



LANKA IOC PLC

FINANCIAL STATEMENTS - 30 JUNE 2024

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Lanka IOC PLC

Statement of Financial Position

(all amounts in Sri Lanka Rupees 000's)

	Note	As at 30 June 2024	As at 31 Mar 2024
ASSETS			
Non Current Assets			
Property, Plant and Equipment		4,996,432	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		167,878	46,899
Other Receivables		162,621	162,621
Defined Benefit Plan Assets (Net)		2,076	-
		11,406,883	11,187,109
Current Assets			
Inventories		29,817,289	26,302,203
Trade and Other Receivables		20,155,115	19,099,796
Short Term Investments		44,177,335	38,928,945
Cash and Bank Balances		3,710,911	6,277,439
		97,860,650	90,608,383
Total Assets		109,267,533	101,795,492
EQUITY AND LIABILITIES			
Capital and Reserves			
Stated Capital		7,576,574	7,576,574
Other Reserve		912,000	912,000
Retained Earnings		68,757,496	64,981,583
Total Equity		77,246,070	73,470,157
Non Current Liabilities			
Defined Benefit Obligation (Net)		-	26,533
Right to Use-Lease Liability		126,452	48,669
Deferred Tax Liability (Net)		8,269	28,775
		134,721	103,977
Current Liabilities			
Interest Bearing Borrowings		7,961,584	4,306,616
Income Tax Payable		1,072,055	1,228,034
Trade and Other Payables		22,803,458	22,682,361
Right to Use-Lease Liability		49,645	4,347
		31,886,742	28,221,358
Total Equity and Liabilities		109,267,533	101,795,492

(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



Aseem Bhargava

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 17th July 2024



Dipak Das

Managing Director

Date : 17th July 2024



Mr Amitha Gooneratne

Director

Date : 17th July 2024

Lanka IOC PLC

Statement of Comprehensive Income

(all amounts in Sri Lanka Rupees 000's)

	Three Months Ended	
	Apr-June 2024-25	Apr-June 2023-24
Revenue	73,210,011	54,746,478
Cost of Sales	(66,952,450)	(49,281,532)
Gross Profit	6,257,561	5,464,946
Other Operating Income	46,606	23,324
Selling and Distribution Expenses	(2,182,635)	(1,799,450)
Administrative Expenses	(685,942)	(1,068,060)
Operating Profit/(Loss)	3,435,590	2,620,760
Finance Income	1,365,345	1,080,067
Finance Expenses	(238,043)	(696,128)
Profit/(Loss) Before Tax	4,562,892	3,004,699
Income Tax	(786,979)	(558,465)
Profit/(Loss) for the period	3,775,913	2,446,234
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)	-	-
Fair Value Adjustment on CPSTL	-	-
Total Comprehensive Income/(Loss), Net of Tax	3,775,913	2,446,234
Earnings Per Share	7.09	4.59

(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.
Balance at 1st April 2023	7,576,574	458,000	53,197,972	61,232,546
Dividends Paid	-	-	(2,129,863)	(2,129,863)
Profit /(Loss) for the Period	-	-	2,446,234	2,446,234
Balance at 30 June 2023	7,576,574	458,000	53,514,343	61,548,917
Balance at 1st April 2024	7,576,574	912,000	64,981,583	73,470,157
Profit /(Loss) for the Period	-	-	3,775,913	3,775,913
Balance at 30th June 2024	7,576,574	912,000	68,757,496	77,246,070

(The above figures are unaudited)

