

# **LANKA IOC PLC**

## **FINANCIAL STATEMENTS - 30 SEPTEMBER 2024**

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**Lanka IOC PLC**  
**Statement of Financial Position**  
(all amounts in Sri Lanka Rupees 000's)

	Note	As at 30 Sept 2024	As at 31 Mar 2024
<b>ASSETS</b>			
<b>Non Current Assets</b>			
Property, Plant and Equipment		4,992,614	4,899,713
Long term Investment -CPSTL		5,306,000	5,306,000
Long term Investment -TPTL		98,000	98,000
Intangible Assets		673,876	673,876
Right to Use-Lease Assets		156,658	46,899
Other Receivables		162,621	162,621
Defined Benefit Plan Assets (Net)		2,076	-
		<b>11,391,845</b>	<b>11,187,109</b>
<b>Current Assets</b>			
Inventories		32,789,098	26,302,203
Trade and Other Receivables		28,674,953	19,099,796
Short Term Investments		47,322,542	38,928,945
Cash and Bank Balances		1,750,988	6,277,439
		<b>110,537,581</b>	<b>90,608,383</b>
<b>Total Assets</b>		<b>121,929,426</b>	<b>101,795,492</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and Reserves</b>			
Stated Capital		7,576,574	7,576,574
Other Reserve		912,000	912,000
Retained Earnings		68,620,466	64,981,583
<b>Total Equity</b>		<b>77,109,040</b>	<b>73,470,157</b>
<b>Non Current Liabilities</b>			
Defined Benefit Obligation (Net)		-	26,533
Right to Use-Lease Liability		49,261	48,669
Deferred Tax Liability (Net)		68,842	28,775
		<b>118,103</b>	<b>103,977</b>
<b>Current Liabilities</b>			
Interest Bearing Borrowings		4,586,008	4,306,616
Income Tax Payable		591,651	1,228,034
Trade and Other Payables		39,407,068	22,682,361
Right to Use-Lease Liability		117,556	4,347
		<b>44,702,283</b>	<b>28,221,358</b>
<b>Total Equity and Liabilities</b>		<b>121,929,426</b>	<b>101,795,492</b>

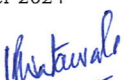
(The above figures are unaudited)

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

  
**Avinash Singh**  
Sr 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 19th October 2024

  
**Dipak Das**  
Managing Director  
Date : 19th October 2024

  
**Prof. Lakshman R Watawala**  
Director  
Date : 19th October 2024

# Lanka IOC PLC

## Statement of Comprehensive Income

(all amounts in Sri Lanka Rupees 000's)

	Three Months Ended		Six Months Ended	
	July -Sep 2024-25	July -Sep 2023-24	Apr-Sep 2024-25	Apr-Sep 2023-24
Revenue	73,516,693	61,699,583	146,726,704	116,446,061
Cost of Sales	(68,613,706)	(53,906,870)	(135,566,156)	(103,188,402)
<b>Gross Profit</b>	<b>4,902,987</b>	<b>7,792,713</b>	<b>11,160,548</b>	<b>13,257,659</b>
Other Operating Income	48,066	154,178	94,672	177,502
Selling and Distribution Expenses	(2,209,293)	(1,952,798)	(4,391,927)	(3,752,248)
Administrative Expenses	(844,586)	(779,265)	(1,530,528)	(1,847,325)
<b>Operating Profit/(Loss)</b>	<b>1,897,174</b>	<b>5,214,828</b>	<b>5,332,765</b>	<b>7,835,588</b>
Finance Income	1,450,257	1,274,402	2,740,693	2,354,468
Finance Expenses	(128,637)	(273,335)	(291,771)	(969,462)
<b>Profit/(Loss) Before Tax</b>	<b>3,218,794</b>	<b>6,215,895</b>	<b>7,781,687</b>	<b>9,220,594</b>
Income Tax	(693,496)	(1,156,798)	(1,480,475)	(1,715,264)
<b>Profit/(Loss) for the period</b>	<b>2,525,298</b>	<b>5,059,097</b>	<b>6,301,212</b>	<b>7,505,330</b>
<b>Other Comprehensive Income /(Loss)</b>				
Items that will not be reclassified to profit or loss:				
Other Comprehensive Income /(Loss)	-	-	-	-
Income tax on other Comprehensive income/(loss)	-	-	-	-
Fair Value Adjustment on CPSTL	-	-	-	-
<b>Total Comprehensive Income/(Loss), Net of Tax</b>	<b>2,525,298</b>	<b>5,059,097</b>	<b>6,301,212</b>	<b>7,505,330</b>
<b>Earnings Per Share</b>	<b>4.74</b>	<b>9.50</b>	<b>11.83</b>	<b>14.10</b>

