Impairment loss on initial classification as held for sale and subsequent gains and losses on re-measurement are recognized in statement of profit or loss.

7.5 SLFRS 16 – Right of use assets and Lease Liabilities

At the inception of a contract, the Group assess whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for a consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Group use the definition of a lease in SLFRS 16.

7.5.1 Group acting as a lessee

The Group recognizes 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.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. 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 plus remaining value of lease rentals paid in advance if any.

The Group determines its incremental borrowing rate by analyzing its borrowings from various external sources and makes certain adjustments to reflect the terms of the lease and type of the lease asset.

Lease payments included in the measurement of lease liability includes:

- Fixed payments
- Variable lease payments that depend on an index or rate
- Amount expected to be payable under residual value guarantee
- The exercise price under a purchase option that the Group is reasonably certain to exercise

Lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable or if there is a fixed in substance lease payment.

When the lease liability is remeasured as such, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in the statement of 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 of assets and the lease liabilities in Note 12 and Note 34 respectively.

Short term leases and leases of low value assets

The Group elected not to recognize right-of-use assets and lease liabilities for lease of low value assets and short-term leases. The Group recognizes the lease payments associated with these leases as an expense on the straight-line basis when practical expedients applied.

7.5.2 Finance Leases – As a lessee

Finance leases that transfer substantially all risks and benefits incidental to ownership of the leased item to the Group, are classified as finance leases and capitalized at the commencement of the lease at the fair value of the leased property or, if lower at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in finance cost in the statement of profit or loss.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

7.6 Intangible assets and goodwill

7.6.1 Goodwill

Goodwill that arises on the acquisition of subsidiaries is presented with intangible assets. For the measurement of goodwill at initial recognition refer to Note 4.1 Subsequent to initial recognition, goodwill is measured at cost less accumulated impairment losses. Goodwill is assessed for impairment annually.

7.6.2 Software

Software acquired by the Group is measured at cost less accumulated amortization and any accumulated impairment losses.

Subsequent expenditure on software assets is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred.

Software's are amortized on a straight-line basis in statement of profit or loss over its estimated useful life, from the date on which it is available for use. The estimated useful life of software for the current and comparative periods is three to five years.



NOTES TO THE FINANCIAL STATEMENTS

Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

7.6.3 Business License

Business license that arose upon the acquisition of subsidiaries is included in intangible assets. An intangible asset with an indefinite useful life is not amortized. In accordance with LKAS 36, the Group tests the intangible assets with an indefinite useful life for impairment by comparing its recoverable amount with its carrying amount

(a) annually, and

(b) whenever there is an indication that the intangible asset may be impaired

Business license that arose upon the acquisition of subsidiaries is included in intangible assets. Business license is measured at cost.

7.7 Inventories

Inventories are valued at the lower of cost and net realizable value, after making due allowances for obsolete and slow-moving items. Net realizable value is the estimated selling price at which inventories can be sold in the ordinary course of business less the estimated cost of completion and the estimated cost necessary to make the sale.

The costs incurred in bringing inventories to its present location and condition, are accounted for as follows:

7.8 Impairment of Non-Financial Assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than investment properties, and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

Goodwill is tested annually for impairment.

For impairment testing, assets are grouped together into the smallest Group of assets that generates cash inflows from continuing use that is largely independent of the cash inflows of other assets or (Cash generating units). Goodwill arising from a business combination is allocated to CGUs or Groups of CGUs that are expected to benefit from the synergies of the combination.

The 'recoverable amount' of an asset or CGU is the greater of its value in use and its fair value less costs to sell. 'Value in use' is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount.

The Group's corporate assets do not generate separate cash inflows and are used by more than one CGU. Corporate assets are allocated to CGUs on a reasonable and consistent basis and tested for impairment as part of the testing of the CGUs to which the corporate assets are allocated.

Impairment losses are recognized in statement of profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, 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 amortization, if no impairment loss had been recognized.

7.9 Debt Securities issued & subordinated term debt

Repo borrowings, borrowing on debentures, commercial papers, securitized papers and long and short-term borrowing are the Group's sources of debt funding. When the Group sells a financial asset and simultaneously enters into an agreement to repurchase the asset (or a similar asset) at a fixed price on a future date (sale and repurchase agreement), the arrangement is accounted for as a borrowing, and the underlying asset continues to be recognized in the Group's financial statements.

The Group classifies capital instruments as financial liabilities or equity instruments in accordance with the substance of the contractual terms of the instruments.

The borrowing on debentures, commercial papers, securitized papers and short-term borrowing are initially measured at fair value minus incremental direct transaction costs, and subsequently measured at their amortized cost using the effective interest method.

7.10 Dividends Payable

Dividends on ordinary shares are recognized as a liability and deducted from equity when they are recommended and declared by the Board of Directors.

7.11 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity, net of any tax effects.

7.12 Other Liabilities

Other liabilities are recorded at amounts expected to be payable at the reporting date.



7.13 Provision for Operational Risk

A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions for operational risk events are recognized for losses incurred by the group which do not relate directly to amounts of principal outstanding for loans and advances.

The amount recognized as a provision is the best estimate of the expenditure required to settle the present obligation as at the reporting date, taking into account the risks and uncertainties that surround the events and circumstances that affect the provision."

7.14 Deposits due to customers

These include term deposits and certificates of deposits. Subsequent to initial recognition, deposits are measured at their amortized cost using the effective interest method, except where the Group designates liabilities at fair value through profit or loss. They are stated in the statement of financial position at amount payable. Interest paid / payable on these deposits based on the effective interest rate is charged to the statement of profit or loss.

7.15 Financial Guarantees

Financial guarantees are contracts that require the Group to make specified payments to reimburse the holder for a loss it incurs because a specified debtor guarantee fails to make payment when due in accordance with the terms of a debt instrument. Financial guarantee liabilities are recognized initially at their fair value, and the initial fair value is amortized over the life of the financial guarantee. The financial guarantee liability is subsequently carried at the higher of this amortized amount and the present value of any expected payment when a payment under the guarantee has become probable.

7.16 Commitments and Contingencies

All discernible risks are accounted for in determining the amount of all known liabilities. The Group's share of any contingencies and capital commitments of a Subsidiary or Associate for which the Group is also liable severally or otherwise are also included with appropriate disclosures.

Contingent liabilities are possible obligations whose existence will be confirmed only by uncertain future events or present obligations where the transfer of economic benefit is not probable or cannot be reliably measured. Contingent liabilities are not recognized in the Statement of Financial Position but are disclosed unless they are remote.

7.17 Employee Benefits

7.17.1 Defined Benefit Plan - Gratuity

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

The liability recognized in the Statement of Financial Position in respect of a defined benefit plan is the present value of the defined benefit obligation at the reporting date. Benefit falling due more than 12 months after the reporting date are discounted to present value.

The defined benefits obligation is calculated annually using Projected Unit Credit Method (PUC) as recommended by LKAS-19, "Employee Benefits".

Actuarial gains and losses in the period in which they occur have been recognized in the statement of profit or loss and other Comprehensive income (OCI).

The assumptions based on which the results of actuarial valuation were determined, are included in notes to the financial statements.

Gratuity liability was computed from the first year of service for all employees in conformity with LKAS 19- "Employee Benefits". However, under the payment of Gratuity Act No. 12 of 1983, the liability to an employee arises only on completion of five years of continual service. The Group is liable to pay gratuity in terms of the relevant statute. The gratuity liability is not externally funded.

The Gratuity liability is not externally funded. These items are grouped under Defined Benefit Liability in the Statement of Financial Position.

7.17.2 Defined Contribution Plans (DCPs)

A Defined contribution plan is a post-employment plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligations to pay further amounts. Obligations for contributions to Defined Contribution plans are recognized as an employee benefit expense in profit or loss in the periods during which services are rendered by employees.

7.17.3 Employees' Provident Fund

The Group and employee contribute 12% - 15% and 8% - 10% respectively on the salary of each employee to an approved Provident Fund managed by the Central Bank of Sri Lanka.

7.17.4 Employees' Trust Fund

The Group contributes 3% of the salary of each employee to the Employees' Trust Fund maintained by the Employees Trust Fund managed by the Central Bank of Sri Lanka.



NOTES TO THE FINANCIAL STATEMENTS

7.17.5 Short-term Employee Benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

8. OTHER POLICIES

8.1 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 period.

8.2 Subsequent Events

Events after the reporting period are those events, favorable and unfavorable, that occur between the reporting date and the date the Financial Statements are authorized for issue.

All material and important events that occurred after the reporting date have been considered and appropriate disclosures are made in Note 59 to the Financial Statements.

8.3 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, whose operating results are reviewed regularly by the Group's Management to make decisions about resources allocated to each segment and assess its performance, and for which discrete financial information is available.

For each of the strategic divisions, the Group's management monitors the operating results separately for the purpose of making decisions about resource allocation and performance assessment.

Segment performance is evaluated based on operating profits or losses which, in certain respects, are measured differently from operating profits or losses in the Financial Statements. Income taxes are managed on a Group basis and are not allocated to operating segments. Detailed information on the results of each reportable segment as required by the Sri Lanka Accounting Standard – SLFRS 8 "Operating Segments" is provided in Notes 64 to the Financial Statements.

8.4 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 favorable balances with banks.

8.5 Policies Related Specific Business Units

8.5.1 Stock Brokering

8.5.1.1 Brokerage Income

Brokerage income is recognized at the point of completion (T+1) of each transaction and is accounted for on an accrual basis.

8.5.1.2 Interest Income

Group is recognizing interest income on delayed payments on cash basis. If a customer does not settle this outstanding balance within (T+3) days this additional interest is charged, from the customer. Income other than the above is however accounted for on an accrual basis.

8.5.2 Life insurance - Product Classification

8.5.2.1 Insurance contracts

According to Sri Lanka Accounting Standards SLFRS 4, Insurance contracts are those contracts where the Group (the insurer) has accepted significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholders if a specified uncertain future event (the insured event) adversely affects the policyholder. The Group determines whether it has significant insurance risk, by comparing benefits paid against benefits payable if the insured event did not occur.

Investment contracts are those contracts that transfer significant financial risk. Financial risk is the risk of a possible future change in one or more of specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of price or rates, credit rating or credit index or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract.

8.5.2.2 Investment contract

Once a contract has been classified as an insurance contract, it remains an insurance contract for the remainder of its lifetime, even if the insurance risk reduces significantly during this period, unless all rights and obligations are extinguished or expired. Investment contracts can however be reclassified as insurance contracts after inception if the insurance risk becomes significant. All of the insurance policies issued by the Group transfer significant insurance risk and have been classified as insurance contracts in accordance with SLFRS 4, Insurance Contracts. The Group does not have any investment contracts as the reporting date.

8.5.2.3 Insurance contracts with Discretionary Participating Features (DPF)

Certain insurance and investment contracts contain a Discretionary Participation Feature (DPF). This feature entitles the holder to receive, as a supplement to guaranteed benefits, additional benefits or bonuses:



- that are likely to be a significant portion of the total contractual benefits;
- whose amount or timing is contractually at the discretion of the Group; and
- that are contractually based on:
- the performance of a specified pool of contracts or a specified type of contract;
- realized and/or unrealized investment returns on a specified pool of assets held by the Group; or
- the profit or loss of the company, fund or other entity that issues the contract.

