

# **DISTILLERIES COMPANY OF SRI LANKA PLC**



**INTERIM FINANCIAL STATEMENTS**

**FOR THE QUARTER ENDED**

**30<sup>th</sup> June 2021**

**DISTILLERIES COMPANY OF SRI LANKA PLC**  
**STATEMENTS OF COMPREHENSIVE INCOME**

*For the period ended 30th June 2021*

	2021 Rs.'000s Unaudited	2020 Rs.'000s Audited	Variance %
<b>Gross Revenue</b>	<b>21,719,967</b>	<b>14,551,622</b>	<b>49.26%</b>
<b>Net Revenue</b>	<b>6,810,437</b>	4,586,194	<b>48.5%</b>
Cost of Sales	(4,068,176)	(2,569,916)	<b>58.3%</b>
<b>Gross Profit</b>	<b>2,742,261</b>	<b>2,016,278</b>	<b>36.0%</b>
Other Operating Income	22,930	106,106	<b>-78.4%</b>
Distribution Expenses	(168,809)	(122,584)	<b>37.7%</b>
Administrative Expenses	(280,135)	(201,772)	<b>38.8%</b>
<b>Profit from Operations</b>	<b>2,316,248</b>	<b>1,798,028</b>	<b>28.8%</b>
Finance Income	139,566	17,136	<b>714.5%</b>
Finance Cost	(2,131)	(98,989)	<b>-97.8%</b>
<b>Net Finance Income/(Expense)</b>	<b>137,435</b>	<b>(81,853)</b>	<b>-267.9%</b>
<b>Profit before Tax from continued operations</b>	<b>2,453,683</b>	<b>1,716,175</b>	<b>43.0%</b>
Taxation	(987,019)	(733,405)	<b>34.6%</b>
<b>Profit for the period</b>	<b>1,466,665</b>	<b>982,770</b>	<b>49.2%</b>
<b>Items that are or may be reclassified to Profit or Loss</b>			
Net Change in fair Value of Available for Sale Financial Assets	(143,974)	(737,287)	
Total Other Comprehensive Income/(Expense) for the Period	(143,974)	(737,287)	
<b>Total Comprehensive Income/(Expense) for the Period</b>	<b>1,322,691</b>	<b>245,483</b>	
<b>Earnings Per Share (Rs.)</b>			
Basic Earnings per Share	<b>0.32</b>	<b>0.21</b>	

**DISTILLERIES COMPANY OF SRI LANKA PLC**  
**STATEMENTS OF FINANCIAL POSITION**

AS AT,	Unaudited 30-Jun-21 Rs.'000s	Unaudited 30-Jun-20 Rs.'000s	Unaudited 31-Mar-21 Rs.'000s
<b>Non Current Assets</b>			
Property, Plant and Equipment	5,130,729	5,696,037	5,249,787
Right-of-use Asset	1,470,982	-	1,470,982
Other Non Current Financial Investment	1,896,336	1,718,777	1,936,188
	<b>8,498,047</b>	<b>7,414,814</b>	<b>8,656,957</b>
<b>Current Assets</b>			
Inventories	4,801,652	3,677,649	4,271,213
Other Receivables	2,741,285	3,987,886	4,181,174
Trade Receivables	2,113,015	2,143,438	3,661,644
Amounts Due from Related Companies	881,008	481,343	628,167
Other Current Financial Investment	56,327	51,213	58,186
Cash and Cash Equivalents	1,618,767	407,299	2,316,741
	<b>12,212,053</b>	<b>10,748,828</b>	<b>15,117,125</b>
<b>Total Assets</b>	<b>20,710,100</b>	<b>18,163,642</b>	<b>23,774,082</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and Reserve</b>			
Stated Capital	3,000,000	3,000,000	3,000,000
Capital Reserve	2,273,281	2,225,432	2,429,066
Revenue Reserve	1,689,624	(668,342)	3,431,148
	<b>6,962,905</b>	<b>4,557,090</b>	<b>8,860,214</b>
<b>Non Current Liabilities</b>			
Deferred Tax Liabilities	1,785,178	2,035,571	1,785,178
Employee Benefits	257,442	207,772	219,082
Lease Liability	1,655,621	-	1,376,204
	<b>3,698,241</b>	<b>2,243,343</b>	<b>3,380,464</b>
<b>Current Liabilities</b>			
Trade and Other Payables	4,222,241	4,276,224	4,063,795
Amounts Due to Related Companies	1,726	2,856	1,441
Lease Liability	-	-	279,417
Taxes Payable	4,877,894	4,657,773	6,814,765
Bank Overdrafts	947,093	2,426,356	373,986
	<b>10,048,954</b>	<b>11,363,209</b>	<b>11,533,404</b>
<b>Total Equity and Liabilities</b>	<b>20,710,100</b>	<b>18,163,642</b>	<b>23,774,082</b>
 Net Assets per Share (Rs.)	 <b>1.51</b>	 <b>0.99</b>	 <b>1.93</b>

The above unaudited figures are provisional and subject to audit.