(The above figures are unaudited)

# **Lanka IOC PLC**

## **Statement of changes in equity** (all amounts in Sri Lanka Rupees in '000's)

	Stated Capital	Other Reserve (Financial Assets at FVOCI) Rs	Retained Earnings	Total
	Rs.	Rs.	Rs.	Rs.
<b>Balance at 1st April 2023</b>	7,576,574	458,000	53,197,972	61,232,546
Dividends Paid	-	-	(2,129,863)	(2,129,863)
Profit /(Loss) for the Period	-	-	7,505,330	7,505,330
<b>Balance at 30 September 2023</b>	<b>7,576,574</b>	<b>458,000</b>	<b>58,573,440</b>	<b>66,608,014</b>
<b>Balance at 1st April 2024</b>	7,576,574	912,000	64,981,583	73,470,157
Dividends	-	-	(2,662,329)	(2,662,329)
Profit /(Loss) for the Period	-	-	6,301,212	6,301,212
<b>Balance at 30th September 2024</b>	<b>7,576,574</b>	<b>912,000</b>	<b>68,620,466</b>	<b>77,109,040</b>

( The above figures are unaudited)



# Lanka IOC PLC

## Cash Flow Statement

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

	Apr-Sep 2024-25	Apr-Sep 2023-24
<b>Cash Flows From/(Used in) Operating Activities</b>		
Profit / (Loss) before Income Tax Expense	7,781,687	9,220,594
<b>Adjustments for</b>		
Finance Income	(2,740,693)	(2,354,468)
Finance Expenses	291,771	969,462
Dividend Income	-	(120,000)
(Profit)/Loss on Sale of Property Plant and Equipment	254	(41)
Defined Benefit Plan Cost	(578)	(127)
Depreciation	278,473	195,687
Amortisation of Intangible Asset	-	-
Amotisation Right to use Assets	22,486	490
Lease Interest - Right of - use Assets	7,281	3,048
<b>Operating Profit/(Loss) before Working Capital Changes</b>	<b>5,640,681</b>	<b>7,914,645</b>
<b>Changes in Working Capital</b>		
(Increase)/ Decrease in Inventories	(6,486,895)	4,749,638
(Increase) /Decrease in Trade and Other Receivables	(9,575,156)	(537,391)
Increase/ (Decrease) in Trade and Other Payables	16,724,707	8,369,251
<b>Cash Generated From/(Used in) Operations</b>	<b>6,303,337</b>	<b>20,496,143</b>
Income Tax	(2,076,793)	(1,674,271)
Finance Expenses	(291,771)	(969,462)
Finance Income	2,740,693	2,354,468
Defined Benefit Paid	(14,726)	(6,425)
<b>Net Cash Flows From Operating Activities</b>	<b>6,660,740</b>	<b>20,200,453</b>
<b>Cash Flows from Investing Activities</b>		
Dividend Income	-	120,000
Acquisition of Property, Plant and Equipment	(371,750)	(763,698)
Proceeds on disposal of Property, Plant and Equipment	122	42
Investment In TPPL	-	(49,000)
Net (Investment)/Withdrawal in Gratuity Fund	(13,304)	(24,775)
<b>Net Cash Flows From/(Used in) Investing Activities</b>	<b>(384,932)</b>	<b>(717,431)</b>
<b>Cash Flows From Financing Activities</b>		
Proceed from Interest bearing borrowings	42,440,569	26,478,918
Repayments of Interest bearing borrowings	(42,161,177)	(30,947,263)
Dividend Paid	(2,662,329)	(2,129,863)
Payment to Lease Creditor	(25,725)	(2,205)
<b>Net Cash Flows From/(Used in) Financing Activities</b>	<b>(2,408,662)</b>	<b>(6,600,413)</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>3,867,146</b>	<b>12,882,609</b>
Cash and Cash Equivalents at the Beginning of the Year	45,206,384	27,035,888
<b>Cash and Cash Equivalents at the End of the Period</b>	<b>49,073,530</b>	<b>39,918,497</b>
<b>Analysis of Cash and Cash Equivalents</b>		
Cash in hand & at Bank	1,750,988	6,782,615
Short Term Investments	47,322,542	33,135,882
<b>Total cash and cash equivalents</b>	<b>49,073,530</b>	<b>39,918,497</b>

