

LANKA IOC PLC

FINANCIAL STATEMENTS - 30 JUNE 2021

LANKA IOC PLC

INTERIM FINANCIAL STATEMENTS - 30 JUNE 2021

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Lanka IOC PLC

Statement of Financial Position

(all amounts in Sri Lanka Rupees 000's)

	As at 30 June 2021	As at 31 March 2021
ASSETS		
Non Current Assets		
Property, Plant and Equipment	3,961,905	4,019,364
Long term Investment -CPSTL	4,394,000	4,394,000
Deposits with Bank	11,174,732	10,222,477
Intangible Assets	674,251	674,376
Right to Use-Lease Assets	54,744	62,565
Other Receivables	129,512	118,675
Deferred Tax Asset (Net)	265,818	261,416
	20,654,962	19,752,873
Current Assets		
Inventories	18,839,547	9,625,050
Trade and Other Receivables	3,932,052	4,371,149
Income Tax Receivables	-	18,173
Short Term Investments	7,587,037	12,040,810
Cash and Bank Balances	331,461	598,950
	30,690,097	26,654,132
Total Assets	51,345,059	46,407,005
EQUITY AND LIABILITIES		
Capital and Reserves		
Stated Capital	7,576,574	7,576,574
Retained Earnings	12,620,164	12,347,070
Total Equity	20,196,738	19,923,644
Non Current Liabilities		
Defined Benefit Obligation (Net)	3,920	13,692
Right to Use-Lease Liability	28,654	38,205
	32,574	51,897
Current Liabilities		
Trade and Other Payables	4,495,131	5,808,435
Right to Use-Lease Liability	34,658	33,476
Interest Bearing Borrowings	26,568,068	20,589,553
Income Tax Payable	17,890	-
	31,115,747	26,431,464
Total Equity and Liabilities	51,345,059	46,407,005

(The above figures are unaudited)

I certify that these financial statements have been prepared in compliance with the requirement of the Companies Act, No. 7 of 2007.




Ranjeet Bothra

Vice President (Finance)

The Board of Directors is responsible for these financial statements. The Financial Statements were authorised for issue by the Board of Directors on 26th July 2021



Manoj Gupta
Managing Director
Date :26 July 2021



Prof. Lakshman R Watawala
Director
Date :26 July 2021

Lanka IOC PLC

Statement of Comprehensive Income

(all amounts in Sri Lanka Rupees 000's)

	Apr-Jun 2021-22	Apr-Jun 2020-21
Revenue	16,863,186	10,689,545
Cost of Sales	(16,003,185)	(11,269,662)
Gross Profit	860,001	(580,117)
Other Operating Income	16,344	47,678
Selling and Distribution Expenses	(434,103)	(352,914)
Administrative Expenses	(364,063)	(330,399)
Operating Profit/(Loss)	78,179	(1,215,752)
Finance Income	351,518	272,451
Finance Expenses	(122,621)	(54,220)
Profit/(Loss) Before Tax	307,076	(997,521)
Income Tax	(33,982)	202,063
Profit/(Loss) for the period	273,094	(795,458)
Other Comprehensive Income /(Loss)		
Items that will not be reclassified to profit or loss:		
Other Comprehensive Income /(Loss)	-	-
Income tax on other Comprehensive income/(loss)	-	-
Total Comprehensive Income/(Loss), Net of Tax	273,094	(795,458)
Earnings Per Share	0.51	(1.49)

(The above figures are unaudited)

LANKA IOC PLC

Statement of changes in equity

(all amounts in Sri Lanka Rupees in '000's)

	Stated Capital Rs.	Retained Earnings Rs.	Total Rs.
Balance at 1st Apr 2020	7,576,574	11,869,635	19,446,209
Profit /(Loss) for the Period		(795,458)	(795,458)
Balance at 30th June 2020	7,576,574	11,074,177	18,650,751
Balance at 1st April 2021	7,576,574	12,347,070	19,923,644
Profit /(Loss) for the Period		273,094	273,094
Balance at 30th June 2021	7,576,574	12,620,164	20,196,738