I certify that the Financial Statements have been prepared & presented in compliance with the requirements of Companies Act No. 07 of 2007

*sgd/-*  
D.J.S.Algama

Assistant Finance Manager

The Directors are responsible for the preparation and presentation of these Financial Statements.

Signed for and on behalf of the board

*sgd/-*  
Director

*sgd/-*  
Director

13th August 2021

**DISTILLERIES COMPANY OF SRI LANKA PLC**  
**STATEMENTS OF CHANGES IN EQUITY**

	Stated capital <u>Rs.'000</u>	Revaluation reserve <u>Rs.'000</u>	Capital reserve <u>Rs.'000</u>	General reserve <u>Rs.'000</u>	Available for sale reserve <u>Rs.'000</u>	Retained earnings/(losses) <u>Rs.'000</u>	Total <u>Rs.'000</u>
Balance as at 1 <sup>st</sup> April 2020	3,000,000	1,754,636	107,882	10,000	1,081,089	887,040	6,840,647
<b>Total Comprehensive Income for the Period</b>	<b>3,000,000</b>	<b>1,754,636</b>	<b>107,882</b>	<b>10,000</b>	<b>1,081,089</b>	<b>887,040</b>	<b>6,840,647</b>
Profit/(Loss) for the Year	-	-	-	-	-	982,770	982,770
<b>Other Comprehensive Income</b>							
Net Change in fair value of instruments measured at FVOCI	-	-	-	-	(736,327)	-	(736,327)
	-	-	-	-	(736,327)	982,770	246,443
Dividends paid during the year	-	-	-	-	-	(2,530,000)	(2,530,000)
	-	-	-	-	-	(2,530,000)	(2,530,000)
<b>Balance as at 30<sup>th</sup> June 2020</b>	<b>3,000,000</b>	<b>1,754,636</b>	<b>107,882</b>	<b>10,000</b>	<b>344,762</b>	<b>(660,190)</b>	<b>4,557,090</b>
<b>Balance as at 01<sup>st</sup> April 2021</b>	<b>3,000,000</b>	<b>1,754,636</b>	<b>107,882</b>	<b>10,000</b>	<b>544,737</b>	<b>3,442,959</b>	<b>8,860,214</b>
<b>Total Comprehensive Income for the Period</b>							
Profit for the Year	-	-	-	-	-	1,466,665	1,466,665
<b>Other Comprehensive Income</b>							
Net Changes to Reserve	-	-	-	-	(143,974)	-	(143,974)
	-	-	-	-	(143,974)	1,466,665	1,322,691
Dividend Paid	-	-	-	-	-	(3,220,000)	(3,220,000)
<b>Balance as at 30<sup>th</sup> June 2021</b>	<b>3,000,000</b>	<b>1,754,636</b>	<b>107,882</b>	<b>10,000</b>	<b>400,763</b>	<b>1,689,624</b>	<b>6,962,905</b>

