARDING LANKA (PRIVATE) LTD
DIESEL & MOTOR ENGINEERING PLC
DIVEHI HOLDING PLC
DUALPLAST LABEL TRIMS (PVT) LTD.

ESNA ALLIED ENTERPRISES (PVT) LTD

EXPO WORLD BUTTONS (PVT) LTD
EXPOLANKA FREIGHT (PVT) LTD

FAST TRANSIT LOGISTICS (PVT) LTD

FERRERO LANKA (PVT) LTD
FREE LANKA GRANITE (PVT) LTD
FREIGHT LINKS INTERNATIONAL (PTE) LTD
FREE LANKA TRADING CO.(PVT) LTD

GEBS TRADING CO. (PTE) LTD.

HNB ASSURANCE PLC

HOLIDAYS BY DESIGN (PVT) LTD
HOVAEL HOLDINGS (PVT) LTD
HYDROMEC INTERNATIONAL (PVT) LTD

IMPRESSIONS LABELS LANKA (PVT) LTD

INDU SKY AVIATION (PVT) LTD – INDIAN AIRLINES
INTER AIR & SEA LOGISTICS (PVT) LTD

JAT HOLDINGS (PVT) LTD

JETWING TRAVELS (PVT) LTD
JP FRESH PRODUCTS
JP MARINE (PVT) LTD
JUPITER TRADING CO. LTD

LAKE HOUSE PRINTERS & PUBLISHERS LTD

LANKA TILES PLC

MAC HOLDINGS (PVT) LTD

MACKINNONS TRAVELS (PVT) LTD
MASCONS (PRIVATE) LTD
MICRO HOLDINGS (PVT) LTD
MIT CARGO (PVT) LTD

NATIONAL DEVELOPMENT BANK PLC

NP CAPITAL LIMITED

OMEGA LINE LTD

ORIGINAL APPAREL (PVT) LTD

PERFEITI VAN MELLE LANKA (PRIVATE) LTD

PIRAMAL GLASS CEYLON PLC
PRICewaterhouseCOOPERS

RANMAL INTERNATIONAL (PVT) LTD
RICHARD PEIRIS EXPORTS LTD
ROYAL CERAMICS LANKA PLC

SAMPATH BANK PLC
SIRIO LIMITED
SPEAR INTERNATIONAL (PVT) LTD
SPILLBURG HOLDINGS (PRIVATE)
LIMITED
SRINKO ENTERPRISES (PVT) LTD

T. C. I. ENTERPRISE (PVT) LTD
TANGERINE TOURS LTD
TASTYY (PVT) LTD.
THE AUTODROME PLC
TRUE VALUE GREEN PRODUCTS (PVT)
LTD