Local statutory regulations and the terms and conditions of these contracts set out the bases for the determination of the amounts on which the additional discretionary benefits are based (the DPF eligible surplus) and within which the Group may exercise its discretion as to the quantum and timing of payment to contract holders. At least 90% of the eligible surplus must be attributed to contract holders as a Group (which can include future contract holders). The amount and timing of the distribution to individual contract holders is at the discretion of the Group, subject to the advice of the relevant appointed actuary.

8.5.3 **Insurance Contract Liabilities**

Life insurance contract liabilities

Life insurance liabilities are recognized when contracts are entered into and premiums are charged. These liabilities are measured by using the gross premium method. The liability is determined as the sum of the discounted value of the expected future benefits, claims handling and policy administration expenses, policyholder options and guarantees and investment income from assets backing such liabilities, which are directly related to the contract, less the discounted value of the expected theoretical premiums that would be required to meet the future cash outflows based on the valuation assumptions used.

The liability is either based on current assumptions or calculated using the assumptions established at the time the contract was issued, in which case a margin for risk and adverse deviation is generally included.

Furthermore, the liability for life insurance contracts comprises the provision for unearned premiums and unexpired risks, as well as for claims outstanding, which includes an estimate of the incurred claims that have not yet being reported to the Company. Adjustments to the liabilities at each reporting date are recorded in the Income Statement. Profits originating from margins of adverse deviations on run-off contracts are recognized in the Income Statement over the life of the contract, whereas losses are fully recognized in the Income Statement during the first year of run-off. The liability is derecognized when the contract expires, is discharged or is cancelled.

Liability Adequacy Test - Life Insurance Contract Liabilities

At each reporting date, an assessment is made of whether the recognized long-term business provisions are adequate using current estimates of future cash flows. If that assessment shows that the carrying amount of the liabilities (less related assets) is insufficient in light of the estimated future cash flows, the deficiency is recognized in the Income Statement by creating an additional provision in the Statement of Financial Position as required by SLFRS 4: Insurance Contracts.

According to the Section 67(2) of new Inland Revenue Act No.24 of 2017 which is effective from 1st April 2018, the surplus distributed to a life insurance policyholder who shares the profit of a person engaged in the business of a life insurance, as provided in the Regulation of Insurance Industry Act No. 43 of 2000, shall be deemed as gains and profits of the business and shall be taxed at a concessionary rate of 14% for three years of assessment after the commencement of the Act.

8.5.4 **Statutory reserve fund**

The statutory reserve fund is maintained in terms of a licensed finance Group (Capital Funds) Direction No.01 of 2003. Accordingly, the company should transfer funds out of net profits of each year in the flowing manner, after due provision has been made for taxation and bad and doubtful debts.

- If capital funds are not less than twenty five percent of total deposit liabilities a sum equal to not less than five percent of the net profits;
- If capital funds are less than twenty five percent of total deposit liabilities but not less than ten percent thereof, a sum equal to not less than twenty percent of the net profits;
- If capital funds are less than ten percent of total deposit liabilities a sum equal to not less than fifty percent of the net profits.

9. ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

IFRS S1 – General Requirements for Disclosure of Sustainability-related Financial Information

IFRS S1 was issued by the International Sustainability Standards Board (ISSB) in June 2023. IFRS S1 sets out the overall requirements for an entity to disclose sustainability-related financial information that is useful to investors and other stakeholders in making decisions. The standard requires entities to disclose material information about all sustainability-related risks and opportunities that could reasonably be expected to affect the entity's cash flows, access to finance, or cost of capital. The Company is currently assessing the potential implications of IFRS S1, including system and process readiness for disclosure requirements.

IFRS S2 – Climate-related Disclosures

Issued alongside IFRS S1, IFRS S2 specifically addresses climate-related risks and opportunities. It requires entities to disclose information about governance, strategy, risk management, and metrics and targets related to climate-related risks and opportunities. The Company is in the process of evaluating the applicability and potential impact of this standard and will implement appropriate measures to comply with its requirements once effective.



NOTES TO THE FINANCIAL STATEMENTS

10 Property, plant and equipment

10.1 Group

	Land & Building LKR '000	Improvements to Building Under Lease LKR '000	Motor Vehicles LKR '000	Other Equipment LKR '000
Cost				
Balance at the beginning of the year	80,661	250,256	41,181	183,603
Additions during the year	177,200	92,800	79,300	320,212
Transfers during the year	-	-	-	-
Disposals during the year	-	-	-	(4,857)
Written-off during the year	-	-	(21,900)	-
On disposal of subsidiary	-	-	-	(14,402)
Transfers from capital work in progress	-	-	-	5,342
Balance at the end of the year	257,861	343,056	98,581	489,898
Accumulated Depreciation				
Balance at the beginning of the year	1,472	172,054	40,977	95,502
Charge for the year	464	39,993	2,010	71,003
Disposals/ transfers during the year	-	-	(21,900)	(2,836)
Written-off during the year	-	-	-	-
On disposal of subsidiary	-	-	-	(832)
Balance at the end of the year	1,936	212,047	21,087	162,837
Carrying values as at 31 March 2025	255,925	131,009	77,494	327,061
Carrying values as at 31 March 2024	79,189	78,202	204	88,101

10.2 Company

	Motor Vehicles LKR '000	Other Equipment LKR '000	Furniture, Fixtures & Fittings LKR '000	Office Equipment LKR '000	Work in Progress LKR '000	Total 2025 LKR '000	Total 2024 LKR '000
Cost							
Balance at the beginning of the year	21,918	13,027	11,833	3,733	108,356	158,867	48,237
Additions during the year	21,000	8,188	3,020	439	-	32,647	110,630
Transfers from CWIP	-	5,342	103,014	-	(108,356)	-	-
Disposals during the year	-	(252)	-	-	-	(252)	-
Balance at the end of the year	42,918	26,305	117,867	4,172	-	191,262	158,867
Accumulated Depreciation							
Balance at the beginning of the year	21,771	7,678	11,204	2,478	-	43,131	40,829
Charge for the year	1,976	2,194	16,405	554	-	21,129	2,302
Disposals during the year	-	(131)	-	-	-	(131)	-
Balance at the end of the year	23,747	9,741	27,609	3,032	-	64,129	43,131
Carrying value as at 31 March 2025	19,171	16,564	90,258	1,140	-	127,133	-
Carrying value as at 31 March 2024	147	5,349	629	1,255	108,356		115,736

Chartered Accountants KPMG

Furniture, Fixtures & Fittings LKR '000	Office Equipment LKR '000	Gym Equipment LKR '000	Name Board LKR '000	Electrical Equipment LKR '000	Work in Progress LKR '000	Total 2025 LKR '000	Total 2024 LKR '000
425,728	633,076	48,350	1,228	5,944	161,405	**1,831,432**	1,162,005
113,203	234,810	550	-	2,816	-	**1,020,891**	621,151
-	-	-	-	-	(52,474)	**(52,474)**	58,755
(8,805)	(556)	-	-	-	-	**(14,218)**	(10,479)
(224)	(252)	-	-	-	-	**(22,376)**	-
(1,515)	(1,395)	(48,900)	(1,228)	(8,760)	(575)	**(76,775)**	-
103,014	-	-	-	-	(108,356)	**-**	-
631,401	865,683	-	-	-	-	**2,686,480**	1,831,432
195,554	432,042	10,968	322	944	-	**949,834**	813,807
94,896	91,400	855	21	200		**300,842**	146,294
(9,011)	(490)	-	-	-	-	**(34,237)**	(10,267)
-	-	-	-	-	-	**-**	-
(11,613)	(237)	(11,824)	(343)	(1,144)	-	**(25,993)**	-
269,826	522,715	-	-	-	-	**1,190,446**	949,834
361,575	342,968	-	-	-	-	1,496,034	
230,174	201,034	37,382	906	5,000	161,405	-	881,598



NOTES TO THE FINANCIAL STATEMENTS

10.3 Valuation of land and building

The Land & Building refer to Note 10.1 above are at revalued prices. The assumptions used fo the fair valuations are disclosed in Note.11.3

10.4 Fully depreciated property, plant and equipment in use

The original cost of fully depreciated property, plant and equipment of the Group & Company that is still in use amounts to LKR 286.1Mn & LKR37Mn respectively ((2023/24 - LKR 332Mn & LKR 37Mn).

10.5 Impairment

Based on the assessment of potential impairment carried out by the Group as at 31 March 2025, no provision was required to be made in the Financial Statements.

10.6 Title restriction on property, plant and equipment

There were no restrictions on the title of the property, plant and equipment as at 31st March 2025.

10.7 Temporarily idle property, plant and equipment

There were no temporary idle items of property, plant and equipment as at 31st March 2025.

10.8 Assets pledged as collateral for banking facilities

There were no items of property, plant and equipment pledged as security as at 31 March 2025.

10.9 Capitalization of borrowing costs

There were no capitalized borrowing costs related to the acquisition of property, plant & equipment during the year.

10.10 Revaluation Policy

Janashakthi Insurance PLC applies the revaluation model to the entire class of freehold land and buildings. Freehold land and buildings of that company are revalued every three years on a roll over basis to ensure that the carrying amounts do not differ materially from the fair values at the reporting date.

10.11 Assessment of impairment of property, plant and equipment

The Board of Directors has assessed the potential impairment indicators of property, plant & equipment as at 31 March 2025. Based on the assessment, no impairment indicators were identified.

11 Investment Property

As at 31 March	Notes	Group 2025 LKR '000	Group 2024 LKR '000	Company 2025 LKR '000	Company 2024 LKR '000
Balance at the beginning of the year		5,677,938	6,522,375	2,907,000	3,649,967
Additions during the year		59,961	85,000	46,840	85,000
Transfers to property, plant & equipment during the year		-	(55,328)	-	-
Transfer from / (to) Inventories		20,009	-	-	-
Disposals during the year		(132,000)	(85,071)	-	-
Fair value gain/(loss) on investment properties		34,489	(362,572)	(500)	(401,500)
Building write off	11.1	-	(426,467)	-	(426,467)
Balance at the end of the year		5,660,397	5,677,937	2,953,340	2,907,000

Chartered Accountants

11.1 The Company initially commenced construction of an apartment complex on the Wattala land. However, due to economic recession in 2021 and early part of 2022, the project's feasibility was compromised. Consequently, the Company decided to abandon the project, reallocating it to intellectual property (IP). The construction costs incurred are now being transferred to the profit and loss statement (P&L).