(The above figures are unaudited)

# 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 19th October 2024.

### 2 - Basis of preparation

These condensed interim financial statements of Lanka IOC PLC are for the period ended 30th September 2024. 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 2024.

### 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 2024.

- 4- Net assets per share have been computed based on number of shares in issues as at 30th September 2024
- 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 from banks Rs 4,586 Mn (2023- Nil) are unsecured except for the loans from State Bank of India Colombo branch amounting to Rs 178.71 Mn (2023- Nil). These loans are secured against hypothecation over trading stock held at Kolonnawa, Muthurajawala and Trincomalee terminals.
- 7- Based on the legal advice given by our consultants, we have provided the liability on account of NBT for sale of petrol and diesel from company owned as well as franchisee sheds for the periods which are pending before Court of Appeal (COA), Supreme Court (SC) and before Commissioner General of Inland Revenue (CGIR). Company disclosed NBT liability under contingent liability for possible obligations in the notes to Financial Statements for the periods assessment orders not issued and for the penalties. COA issued the judgment on 15th Dec 2023 in favor of LIOC for the quarter of July-Sep 2012 and as per the procedure, now the matter is before SC. Period of July-Sep 2012 is fixed for support on 28th February 2025. The next argument date at court of appeal for first two periods (Jan-June 2012) is scheduled on 15th Oct 2024. Periods from Oct 2012 to Dec 2015 & April 2016 to Mar 2017 are before COA and to be mentioned on 07th Nov 2024. 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 Sept 2012 amounting to Rs. 149.12 Mn including interest & penalty. Considering the merits of the case & expert opinion, LIOC filed the appeals in the Court of Appeal. Arguments of the appeals filed for the period of Jan 2012 to June 2012 are being heard by COA. COA given the Judgement dated 15.12.2023 for the period of July 2012 to Sept 2012 and allowed the LIOC appeal. IRD has appealed against the judgement of the Court of Appeal before Supreme Court (SC). Subsequent to the COA judgement, TAC issued determinations for all pending periods before TAC (The Appeals for the assessment period Oct 2012 to Dec 2015 & April 2016 to Mar 2017) in favour LIOC which was against their previous determinations amounting to Rs. 1,052.18 Mn including interest & penalty. IRD has appealed before COA against TAC determinations. For the assessment period April 2017 to March 2018 amounting to Rs. 376.68 Mn including interest & penalty, CGIR has issued the determinations confirming assessments, later on CGIR agreed to waive off the same which is yet to be updated in IRD system

