

DISTILLERIES COMPANY OF SRI LANKA PLC



INTERIM FINANCIAL STATEMENTS

FOR THE QUARTER ENDED

30th September 2021

DISTILLERIES COMPANY OF SRI LANKA PLC
STATEMENTS OF COMPREHENSIVE INCOME

For the period ended 30th September 2021

	2021	2020	Variance
	Rs.'000s	Rs.'000s	%
	Unaudited	Unaudited	
Gross Revenue	42,501,508	40,076,845	6.1%
Net Revenue	14,695,750	13,977,880	5.1%
Cost of Sales	(7,328,949)	(7,172,905)	2.2%
Gross Profit	7,366,801	6,804,975	8.3%
Other Operating Income	42,985	165,134	-74.0%
Distribution Expenses	(305,619)	(267,799)	14.1%
Administrative Expenses	(543,822)	(474,805)	14.5%
Profit from Operations	6,560,345	6,227,505	5.3%
Finance Income	190,747	24,812	668.8%
Finance Cost	(118,699)	(116,990)	1.5%
Net Finance Income/(Expense)	72,048	(92,178)	-178.2%
Profit before Tax from continued operations	6,632,394	6,135,327	8.1%
Taxation	(2,658,482)	(2,529,452)	5.1%
Profit for the period	3,973,912	3,605,875	10.2%
Net Change in fair Value of Available for Sale Financial Assets	234,315	(576,228)	-140.7%
Total Other Comprehensive Income/(Expense) for the Period	234,315	(576,228)	
Total Comprehensive Income/(Expense) for the Period	4,208,227	3,029,647	
Earnings Per Share (Rs.)			
Basic Earnings per Share	0.86	0.78	

DISTILLERIES COMPANY OF SRI LANKA PLC

INCOME STATEMENTS

For the Quarter ended 30th September 2021	2021	2020	Variance
	Rs.'000s	Rs.'000s	%
	Unaudited	Unaudited	
Gross Revenue	<u>20,781,541</u>	<u>25,525,223</u>	-18.6%
Net Revenue	7,885,313	9,391,686	-16.0%
Cost of Sales	<u>(3,260,773)</u>	<u>(4,602,989)</u>	-29.2%
Gross Profit	4,624,540	4,788,697	-3.4%
Other Operating Income	20,055	59,028	-66.0%
Distribution Expenses	(136,810)	(145,215)	-5.8%
Administrative Expenses	(263,687)	(273,033)	-3.4%
Profit from Operations	4,244,098	4,429,477	-4.2%
Finance Income	51,181	7,676	566.8%
Finance Cost	(116,568)	(18,001)	547.6%
Net Finance Income/(Expense)	(65,387)	(10,325)	533.3%
Profit before Tax from continued operations	4,178,712	4,419,152	-5.4%
Taxation	<u>(1,671,463)</u>	<u>(1,796,047)</u>	-6.9%
Profit for the Period	2,507,249	2,623,105	-4.4%
Net Change in fair Value of Available for Sale Financial Assets	378,289	172,871	118.8%
Total Other Comprehensive Income/(Expense) for the Period	<u>378,289</u>	<u>172,871</u>	
Total Comprehensive Income/(Expense) for the Period	2,885,538	2,795,976	
Earnings Per Share (Rs.)			
Basic Earnings per Share	0.55	0.57	-4.4%