WALKERS TOURS LTD
WORLDLINK AIR SERVICES (PVT) LTD
WINGS FOR WORLD (PVT) LTD

ZAM GEMS (PVT) LTD

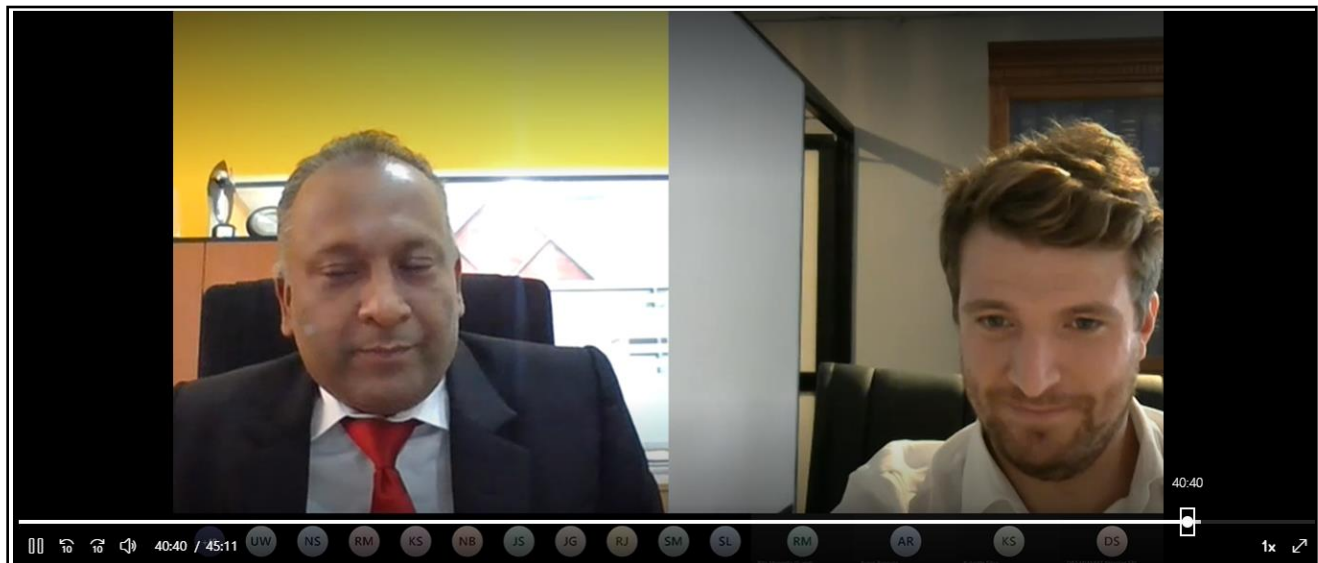
REVIEW OF ACTIVITIES

22nd Annual General Meeting on 22nd September 2021

The 21st General Meeting (AGM) of the Sri Lanka-Italy Business Council of the Ceylon Chamber of Commerce (CCC) was held on 22nd September 2022 at the Ceylon Chamber of Commerce electing Mr. Tyrell, Roche, Lanka Tiles PLC as the President. The Chief Guest was Ms. Her Excellency Rita Mannella, Ambassador of Italy in Sri Lanka

Mr. Niranjana Dissanayake of Ferrero Lanka (Pvt) Ltd and were Ms. Kulanthi Silva, Chief Brand Officer, NP Capital LTD as the Vice Presidents for 2021 - 2022. Ms. Sonali Liyanamana of World Link Air Services (Pvt) Ltd will sever as the immediate past president.

The member companies; Inter Asia Sea Logistics Pvt Ltd, Acorn Aviation (Pvt), Walkers Tours Ltd, Ranmal International (Pvt) Ltd, Spear International (Pvt) Ltd, Expo Lanka Freight Pvt Ltd, Air Global Pvt Ltd will serve as the committee members. Mr Rajeev Aloysius of Autodrome PLC will serve the committee in the capacity of an honorary member.



Webinar on Opportunities for Bilateral Trade, Partnerships and Joint Collaborations with Italy- 11th November 2021

The Sri Lanka Italy Business Council of the Ceylon Chamber of Commerce conducted a Webinar titled “Opportunities for Bilateral Trade, Partnerships and Joint Collaborations with Italy” on 11th November 2021. At this webinar Mr. Francesco Perale, Deputy Head of Mission, Embassy of Italy, Sri Lanka elaborated on “Current Economy and Impact of Covid 19 in Italy, Opportunities for Imports from Italy and opportunities for partnerships/ joint collaborations with Italy” while Mr. Suresh de Mel, Chairman, Export Development Board spoke on “Opportunities for Exports to Italy and Challenges”.

Mr. Sanjaya Mohottala, Chairman, Board of Investment discussed about “Behaviors when it is dealing with foreign trading partners and opportunities for investments, partnerships and joint collaborations in Sri Lanka” and Ms. Ameena Mohin, Minister (Commercial) SL Embassy in Rome, Italy made a Presentation on “Rules and Regulations to Import into the EU from Sri Lanka, Custom Procedures”.

Webinar on

Sri Lanka - Italy

Opportunities for Bilateral Trade, Partnerships and Joint Collaborations

Thursday, 11th November 2021
@ 3.30 pm via MS Teams

MODERATOR

 Francesco Perale Deputy Head of Mission The Embassy of Italy Colombo, Sri Lanka	 Suresh de Mel Chairman and CEO Sri Lanka Export Development Board	 Sanjaya Mohottala Chairman Board of Investment of Sri Lanka	 Ameena Shafi Mohin Minister (Commercial) The Embassy of Sri Lanka Rome - Italy	 Tyrell Roche President Sri Lanka - Italy Business Council
--	--	--	--	--

Donation of a Plus Oximeter to the Distract General Hospital Chilaw- 21st of May 2021

The President and the executive Committee donated a Plus Oximeter to the Distract General Hospital, Chilaw as a CSR activity of the Council.



Secretariat

The Ceylon Chamber of Commerce provided Secretarial Services to the Council during the period under review.

Auditors

M/s. KPMG was elected Auditors of the Council. The Audited Statement of Accounts of the Council for the period 2021 – 2022 is annexed.

By order of the Committee

A handwritten signature in blue ink, which appears to read 'A. Rangala'.