(The above figures are unaudited)

LANKA IOC PLC

Cash Flow Statement

(all amounts in Sri Lanka Rupees in '000's)

	Apr-Jun 2021-22	Apr-Jun 2020-21
<u>Cash Flows From/(Used in) Operating Activities</u>		
Profit /(Loss)before Income Tax Expense	307,076	(997,521)
<u>Adjustments for</u>		
Finance Income	(351,518)	(272,451)
Finance Expenses	122,621	54,220
(Profit)/Loss on Sale of Property Plant and Equipment	120	(68)
Defined Benefit Plan Cost	2,758	(409)
Depreciation	101,950	100,192
Amortisation of Intangible Asset	125	125
Amotisation Right to use Assets	7,821	7,572
Operating Profit/(Loss) before Working Capital Changes	190,953	(1,108,340)
<u>Changes in Working Capital</u>		
(Increase)/ Decrease in Inventories	(9,214,497)	3,743,346
(Increase) /Decrease in Trade and Other Receivables	428,260	1,054,348
Increase/ (Decrease) in Trade and Other Payables	(1,313,303)	204,402
Cash Generated From/(Used in) Operations	(9,908,587)	3,893,756
Income Tax	(2,323)	-
Finance Expenses	(122,621)	(54,220)
Defined Benefit Paid	(3,467)	(5,681)
Net Cash Flows From Operating Activities	(10,036,998)	3,833,855
<u>Cash Flows from Investing Activities</u>		
Finance Income	351,518	272,451
Acquisition of Property, Plant and Equipment	(44,678)	(27,800)
Proceeds on disposal of Property, Plant and Equipment	67	94
Deposit with Banks	(952,254)	(866,078)
Net (Investment)/Withdrawal in Gratuity Fund	(9,063)	(3,703)
Net Cash Flows From/(Used in) Investing Activities	(654,410)	(625,036)
<u>Cash Flows From Financing Activities</u>		
Proceed from Interest bearing borrowings	30,259,785	7,238,718
Repayments of Interest bearing borrowings	(24,281,271)	(10,102,692)
Payment to Lease Creditor	(8,368)	(7,948)
Net Cash Flows From/(Used in) Financing Activities	5,970,146	(2,871,922)
Net Increase / (Decrease) in Cash and Cash Equivalents	(4,721,262)	336,897
Cash and Cash Equivalents at the Beginning of the Year	12,639,760	12,711,821
Cash and Cash Equivalents at the End of the Period	7,918,498	13,048,718
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Short Term Investments	7,587,037	12,797,776
Cash in hand & at Bank	331,461	250,942
Total cash and cash equivalents	7,918,498	13,048,718

LANKA IOC PLC

Notes to the Financial Statement

1 - General Information

The Company commenced commercial operations of importing, selling and distribution of Petroleum products on 14th February 2003. The Company is a public limited liability company incorporated and domiciled in Sri Lanka. The address of its registered office is Level 20, West Tower, World Trade Centre, Colombo.

The Company has its primary listing on the Colombo Stock Exchange.

These financial statements have been approved for issue by the Board of Directors on 26th July 2021

2 - Basis of preparation

These condensed interim financial statements of Lanka IOC PLC are for the period ended 30th June 2021. They have been prepared in accordance with LKAS 34, Interim Financial Reporting. These interim financial statements have been prepared in accordance with those SLFRS standards and IFRIC interpretation issued and effective as at the time of preparing these statements. The condensed interim financial statements do not include all of the information required for full annual financial statements. The condensed Interim Financial Statements should be read in conjunction with the annual financial statements for the year ended 31st March 2021.

3 - Accounting Policies

The Accounting policies adopted are consistent with those of the previous financial year as reported in the annual financial statements for the year ended 31st March 2021.

4 - Net assets per share have been computed based on number of shares in issues as at 30th June 2021

5 - The presentation and classification of the Financial Statements of the previous year have been amended, where relevant, for better presentation and to be comparable with those of the current year.