DISTILLERIES COMPANY OF SRI LANKA PLC

STATEMENTS OF FINANCIAL POSITION

AS AT,	Unaudited 30-Sep-21 Rs.'000s	Unaudited 30-Sep-20 Rs.'000s	Audited 31-Mar-21 Rs.'000s
Non Current Assets			
Property, Plant and Equipment	5,041,728	5,488,302	5,249,120
Right-of-use Asset	1,293,014	1,892,366	1,470,983
Net Investment in Sub Lease	-	-	50,310
Other Non Current Financial Investment	2,212,217	1,906,630	1,873,786
	8,546,959	9,287,298	8,644,199
Current Assets			
Inventories	4,493,776	4,133,494	4,640,802
Other Receivables	3,928,234	4,629,853	3,461,072
Trade Receivables	2,424,553	2,216,650	3,646,095
Net Investment in Sub Lease	-	-	12,553
Amounts Due from Related Companies	626,772	550,439	672,536
Other Current Financial Investment	60,999	48,568	60,844
Cash and Cash Equivalents	1,466,378	454,738	1,933,826
	13,000,712	12,033,742	14,427,728
Total Assets	21,547,671	21,321,040	23,071,927
EQUITY AND LIABILITIES			
Capital and Reserve			
Stated Capital	3,000,000	3,000,000	3,000,000
Capital Reserve	2,644,049	2,441,651	2,409,735
Revenue Reserve	4,432,112	1,953,800	3,671,541
	10,076,161	7,395,451	9,081,276
Non Current Liabilities			
Deferred Tax Liabilities	1,583,059	1,785,178	1,583,060
Employee Benefits	254,229	182,332	259,297
Lease Liability	1,133,575	1,665,537	1,341,357
	2,970,863	3,633,048	3,183,714
Current Liabilities			
Trade and Other Payables	3,505,024	4,001,951	3,494,101
Amounts Due to Related Companies	1,374	2,657	57,402
Lease Liability	321,760	295,495	323,731
Taxes Payable	4,388,865	4,992,139	6,918,644
Interest Bearing Loans and Borrowings	-	620,000	13,000
Bank Overdrafts	283,624	380,299	59
	8,500,647	10,292,541	10,806,937
Total Equity and Liabilities	21,547,671	21,321,040	23,071,927
Net Assets per Share (Rs.)	2.19	1.61	1.97

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/-

N.N.Nagahawatte

Head of Finance

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

Signed for and on behalf of the board

sgd/-

D.H.S Jayawardena

Chairman/ Managing Director

sgd/-

Dr.A.N.Balasuriya

Director

12th November 2021

DISTILLERIES COMPANY OF SRI LANKA PLC
STATEMENTS OF CHANGES IN EQUITY

	Stated capital Rs.'000	Revaluation reserve Rs.'000	Capital reserve Rs.'000	General reserve Rs.'000	Available for sale reserve Rs.'000	Retained earnings/(losses) Rs.'000	Total Rs.'000
Balance as at 1st April 2020	3,000,000	1,754,636	107,882	10,000	1,133,548	889,739	6,895,805
Adjustment due to initial application of SLFRS 16	-	-	-	-	-	-	-
	3,000,000	1,754,636	107,882	10,000	1,133,548	889,739	6,895,805
Total Comprehensive Income for the Year							
Profit/(Loss) for the Year	-	-	-	-	-	3,605,875	3,605,875
Other Comprehensive Income							
Net Change in fair value of instruments measured at FVOCI	-	-	-	-	(576,228)	-	(576,228)
	-	-	-	-	(576,228)	3,605,875	3,029,647
Total Comprehensive Income for the Year	-	-	-	-	-	-	-
Transactions with Owners directly recorded in the Equity							
Dividends paid during the year	-	-	-	-	-	(2,530,000)	(2,530,000)
Total contributions by and distributions to owners	-	-	-	-	-	(2,530,000)	(2,530,000)
Balance as at 30th September 2020	3,000,000	1,754,636	107,882	10,000	557,320	1,965,614	7,395,451
Balance as at 01st April 2021	3,000,000	1,754,636	107,882	10,000	537,217	3,671,541	9,081,276
Total Comprehensive Income for the Year							
Profit for the Year	-	-	-	-	-	3,973,912	3,973,912
Other Comprehensive Income							
Net Changes to Reserve	-	-	-	-	234,315	-	234,315
	-	-	-	-	234,315	3,973,912	4,208,227
Dividend Paid	-	-	-	-	-	(3,213,342)	(3,213,342)
Balance as at 30th September 2021	3,000,000	1,754,636	107,882	10,000	771,532	4,432,111	10,076,161

