

DISTILLERIES COMPANY OF SRI LANKA PLC



INTERIM FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31st March 2023

DISTILLERIES COMPANY OF SRI LANKA PLC
STATEMENTS OF COMPREHENSIVE INCOME

For the year ended 31st March

	2023	2022
	Rs.'000s	Rs.'000s
	Unaudited	Audited
Gross Revenue	123,357,922	107,057,378
Net Revenue	56,958,693	33,068,650
Cost of Sales	(24,340,347)	(17,718,123)
Gross Profit	32,618,346	15,350,527
Other Operating Income	93,459	239,508
Distribution Expenses	(1,182,430)	(902,608)
Administrative Expenses	(2,106,928)	(1,626,886)
Profit from Operations	29,422,447	13,060,541
Finance Income	1,660,668	385,156
Finance Cost	(206,472)	(260,824)
Net Finance Income/(Expense)	1,454,196	124,332
Profit before Tax from continued operations	30,876,643	13,184,873
Taxation	(12,420,379)	(5,199,123)
Profit after Tax from continued operations for the period	18,456,264	7,985,750
Other Comprehensive Income/(Expense)		
Items that will never be reclassified to Profit or Loss		
Actuarial Gain/(Loss) on Retirement Benefit Obligations	(99,421)	76,808
Deferred tax on Actuarial Gain/(Loss)	39,768	(30,724)
	(59,653)	46,084
Items that are or may be reclassified to Profit or Loss		
Net Change in fair Value of Available for Sale Financial Assets	291,459	(344,649)
	291,459	(344,649)
Total Other Comprehensive Income/(Expense) for the Period	231,806	(298,565)
Total Comprehensive Income/(Expense) for the Period	18,688,071	7,687,185
Earnings Per Share (Rs.)		
Basic Earnings per Share	4.01	1.74

DISTILLERIES COMPANY OF SRI LANKA PLC
INCOME STATEMENTS

For the Quarter ended 31st March

	2023 Rs.'000s Unaudited	2022 Rs.'000s Audited
Gross Revenue	30,682,601	33,605,499
Net Revenue	14,098,265	9,665,830
Cost of Sales	(6,008,796)	(5,472,815)
Gross Profit	8,089,469	4,193,015
Other Operating Income	24,657	160,566
Distribution Expenses	(398,411)	(388,346)
Administrative Expenses	(667,483)	(722,500)
Profit from Operations	7,048,232	3,242,736
Finance Income	552,737	174,402
Finance Cost	(43,771)	(87,867)
Net Finance Income/(Expense)	508,966	86,535
Profit before Tax from continued operations	7,557,198	3,329,271
Taxation	(3,031,390)	(1,178,902)
Profit for the Period	4,525,808	2,150,368
Actuarial Gain/(Loss) on Retirement Benefit Obligations	(99,421)	76,808
Deferred tax on Actuarial Gain/(Loss)	39,768	(30,724)
Items that are or may be reclassified to Profit or Loss	(59,653)	46,084
Net Change in fair Value of Available for Sale Financial Assets	664,806	(501,529)
	664,806	(501,529)
Total Other Comprehensive Income/(Expense) for the Period	605,153	(455,445)
Total Comprehensive Income/(Expense) for the Period	5,130,961	1,694,923
Earnings Per Share (Rs.)		
Basic Earnings per Share	0.98	0.47

DISTILLERIES COMPANY OF SRI LANKA PLC
STATEMENTS OF FINANCIAL POSITION

AS AT,	Unaudited 31-Mar-23 Rs.'000s	Audited 31-Mar-22 Rs.'000s
Non Current Assets		
Property, Plant and Equipment	4,489,887	4,839,134
Right-of-use Asset	1,069,981	1,398,847
Net Investment in Sub Lease	23,295	35,848
Other Non Current Financial Investment	1,903,152	1,611,699
	7,486,315	7,885,528
Current Assets		
Inventories	6,464,685	3,381,008
Trade Receivables	5,204,160	4,126,084
Other Receivables	4,678,201	2,107,585
Net Investment in Sub Lease	12,553	14,462
Amounts Due from Related Companies	759,226	596,101
Other Current Financial Investment	22,466	21,214
Cash and Cash Equivalents	5,673,527	7,027,682
	22,814,819	17,274,136
Total Assets	30,301,134	25,159,664
EQUITY AND LIABILITIES		
Capital and Reserve		
Stated Capital	3,000,000	3,000,000
Capital Reserve	2,338,048	2,046,591
Revenue Reserve	6,525,193	1,325,870
	11,863,241	6,372,461
Non Current Liabilities		
Deferred Tax Liabilities	1,398,390	1,523,150
Employee Benefits	313,167	175,007
Lease Liability	796,756	1,220,026
	2,508,313	2,918,183
Current Liabilities		
Trade and Other Payables	4,699,674	7,545,611
Amounts Due to Related Companies	10,039	24,021
Lease Liability	355,935	422,880
Taxes Payable	10,105,359	7,669,040
Interest Bearing Loans and Borrowings	-	10,000
Bank Overdrafts	758,573	197,468
	15,929,580	15,869,020
Total Equity and Liabilities	30,301,134	25,159,664
Net Assets per Share (Rs.)	2.58	1.39