The estimated liability for the assessment period Jan 2016 to Mar 2016 & Apr 2018 to November 2019 is Rs. 410.28 Mn for which assessment orders have not yet been received and no default in Inland Revenue Department. NBT has been abolished w.e.f. 01.12.2019. Therefore, total amount for the period Jan 2012 to Nov 2019 is Rs. 1,988.26 Mn which includes principal demand of Rs. 1,412 Mn and Interest & penalty of Rs. 576 Mn. Total principal amount for the assessed period Jan 2012 to Dec 2015 & April 2016 to March 2018 is Rs. 1,028.83 Mn provided in the books of accounts while the balance Rs. 959.43 Mn not been provided on the ground that the assessment from IRD has not been received and no liability is shown in IRD and the management is unable to make a best estimate of the penalty required to settle the present obligation at the end of the reporting period.

### 8 - Events after the end of reporting period

No any events have occurred since the statement of financial position date which would require adjustments to, or disclosure in, the financial statements.

### 9 - Share price movement

	July - September	
	2024-25	2023-24
The market prices during		
Highest prices LKR	128.75	152.00
Lowest prices LKR	100.00	111.25
Last trade price LKR	115.00	116.25

- 10- Net Asset Value per share (30th September 2024) - LKR 144.82
- Net Asset Value per share (30th September 2023) - LKR 125.09



## Notes to the Financial Statement for the quarter ended 30th September2024

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 September2024

	Name	No.of Shares	Percentage
1	Indian Oil Corporation Limited, India	400,000,005	75.12
2	Sri Lanka Insurance Corporation Ltd-Life fund	7,975,875	1.50
3	J B Cocoshell (Pvt) Ltd	6,478,332	1.22
4	Bank of Ceylon A/c Ceybank Unit Trust	4,842,333	0.91
5	Mr. K.A.S.R. Nissanka	4,450,519	0.84
6	Peoples Leasing & Finance Plc/Mr.D.M.P.Disanayake	4,036,302	0.76
7	Hatton National Bank PLC-Senfin Growth Fund	2,400,365	0.45
8	Employees Provident Fund	2,346,558	0.44
9	Mrs.T.T.A. De Silva Weerasooria	2,317,406	0.44
10	Sri Lanka Insurance Corporation Ltd-General Fund	2,148,947	0.40
11	Odyssey Capital Partners (Private) Limited	2,143,939	0.40
12	Hatton National Bank PLC/ Mr. Elayathamby Thavagnanasundaram	2,124,803	0.40
13	Finco Holdings (Private) Limited	2,020,261	0.38
14	Mrs. S. Amarasekera	1,755,000	0.33
15	Mr. N. Samarasuriya	1,704,000	0.32
16	Mr. R.C.D. De Silva	1,499,380	0.28
17	Employees Trust Fund Board	1,481,646	0.28
18	Assetline Finance Leasing Ltd/British American Technologies (Pvt )Ltd	1,451,796	0.27
19	Mr. R.P. Weerasooriya	1,247,057	0.23
20	Mr. Y.S.H.R.S. Silva	1,104,050	0.21
	Total	453,528,574	85.18

- 13- Public Holding as a % of issued Share Capital 24.88%
- Number of Public Shareholders 13,926
- Compliant under **Option -1** Float adjusted market capitalization (LKR Mn) 15,233
- The Company complies with Minimum Public Holding Requirement under option 1 of the Listing Rules 7.14.1 (a) which is no minimum % requires in Public Holding and Number of Public Shareholders 500 .

### 14- Directors' Shareholding as on 30th September2024

Mr.Satish Kumar Vaduguri -Chairman - Appointed W.e f 01st September 2024	Nil
Mr.Sujoy Choudhury -Chairman - Ceased W e f 31st August 2024	Nil
Mr Dipak Das	Nil
Prof.Lakshman R Watawala	500
Mr Amitha Gooneratne	4,800
Mr Rani Venkata Naga Vishweshwar	Nil
Mr Nikhil Deep Mathur	Nil