



LANKA IOC PLC

FINANCIAL STATEMENTS - 31 DECEMBER 2023

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Lanka IOC PLC

Statement of Financial Position

(all amounts in Sri Lanka Rupees 000's)

Note	As at 31 Dec 2023	As at 31 Mar 2023
ASSETS		
Non Current Assets		
Property, Plant and Equipment	4,608,202	3,903,723
Long term Investment -CPSTL	4,852,000	4,852,000
Long term Investment -TPTL	98,000	49,000
Intangible Assets	673,877	673,876
Right to Use-Lease Assets	47,145	47,881
Other Receivables	148,463	148,463
Defined Benefit Plan Assets (Net)	16,156	-
	10,443,843	9,674,943
Current Assets		
Inventories	29,410,747	38,027,406
Trade and Other Receivables	10,543,034	7,474,390
Short Term Investments	35,953,261	21,045,631
Cash and Bank Balances	2,584,806	5,990,257
	78,491,848	72,537,684
Total Assets	88,935,691	82,212,627
EQUITY AND LIABILITIES		
Capital and Reserves		
Stated Capital	7,576,574	7,576,574
Other Reserve	458,000	458,000
Retained Earnings	61,588,890	53,197,972
Total Equity	69,623,464	61,232,546
Non Current Liabilities		
Defined Benefit Obligation (Net)	-	15,171
Right to Use-Lease Liability	49,967	49,539
Deferred Tax Liability (Net)	541,519	541,161
	591,486	605,871
Current Liabilities		
Trade and Other Payables	14,451,961	14,826,759
Right to Use-Lease Liability	2,522	1,684
Interest Bearing Borrowings	3,481,082	4,468,346
Income Tax Payable	785,176	1,077,421
	18,720,741	20,374,210
Total Equity and Liabilities	88,935,691	82,212,627

(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

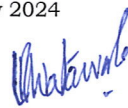


Aseem Bhargava
Sr Vice President (Finance)

The Board of Directors is responsible for these financial statements. The Financial Statements were authorised for issue by the Board of Directors on 14th January 2024



Dipak Das
Managing Director
Date : 14th January 2024



Prof. Lakshman R Watawala
Director
Date : 14th January 2024

Lanka IOC PLC

Statement of Comprehensive Income

(all amounts in Sri Lanka Rupees 000's)

	Three Months Ended		Nine Months Ended	
	Oct- Dec 2023-24	Oct- Dec 2022-23	Apr-Dec 2023-24	Apr-Dec 2022-23
Revenue	72,021,281	74,872,180	188,467,343	212,766,307
Cost of Sales	(67,012,254)	(62,859,015)	(170,200,656)	(168,969,666)
Gross Profit	5,009,027	12,013,165	18,266,687	43,796,641
Other Operating Income	23,906	30,799	201,408	86,551
Selling and Distribution Expenses	(1,966,555)	(1,920,073)	(5,718,803)	(4,818,397)
Administrative Expenses	(798,037)	(960,703)	(2,645,362)	(2,455,249)
Operating Profit/(Loss)	2,268,341	9,163,188	10,103,930	36,609,546
Finance Income	1,464,304	1,093,907	3,722,931	2,078,866
Finance Expenses	(92,193)	(533,342)	(965,814)	(2,518,656)
Profit/(Loss) Before Tax	3,640,452	9,723,753	12,861,047	36,169,756
Income Tax	(625,002)	(1,490,508)	(2,340,267)	(5,653,604)
Profit/(Loss) for the period	3,015,450	8,233,245	10,520,780	30,516,152
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	3,015,450	8,233,245	10,520,780	30,516,152
Earnings Per Share	5.66	15.46	19.76	57.31

(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 2022	7,576,574	-	16,709,340	24,285,914
Dividends Paid	-	-	(1,198,048)	(1,198,048)
Profit /(Loss) for the Period	-	-	30,516,152	30,516,152
Balance at 31st Dec 2022	7,576,574	-	46,027,443	53,604,017
Balance at 1st April 2023	7,576,574	458,000	53,197,972	61,232,546
Dividends	-	-	(2,129,863)	(2,129,863)
Profit /(Loss) for the Period	-	-	10,520,780	10,520,780
Balance at 31st Dec 2023	7,576,574	458,000	61,588,890	69,623,464

(The above figures are unaudited)