DISTILLERIES COMPANY OF SRI LANKA PLC
STATEMENTS OF CASH FLOWS

For the period ended 30th September 2021

	30-Sep-21 Rs. '000	30-Sep-20 Rs. '000
Cash Generated from Operations		
Profit from operations	6,632,394	6,135,327
Adjustments for		
Gain on Sale of Property, Plant & Equipment	-	(7,130)
Depreciation and Amortization of PPE and Intangible Assets	239,639	242,867
Amortization of Right-of-Use Assets	177,967	-
(Gain) /Loss on Change in Fair Value of Financial Assets	(14,985)	12,430
Interest Income	(175,762)	(24,812)
Dividend Income	-	(86,644)
Interest Expenses	118,699	104,559
Revaluation Loss on Lands	(9,146)	(2,202)
Operating Profit before Working Capital Changes	6,968,806	6,374,395
Working Capital Changes		
(Increase)/Decrease in Trade & Other Receivables	954,190	(1,334,214)
(Increase)/Decrease in Inventories	147,025	584,021
(Increase)/Decrease in Amount Due from Related Companies	(6,772)	-
Increase/(Decrease) in Payables	(2,186,858)	3,025,850
Increase/(Decrease) in Amount Due to Related Companies	(3,307)	-
Cash Generated from Operations	5,873,083	8,650,052
Income Tax Paid	(3,334,792)	(1,634,852)
Retiring Gratuities paid	(1,856)	(29,402)
Net Cash Flows Generated from Operating Activities	2,536,435	6,985,798
Cash flow from Investing Activities		
Acquisition of Property, Plant & Equipment	-	(91,611)
Proceeds on Sale of Property, Plant & Equipment	-	7,130
Proceeds on Sale of Investments	19,089	-
Interest Received	171,466	15,043
Dividend Received	-	86,644
Net Cash Flows Generated from Investing Activities	190,555	17,206
Cash Flow from Financing Activities		
Finance Cost Paid	(1,914)	(103,818)
Lease Rent Paid	(271,169)	-
Loans Obtained during the period	1,635,000	23,185,000
Loans Paid during the period	(1,635,000)	(27,724,090)
Dividend Paid	(3,204,920)	(2,527,824)
Net Cash Flows Used in Financing Activities	(3,478,003)	(7,170,732)
Net (Decrease)/Increase in Cash and Cash Equivalanets During the Period	(751,014)	(167,728)
Cash and Cash Equivalanets at the Beginning of the Period	1,933,767	242,166
Cash and Cash Equivalanets at the End of the Period	1,182,753	74,438
Analysis of Cash and Cash Equivalants at the End of the Period		
Cash in Hand	9,282	373,044
Cash in Bank	1,400,086	-
Cash in Transit	57,010	81,694
Bank Overdraft	(283,624)	(380,299)
	1,182,753	74,438

DISTILLERIES COMPANY OF SRI LANKA PLC
NOTES TO THE FINANCIAL STATEMENTS

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

	30-09-2021	30-09-2020	31-03-2021
Net Assets Value per Share - (Rs)	2.19	1.61	1.97
Market Price per Share - Last Traded (Rs)	18.00	18.80	19.90
- Highest (Rs)	20.10	19.90	24.60
- Lowest (Rs)	17.70	13.30	19.20

4. 4,600,000,000 ordinary shares represent the Stated Capital.

5. The float adjusted market capitalisation as at 30th September 2021 was Rs.2,708,388,000/-, The percentage of shares held by the public as at 30th September 2021 is 3.271% and the number of public shareholders as at 30th September 2021 was 11,917.

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.

- (i) The Board of Directors of the Company has approved an Interim Dividend of Rs.0.86 per share on 10th November 2021, totaling to Rs.3,956,000,000.00

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 31st March 2021.

DISTILLERIES COMPANY OF SRI LANKA PLC
NOTES TO THE FINANCIAL STATEMENTS

9. Top 30 Shareholders – 30th September 2021

RANK	NAME	NO OF SHARES	%
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) LIMITED	44,991,407	0.98
4	MR. M.A. YASEEN	18,214,620	0.40
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	4,028,503	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	3,225,271	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	MR. S. VAMATHEVAN	2,100,000	0.05
20	ASKOLD (PRIVATE) LIMITED	2,050,000	0.04
21	MCSSEN RANGE PRIVATE LIMITED	1,617,737	0.04
22	PEOPLE'S LEASING & FINANCE PLC/L.P.HAPANGAMA	1,608,050	0.03
23	MR. A.M. WEERASINGHE	1,500,000	0.03
24	SANDWAVE LIMITED	1,376,927	0.03
25	AIA INSURANCE LANKA LIMITED A/C NO.06	1,162,500	0.03
26	MR. D.C.D.L.S.D. PERERA	1,076,758	0.02
27	JAFFERJEE BROTHERS (EXPORTS) LIMITED	1,000,000	0.02
28	MR. W.D.N.H. PERERA	1,000,000	0.02
29	JB CAPITAL(PRIVATE) LIMITED	1,000,000	0.02
30	SEYLAN BANK PLC/W.D.N.H.PERERA	1,000,000	0.02
	Sub Total	4,557,274,632	99.07%
	Others Shareholders	42,725,368	0.93%
	TOTAL	4,600,000,000	100.00%

Percentage of Shares held by the public **3.271%**
Total No. of share holders who hold the public holding **11,917**

Directors' Shareholdings – 30th September 2021	No of Shares	%
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

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 (lka)'
National Long Term Rating with a Stable
Outlook by Fitch Ratings Lanka Limited.