Lanka IOC PLC

Cash Flow Statement

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

	Apr-June 2024-25	Apr-June 2023-24
Cash Flows From/(Used in) Operating Activities		
Profit /(Loss)before Income Tax Expense	4,562,892	3,004,699
Adjustments for		
Finance Income	(1,365,345)	(1,080,067)
Finance Expenses	238,043	696,128
(Profit)/Loss on Sale of Property Plant and Equipment	-	(3)
Defined Benefit Plan Cost	(326)	(100)
Depreciation	131,813	95,301
Amotisation Right to use Assets	11,266	245
Lease Interest - Right of - use Assets	3,723	1,524
Operating Profit/(Loss) before Working Capital Changes	3,582,066	2,717,727
Changes in Working Capital		
(Increase)/ Decrease in Inventories	(3,515,086)	1,541,447
(Increase) /Decrease in Trade and Other Receivables	(1,055,319)	(7,937,851)
Increase/ (Decrease) in Trade and Other Payables	121,096	9,334,984
Cash Generated From/(Used in) Operations	(867,243)	5,656,307
Income Tax	(963,464)	(1,089,320)
Finance Expenses	(238,043)	(696,128)
Finance Income	1,365,345	1,080,067
Defined Benefit Paid	(8,221)	(4,390)
Net Cash Flows From Operating Activities	(711,626)	4,946,536
Cash Flows from Investing Activities		
Acquisition of Property, Plant and Equipment	(228,532)	(247,380)
Proceeds on disposal of Property, Plant and Equipment	-	4
Net (Investment)/Withdrawal in Gratuity Fund	(20,062)	2,227
Net Cash Flows From/(Used in) Investing Activities	(248,594)	(245,149)
Cash Flows From Financing Activities		
Proceed from Interest bearing borrowings	26,547,985	8,439,115
Repayments of Interest bearing borrowings	(22,893,015)	(12,895,926)
Payment to Lease Creditor	(12,888)	(1,103)
Net Cash Flows From/(Used in) Financing Activities	3,642,082	(4,457,914)
Net Increase / (Decrease) in Cash and Cash Equivalents	2,681,862	243,473
Cash and Cash Equivalents at the Beginning of the Year	45,206,384	27,035,888
Cash and Cash Equivalents at the End of the Period	47,888,246	27,279,361
Analysis of Cash and Cash Equivalents		
Cash in hand & at Bank	3,710,911	7,309,961
Short Term Investments	44,177,335	19,969,400
Total cash and cash equivalents	47,888,246	27,279,361

(The above figures are unaudited)

Lanka IOC PLC

NOTES TO FINANCIAL POSITION

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

	AS AT 30 June 2024	AS AT 31st Mar 2024
FIXED ASSETS		
NET BLOCK		
FREE HOLD LAND	1,953,857	1,953,857
BUILDING ON FREE HOLD LAND	725,237	750,887
BUILDING ON LEASE HOLD LAND	4,711	5,188
PLANT & EQUIPMENT	988,849	883,170
STORAGE TANKS	922,092	860,679
OFFICE EQUIPMENT	25,567	28,347
FURNITURE & FITTINGS	162,702	150,312
MOTOR VEHICLES	106	300
COMPUTERS	85	85
CAPITAL WORK-IN-PROGRESS	213,226	266,887
TOTAL	4,996,432	4,899,713
INTANGIBLE ASSETS		
GOODWILL		
GOODWILL COST	759,298	759,298
GOODWILL AMORTISED	(85,422)	(85,422)
TOTAL INTANGIBLE ASSETS	673,876	673,876
DEFERRED TAX ASSETS / (LIABILITY)	(8,269)	(28,775)
CLOSING STOCK		
LANKA AUTO DIESEL	9,457,344	7,356,600
LANKA PETROL 92	6,079,158	5,970,092
LANKA PETROL 95	2,576,992	1,347,647
LANKA SUPER DIESEL	1,839,324	2,709,034
PETROL-XP-100	11,799	-
LUBES & GREASES	532,508	530,347
LUBE BASE OIL	2,782,842	4,057,869
LUBE ADDITIVE	524,875	491,002
PETRO CHEMICALS	9,197	-
LUBE MISCELLANEOUS ITEMS	21,776	33,268
MARINE GAS OIL	907,769	459,104
FUEL OIL	2,156	2,135
LSFO	3,792,481	2,613,552
BITUMEN	58,489	(0)
STORES AND SPARES	301,463	463,303
GOODS IN TRANSIT	919,116	268,249
TOTAL	29,817,289	26,302,203
RECEIVABLES AND PREPAYMENTS		
TRADE DEBTORS	8,592,991	9,213,955
PROVISION FOR DOUBTFUL DEBTS	(238,348)	(238,348)
NET TRADE DEBTORS	8,354,643	8,975,607
PREPAYMENTS	389,842	548,716
DEPOSITS AND ADVANCES	489,032	253,646
RECEIVABLES -OTHERS	23,526	63,200
RECEIVABLE VAT & NBT	10,898,072	9,258,627
TOTAL TRADE AND OTHER RECEIVABLES	20,155,115	19,099,796