Lanka IOC PLC

Cash Flow Statement

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

	Apr-Dec 2023-24	Apr-Dec 2022-23
<u>Cash Flows From/(Used in) Operating Activities</u>		
Profit /(Loss)before Income Tax Expense	12,861,047	36,169,756
<u>Adjustments for</u>		
Finance Income	(3,722,931)	(2,078,866)
Finance Expenses	965,814	2,518,656
Dividend Income	(120,000)	-
(Profit)/Loss on Sale of Property Plant and Equipment	(66)	(835)
Defined Benefit Plan Cost	(127)	6,856
Depreciation	303,371	321,918
Amotisation Right to use Assets	735	24,198
Lease Interest - Right of - use Assets	4,572	7,294
Operating Profit/(Loss) before Working Capital Changes	10,292,415	36,968,977
<u>Changes in Working Capital</u>		
(Increase)/ Decrease in Inventories	8,616,659	(11,590,753)
(Increase) /Decrease in Trade and Other Receivables	(3,068,644)	(6,107,592)
Increase/ (Decrease) in Trade and Other Payables	(374,798)	3,501,707
Cash Generated From/(Used in) Operations	15,465,632	22,772,339
Income Tax	(2,632,149)	(3,967,570)
Finance Expenses	(965,814)	(2,518,656)
Defined Benefit Paid	(6,425)	(30,004)
Net Cash Flows From Operating Activities	11,861,244	16,256,109
<u>Cash Flows from Investing Activities</u>		
Finance Income	3,722,931	2,078,866
Dividend Income	120,000	-
Acquisition of Property, Plant and Equipment	(1,007,854)	(210,483)
Proceeds on disposal of Property, Plant and Equipment	69	1,088
Withdrawal/(Investment) in Bank Deposits	-	1,461,896
Investment In TPTL	(49,000)	-
Net (Investment)/Withdrawal in Gratuity Fund	(24,776)	18,522
Net Cash Flows From/(Used in) Investing Activities	2,761,370	3,349,889
<u>Cash Flows From Financing Activities</u>		
Proceed from Interest bearing borrowings	66,018,638	107,136,647
Repayments of Interest bearing borrowings	(67,005,902)	(122,389,171)
Dividend Paid	(2,129,863)	(1,198,048)
Payment to Lease Creditor	(3,308)	(34,675)
Net Cash Flows From/(Used in) Financing Activities	(3,120,435)	(16,485,247)
Net Increase / (Decrease) in Cash and Cash Equivalents	11,502,179	3,120,751
Cash and Cash Equivalents at the Beginning of the Year	27,035,888	22,415,522
Cash and Cash Equivalents at the End of the Period	38,538,067	25,536,273
<u>Analysis of Cash and Cash Equivalents</u>		
Cash in hand & at Bank	2,584,806	3,804,522
Short Term Investments	35,953,261	21,731,751
Total cash and cash equivalents	38,538,067	25,536,273

(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 14th January 2024

2 - Basis of preparation

These condensed interim financial statements of Lanka IOC PLC are for the period ended 31st December 2023. They have been prepared in accordance 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 2023.

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 2023.

4- Net assets per share have been computed based on number of shares in issues as at 31st December 2023

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- "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 LKR 149.12 Mn 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 Oct 2012 to Dec 2015 & April 2016 to Mar 2017 is pending before the Tax Appeal Commission amounting to LKR 1,052.18 Mn including interest & penalty. For the assessment period April 2017 to March 2018 amounting to LKR 376.68 Mn including interest & penalty, appeals have been filed before the Commissioner General of Inland Revenue. The estimated liability for the assessment period Jan 2016 to Mar 2016 & Apr 2018 to November 2019 is LKR 410.28 Mn 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 amount for the period Jan 2012 to Nov 2019 is LKR 1,988.26 Mn which includes principal demand of LKR 1,412 Mn and Interest & penalty of LKR 576 Mn. Total principal amount for the assessed period Jan 2012 to Dec 2015 & April 2016 to March 2018 is LKR 1,028.83 Mn provided in the books of accounts while the balance LKR 959.43 Mn not been provided.

7- Events after the end of reporting period

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

8- Share price movement

	October - December	
	2023-24	2022-23
The market prices during		
Highest prices LKR	116.00	285.00
Lowest prices LKR	94.00	150.25
Last trade price LKR	101.75	202.75

9- Net Asset Value per share (31st Dec 2023) - LKR	130.76	
Net Asset Value per share (31st Dec 2022) - LKR		100.67

Notes to the Financial Statement for the quarter ended 31st December 2023

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

11- Names and the Number of Shares held by the largest 20 shareholders as at 31st December 2023

	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	Bank of Ceylon A/c Ceybank Unit Trust	5,161,333	0.97
4	J B Cocoshell (Pvt) Ltd	4,730,602	0.89
5	Mr. K.A.S.R. Nissanka	4,450,519	0.84
6	Peoples Leasing & Finance Plc/Mr.D.M.P.Disanayake	4,034,457	0.76
7	Mrs. S. Amarasekera	2,531,500	0.48
8	Employees Provident Fund	2,346,558	0.44
9	Sri Lanka Insurance Corporation Ltd-General Fund	2,148,947	0.40
10	Hatton National Bank PLC/ Mr. Elayathamby Thavagnanasundaram	2,078,638	0.39
11	Employees Trust Fund Board	1,868,959	0.35
12	Seylan Bank PLC /Channa Nalin Rajahmoney	1,817,613	0.34
13	Mr. N. Samarasuriya	1,704,000	0.32
14	DFCC Bank PLC A/C NO .02	1,550,000	0.29
15	Assetline Finance Leasing Co.Ltd/British American Technologies (Pvt)Ltd	1,451,796	0.27
16	Hatton National Bank PLC-Senfin Growth Fund	1,324,123	0.25
17	Odyssey Capital Partners (Private) Limited	1,280,941	0.24
18	Acuity Partners (Pvt) Limited/Mr.Elayathamby Thavagnanasooriyam/Mr.Elayathamby Thavagnanasundaram	1,278,624	0.24
19	Hatton National Bank PLC/J N Lanka Holdings Company (Pvt) Ltd	1,121,950	0.21
20	N P Capital Ltd	1,100,000	0.21
	Total	449,956,440	84.51

12- Public Holding as a % of issued Share Capital 24.88%
 Number of Public Shareholders 14,942
 Compliant under **Option -1** Float adjusted market capitalization (LKR Mn) 13,478
 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 .

13- Directors' Shareholding as on 31st Dec 2023

Mr.Sujoy Choudhury -Chairman	Nil
Mr Dipak Das	Nil
Prof.Lakshman R Watawala	500
Mr Amitha Gooneratne	4,800
Mr Ruchir Agrawal	Nil
Mr Saumitra P Srivastava	Nil