11.2 **Location of Land & Buildings**

Location	Address	Building Area (Sq.Ft)	Land Extent	Type	Fair value 2025 LKR '000	Fair value 2024 LKR '000	Per perch value - correlation to fair value
Janashakthi Limited							
Wattala	No. 58/09, Kanthi Mawatha & No.566/5, Negombo Road, Hunupitiya Village, Wattala	-	1,537 perches	Freehold	2,800,000	2,800,000	Positive
Hiripitiya	Urban Gateway Residencies	Unit B/F0/U6	1,856.73 sq.ft	Freehold	21,500	22,000	Positive
Makuluduwa Land	No. 583 Makuludoowa, Kesbewa		43.85 perches	Freehold	85,000	85,000	Positive
Rajagiriya Land	No.70/5, Welikada Road		A0-R0-P14.40	Freehold	46,840	-	Positive
Sub total					2,953,340	2,907,000	
Janashakthi Insurance PLC							
Galle	No. 143, Colombo Road, Galle		10.40 perches	Freehold	79,500	76,500	Positive
Badulla	No. 13 1/1, Bailey Road, Badulla		12.50 perches	Freehold	28,880	28,089	Positive
Matale	No. 83, Kings Street, Matale		15.00 perches	Freehold	39,921	41,514	Positive
Kandy	No. 302 , D.S.Senanayake Mawatha, Kandy		13.50 perches	Freehold	-	132,000	Positive
Dematagoda	No. 675, Dr. Danister De Silva Mawatha, Colombo 09		37.05 perches	Freehold	1,685,000	1,650,500	Positive
Kilinochchi	No. 24-139, Main Street, Kilinochchi		22.03 perches	Freehold	48,500	46,000	Positive
Trincomalee	No. 233/1, Ehambaram Road, Trincomalee		40.70 perches	Freehold	76,806	74,934	Positive
Sub total					1,958,607	2,049,537	
Janashakthi Finance PLC							
Matara	No 38, Station Road, Matara		37.8 perches	Freehold	150,000	143,000	Positive
Kalutara	No 197/4 Galle Road, Kalutara		39.87 perches	Freehold	305,500	303,000	Positive
Panadura	Eluwila, Panadura		A1-R3-P22	Freehold	88,000	85,500	Positive
Malabe	3rd Lane, Pubudu Kreedangana Mawatha, Halbarawa, Malabe		R1-P11	Freehold	76,350	71,650	Positive
Peellewa	Homagama, Kuruduwaththe Eala Kumbure Peellewa		1A-R3-P32	Freehold	51,000	46,500	Positive
Dambulla	Katupotha, Dambulla		R1-P32.62	Freehold	31,000	29,000	Positive
Dambulla	No. 5675, Naigalawatta, Ibbankatuwa, Dambulla		1A-2R 32.4 P	Freehold	33,000	30,000	Positive
Habaraduwa	Beligahawatta, Gunasekara Mawatha, Habaraduwa		R1-P6.5	Freehold	13,600	12,750	Positive
Sub total					748,450	721,400	
Grand total					5,660,397	5,677,937	



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11.3 **Fair Valuation of Investment Properties**

11.3.1 **Janashakthi Limited**

The fair value hierarchy of the investment properties for the Company as at 31st March 2025 is as follows.

Value is derived from the subsequent market value for the properties.

As at 31 March	Level 1	Level 2	Level 3	Total fair value
			LKR '000	LKR '000
Condominium Properties	-	-	21,500	21,500
Makuluduwa Land			85,000	85,000
Land in Wattala			2,800,000	2,800,000
Land in Kaduwela	-	-	46,840	46,840
	-	-	2,953,340	2,953,340

Investment properties pledged as security as at 31st March 2025 are disclosed in institutional borrowing note 29.2

11.3.2 **Janashakthi Insurance PLC**

Investment Properties re-stated at fair value which have been determined based on a valuation performed by Deshamanya H.B. Manjula Basnayaka AIV (SL), JP (WI), using the Income Approach Method of valuation except for Kilinochchi land which was valued on market approach as of 31st December 2024.

Location	Significant unobservable input	Estimates for unobservable inputs
		LKR '000
No. 24-133, Main Street, Kilinochchi	Estimated Price per perch	2,200,000
No. 233/1, Ehambaram Road, Trincomalee	Estimated Annual Rental Income	7,500,000
No. 143, Colombo Road, Galle	Estimated Annual Rental Income	6,600,000
No. 13 1/1, Bailey Road, Badulla	Estimated Annual Rental Income	6,300,000
No. 83, Kings Street, Matale	Estimated Annual Rental Income	529,200
No. 675, Dr. Danister de Silva Mw, Colombo 09	Estimated Annual Rental Income	140,000

11.3.2.1 The rental income earned from the above properties during the year 2024 is LKR 92.7 million (2023 - LKR12.43 million).

11.3.2.2 The fair value hierarchy of the investment properties for the Company as at 31st December 2024 is as follows.

	Level 1	Level 2	Level 3	Total fair value
			LKR '000	LKR '000
Freehold land	-	-	1,158,537	1,158,537
Freehold building	-	-	800,070	800,070
	-	-	1,958,607	1,958,607

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11.3.3 Janashakthi Finance PLC

11.3.3.1 The rental income earned from the below properties during the year is LKR 9.49 million. (2023/24 LKR9.38 million).

11.3.3.2 The fair value hierarchy of the investment properties of Janashakthi Finance PLC as at 31st March 2025 is as follows.

	Level 1	Level 2	Level 3	Total fair value
			LKR '000	LKR '000
Freehold land & buildings	-	-	748,450	748,450
	-	-	748,450	748,450

11.3.3.3 Investment properties are stated at fair value which has been determined based market approach.

12 Right of use of assets

As at 31 March	Notes	Group 2025 LKR '000	Group 2024 LKR '000	Company 2025 LKR '000	Company 2024 LKR '000
Cost					
Balance at the beginning of the year		1,430,582	1,097,181	135,720	212,802
Opening balance of advance payments for right-of-use assets		24,464	16,294	-	-
Additions during the year	12.1	331,946	601,411	126,161	142,460
Disposal of ROU		(100,662)	(299,700)	-	(212,802)
Disposal of subsidiary during the year*	12.2	(565,321)	-	-	-
Exchange Gain/ (Loss)		(2,300)	(6,740)	(2,300)	(6,740)
Advance paid for right to use of land during the year		10,920	22,136	-	-
Balance at the end of the year		1,129,629	1,430,582	259,581	135,720
Accumulated depreciation					
Balance at the beginning of the year		514,350	433,366	4,572	113,076
Depreciation charge for the year		191,363	196,232	26,769	9,738
Capitalized during the year		-	-	-	-
Disposal of ROU		(5,007)	(115,248)	-	(118,242)
Disposal of subsidiary during the year*	12.2	(295,808)	-	-	-
Balance at the end of the year		404,898	514,350	31,341	4,572
					-
Carrying value as at 31 March		724,731	916,232	228,240	131,148

12.1 During the year, the Group leased land and buildings and recognised a right to use asset of LKR 331.94 Mn (2023/24 - LKR 601.41 Mn).

12.2 Janashakthi Limited being the parent company of Beckett Capital Pvt Ltd sold its entire stake of 100% on 31st January 2025. This resulted in derecognising the ROU assets.

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13 Net deferred tax assets

As at 31 March	Group 2025 LKR '000	Group 2024 LKR '000	Company 2025 LKR '000	Company 2024 LKR '000
Balance at the beginning of the year	497,471	686,837	-	-
Origination during the year - Profit or Loss	362,215	(192,956)	-	-
Reversal / (Origination) during the year - Other Comprehensive Income	-	4,323	-	-
Recognised in other comprehensive income	1,270	1,321	-	-
Deferred tax effect on actuarial gain on retirement benefits obligation	177	(2,054)	-	-
Balance at the end of the year	861,133	497,471	-	-
13.1 **Deferred tax assets / (liabilities) arise from;**				
Property, plant & equipment	(167,841)	(256,213)	(10,712)	(1,612)
Right of use of land and lease liabilities	7	(82,350)	7	1,022
Retirement benefit obligation	1,726,214	176,131	7,719	26,394
Investment property	(441,010)	(285,000)	(284,500)	(285,000)
Qualifying payment on purchase consideration of amalgamation	1,133,820	1,252,640	-	-
Provision for impairment of financial assets	306,719	179,559	-	-
On accumulated tax losses	116,289	333,089	-	-
Brought forward tax losses	287,486	340,381	287,486	259,196
On leasehold assets	(91,242)		-	-
Total deductible temporary differences	2,870,442	1,658,237	-	-
Applicable tax rate	30%	30%	30%	30%
Net deferred tax assets	861,133	497,471	-	-

13.2 Deferred tax asset is recognized by considering the brought forward tax losses of which, the amount is in the opinion of the Directors, to the extent that it is probable that future taxable profit of the Company will be available against brought forward tax losses in accordance with LKAS 12 and provisions of Inland Revenue Act No. 24 of 2017 and amendments there to.



Deferred tax asset has not been recognized in respect of the following tax losses because it is not probable that future taxable profit will be available against which the Group/Company can use the benefits therein.

As at 31 March	Group		Company	
	2025	2024	2025	2024
	LKR '000	LKR '000	LKR '000	LKR '000
Tax loss	**15,280,215**	20,594,653	**15,280,215**	20,201,478
Unrecognized deferred tax asset	**4,584,065**	4,612,520	**4,584,065**	4,513,753

13.3 Deferred tax has been computed at 30% for all group of companies for the reporting date, 31st March 2025.

14 Intangible assets

As at 31 March	Software	Business License	Goodwill	Group		Company	
				2025	2024	2025	2024
	LKR '000	LKR '000	LKR '000	LKR '000	LKR '000	LKR '000	LKR '000
Cost							
Balance at the beginning of the year	303,856	49,800	4,255,564	**4,609,220**	4,571,696	-	1,000
Additions during the year	97,118	-	-	**97,118**	38,524	-	-
Disposal of subsidiary	(458)	(21,000)	-	**(21,458)**	-	-	-
Disposal	-	-	-	-	(1,000)	-	(1,000)
Balance at the end of the year	400,516	28,800	4,255,564	4,684,880	4,609,220	-	-
Accumulated amortization							
Balance at the beginning of the year	226,542	-	-	226,542	181,181	-	272
Amortization charge for the year	42,661	-	-	**42,661**	45,815	-	182
Disposal of subsidiary	(107)	-	-	**(107)**	-	-	-
Disposal	-	-	-	-	(454)	-	(454)
Balance at the end of the year	269,096	-	-	269,096	226,542	-	-
Carrying value as at 31 March 2025	131,420	28,800	4,255,564	**4,415,784**	-	-	-
Carrying value as at 31 March 2024	77,314	49,800	4,255,564		4,382,678		-

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14.1 Nature of intangible assets

Intangible assets consist of goodwill on business combinations, business license & computer software which are in use for normal business activities.

Intangible Assets - Goodwill on Acquisition As at 31 March	Carrying Value 2025 LKR '000	 2024 LKR '000
Janashakthi Insurance PLC	982,500	982,500
Janashakthi Finance PLC	482,593	482,593
First Capital Holdings PLC (Dunamis Capital PLC - Amalgamated entity)	2,790,471	2,790,471
	4,255,564	4,255,564

14.2 Title restrictions on intangible assets

There were no restrictions on title of intangible assets as at the reporting date.

14.3 Assessment of impairment of intangible assets

The Board of Directors has assessed the potential impairment indicators of Intangible Assets including as at 31 March 2025. Based on the assessment, no impairment indicators were identified.

14.4 Assessment of impairment of intangible assets - Goodwill

As required by LKAS 36 - "Impairment of Assets", goodwill is tested for impairment annually and assessed for any indications of impairment at each reporting date to ensure that the carrying amount does not exceed the recoverable amount. Accordingly, the management of the Group conducted an assessment and concluded that there are no indications of impairment of the goodwill as at 31 March 2025.

The recoverable amount of goodwill is determined based on value in use calculations. The value in use was determined by following basis as at reporting date.