**Ayoni Rangala
For Secretary**

FINANCIAL REVIEW 2021 – 2022



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

Tel : +94 - 11 542 6426
Fax : +94 - 11 244 5872
+94 - 11 244 6058
Internet : www.kpmg.com/lk

INDEPENDENT AUDITOR'S REPORT

TO THE EXECUTIVE COMMITTEE OF SRI LANKA – ITALY BUSINESS COUNCIL

Opinion

We have audited the statement of receipts and payments (“the Statement”) of Sri Lanka – Italy Business Council (“the Council”), for the year ended 31 March 2022 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 2022 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 Statements* 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 Matters – 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 – Italy 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 the preparation and fair representation of the Statement in accordance with the receipts and the payments basis of accounting described in note 2; this includes determining that such receipts and payments basis of accounting in an acceptable basis for the preparation of the statement in necessary to enable the preparation of the Statement that is free from material misstatement, whether due to fraud or error.

In preparing the statement, The Executive Committee 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.



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 Standard web site at: <http://slaasc.com/auditing/auditorsresponsibility.php>. This description forms part of our auditor's report.



CHARTERED ACCOUNTANTS

Colombo, Sri Lanka
25 May 2022

SRI LANKA ITALY BUSINESS COUNCIL
STATEMENT OF RECEIPTS AND PAYMENTS

For the year ended 31 March,

	2022	2021
	<u>Rs.</u>	<u>Rs.</u>
Receipts		
Entrance fees	30,000	60,000
Membership subscription	262,000	341,000
Investment income	95,391	115,144
Income received in connection with:		
Webinar on Italy - New Partnerships for business	-	26,500
National Day advertisement 2021	16,708	-
Opportunities for Bilateral Trade, partnership & Joint Coll. with Italy	31,200	-
Members annual fellowship	-	10,500
Italy newsletter	10,000	10,000
Total receipts	445,299	563,144
Payments		
Secretarial fee	156,600	147,744
Tax advisory service	22,000	-
Income tax	66,368	-
Postage and telegrams	975	705
Audit fee	40,932	39,251
Printing and stationery	2,167	1,161
Annual general meeting	1,500	12,630
Entertainment and refreshments	4,400	4,200
Donations	120,000	100,000
Expenses incurred in connection with :		
Opportunities for Bilateral Trade, partnership & Joint Coll. with Italy	10,491	-
Webinar on Italy - New Partnerships for business	-	8,285
News letter	-	5,000
Website maintenance expenses	18,900	18,360
Communication cost	15,000	15,000
Sundry expenses	6,448	2,920
Total payments	465,781	355,256
Net (payments) / receipts during the year	(20,482)	207,888

Note 01 - 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 at bank balance.

Current account with the Ceylon Chamber of Commerce	186,203	269,714
Fixed deposits held on behalf of the Council by the Ceylon Chamber of Commerce		
- DFCC Bank	292,361	722,972
- National Development Bank PLC	967,314	473,674
	1,445,878	1,466,360

SRI LANKA ITALY BUSINESS COUNCIL
STATEMENT OF RECEIPTS AND PAYMENTS

For the year ended 31 March,

Note 2 - Basis of preparation

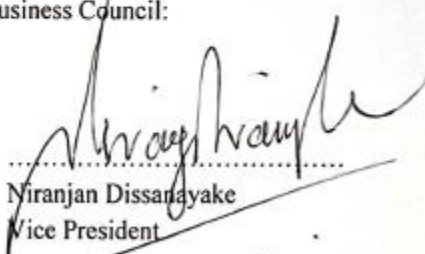
The Council's policy is to prepare the accompanying statement on the receipts and payments basis. On this basis revenue is recognized when received rather than earned, and expenses are recognized when paid rather than when incurred.

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 - Italy Business Council:



.....
Tyrell Roche
President



.....
Niranjan Dissanayake
Vice President

25 May 2022
Colombo

TRADE & TOURISM BETWEEN SRI LANKA – ITALY – 2021

SRI LANKA'S EXTERNAL TRADE WITH ITALY



SUMMARY OF EXTERNAL TRADE WITH ITALY

2017 - 2021

Rs. Mn				US \$. Mn		
Year	Export	Import	Balance of Trade	Export	Import	Balance of Trade
2017	80,781	46,506	34,275	529.85	305.04	224.81
2018	93,897	51,663	42,234	577.69	317.85	259.84
2019	94,993	54,917	40,076	531.34	307.17	224.16
2020	84,560	49,434	35,126	455.80	266.46	189.34
2021	115,080	62,572	52,508	578.64	314.62	264.02

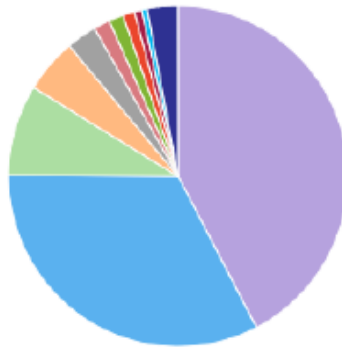
PERCENTAGE SHARE OF ITALY IN TOTAL TRADE OF SRI LANKA

Year	Export %	Import %
2017	4.51	1.43
2018	4.76	1.44
2019	4.44	1.58
2020	4.27	1.71
2021	4.72	1.57