Lanka IOC PLC

NOTES TO FINANCIAL POSITION

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

	AS AT 30 June 2024	AS AT 30 June 2024
<u>OTHER RECEIVABLE (EMPLOYEES LOANS)</u>		
PREPAID-DEFERRED EMPLOYEE INTEREST. BENIFIT-SLFRS 9	40,434	40,434
EMP. LOAN - NON-CURRENT	122,187	122,187
TOTAL	162,621	162,621
<u>SHORT TERM INVESTMENTS</u>		
INVESTMENT IN UNIT TRUST	16,275,052	14,842,272
INVESTMENT THROUGH PORTFOLIO MANAGEMENT SERVICES	17,350,304	15,728,721
FIXED DEPOSITS	8,551,979	8,357,952
REPO DEPOSITS	2,000,000	-
TOTAL	44,177,335	38,928,945
<u>CASH AND BANK BALANCES</u>		
	3,710,911	6,277,439
<u>CAPITAL AND RESERVES</u>		
EQUITY SHARES	5,324,657	5,324,657
SHARE PREMIUM	2,251,917	2,251,917
TOTAL STATED CAPITAL	7,576,574	7,576,574
<u>NON-CURRENT LIABILITIES</u>		
<u>GRATUITY PROVISIONS</u>		
GRATUITY PROVISION	113,957	118,178
GRATUITY PROVISION-THRIFT SOCIETY	29,971	33,971
GRATUITY FUND	(146,004)	(125,616)
TOTAL	(2,076)	26,532
<u>TRADE AND OTHER PAYABLES</u>		
TRADE PAYABLES -RELATED PARTY	684,002	563,070
TRADE PAYABLES -OTHERS	13,520,611	11,936,618
OTHER ACCOUNT PAYABLES -RELATED PARTY	856,306	824,493
OTHER ACCOUNT PAYABLES -OTHERS	7,742,538	9,358,181
TOTAL	22,803,457	22,682,361
<u>CURRENT TAX(PAYABLES)/RECEIVABLES</u>		
ECONOMIC SERVICE CHAGRE RECEIVABLE	(20,170)	(20,170)
OTHER TAX RECEIVABLE	(109,055)	(85,591)
INCOME TAX PAYABLE	1,201,280	1,333,795
TOTAL	1,072,055	1,228,034

Lanka IOC PLC

NOTES TO INCOME STATEMENT

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

	Apr-June 2024-25	Apr-June 2023-24
TURNOVER		
LANKA AUTO DIESEL	21,567,248	18,349,864
XTRAMILE	582,694	839,793
LANKA SUPER DIESEL	904,901	788,306
LANKA PETROL 92 OCTANE	25,786,247	20,227,629
XTRAPREMIUM EURO 3	832,611	2,193,565
XTRAPREMIUM 95	1,730,510	2,093,299
XP-100	13,060	-
LUBES & GREASES	2,607,838	2,131,766
MARINE GAS OIL - MGO	2,956,953	1,345,237
FUEL OIL-LSFO/ IFO380	15,841,902	6,509,019
BITUMEN	249,190	249,738
PETROCHEMICALS	136,857	18,262
TOTAL	73,210,011	54,746,478
COST OF SALES		
PURCHASES	70,065,550	47,498,660
(INCREASE)/DECREASE IN INVENTORY	(3,515,086)	1,541,446
IMPORT LICENCE FEES	241,040	28,500
PLANT HANDLING EXPENSES	5,414	7,934
IMPORT HANDLING CHARGES	54,555	84,662
DEMURRAGE CHARGES	1,656	(6,206)
OWN USE	3,425	1,749
FIRE FIGHTING CHARGES	3,399	1,115
DUTIES & TAXES-OTHERS	20,029	65,644
ROYALTY CHARGES ON LUBES	72,468	58,027
TOTAL COST OF SALES	66,952,450	49,281,532
OTHER OPERATING INCOME		
RENTAL INCOME	28,360	17,899
PROFIT/(LOSS) ON SALE OF ASSETS	-	3
OTHER MISCELLANEOUS INCOME	18,246	5,422
TOTAL	46,606	23,324
SELLING AND DISTRIBUTION EXPENSES		
TERMINALLING CHARGES	251,532	137,438
ROAD TRANSPORT	844,556	761,375
BARGE HIRE	122,087	153,603
STORAGE AND HANDLING EXPENSES	150,478	99,859
SALES PROMOTION & ADVERTISING	129,367	75,328
SSCL IRRECOVERABLE	684,615	571,846
TOTAL	2,182,635	1,799,450