Company	Methodology	Key Assumptions	Sensitivity
Janashakthi Insurance PLC	Embedded Value	Multiple 1.50 (Note 14.4.1)	Assumption considered is 1.5 times the NAV (refer note 14.5.1). If the assumption dropped more than 28% (to 1.08 times) a goodwill impairment will be recognized
First Capital Holdings PLC	Adjusted NAV		For the purpose of goodwill impairment, the total valuation of all First Capital Group companies, as calculated based on the specified methodology, is aggregated and compared against the Group's Net Asset Value (NAV). If the aggregated valuation declines by more than 6.03%, a goodwill impairment will be recognized.
First Capital Limited	Adjusted NAV		
First Capital Treasuries PLC	Justified P/B	Multiple 1.28 (Note 14.4.2)	
First Capital Asset Management Limited	As a % of AUM	1.00% (Note 14.4.3)	
First Capital Markets Limited	NAV		
First Capital Equities (Pvt) Limited	NAV	Multiple 1.50 (Note 14.4.4)	
First Capital Trustee Services (Pvt) Limited	NAV		
First Capital Advisory Serivces (Pvt) Limited	NAV		
Orient Finance PLC	Discounted Cash Flow	WACC 12% Terminal Value Rate 2.00%	WACC assumed is 12%. If this gets more than 73.03% a goodwill impairment will be recognized



14.4.1 EV of Janashakthi Insurance (JINS) is arrived using NAV with a 1.5x multiplier. On 30th September 2022 independent valuer IBM arrived at EV of JINS and at the the time EV was 1.5x of NAV. Despite economic changes, fair valuation adjustments ensure NAV reflects current conditions. Thus, the same assumption is incorporated

14.4.2 Given the asset-centric nature of First Capital Treasuries PLC , the P/B ratio is used. Industry average of 1.28x is used as assumption.

14.4.3 First Capital Asset Management Limited,1% of AUM reflects its historical profitability from fund management activities. First Capital Asset Management Limited achieves an average 1% profit margin after direct and administrative costs, which is applied to value the company relative to its total AUM.

14.4.4 First Capital Equities (Private) Limited's revenue from commissions fluctuates with market conditions, making discounted cashflows unreliable. Instead, NAV is used with a 1.5x multiplier, assuming future revenue at 50% of existing NAV, this assumption is validated by an independent valuer CAL.

14.5 The business license represents stock brokering license which derived through acquisition of First Capital Equities (Private) Limited during year 2013/14.

15 Investments in Subsidiaries

Janashakthi Limited's principal activity is investing in subsidiaries and providing related services to the subsidiaries. As such, the return on the fund invested by the shareholders of Janashakthi Limited is generated through the subsidiaries. Janashakthi Limited accounts for investment in subsidiaires using equity method.

As at 31 March	Effective Holding (%) 2025	2024	Number of Shares 2025	2024	Equity method 2025 LKR '000	Cost 2025 LKR '000	Equity method 2024 LKR '000	Cost 2024 LKR '000
Direct Subsidiaries								
Janashakthi Insurance PLC	77.58%	77.58%	168,144,497	168,144,497	13,724,800	2,002,642	12,045,743	2,002,642
Janashakthi Finance PLC	93.44%	93.44%	184,199,495	184,199,495	2,967,686	2,752,714	2,613,285	2,752,714
First Capital Holdings PLC	76.57%	76.57%	234,992,601	234,992,601	5,732,506	1,397,626	6,750,928	1,397,626
Janashakthi Capital Ltd	99.99%	99.99%	99,991	99,991	46,801	44,302	(290,280)	44,302
Becket Capital Pvt Ltd	100.00%	100.00%	30,000,001	30,000,001	52,588	300,000	110,714	300,000
Sub Subsidiary								
First Capital Limited	76.57%	76.57%	-	-	-	-	-	-
First Capital Treasuries PLC	68.48%	68.48%	-	-	-	-	-	-
First Capital Asset Management Limited	75.57%	75.57%	-	-	-	-	-	-
First Capital Markets Limited	76.57%	76.57%	-	-	-	-	-	-
First Capital Equities (Pvt) Ltd	76.57%	76.57%	-	-	-	-	-	-
First Capital Trustee Services (Pvt) Ltd	76.57%	76.57%	-	-	-	-	-	-
First Capital Advisory Services (Pvt) Ltd	76.57%	76.57%	-	-	-	-	-	-
Orient Capital Ltd	99.99%	99.99%	34,999,998	34,999,998	29,501	-	30,793	-
Disposal of Subsidiary								
Beckett Capital Pvt Ltd	100.00%	100.00%	(30,000,001)	(30,000,001)	(52,588)	(300,000)		
Sub total					22,501,294	6,197,284	21,261,183	6,497,284

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15.1 Liabilities related to Equity Accounted Subsidiaries

As at 31 March	Effective Holding (%) 2025 LKR '000	Effective Holding (%) 2024 LKR '000	Number of Shares 2025 LKR '000	Number of Shares 2024 LKR '000	Equity method 2025 LKR '000	Cost 2025 LKR '000	Equity method 2024 LKR '000	Cost 2024 LKR '000
Janashakthi Business Services Limited	100.00%	100.00%	2	2	(8)	-	299	-
Janashakthi Corporate Services Limited	100.00%	100.00%	3,763,107	3,763,107	(13,046)	10,000	(2,131)	10,000
					(13,054)	10,000	(1,832)	10,000
Total of Equity Accounted Subsidiaries					22,488,240	6,207,284	21,259,351	6,507,284

15.2 Reconciliation of the carrying amount of Group interest of the subsidiaries

As at 31 March	2025 LKR '000	2024 LKR '000
Opening balance at the beginning of the year	21,259,351	18,226,543
Add -		
Investments made during the year	-	137,631
Share of profit during the year	6,573,156	10,952,867
Share of other comprehensive income during the year	(128,125)	491,601
Removal of AFS Reserve Fund of Life Policyholders	-	494,481
Disposal of subsidiary	(52,588)	-
Intercompany shares sold (Gain)/Loss	-	(733,805)
Less (-)		
Disposal of subsidiary shares	-	(2,694,201)
Dividend earned during the year	5,163,554	5,349,232
Adjustment to change in share ownership		234,685
Closing balance at the end of the year	22,488,240	21,259,351

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	As at 31 March	2025 LKR '000	2024 LKR '000
15.2.1	**Sales proceeds on disposal of Subsidiary Shares**		
	Company Perspective		
	Proceeds from disposal	52,588	3,754,587
	Net Invested value of disposal	52,588	2,694,201
	Unrealized Gain/(Loss)on intercompany sale	-	765,854
	Gain/(Loss) on disposal	-	294,532
	Group Perspective		
	Sales proceeds on disposal of Subsidiary Shares		
	Sales consideration	52,588	841,778
	Value of reduction in investment	52,588	547,246
	Gain/(Loss) on disposal	-	294,532

15.2.2 During the year, Janashakthi Limited divested its entire 100% equity stake in Beckett Capital at the company's net asset value of LKR 58.125 Mn.

15.3 During the year 2023/24 Janashakthi Ltd. sold 101,201,799 shares of First Capital PLC to Janashakthi Insurance on 22nd December 2024. The company adopted the direct holding method to calculate the profit on the disposal of shares. This share disposal resulted in the following changes to the effective holdings in subsidiaries, due to cross-holdings.

Susbidiay	Reduction in effective holding %	Value of reduction (000)	Effective holding before the sale	Effective holding after the sale
Janashakthi Insurance PLC	1.45%	226,083	79.03%	77.58%
First Capital Holdings PLC	6.44%	547,246	83.01%	76.57%
Janashakthi Finance PLC	0.25%	8,602	93.69%	93.44%

15.4 Shares pledged details are disclosed in Note 55.



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16.1.2.1 Securities pledged as collateral

Out of the government securities classified as FVTPL, the following amounts had been pledged as collateral for re-purchase agreements entered into by the Group.

As at 31 March	Notes	Group 2025 LKR '000	Group 2024 LKR '000	Company 2025 LKR '000	Company 2024 LKR '000
Treasury bills		695,792	13,605,361	-	-
Treasury bonds		76,676,775	37,145,268	-	-
		77,372,567	50,750,629	-	-
16.1.3 Investment in quoted debentures					
Banks, finance and insurance		1,666,521	1,018,254	-	-
		1,666,521	1,018,254	-	-

As at 31 March	Notes	Group 2025 LKR '000	Group 2024 LKR '000	Company 2025 LKR '000	Company 2024 LKR '000
16.2 Financial assets measured at amortized cost					
Reverse repurchase agreements		5,159,508	4,139,696	63	59
Short term lending		1,208,554	130,557	-	49,473
Corporate debts		2,440,672	3,331,448	-	-
Fixed deposits		672,411	455,752	131,248	34,189
Commercial papers		1,769,936	4,438,885	-	-
Staff receivables		53,956	62,953	-	-
Placement with banks and financial institutions		-	236,667	-	-
Less: Provision for impairment	16.2.3	(113,703)	(168,690)	-	-
		11,191,334	12,627,268	131,311	83,721

16.2.1 Investments in fixed deposits amounting to LKR 74Mn have been pledged as collateral for banking facilities (As at 31 March 2024 - Group LKR 60Mn).

16.2.2 Investment in commercial papers classified as financial assets at amortised cost amounting to LKR 228Mn have been pledged as collateral for re-purchase agreements and margin facility entered into by the Group as of 31 March 2025 (31 March 2024 - LKR1,102Mn).

16.2.3 Investment in trust certificates classified as financial assets at amortised cost amounting to LKR 810Mn have been pledged as collateral for re-purchase agreements and margin facility entered into by the Group as of 31 March 2025 (31 March 2024 - Nil).

16.2.4 Investment in securitised papers classified as financial assets at amortised cost amounting to LKR 199Mn have been pledged as collateral for re-purchase agreements and margin facility entered into by the Group as of 31 March 2025.



As at 31 March	Group		Company	
	2025	2024	2025	2024
	LKR '000	LKR '000	LKR '000	LKR '000
16.2.5 Movement in provision for expected credit loss on financial assets measured at amortized cost				
Balance as at the beginning of the year	168,690	245,517	-	-
(Reversal)/charge for the year	(54,987)	(76,827)	-	-
Balance as at the end of the year	113,703	168,690	-	-

16.2.6 Expected loss on corporate debt securities classified as "Stage 1" amounting to LKR 307,018 (2024 - "Stage 1" - LKR 235,860) in accordance with SLFRS 9.

16.2.7 Expected loss on investment in fixed deposits classified as "Stage 1" and "Stage 3" amounting to LKR 77 and LKR 5,000,000 (2024 - "Stage 1" - LKR 4,318 and "Stage 3" - LKR 5,000,000) respectively in accordance with SLFRS 9.

16.2.8 Expected loss on short term lending classified as "Stage 1", and Stage 3" amounting to LKR 5,274,642, and LKR 103,119,677 respectively (2024 - "Stage 1" - LKR 26,075,905 "Stage 2" - LKR 16,249,863 and "Stage 3" - LKR 118,119,678) in accordance with SLFRS 9.

As at 31 March	Notes	Group		Company	
		2025	2024	2025	2024
		LKR '000	LKR '000	LKR '000	LKR '000
16.3 Financial assets at fair value through other comprehensive income					
Equity securities	16.3.1	848,432	2,516,818	-	-
Venture capital investments		12	12	-	-
Investment in government securities	16.3.6	1,144,033	932,761	-	-
Corporate debt		1,493,673	1,555,979	-	-
		3,486,150	5,005,570	-	-
16.3.1 Equity securities					
Banks, finance and insurance		776,654	2,450,191	-	-
Land and property		71,778	66,628	-	-
Diversified holdings		-	-	-	-
Manufacturing		-	-	-	-
		848,432	2,516,819	-	-

16.3.2 The Group designated the investment shown above as equity securities measured at fair value through other comprehensive income because these equities represent investment that the Group intends to hold for medium to long term for strategic purpose.