TOTAL SRI LANKA TRADE WITH ALL COUNTRIES

Rs. Mn				US \$. Mn			
Year	Export	Import	Balance of Trade	Year	Export	Import	Balance of Trade
2017	1,789,882	3,251,281	-1,461,399	2017	11,740.01	21,325.47	-9,585.46
2018	1,974,260	3,587,048	-1,612,788	2018	12,146.31	22,068.71	-9,922.41
2019	2,140,876	3,482,346	-1,341,470	2019	11,974.92	19,478.39	-7,503.47
2020	1,980,785	2,891,600	-910,814	2020	10,676.94	15,586.46	-4,909.52
2021	2,436,109	3,988,063	-1,551,953	2021	12,249.14	20,052.61	-7,803.47

MAIN ITEMS EXPORTED FROM SRI LANKA TO ITALY - 2021

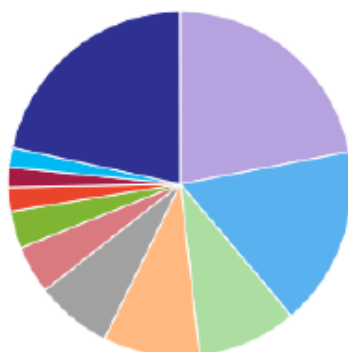


- Articles of Apparel and clothing accessories, knitted or crocheted
- Articles of Apparel and clothing accessories, not knitted or crocheted
- Rubber and articles thereof.
- Fish and crustaceans, molluscs and other aquatic invertebrates
- Natural or cultured pearls, precious or semi precious stones, precious metals, metals clad with precious metal, y articles thereof
- Tobacco and manufactured tobacco substitutes
- Preparations of vegetables, fruit, nuts or other parts of plants
- Coffee, tea, mate and spices
- Other vegetable textile fibres
- Vehicles other than railway or tramway rolling-stock, and parts and accessories thereof
- Other

	Rs. Mn	%	US \$ Mn
Articles of Apparel and clothing accessories, knitted or crocheted	48,783	42.39	245.29
Articles of Apparel and clothing accessories, not knitted or crocheted	37,655	32.72	189.33
Rubber and articles thereof.	9,938	8.64	49.97
Fish and crustaceans, molluscs and other aquatic invertebrates	5,950	5.17	29.92
Natural or cultured pearls, precious or semi precious stones, precious metals, metals clad with precious metal, y articles thereof	3,340	2.90	16.79
Tobacco and manufactured tobacco substitutes	1,769	1.54	8.90
Preparations of vegetables, fruit, nuts or other parts of plants	1,601	1.39	8.05
Coffee, tea, mate and spices	1,269	1.10	6.38
Other vegetable textile fibres	816	0.71	4.10
Vehicles other than railway or tramway rolling-stock, and parts and accessories thereof	591	0.51	2.97
Other	3,368	2.93	16.93
Total	115,080	100.00	578.64

RATE OF EXCHANGE AVERAGE 2021 - US \$ 1 = Rs. 198.88

MAIN ITEMS IMPORTED TO SRI LANKA FROM ITALY - 2021



- Knitted or crocheted fabrics
 ● Neuclear reactors, boilers, machinery
- Special woven fabrics
 ● Man-made filaments
 ● Rubber and articles thereof.
- Electrical machinery and equipment
 ● Plastics and articles thereof
- Tanning or dying extracts
 ● Optical, photographic, cinematographic, measuring,
 ● Cotton
- Others

	Rs. Mn	%	US \$ Mn
Knitted or crocheted fabrics	13,772	22.01	69.25
Neuclear reactors, boilers, machinery and mechanical appliances, parts thereof.	10,538	16.84	52.99
Special woven fabrics	5,863	9.37	29.48
Man-made filaments	5,666	9.06	28.49
Rubber and articles thereof.	4,493	7.18	22.59
Electrical machinery and equipment and parts thereof	2,830	4.52	14.23
Plastics and articles thereof	2,188	3.50	11.00
Tanning or dying extracts	1,403	2.24	7.06
Optical, photographic, cinematographic, measuring, checking, precision, medical or surgical instruments and apparatus	1,161	1.85	5.84
Cotton	1,141	1.82	5.74
Other	13,518	21.60	67.97
Total	62,572	100.00	314.62

RATE OF EXCHANGE AVERAGE 2021 - US \$ 1 = Rs. 198.88

Sri Lanka - Italy Business Council
of
the Ceylon Chamber of Commerce

No 50, Nawam Mawatha

Colombo 02

TP: 011 5588816

Email: chamathka@chamber.lk

Website: www.srilankaitaly.com