**DISTILLERIES COMPANY OF SRI LANKA PLC**

**STATEMENTS OF CASH FLOWS**

<i>For the period ended 30th June 2021</i>	<b>30-Jun-21</b>	<b>30-Jun-20</b>
	<b>Rs. '000</b>	<b>Rs. '000</b>
<b>Cash Generated from Operations</b>		
<b>Profit from operations</b>	<b>2,453,683</b>	<b>1,716,175</b>
<b>Adjustments for</b>		
Gain on Sale of Property, Plant & Equipment	-	(1,100)
Depreciation and Amortization of PPE and Intangible Assets	119,194	119,216
(Gain) /Loss on Change in Fair Value of Financial Assets	1,859	20,759
Interest Income	(139,566)	(17,136)
Dividend Income	-	(86,622)
Interest Expenses	272	78,230
<b>Operating Profit before Working Capital Changes</b>	<b>2,435,442</b>	<b>1,829,522</b>
<b>Working Capital Changes</b>		
(Increase)/Decrease in Trade & Other Receivables	2,847,472	(640,106)
(Increase)/Decrease in Inventories	(530,439)	1,039,866
Increase/(Decrease) in Payables	(2,043,767)	3,920,771
<b>Cash Generated from Operations</b>	<b>2,708,709</b>	<b>6,150,053</b>
Income Tax Paid	(912,307)	(722,545)
Retiring Gratuities paid	(1,856)	(3,962)
<b>Net Cash Flows Generated from Operating Activities</b>	<b>1,794,545</b>	<b>5,423,546</b>
<b>Cash flow from Investing Activities</b>		
Acquisition of Property, Plant & Equipment	-	(27,816)
Proceeds on Sale of Property, Plant & Equipment	-	1,100
Interest Received	139,566	7,366
Dividend Received	-	86,622
<b>Net Cash Flows Generated from Investing Activities</b>	<b>139,566</b>	<b>67,272</b>
<b>Cash Flow from Financing Activities</b>		
Finance Cost Paid	(272)	(77,845)
Loans Obtained during the year	-	6,915,000
Loans Paid during the year	-	(9,874,090)
Dividend Paid	(3,204,920)	(2,525,845)
<b>Net Cash Flows Used in Financing Activities</b>	<b>(3,205,192)</b>	<b>(5,562,780)</b>
Net (Decrease)/Increase in Cash and Cash Equivalanets During th	(1,271,081)	(71,962)
Cash and Cash Equivalanets at the Beginning of the Year	1,942,754	252,905
<b>Cash and Cash Equivalanets at the End of the Period</b>	<b>671,673</b>	<b>180,943</b>
<b>Analysis of Cash and Cash Equivalants at the End of the Period</b>		
Cash in Hand	8,582	325,605
Cash in Bank	1,517,540	-
Cash in Transit	92,644	81,694
Bank Overdraft	(947,093)	(226,356)
	<b>671,673</b>	<b>180,943</b>

**DISTILLERIES COMPANY OF SRI LANKA PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**

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1. The interim Financial Statements have been prepared in accordance with the Accounting Policies set out in the most recent Annual Report and are in compliance with Sri Lanka Accounting Standard LKAS 34 - Interim Financial Reporting.
2. Where appropriate, the previous year's presentation has been amended to conform to current year classifications.

**3. Non Financial Information**

	<b>30-06-2021</b>	<b>30-06-2020</b>	<b>31-03-2021</b>
Net Assets Value per Share - (Rs)	1.51	0.99	1.93
Market Price per Share - Last Traded (Rs)	19.30	15.00	19.90
- Highest (Rs)	21.90	15.50	24.60
- Lowest (Rs)	19.00	11.90	19.20

4. 4,600,000,000 ordinary shares represent the Stated Capital.
5. The float adjusted market capitalisation as at 30<sup>th</sup> June 2021 was Rs.2,903,993,800/-, The percentage of shares held by the public as at 30<sup>th</sup> June 2021 is 3.271% and the number of public shareholders as at 30<sup>th</sup> June 2021 was 11,688.
6. The Company is not compliant with Rule 7.13.1.(a) of the Listing Rules of the Colombo Stock Exchange on minimum public holding.
7. **Events occurring after the reporting period**  
Subsequent to the reporting period, no circumstances have arisen which would require adjustment to or disclosure in the financial statements.

**8. Contingent Liabilities**

There has not been a significant change in the nature of the contingent liabilities which were disclosed in the Annual Report for the year ended 31<sup>st</sup> March 2020.