16.3.3 Janashakthi Limited (JL) holds 5,000,000 preference shares (12%, non-cumulative, convertible) acquired at LKR 20 per share in Kanrich Finance Limited on account of amalgamation with Dunamis Capital PLC. Nation Lanka Finance PLC (NLF) amalgamated on the 31st July with KFL and the shares held by JL were converted to 228,466,987 number of Share Exchange Ratio adopted in the Business Amalgamation For 10,000 share of KFL, 456,933.973 shares of NLFL.

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16.3.4 First Capital Limited (FCL) held 8,270,077 ordinary shares acquired at LKR 40 per share in Kanrich Finance Limited (KFL) which was equivalent to 10% stake and the said investment is classified under financial assets measured at fair value through other comprehensive income. On 31st July 2023, NLF (NLF) amalgamated with KFL and the shares held by FCL were converted to 266,770,806 number of shares of NLF adopting a Share Exchange Ratio of 10,000 shares of KFL, 322,573.5456 shares of NLF in the business amalgamation. The shares were listed on Colombo Stock Exchange on 31st August 2023. As of 31st March 2025, FCL holds 261,167,368 ordinary shares of NLF.

16.3.5 The Directors' valuation of non-quoted securities of Janashakthi Finance PLC, based on cost of investment less impairment amounts to LKR 230,600/- (2024 - LKR 230,600/-).

16.3.6 Investment in Government Securities includes Investments in Treasury Bills by Janashakthi Finance PLC and First Capital Holdings PLC.

17 Loans and receivables from customers

As at 31 March	Notes	Group 2025 LKR '000	Group 2024 LKR '000	Company 2025 LKR '000	Company 2024 LKR '000
Loans and receivables		**29,359,282**	21,855,738	-	-
Less: Unearned income		**(6,192,749)**	(5,068,272)	-	-
Net loans and receivables		**23,166,533**	16,787,466	-	-
Less: impairment for expected credit loss	17.7	**(1,111,774)**	(1,128,728)	-	-
Net loans and receivables		**22,054,759**	15,658,738	-	-
Product-wise analysis of net loans and receivables to customers					
Financial lease receivables	17.1	11,975,443	9,165,519	-	-
Hire purchase receivables	17.2	11,560	14,129	-	-
Factoring receivables	17.3	39,089	48,378	-	-
Gold loan receivables	17.4	7,720,279	4,889,426	-	-
Other loans receivables	17.5	795,381	604,327	-	-
Alternative finance receivables	17.6	1,513,007	936,959		
		22,054,759	15,658,738	-	-

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	As at 31 March	Note	Group 2025 LKR '000	Group 2024 LKR '000	Company 2025 LKR '000	Company 2024 LKR '000
17.1	**Financial lease receivables**					
	Gross lease rentals receivables		18,540,299	14,675,401	-	-
	Less: Unearned lease income		(5,577,982)	(4,583,593)	-	-
	Net lease rentals receivables		12,962,317	10,091,809	-	-
	Less: impairment for expected credit loss	17.7	(986,874)	(926,289)	-	-
	Net financial lease receivable		11,975,443	9,165,519	-	-
	Lease rentals receivables within one year					
	Gross lease rentals receivables		7,823,327	6,214,713	-	-
	Less : Unearned lease income		(2,752,915)	(2,170,736)	-	-
	Net lease rentals receivables		5,070,412	4,043,977	-	-
	Impairment for expected credit loss		(386,031)	(371,181)	-	-
	Net financial lease receivables within one year		4,684,381	3,672,796	-	-
	Lease rentals receivables one to five years					
	Gross lease rentals receivables		10,716,972	8,456,208	-	-
	Less : Unearned lease income		(2,825,067)	(2,412,507)	-	-
	Net lease rentals receivables		7,891,905	6,043,701	-	-
	Impairment for expected credit loss		(600,843)	(554,729)	-	-
	Net financial lease receivables within one to five years		7,291,062	5,488,972	-	-
	Lease rentals receivables later than five years					
	Gross lease rentals receivable later than five years		-	4,460	-	-
	Less : Unearned lease income		-	(350)	-	-
	Net lease rentals receivable		-	4,130	-	-
	Impairment for expected credit loss		-	(379)	-	-
	Net financial lease receivables later than five years		-	3,751	-	-
	Total		11,975,443	9,165,519	-	-

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	As at 31 March	Notes	Group 2025 LKR '000	Group 2024 LKR '000	Company 2025 LKR '000	Company 2024 LKR '000
17.2	**Hire purchase rentals receivables**					
	Gross hire purchase rentals receivables		**22,206**	25,703	-	-
	Impairment for expected credit losses	17.7	**(10,646)**	(11,574)	-	-
	Hire purchase rentals receivable within one year		**11,560**	14,129	-	-
	Hire purchase rentals receivables within one year					
	Gross hire purchase rentals receivables within one year		22,206	25,703	-	-
	Less : Unearned income		(10,646)	-	-	-
	Impairment for expected credit losses	17.7	-	(11,574)	-	-
	Net hire purchase rentals receivables within one year		**11,560**	14,129	-	-
17.3	**Factoring receivables**					
	Factoring receivables		**49,531**	58,819	-	-
	Impairment for expected credit losses	17.7	**(10,442)**	(10,441)	-	-
	Net Factoring Receivables		**39,089**	48,378	-	-
17.4	**Gold Loan receivables**					
	Gold Loans receivable		**7,723,282**	4,895,029	-	-
	Impairment for expected credit losses	17.7	(3,003)	(5,603)	-	-
	Net Gold Loan receivable		7,720,279	4,889,426	-	-
17.5	Other loan receivables					
	Gross other loans rentals receivables		983,162	866,570	-	-
	Unearned income		(104,266)	(95,105)	-	-
	Net other loans rentals receivables		878,898	771,465	-	-
	Impairment for expected credit losses		(83,515)	(167,138)	-	-
	Net other loans rentals receivables		795,381	604,327	-	-
	Other loans receivables within one year					
	Gross other loans rentals receivable within one year		798,988	537,910	-	-
	Unearned income		(71,333)	(37,390)	-	-
	Net other loans rentals receivable within one year		727,655	500,520	-	-
	Impairment for expected credit losses	17.7	(71,081)	(126,676)	-	-
	Net other loans receivables within one year		656,574	373,844	-	-
	Other loans receivables one to five years					
	Gross other loans rentals receivable within one to five years		184,174	328,660	-	-
	Unearned income		(32,933)	(57,715)	-	-
	Net other loans rentals receivable within one to five years		151,241	270,946		
	Impairment for expected credit losses	17.7	(12,434)	(40,462)	-	-
	Net other loans receivables within one to five years		138,807	230,483	-	-
	Total		795,381	604,327	-	-

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	As at 31 March	Note	Group 2025 LKR '000	Group 2024 LKR '000	Company 2025 LKR '000	Company 2024 LKR '000
17.6	**Alternative finance receivable**					
	Gross Alternative finance receivable		2,038,528	1,334,213	-	-
	Less: Unearned income		(508,228)	(389,574)	-	-
	Net Alternative finance receivable		1,530,300	944,639	-	-
	Less: Impairment for expected credit losses	17.7	(17,293)	(7,680)	-	-
	Net Alternative finance receivable		1,513,007	936,959	-	-
	Alternative finance receivables within one year					
	Gross Alternative finance receivable within one year		1,092,979	658,737	-	-
	Less: Unearned income		(272,372)	(198,232)	-	-
	Net Alternative finance receivable within one year		820,607	460,505	-	-
	Less: Impairment for expected credit losses		(9,273)	(3,744)	-	-
	Net Alternative finance receivable within one year		811,334	456,761	-	-
	Alternative finance receivables within one to five years					
	Gross Alternative finance receivable within one to five years		943,945	675,477	-	-
	Less: Unearned income		(235,730)	(191,342)	-	-
	Net Alternative finance receivable within one to five years		708,215	484,135	-	-
	Less: Impairment for expected credit losses		(8,003)	(3,936)	-	-
	Net Alternative finance receivable within one to five years		700,212	480,199	-	-
	Alternative finance receivables later than five years					
	Gross Alternative finance receivable later than five years		1,603		-	-
	Less: Unearned income		(126)		-	-
	Net Alternative finance receivable later than five years		1,477		-	-
	Less: Impairment for expected credit losses		(17)		-	-
	Net Alternative finance receivable later than five years		1,461		-	-
	Total		1,513,007	936,960	-	-

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17.7 Product-wise analysis of net loans and receivables from customers

As at 31 March	As at 31 March 2025 Gross receivable LKR '000	ECL allowance LKR '000	Net receivable LKR '000	As at 31 March 2024 Gross receivable LKR '000	ECL allowance LKR '000	Net receivable LKR '000
Finance lease receivable						
Stage 01	9,670,952	(108,237)	9,562,715	6,237,183	(109,194)	6,127,989
Stage 02	1,985,856	(117,262)	1,868,594	2,339,308	(190,283)	2,149,025
Stage 03	1,305,512	(777,775)	527,736	1,515,316	(626,812)	888,505
Written off during the year	-	16,400	16,400	-	-	-
	12,962,320	(986,874)	11,975,446	10,091,808	(926,289)	9,165,519
Hire purchase receivable						
Stage 03	22,206	(14,145)	8,061	25,705	(11,575)	14,129
Written off during the year	-	3,499	3,499	-	-	-
	22,206	(10,646)	11,560	25,705	(11,575)	14,129
Factoring receivable						
Stage 03	49,531	(10,442)	39,088	58,821	(10,442)	48,378
	49,531	(10,442)	39,088	58,821	(10,442)	48,378
Gold loans receivable						
Stage 01	6,974,117	(2,942)	6,971,175	3,796,063	(176)	3,795,887
Stage 02	744,394	(61)	744,333	988,016	(393)	987,623
Stage 03	4,771	-	4,771	110,950	(5,034)	105,916
	7,723,282	(3,003)	7,720,279	4,895,029	(5,603)	4,889,426
Other loans receivable						
Stage 01	617,534	(1,705)	615,829	416,654	(2,293)	414,360
Stage 02	32,399	(1,698)	30,701	21,850	(2,610)	19,240
Stage 03	228,962	(161,300)	67,663	332,963	(162,235)	170,728
Written off during the year	-	81,188	81,188	-	-	-
	878,895	(83,515)	795,380	771,467	(167,138)	604,328
Altenative finance receivable						
Stage 01	1,440,111	(9,276)	1,430,835	906,046	(5,373)	900,673
Stage 02	83,339	(3,115)	80,224	36,943	(1,897)	35,046
Stage 03	6,850	(4,902)	1,948	1,650	(410)	1,240
	1,530,300	(17,293)	1,513,007	944,639	(7,680)	936,959
Total	23,166,533	(1,111,774)	22,054,759	16,787,468	(1,128,728)	15,658,739

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17.8 Movement in specific and collective impairment charges of loans and receivables from customers for the year ended 31 March 2025

As at 31 March	Finance lease LKR'000	Hire purchase LKR'000	Other loans receivables LKR'000	Factoring LKR'000	Alternative finance LKR'000	Gold loan LKR'000	Provision for specific item LKR'000	Total LKR'000
Balance as at 01st April 2024	926,289	11,575	167,138	10,442	7,680	5,603	-	1,128,728
Charge/(reversal) for the year	76,985	2,569	(2,435)		9,613	(2,600)	-	84,133
Written off during the year	(16,400)	(3,499)	(81,188)	-	-	-		(101,087)
Balance as at 31st March 2025	986,874	10,646	83,516	10,442	17,293	3,003	-	1,111,774

Movement in specific and collective impairment charges of loans and receivables from customers for the year ended 31 March 2024

As at 31 March	Finance lease LKR'000	Hire purchase LKR'000	Other loans receivables LKR'000	Factoring LKR'000	Alternative Finance LKR'000	Gold Loan LKR'000	Provision for specific item LKR'000	Total LKR'000
Balance as at 01st April 2023	744,960	8,042	202,563	79,299	2,750	1,905	-	1,039,520
Charge/(reversal) for the year	181,329	3,533	(35,425)	(17,886)	4,930	3,698		140,179
Written off during the year	-	-	-	(50,971)	-	-		(50,971)
Balance as at 31st March 2024	926,289	11,575	167,138	10,442	7,680	5,603	-	1,128,728

18 Loans to life policyholders and others

As at 31 March	Group		Company	
	2025 LKR '000	2024 LKR '000	2025 LKR '000	2024 LKR '000
Loans recoverable from policyholders	257,702	247,541	-	-
Loans given to employees	17,724	21,195	-	-
	275,426	268,736	-	-

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19 Inventories

As at 31 March	Group 2025 LKR '000	Group 2024 LKR '000	Company 2025 LKR '000	Company 2024 LKR '000
Real estate stock	20,306	9,860	-	-
Consumables	-	2,605	-	-
Total	20,306	12,465	-	-

19.1 Real estate stocks consists of real estate projects carrying out by Janashakthi Finance PLC. Consumable balances consisted of gym improvement materials of Beckett Capital (Pvt) Ltd amounting to LKR 2,605Mn in March 2024.