Lanka IOC PLC

NOTES TO INCOME STATEMENT

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

	Apr-June 2024-25	Apr-June 2023-24
ADMINISTRATIVE EXPENSES		
AUDIT FEES	375	820
LC & BANK CHARGES	65,356	280,117
BOOKS AND PERIODICALS	9,135	7,954
COMMUNICATION	1,909	5,028
CSR	20,096	207,573
DEPRECIATION	131,813	95,301
DIRECTORS SITTING FEES	700	700
ELECTRICITY & WATER CHARGES	6,406	5,930
GRATUITY EXPENSE	(326)	(100)
HOUSE KEEPING EXPENSES	9,967	9,438
INSURANCE	10,337	9,505
IT EXPENSES	1,805	2,219
OTHER EXPENSES	10,962	9,299
PRINTING & STATIONARY	1,806	1,578
PROFESSIONAL CHARGES	9,019	8,358
RATE & TAXES	8,886	10,609
RENT & RIGHT TO USE CHARGES	21,449	23,646
REPAIRS & MAINTANANCE	50,234	47,550
SALARIES & WAGES	278,539	295,041
STAFF WELFARE	11,818	11,153
SECURITY EXPENSES	2,717	2,031
TRAINING & DEVELOPMENT	3,437	8,123
TRAVELLING & CONVEYANCE	29,502	26,185
TOTAL ADMINISTRATIVE EXPENSES	685,943	1,068,060
FINANCE INCOME		
INTEREST ON UNIT TRUST	434,048	198,525
INTEREST ON REPO AND DEPOSITS	832,846	815,795
INTEREST ON OTHERS	98,450	65,748
EXCHANGE FLUCTUATION (GAIN)/LOSS	-	-
TOTAL FINANCE INCOME	1,365,344	1,080,067
FINANCE EXPENSES		
INTEREST ON SHORT TERM LOANS	163,134	117,478
EXCHANGE FLUCTUATION (GAIN)/LOSS	74,909	578,650
TOTAL FINANCE EXPENSES	238,043	696,127

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 17th July 2024.

2 - Basis of preparation

These condensed interim financial statements of Lanka IOC PLC are for the period ended 30th June 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 June 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 7,962 Mn (2023- Rs 4,306 Mn) are unsecured except for the loans from State Bank of India Colombo branch amounting to Rs 1,327 Mn (2023- Rs 1,560 Mn). These loans are secured against hypothecation over trading stock held at Kolonnawa, Muthurajawala and Trincomalee 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 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 of LIOC which was against their previous determinations amounting to Rs. 1,052.18 Mn including interest & penalty. IRD is in the appeal process to appeal 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

Final dividend - 2023-24

The Board of Directors of the Company recommend a final dividend of Rs 5/- per share for the financial year ended 31 March 2024. As required by section 56 (2) of the Companies Act No. 07 of 2007, the Board of Directors has confirmed that the Company satisfies the solvency test in accordance with section 57 of the Companies Act No.07 of 2007. The same has been approved by the shareholders at the Annual General Meeting held on 01st July 2024

No any other 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

	April - June	
	2024-25	2023-24
The market prices during		
Highest prices LKR	134.50	182.00
Lowest prices LKR	115.25	111.00
Last trade price LKR	127.25	130.25

10- Net Asset Value per share (30th June 2024) - LKR

145.07

Net Asset Value per share (30th June 2023) - LKR

115.59

Notes to the Financial Statement for the quarter ended 30th June 2024

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 2024

	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	4,035,462	0.76
7	Employees Provident Fund	2,346,558	0.44
8	Mrs. T.T.A. De Silva Weerasooria	2,312,933	0.43
9	Hatton National Bank PLC/ Mr. Elayathamby Thavagnanasundaram	2,165,132	0.41
10	Sri Lanka Insurance Corporation Ltd-General Fund	2,148,947	0.40
11	Hatton National Bank PLC-Senfin Growth Fund	2,139,185	0.40
12	Odyssey Capital Partners (Private) Limited	2,120,945	0.40
13	Finco Holdings (Private) Limited	2,020,261	0.38
14	Mrs. S. Amarasekera	1,750,000	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 Co.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	453,274,416	85.13

13- Public Holding as a % of issued Share Capital 24.88%
 Number of Public Shareholders 13,797
 Compliant under **Option -1** Float adjusted market capitalization (LKR Mn) 16,856
 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 June 2024

Mr.Sujoy Choudhury -Chairman	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