6 - The short term loans LKR 26,568 Mn are unsecured except for the loans from State Bank of India Colombo branch amounting to LKR 2,864 Mn. These loans are secured against hypothecation over trading stock held at Kolonnawa, Trincomalee and Muthurajawala terminals.

7 - There is a disagreement on interpretation of NBT Act between Company and Inland Revenue Department. The case was determined by the Tax Appeal Commission in favour of IRD for the assessment period Jan 2012 to June 2012 amounting to LKR 100.75 million including interest & penalty. Considering the merits of the case & expert opinion, LIOC filed the appeals in the Court of Appeal. The cases for the assessment period July 2012 to December 2015 is pending before the Tax Appeal Commission amounting to LKR 740.06 million including interest & penalty. For the assessment period Jan 2016 to March 2018 amounting to LKR 817.98 million including interest & penalty, appeals have been filed before the Commissioner General of Inland Revenue. The estimated liability for the assessment period Apr 2018 to November 2019 is LKR 329.47 million for which assessment orders have not yet been issued by Inland Revenue Department. NBT has been abolished w.e.f. 01.12.2019. Therefore, total Contingent liability for the period Jan 2012 to November 2019 is 1,988.26 million."

8 - No Circumstances have been arisen since the Balance Sheet date, which would require adjustments to or disclosure in the Financial Statements of 30th June 2021

9 - Share price movement

April-June

The market prices during	2021-22	2020-21
Highest prices LKR	23.90	18.70
Lowest prices LKR	18.30	13.00
Last trade price LKR	20.80	17.20

10 - Net Asset Value per share (30th June 2021) - LKR

37.93

Net Asset Value per share (30th June 2020) - LKR

35.03

Notes to the Financial Statement for the quarter ended 30th June 2021

11- Stated Capital is represented by 532,465,705 ordinary Shares.

12- Names and the Number of Shares held by the largest 20 shareholders as at 30th June 2021

	Name	No.of Shares	Percentage
1	Indian Oil Corporation Limited, India	400,000,005	75.12
2	J B Cocoshell [Pvt] Ltd	14,183,250	2.66
3	Sri Lanka Insurance Corporation Ltd-Life fund	7,075,980	1.33
4	Bank of Ceylon A/c Ceybank Unit Trust	6,025,833	1.13
5	Deutsche Bank AG-AS Trustee for JB Vantage Value Equity Fund	5,533,553	1.04
6	Employees Trust Fund Board	4,920,104	0.92
7	Peoples Leasing & Finance Plc/Mr.D.M.P.Disanayake	3,335,489	0.63
8	E W Balasuriya & Co (Pvt) Ltd	2,526,800	0.47
9	GF Capital Global Limited	2,426,980	0.46
10	Employees Provident Fund	2,346,558	0.44
11	Timex Garments [Pvt] Ltd	2,196,899	0.41
12	Mr. A.S.Ashraf	2,083,801	0.39
13	Askold (Pvt)Limited	1,943,798	0.37
14	Assetline Leasing Co.Ltd/British American Technologies (Pvt)Ltd	1,801,796	0.34
15	Bank of Ceylon A/C Ceybank Century Growth Fund	1,767,951	0.33
16	Est of Lat S.H.A. Gulamhusein	1,481,956	0.28
17	Mr. M.A. Jafferjee	1,382,030	0.26
18	Sri Lanka Insurance Corporation Ltd-General fund	1,310,128	0.25
19	Hallsville Trading Group inc.	1,280,865	0.24
20	Commercial Bank of Ceylon PLC/S.A.Gulamhusein	1,260,867	0.24
	Total	464,884,643	87.31

13- Public Holding as a % of issued Share Capital 24.88%
 Number of Public Shareholders 10,631
 Compliant under option 4 - Float adjusted market capitalization (LKR Mn) 2,756

14- Directors' Shareholding as on 30th June 2021

Mr.Ranjan Kumar Mohapatra		Nil
Mr Manoj Gupta		Nil
Prof.Lakshman R Watawala		500
Mr Amitha Gooneratne		4,800
Mr Vigyan Kumar		Nil
Mr D R Paranjape		Nil