As at 31 March	Note	Group 2025 LKR '000	Group 2024 LKR '000	Company 2025 LKR '000	Company 2024 LKR '000
Janashakthi Finance PLC	19.2	20,306	9,860	-	-
Beckett Capital (Pvt) Ltd		-	2,605	-	-
		20,306	12,465	-	-

As at 31 March	Group 2025 LKR '000	Group 2024 LKR '000
19.2 Janashakthi Finance PLC		
Naranwala Project	1,767	1,767
Kiriberiya Project	-	2,887
Matale Project	13,046	13,046
Maddawaththa Project	-	865
Chilaw Project	-	1,794
Dambulla Project	6,601	7,393
Fall in fair value of real estate stock	-	(16,785)
Intercompany adjustments	(1,108)	(1,108)
	20,306	9,860

19.3 There were no items of inventory pledged as security as of 31 March 2025, except for disclosed in Note 29.2.

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20 Reinsurance receivables

As at 31 March	Group		Company	
	2025 LKR '000	2024 LKR '000	2025 LKR '000	2024 LKR '000
Reinsurance receivables on outstanding claims	**19,620**	26,815	-	-
	19,620	26,815	-	-

20.1 Reinsurance receivables are recognised as a financial asset as loans and receivables and the asset is de-recognised when the contractual rights are extinguished or expired or when the contract is transferred to another party.

21 Premium receivables

As at 31 March	Group		Company	
	2025 LKR '000	2024 LKR '000	2025 LKR '000	2024 LKR '000
Premium receivables	**320,075**	268,203	-	-
	320,075	268,203	-	-

21.1 Premium receivables as disclosed above include amounts that are over due at the end of the reporting period. The allowance has been recognised for impairment loss where the receivables are beyond the extended credit period.

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22 Amounts due from related parties

As at 31 March	Note	Group 2025 LKR '000	Group 2024 LKR '000	Company 2025 LKR '000	Company 2024 LKR '000
Premier Synthetic Leather Manufacturers (Pvt) Ltd		-	139,713	-	139,713
Janashakthi Insurance PLC		-	-	85,135	9,413
Nextventures Limited		-	1,054,460	-	1,054,460
Janashakthi Corporate Services Ltd		-	-	14,121	3,509
PVIC Management (Pvt) Ltd		-	150	-	150
First Capital Holdings PLC		-	-	32,539	2,091
Thornton Engineering (Pvt) Ltd		-	157	-	157
Janashakthi Finance PLC		-	-	68,235	4,091
Orient Capital Limited		-	-	162	13,301
Schaffters (Pvt) Ltd		16,861	35,000	-	5,000
Janashakthi Capital Limited		-	-	814,285	614,088
Janashakthi Business Services		-	-	6,438	3,456
Beckett Capital (Pvt) Ltd		132	-	132	50,031
Power World Gyms Limited		-	22	-	-
Rock Foundation (Pvt) Ltd		-	11	-	11
Less: Provision for impairment	22.1	-	(179,468)	(29,800)	(452,798)
		16,993	1,050,045	991,246	1,446,673

22.1 Movement in provision for expected credit loss on amount due from related parties

Balance as at the beginning of the year	179,468	212,468	452,798	179,468
Charge for the year	(179,468)	(33,000)	(422,998)	273,330
Balance as at the end of the year	-	179,468	29,800	452,798

22.1.1 This represents the expected credit loss on amounts due from related parties classified under Stage 3, with a Nil balance for the Group and LKR29.8Mn for the Company as at 31st March 2025 (2024 – LKR179.5Mn for the Group and LKR452.8Mn for the Company).

23 Trade, other receivables and advances

As at 31 March	Notes	Group 2025 LKR '000	Group 2024 LKR '000	Company 2025 LKR '000	Company 2024 LKR '000
Trade receivables		979,194	829,128	-	-
Other receivables	23.1	2,954,902	5,025,372	239,249	272,047
		3,934,096	5,854,500	239,249	272,047
23.1 Other receivables					
Advances, deposits and prepayments		1,076,722	1,404,552	56,489	22,457
Taxation recoverable		454,231	499,120	-	-
Other receivables		1,423,949	3,121,700	182,760	249,590
		2,954,902	5,025,372	239,249	272,047

24 Derivative financial instruments

As at 31 March	Group 2025 LKR '000	Group 2024 LKR '000	Company 2025 LKR '000	Company 2024 LKR '000
Forward sale contracts	2,814	1,944	-	-
Forward purchase contracts	6	49,989	-	-
	2,820	51,933	-	-

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Accounting Policy

"Derivatives held for risk management purposes include all derivative assets and liabilities that are not classified as trading assets or liabilities. Derivatives held for risk management purposes are measured at fair value in the statement of financial position.

If a derivative is not held for trading, and is not designated in a qualifying hedge relationship, then all changes in its fair value are recognised immediately in profit or loss as a component of net income from other financial instruments at FVTPL."

A derivative is a financial instrument or other contract with all three of the following characteristics:

- Its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided that, in the case of a non-financial variable, it is not specific to a party to the contract.
- It requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts expected to have a similar response to changes in market factors.
- It is settled at a future date.

The Group enters into derivative transactions with various counterparties. Derivatives are recorded at fair value and carried as assets when their fair value is positive and as liabilities when their fair value is negative.

25 Assets classified as held for sale

As at 31 March	Notes	Group 2025 LKR '000	Group 2024 LKR '000	Company 2025 LKR '000	Company 2024 LKR '000
Investment in equities	25.1	42,416	42,416	-	-

As at 31 March	No of Shares	Group 2025 LKR '000	Group 2024 LKR '000	Company 2025 LKR '000	Company 2024 LKR '000
25.1 Investment in equities					
Ceyspence (Pvt) Ltd	2,861,856	71,432	71,432	-	-
Ceyaki Shipping (Pvt) Ltd	3,116,600	29,928	29,928	-	-
		101,360	101,360	-	-
Less: Provision for impairment		(58,944)	(58,944)	-	-
		42,416	42,416	-	-

25.2 This represents equity investments in shipping business made by First Capital Limited. All these businesses are in the process of liquidation and stated at their realisable values as at the reporting date. A provision of LKR58.94Mn has been accounted for the estimated liability on income tax, settlement of creditors and the impairment of investment to reflect the recoverable amount.

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26 Cash and cash equivalents

As at 31 March	Group 2025 LKR '000	Group 2024 LKR '000	Company 2025 LKR '000	Company 2024 LKR '000
Cash in hand and at bank	4,229,353	1,983,030	1,245,100	769,215
Bank overdrafts	(1,391,740)	(2,082,924)	(422,960)	(112,432)
	2,837,613	(99,894)	822,141	656,783

27 Debentures

As at 31 March	Group 2025 LKR '000	Group 2024 LKR '000	Company 2025 LKR '000	Company 2024 LKR '000
Balance at the beginning of the year	3,573,447	3,731,194	1,058,299	1,778,373
Issued during the year	1,080,816	1,058,299	1,080,816	1,058,299
Redemption with interest	(1,033,729)	(2,084,585)	-	(1,778,373)
Adjustment on inter-company sales	-	562,871	-	-
Net effect on amortized interest payable	287,909	305,668	-	-
	3,908,443	3,573,447	2,139,115	1,058,299

27.1 During the financial year 2024/25, no debentures of Janashakthi Limited matured or were settled.

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NOTES TO THE FINANCIAL STATEMENTS

27.2 During the financial year 2023/24, Janashakthi Limited issued 10,570,000 senior, unlisted, unsecured redeemable debentures at the value of LKR100/- each, accumulated to LKR1,057,000,000/- with maturity of two years and three years.

Type	No. of Debentures	Face Value LKR '000	Carrying Value 2025 LKR '000	Carrying Value 2024 LKR '000	Allotment Date	Maturity Date	Rate of Interest	Frequency on Interest
Type A	1,080,000	108,000,000	**107,674,828**	180,126,857	28-Mar-25	28-Mar-26	15.00%	Annually
Type B	9,490,000	949,000,000	**961,695,504**	950,172,585	28-Mar-25	28-Mar-27	16.00%	Annually
	10,570,000	1,057,000,000	**1,069,370,332**	1,130,299,442				

During the financial year 2024/25, Janashakthi Limited issued 9,430,000 senior, unlisted, unsecured redeemable debentures at the value of LKR100/- each, accumulated to LKR 943,000,000/- with maturity of two years and three years.

Type	No. of Debentures	Face Value LKR '000	Carrying Value 2025 LKR '000	Carrying Value 2024 LKR '000	Allotment Date	Maturity Date	Rate of Interest	Frequency on Interest
Type A	6,960,000	696,000,000	**788,124,450**	-	30-Apr-25	30-Apr-26	15.00%	Annually
Type B	2,470,000	247,000,000	**281,620,584**	-	30-Apr-25	30-Apr-27	16.00%	Annually
	9,430,000	943,000,000	**1,069,745,035**	-				

27.3 Inter-Company investments in listed debentures of First Capital Treasuries in Janashakthi Insurance amounting to LKR260Mn (including amortized interest costs) has been eliminated in Group accounts in the financial year 2024/25

27.4 Total debentures represent 20,000,000 rated, senior, unsecured, redeemable 5 year (2021/2026) debentures at a face value of LKR100/- interest payable annually, which consist of 13,247,500 debentures at a rate of 10% and 6,752,500 debentures at a rate of weekly AWPLR + 2% (Cap of 12% and Floor of 9%).

Type	No. of Debentures	Face Value LKR '000	Carrying Value 2025 LKR '000	Carrying Value 2024 LKR '000	Allotment Date	Maturity Date	Rate of Interest	Frequency on Interest
Type A	13,247,500	1,324,750	**1,340,494**	1,338,324	08-Feb-21	07-Feb-26	10.00%	Annually
Type B	6,752,500	675,250	**686,852**	690,229	08-Feb-21	07-Feb-26	Weekly AWPLR + 2% (Cap of 12% & Floor of 9%)	Annually
	20,000,000	2,000,000	**2,027,346**	2,028,553				



27.5 First Capital Treasuries PLC Sub-subsidiary debentures represent 7,500,000 rated, subordinated, unsecured redeemable 5 year (2020/25) debentures at the face value of LKR100/- each, interest payable at a rate of 12.75% semi-annually.