**DISTILLERIES COMPANY OF SRI LANKA PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**

**9. Top 30 Shareholders – 30<sup>th</sup> June 2021**

<b>RANK</b>	<b>NAME</b>	<b>NO OF SHARES</b>	<b>%</b>
1	MELSTACORP PLC	4,252,262,664	92.44
2	MILFORD EXPORTS (CEYLON) (PVT) LIMITED	147,520,592	3.21
3	LANKA MILK FOODS (CWE) PLC	44,991,407	0.98
4	MR. M.A. YASEEN	25,924,620	0.56
5	RUBBER INVESTMENT TRUST LTD A/C NO 01	15,653,921	0.34
6	COMMERCIAL BANK OF CEYLON PLC/L.E.M.YASEEN	15,466,666	0.34
7	MRS. L.E.M. YASEEN	5,978,334	0.13
8	CEYLON INVESTMENT PLC A/C # 02	5,939,727	0.13
9	CEYLON GUARDIAN INVESTMENT TRUST PLC A/C # 02	5,884,960	0.13
10	COMMERCIAL BANK OF CEYLON PLC/M.A.YASEEN	4,740,740	0.10
11	J.B. COCOSHELL (PVT) LTD	4,036,756	0.09
12	AIA INSURANCE LANKA LIMITED A/C NO.07	3,775,165	0.08
13	MRS. S.M. CHRYSOSTOM	3,374,814	0.07
14	METROCORP (PVT) LTD	3,203,132	0.07
15	MR. M.H. RAOUF	2,600,000	0.06
16	STASSEN EXPORTS (PVT) LIMITED	2,505,718	0.05
17	HATTON NATIONAL BANK PLC A/C NO.4 (HNB RETIREMENT PENSION FUND)	2,388,053	0.05
18	MR.D.HASITHA.S. JAYAWARDENA	2,231,505	0.05
19	ASKOLD (PRIVATE) LIMITED	2,050,000	0.04
20	MCSEN RANGE PRIVATE LIMITED	1,617,737	0.04
21	MR. A.M. WEERASINGHE	1,500,000	0.03
22	AIA INSURANCE LANKA LIMITED A/C NO.06	1,162,500	0.03
23	MR. D.C.D.L.S.D. PERERA	1,076,758	0.02
24	JAFFERJEE BROTHERS (EXPORTS) LIMITED	1,000,000	0.02
25	JB CAPITAL(PRIVATE) LIMITED	1,000,000	0.02
26	DEUTSCHE BANK AG AS TRUSTEE FOR GUARDIAN ACUITY EQUITY FUND	961,236	0.02
27	PEOPLE'S LEASING & FINANCE PLC/L.P.HAPANGAMA	857,850	0.02
28	GOODHOPE PTE.LTD.	838,445	0.02
29	SANDWAVE LIMITED	822,971	0.02
30	BANK OF CEYLON A/C NDB WEALTH GROWTH FUND	816,555	0.02
	Sub Total	<b>4,562,182,826</b>	<b>99.18%</b>
	Others Shareholders	37,817,174	0.82%
	<b>TOTAL</b>	<b>4,600,000,000</b>	<b>100.00%</b>

Percentage of Shares held by the public **3.271%**

Total No. of share holders who hold the public holding **11,688**

<b>Directors' Shareholdings – 30<sup>th</sup> June 2021</b>	<b>No of Shares</b>	<b>%</b>
Mr. D. H. S. Jayawardena	-	-
Mr. C. R. Jansz	-	-
Mr. N. De S. Deva Aditya	-	-
Mr. K. J. Kahanda	-	-
Dr. A. N. Balasuriya	-	-
Mr. D. Hasitha S. Jayawardena	2,231,505	0.05%
Mr.R. Seevaratnam	-	-
Mr. A. L. Gooneratne (Alternate Director to Mr. N. De S. Deva Aditya)	-	-
Ms. V. J. Senaratne (Alternate Director to Mr. K. J. Kahanda)	-	-

**DISTILLERIES COMPANY OF SRI LANKA PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**

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**CORPORATE INFORMATION**

**NAME OF COMPANY**

Distilleries Company of Sri Lanka PLC

**REGISTERED OFFICE**

No.110, Norris Canal Road,  
Colombo 10, Sri Lanka.  
Tel: 011-2695295-7, 011-5507000  
Fax: 011-2696360 Web: www.dcsigroup.com

**COMPANY REGISTRATION NUMBER**

PQ 112

**BOARD OF DIRECTORS**

Mr.D.H.S.Jayawardena - Chairman / Managing Director  
Mr.C.R.Jansz  
Mr.N. De S. Deva Aditya  
Mr K. J. Kahanda  
Dr.A.N.Balasuriya  
Mr. D. Hasitha S. Jayawardena  
Mr.R. Seevaratnam  
Mr. A.L. Gooneratne (Alternate Director to Mr.N. De S. Deva Aditya)  
Ms.V.J.Senaratne (Alternate Director to Mr. K.J. Kahanda)

**COMPANY SECRETARY**

Ms.V.J.Senaratne

**AUDITORS**

KPMG  
Chartered Accountants  
No.32A, Sir Mohamed Macan Marker Mawatha,  
Colombo 03, Sri Lanka.

**REGISTRARS**

Central Depository Systems (Private) Limited  
Registrars -Unit  
No.341/5, Kotte Road,  
Rajagiriya, Sri Lanka.

**BANKERS**

Bank of Ceylon  
Commercial Bank of Ceylon PLC  
DFCC Bank PLC  
Hatton National Bank PLC  
Hong Kong & Shanghai Banking Corporation  
Nation's Trust Bank PLC  
People's Bank  
Seylan Bank PLC  
Standard Chartered Bank

**CREDIT RATING**

The Company has been assigned 'AAA (Ika)'  
National Long Term Rating with a Stable  
Outlook by Fitch Ratings Lanka Limited.