Type	No. of Debentures	Face Value	Carrying Value 2025	Carrying Value 2024	Allotment Date	Maturity Date	Rate of Interest	Frequency on Interest
		LKR '000	LKR '000	LKR '000				
5 Year	7,500,000	-	-	764,042	30-Jan-20	30-Jan-25	12.75% (AER-13.16%)	Semi Annually

27.5.1 Inter-Company investments in listed debentures of First Capital Treasuries PLC, face value amounting to LKR22.5Mn including amortised interest cost has been eliminated as of 31 March 2024.

28 Retirement benefit obligation

As at 31 March	Notes	Group 2025 LKR '000	Group 2024 LKR '000	Company 2025 LKR '000	Company 2024 LKR '000
Balance at the beginning of the year		285,543	201,701	26,394	7,719
Transfer in and/out		748			
Expense recognized in the statement of profit or loss	28.1	79,589	67,824	15,588	4,777
Benefits paid during the year		(14,272)	(38,717)	(1,144)	(934)
Actuarial loss/(gain)	28.2	(29,318)	54,735	(812)	14,831
Balance at the end of the year		322,290	285,543	40,025	26,393

As at 31 March		Group 2025 LKR '000	Group 2024 LKR '000	Company 2025 LKR '000	Company 2024 LKR '000
28.1	Expense recognized in the statement of profit or loss				
	Net interest cost	32,512	40,499	4,162	818
	Current service cost	47,078	27,325	11,427	3,959
		79,589	67,824	15,588	4,777
28.2	**Recognized in the statement of other comprehensive income**				
	Actuarial loss / (gain) recognized for the year	(29,318)	54,735	(812)	14,831
		(29,318)	54,735	(812)	14,831

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28.3 **Actuarial assumptions made**

The gratuity liability of the Group was computed in accordance with LKAS 19.

As at 31 March	Group		Company	
	2025	2024	2025	2024
Discount rate	10% - 18.5%	10% - 18.5%	11.5%	12.5%
Salary increment	10% - 18%	10% - 18%	10.00%	10.0%
Staff turnover factor	10% - 26%	10% - 26%	15.00%	15%
Retirement age	60 Years	60 Years	60 Years	60 Years

Sensitivity analysis of the assumptions used

The following table demonstrates the sensitivity to a reasonably possible change in the key assumptions employed with all other variables held constant in the defined benefit obligation measurement.

As at 31 March	2025		2024	
	Increase LKR '000	Decrease LKR '000	Increase LKR '000	Decrease LKR '000
Group	(16,525)	18,145	(13,585)	14,736
Discount rate (1% movement)	19,107	(17,687)	15,320	(14,276)
Salary increment rate (1% movement)				
Company	(2,455)	2,732	(1,110)	1,172
Discount rate (1% movement)	2,922	(2,663)	1,188	(1,145)
Salary increment rate (1% movement)				

29 Interest bearing loans and borrowings

As at 31 March	Notes	Group		Company	
		2025 LKR '000	2024 LKR '000	2025 LKR '000	2024 LKR '000
Term loans	29.2	17,179,122	11,915,564	7,912,927	9,133,926
Borrowings on corporate debt securities		8,768,332	8,957,186	6,734,645	8,188,228
Other short term borrowings		3,637,982	2,649,542	-	-
		29,585,436	23,522,292	14,647,572	17,322,154
29.1 Interest bearing borrowings - Current and non-current					
Current portion		24,070,224	18,072,256	13,544,455	14,345,204
Non-current portion		5,515,212	5,450,036	1,103,117	2,976,950
		29,585,435	23,522,292	14,647,572	17,322,154

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	As at 31 March	Balance as at 01.04.2024 LKR '000	Facility obtained LKR '000	Settlement LKR '000	Accrued interest payable LKR '000	Amortized cost as at 31 March 2025 LKR '000	Tenure of loan	Security offered
29.2	**Institutional borrowings**							
	Company							
	Term Loans							
	Commercial Bank of Ceylon PLC	404,926	-	(113,328)	2,607	294,205	03 Years	Quoted shares
	Commercial Bank of Ceylon PLC	-	1,000,000	-		1,000,000	03 Years	Quoted shares
	Seylan Bank PLC	1,475,000	-	(1,025,000)	-	450,000	03 Years	Quoted shares & Joint & several guarantee of two directors
	Seylan Bank PLC	250,000	-	-	-	250,000	Revolving	Quoted shares & Joint & several guarantee of two directors
	Bank of Ceylon	500,000	500,000	(300,000)	-	700,000	02 Years	Land located at Wattala
	Bank of Ceylon	43,569	-	(32,655)	-	10,914	Revolving	Land located at Wattala
	Bank of Ceylon	-	1,000,000	-	-	1,000,000	Revolving	Land located at Wattala
	People's Bank	260,000	-	(259,994)	-	6	05 Years	Joint & several guarantee of two directors
	Cargills Bank PLC	304,804	-	(128,730)	-	176,075	05 Years	Joint & several guarantee of two directors
	Cargills Bank PLC	33,838	-	(33,426)	-	412	05 Years	Joint & several guarantee of two directors
	Cargills Bank PLC	403,057	-	(403,057)	-	-		Joint & several guarantee of two directors
	National Development Bank PLC	1,219,199		(784,199)	-	435,000	05 Years	Quoted shares & Joint & several guarantee of two directors
	National Development Bank PLC		350,000		-	350,000	05 Years	Quoted shares
	DFCC Bank PLC	89,870	-	(89,870)	-	-	03 Years	Quoted shares
	Hatton National Bank	-	3,000,000	(600,000)	-	2,400,000	03 Years	Quoted shares & Joint & several guarantee of two directors
	Pan Asia Bank PLC	208,779	-	(62,465)	-	146,314	05 Years	Quoted shares & Joint & several guarantee of two directors
	Pan Asia Bank PLC	-	500,000	-	-	500,000	05 Years	Quoted shares & Joint & several guarantee of two directors
	Nations Trust Bank	300,000	-	(100,000)	-	200,000	05 Years	Quoted shares / Personal guarantees of Directors
	First Capital Limited	3,640,883	400,000	(4,040,883)	-	-	Revolving	
	Sub Total	9,133,925	6,750,000	(7,973,606)	2,607	7,912,926		

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NOTES TO THE FINANCIAL STATEMENTS

As at 31 March	Balance as at 01.04.2024 LKR '000	Facility obtained LKR '000	Settlement LKR '000	Accrued interest payable LKR '000	Amortized cost as at 31 March 2025 LKR '000	Tenure of loan	Security offered
Group							
Janashakthi Limited (post inter-company elimination)	5,493,031	6,350,000	(3,932,723)	2,607	7,912,926		
Janashakthi Finance PLC							
Term Loans							
Union Bank PLC	216,003	700,000	(614,961)	283	301,325	48 Months	Lease/HP Portfolio
Sampath Bank PLC	208,692	1,100,000	(675,492)	1,048	634,248	48 Months	Lease/HP Portfolio
Hatton National Bank PLC	273,298	500,000	(359,298)	487	414,487	60 Months	Lease/HP Portfolio
Bank of Ceylon	634,029	-	(77,224)	2,682	559,487	36 Months	Lease/HP Portfolio
Cargills Bank PLC	6,958	300,000	(63,208)	301	244,051	48 Months	Lease/HP Portfolio
National Development Bank PLC	300,113	800,000	(575,153)	164	525,124	48 Months	Lease/HP Portfolio
Sanasa Development Bank		500,000	(55,556)	527	444,972	36 Months	Lease/HP Portfolio
NDB Trust 01 (Capital One)		930,700	(100,000)	83,796	914,496	24 Months	Lease/HP Portfolio
Pan Asia Bank		350,000	-	2,364	352,364	48 Months	Lease/HP Portfolio
Sub Debt Type A - 13% p.a.		147,000	-	2,951	149,951	60 Months	Lease/HP Portfolio
Sub Debt Type B - 12.28% (payable monthly)		119,000	-	54	119,054	60 Months	Lease/HP Portfolio
Sub Debt Type C - T.Bill WAYR + 4.5%		734,000	-	7,425	741,425	60 Months	Lease/HP Portfolio
Short-term loans - Revolving							
Sampath Bank PLC	100,219	100,000	(100,219)	151	100,151	Revolving	Lease/HP Portfolio
Union Bank PLC	200,546	400,000	(200,546)	253	400,253	Revolving	Lease/HP Portfolio
Pan Asia Bank PLC	175,264		(175,264)			Revolving	Lease/HP Portfolio
Sub Total	2,115,120	6,680,700	(2,996,919)	102,487	5,901,388		
Janashkathi Insurance PLC							
Seylan Bank PLC	2,705,411	-	(851,175)	309,330	2,163,566	05 Years	Shares of the Associate Company (First Capital Holdings PLC)
Sub Total	2,705,411	-	(851,175)	309,330	2,163,566		
First Capital Holdings PLC							
Hatton National Bank PLC	700,577	-	(200,000)	385	500,385	05 Years	Corporate Guarantee of Janashakthi Limited
Seylan Bank PLC	901,424	-	(200,000)	856	700,856	05 Years	Corporate Guarantee of Janashakthi Limited
Sub Total	1,602,001	-	(400,000)	1,241	1,201,241		
Total	11,915,564	13,030,700	(8,180,817)	415,665	17,179,122		

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30 Deposits from customers

As at 31 March	Note	Group 2025 LKR '000	Group 2024 LKR '000	Company 2025 LKR '000	Company 2024 LKR '000
Public deposits at amortized cost	30.1	15,839,034	13,496,641	-	-
Savings deposit		64,778	59,790	-	-
		15,903,812	13,556,431	-	-
30.1 Public deposits at amortized cost					
Public deposits		15,284,712	12,874,144	-	-
Interest accrued		554,322	622,497	-	-
Public deposits at amortized cost		15,839,034	13,496,641	-	-

30.2 LKR12,569,286,102/- (31st March 2024 - LKR10,847,646,770/-) of deposits from customers are expected to mature within a 12 month period from the reporting date, 31st March 2025.

31 Insurance liability - Life

As at 31 March	Note	Group 2025 LKR '000	Group 2024 LKR '000	Company 2025 LKR '000	Company 2024 LKR '000
Insurance fund - Life		16,031,420	14,544,804	-	-
Claims Outstanding	34	589,640	473,904	-	-
		16,621,060	15,018,708	-	-
The movement of the insurance fund - Life					
Balance as at beginning of the year		14,696,263	12,193,639	-	-
Increase in life fund before surplus distribution to shareholders		3,170,640	5,083,016	-	-
Actuarial gains		(418)	(4,207)	-	-
Surplus distributed (from)/to shareholders		(1,793,727)	(2,576,185)	-	-
Balance as at end of the year		16,072,758	14,696,263	-	-
Available For Sale Reserve - Life Policyholders					
Balance as at 1 January		(151,459)	(530,727)	-	-
Changes in fair value of available for sale assets		110,121	379,268	-	-
Balance as at 31 December		(41,338)	(151,459)	-	-
Insurance Fund balance as at period end including AFS Reserve		16,031,420	14,544,804	-	-

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NOTES TO THE FINANCIAL STATEMENTS

31.1 **Insurance liability - Life**

Long duration contracts included in the Life Insurance Fund result primarily from traditional participating and non-participating Life Insurance products. Short duration contract liabilities are primarily accident and health insurance products. The insurance provision has been established based on the following criteria.

- Interest rates which vary by product and year of assurance.
- Mortality rates based on published mortality tables adjusted for actual experience by geographic area and modified to allow the variations in policy form.
- Surrender rates based upon actual experience by geographic area and modified to allow for variation in policy form.

The amount of policyholder bonus to be paid is determined annually by the Group on the recommendation of the Actuary. The bonus includes Life policyholders' share of net income that is required to be allocated by the Insurance Contract or by Insurance Regulations.

Janashakthi Insurance PLC - Insurance Liability - Life

The valuation of the Insurance Liability of Life Insurance Business as at 31 December 2024 was done by M/S K. A. Pandit Consultants & Actuaries, India, for and on behalf of Janashakthi Insurance PLC. In accordance with the Consultant Actuary's report, the total liabilities of the Life Insurance business of the Company as at 31 December 2024 was LKR 14,696 million after taking credit for reinsurance. In the opinion of the Consultant Actuary, the provision is adequate to cover the liabilities pertaining to Life Insurance business.

As recommended by the Consultant Actuary, the Board of Directors have resolved that a sum of LKR1,794 million has been transferred to the Life Shareholders' Fund from Life Insurance Fund (Non-participating) as for the year 2024.

Fully-owned Subsidiary of Janashakthi Insurance PLC – Insurance Liability - Life

(former National Insurance Corporation Ltd)

The valuation of the Insurance Liability of Life Insurance Business as at 31 December 2024 was done by M/S K. A. Pandit Consultants & Actuaries, India, for and on behalf of former National Insurance Corporation Ltd. In accordance with the Consultant Actuary's report, the total liabilities of the Life Insurance business of the Company as at 31 December 2024 was LKR13 million.

31.2 An internal assessment has been carried out to assess the adequacy of the provision of Life Insurance Liabilities in keeping with SLFRS 4 requirement and has determined that existing provision levels are adequate as at 31 December 2024. Accordingly, no further provision or adjustment was deemed as being necessary to be effected.

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32 Reinsurance creditors

As at 31 March	Group		Company	
	2025	2024	2025	2024
	LKR '000	LKR '000	LKR '000	LKR '000
Reinsurance creditors	70,983	276	-	-
	70,983	276	-	-

33 Amounts due to related parties

As at 31 March	Group		Company	
	2025	2024	2025	2024
	LKR '000	LKR '000	LKR '000	LKR '000
Nextventures Ltd	1,222,780	-	1,222,780	-
Janashakthi Insurance PLC	-	46	46	46
Janashakthi Business Services Pvt Ltd	-	284	-	-
Netxone (Pvt) Ltd	-	1,173	-	-
Espalier Futures (Pvt) Ltd	7,368	-	7,368	-
Payable to Directors	1,667	-	1,667	-
Schaffters (Pvt) Ltd	44,516	6,660	44,516	6,662
	1,276,331	8,163	1,276,377	6,708

34 Trade and other payables

As at 31 March		Group		Company	
		2025	2024	2025	2024
	Notes	LKR '000	LKR '000	LKR '000	LKR '000
Trade payables		401,203	408,156	-	-
Advance received	34.1	303,700	276,271	11,000	-
Agency commission payable		7,897	15,580	-	-
Retention and project payable		-	-	-	-
Lease liabilities	34.2	737,688	801,863	235,406	132,170
Other creditors including accrued expenses		3,821,307	3,926,590	58,176	6,122
Dividend payable		333,878	1,064,602	121,164	205,217
Provision for statutory liabilities		2,013,912	4,129,351	14,786	7,878
Outstanding claims - Life insurance		589,640	473,904	-	-
Other payables		427,240	461,273	60,184	33,937
		8,636,465	11,557,590	500,718	385,324

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	As at 31 March	Group 2025 LKR '000	Group 2024 LKR '000	Company 2025 LKR '000	Company 2024 LKR '000
34.1	**Advance received**				
	Policyholder advance payables	188,521	167,624	-	-
	Real estates advances	34,899	28,428	-	-
	Advances against non-current assets held for sale	80,218	80,218	-	-
	Other advances	62	-	-	-
		303,700	276,270	-	-
34.2	**Lease liabilities**				
	Balance as at 1st April	801,664	440,374	132,170	9,747
	Less: Disposal of subsidiary	(258,158)	-	-	-
	Derecognition of lease liability	-	(10,380)	-	(10,380)
	Addition to the lease creditor during the year	400,875	427,894	126,161	142,460
	Lease liability recognized during the year	-	139,445	-	-
	Transfers (SLFRS 16 - modifications)	(13,260)	(13,260)	-	-
	Interest charge on lease liabilities	130,639	93,745	10,838	2,379
	Exchange gain / (loss)	(926)	(7,844)	(926)	(7,844)
	Lease payments made during the period	(323,346)	(268,113)	(32,836)	(4,192)
	Balance as at 31st March	737,686	801,861	235,407	132,170

For the year ended 31st March,	Group 2025 LKR '000	Group 2024 LKR '000	Company 2025 LKR '000	Company 2024 LKR '000
Amount recognized in statement of profit or loss				
Leases under SLFRS 16				
Interest on lease liabilities	(130,639)	(93,745)	(10,838)	(2,379)
Depreciation on right-of-use assets	(191,363)	(196,232)	(26,769)	(9,738)
	(322,002)	(289,977)	(37,607)	(12,117)
Amount recognized in statement of cash flow				
Total cash outflow for leases	323,346	(268,113)	(32,836)	(4,192)

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35 Derivative financial instruments

As at 31 March	Group		Company	
	2025 LKR '000	2024 LKR '000	2025 LKR '000	2024 LKR '000
Forward purchase contacts	768	202	-	-
Forward sale contacts	-	71,540	-	-
	768	71,742	-	-

36 Securities sold under repurchase agreements

As at 31 March	Group		Company	
	2025 LKR '000	2024 LKR '000	2025 LKR '000	2024 LKR '000
Against government securities	71,475,370	47,674,033	-	-
Against corporate debt securities	1,633,764	1,969,306	-	-
	73,109,134	49,643,339	-	-

37 Stated capital

As at 31 March	Group		Company	
	2025 LKR '000	2024 LKR '000	2025 LKR '000	2024 LKR '000
Opening balance	4,300,000	4,300,000	4,300,000	4,300,000
Ordinary share issue	4,300,000	4,300,000	4,300,000	4,300,000

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37.1 All shares rank equally with regard to the Company's residual assets.

37.2 The holders of ordinary shares are entitled to receive dividends declared from time to time and are entitled to one vote per share at General Meetings of the Company. Dividend declared for the Financial Year 2024/25 was LKR 3.06 per share.

38 Risk reserve

As at 31 March	Group		Company	
	2025 LKR '000	2024 LKR '000	2025 LKR '000	2024 LKR '000
Opening balance	1,066,516	402,474	1,066,516	402,474
Transfers made during the year	208,169	818,356	208,169	818,356
Adjustment due to change in share ownership	-	(154,314)	-	(154,314)
Closing balance	1,274,685	1,066,516	1,274,685	1,066,516

38.1 A sum equivalent to 10% of the profit after tax of First Capital Treasuries PLC (subsidiary company) has been transferred to the risk reserve in accordance with the Directions issued by the Central Bank of Sri Lanka.

39 Statutory reserves

	As at 31 March	Group		Company	
		2025 LKR '000	2024 LKR '000	2025 LKR '000	2024 LKR '000
39.1	Reserve fund				
	At the beginning of the year	202,891	186,564	202,891	186,564
	Transferred during the year	17,370	16,327	17,370	16,327
	At the end of the year	220,261	202,891	220,261	202,891

Janashakthi Finance PLC (Formerly Orient Finance PLC)

Statutory reserve fund is a capital reserve which contains profits transferred as required by Section 3 (b) (i) of Finance Companies Capital Funds Direction No. 01 of 2003 issued by the Central Bank of Sri Lanka.

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As at 31 March	Group		Company	
	2025 LKR '000	2024 LKR '000	2025 LKR '000	2024 LKR '000
39.2 Restricted regulatory reserve				
Janashakthi Insurance PLC				
Change in contract liability due to transfer of one-off surplus				
Parent	1,336,414	1,336,414	1,336,414	1,336,414
NCI	459,415	459,415	459,415	459,415
	1,795,829	1,795,829	1,795,829	1,795,829

39.2.1 The one-off surplus is defined as the excess of total policy liabilities under the NPV regime as at 31 December 2015 over the total policy liabilities under the RBC regime as at 01.01.2016 where, the total policy liabilities under NPV regime is computed as per the solvency basis, which is the same as minimum regulatory basis. The total policy liabilities under RBC regime is computed as per distribution basis. Under the distribution basis, we have used the risk free rate for discounting of liabilities, zeroised liabilities at a product level and valued the Universal life portfolio and the Optional Rider portfolio using GPV methodology. Further, we have reported Total Benefits Liability for the participating portfolio under the distribution basis. The distribution basis is more prudent compared to the solvency basis (defined in the Solvency Margin Risk Based Capital Rules 2015 RBC guidelines).

39.2.2 Composition of investments supporting the Restricted Regulatory Reserve

Subsequent to the transfer of one-off surplus from Policyholder Fund other than participating business to Shareholder Fund, the Company will maintain investments in "Government Debt Securities" and "Deposits with Banks & Financial Institutions" to fully support the amount of One-off Surplus at any given time on a market value basis. The composition of those investments are represented below.

As at 31 December,	2025	2024
	Market Value*	
Security Category	LKR '000	LKR '000
Government debt securities	1,795,829	1,625,829
Deposits with banks & financial institutions	-	170,000
	1,795,829	1,795,829

*From Janashakthi Insurance PLC's perspective

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	As at 31 March	Group 2025 LKR '000	Group 2024 LKR '000	Company 2025 LKR '000	Company 2024 LKR '000
39.3	**Fair value reserve**				
	Balance at the beginning of the year	186,654	(465,733)	186,654	(465,733)
	Change in fair value	(143,497)	481,271	(143,497)	481,271
	Adjustment due to change in ownership	-	171,116	-	171,116
	At the end of the year	43,157	186,654	43,157	186,654
39.4	**Revaluation reserve**				
	Balance at the beginning of the year	26,004	26,004	26,004	26,004
	Revaluation charge for the year	26,800	-	26,800	-
		52,804	26,004	52,804	26,004
39.4.1	**Revaluation reserve is a capital reserve which contains gains/losses from valuation of land and buildings.**				
39.5	**Regulatory Loss Allowance Reserve**				
	Transfer made during the year	181,236	-	181,236	-
		181,236	-	181,236	-

40 Revenue

	For the year ended 31 March	Group 2025 LKR '000	Group 2024 LKR '000	Company 2025 LKR '000	Company 2024 LKR '000
	Business Segment Analysis				
	Life Insurance	6,562,912	4,558,722	-	-
	Financial services	17,796,193	33,098,209	-	-
	Property development	-	-	-	-
	Secretarial services	6,561	4,859	-	-
	Investment holding	182,779	43,045	506	337
	Fitness service	213,804	216,503	-	-
		24,762,249	37,921,338	506	337
40.1	**Timing of revenue recognition**				
	Revenue generated at the point in time	10,944,244	20,914,908	506	337
	Revenue generated over the period	13,818,005	17,006,430	-	-
		24,762,249	37,921,338	506	337

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