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/-

C.R Jansz
Director

sgd/-

Dr.A.N.Balasuriya
Director

29th May 2023

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 2021	3,000,000	1,754,636	107,882	10,000	537,217	3,671,541	9,081,276
Total Comprehensive Income for the Period	3,000,000	1,754,636	107,882	10,000	537,217	3,671,541	9,081,276
Profit/(Loss) for the Period	-	-	-	-	-	7,985,750	7,985,750
Other Comprehensive Income							
Net Change in fair value of instruments measured at FVOCI	-	-	-	-	(344,649)	-	(344,649)
Realization of gain from financial assets measured at FVOCI	-	-	-	-	(18,495)	18,495	-
Actuarial gain/(losses) on Employee Benefits	-	-	-	-	-	76,808	76,808
Deferred tax on actuarial Loss	-	-	-	-	-	(30,724)	(30,724)
	-	-	-	-	(363,144)	8,050,329	7,687,185
Total Comprehensive Income for the Period	-	-	-	-	-	(10,396,000)	(10,396,000)
Transactions with Owners directly recorded in the Equity							
Dividends paid during the Period	-	-	-	-	-	(10,396,000)	(10,396,000)
Total contributions by and distributions to owners	-	-	-	-	-	(10,396,000)	(10,396,000)
Balance as at 31st March 2022	3,000,000	1,754,636	107,882	10,000	174,073	1,325,870	6,372,461
Balance as at 01st April 2022	3,000,000	1,754,636	107,882	10,000	174,073	1,325,870	6,372,461
Total Comprehensive Income for the Period							
Profit for the Period	-	-	-	-	-	18,456,264	18,456,264
Other Comprehensive Income							
Net Changes to Reserve	-	-	-	-	291,458	-	291,458
Actuarial gain/(losses) on Employee Benefits	-	-	-	-	-	(99,421)	(99,421)
Deferred tax on actuarial Gain	-	-	-	-	-	39,768	39,768
Surcharge Tax	-	-	-	-	-	(3,077,288)	(3,077,288)
	-	-	-	-	291,458	15,319,323	15,610,781
Dividend Paid	-	-	-	-	-	(10,120,000)	(10,120,000)
Balance as at 31st March 2023	3,000,000	1,754,636	107,882	10,000	465,531	6,525,193	11,863,241

DISTILLERIES COMPANY OF SRI LANKA PLC
STATEMENTS OF CASH FLOWS

<i>For the period ended 31st March</i>	31-Mar-23	31-Mar-22
	Rs. '000	Rs. '000
Cash Generated from Operations		
Profit from operations	30,876,643	13,184,873
Adjustments for		
Gain on Sale of Property, Plant & Equipment	(2,000)	(22,523)
Depreciation and Amortization of PPE and Intangible Assets	507,079	484,159
Write off of capital Work in progress	-	2,982
Amortization of Right-of-Use Assets	336,475	412,703
Provision for Retirement Benefit Obligation	-	3,354
(Gain) /Loss on Change in Fair Value of Financial Assets	(1,244)	(35,385)
Interest Income	(1,659,424)	(385,156)
Dividend Income	(3)	(83,891)
Interest Expenses	206,472	260,824
Operating Profit before Working Capital Changes	30,263,998	13,821,940
Working Capital Changes		
(Increase)/Decrease in Trade & Other Receivables	(3,422,790)	873,496
(Increase)/Decrease in Inventories	(3,083,679)	1,259,794
(Increase)/Decrease in Amount Due from Related Companies	(187,147)	76,437
Increase/(Decrease) in Payables	170,068	2,072,850
Increase/(Decrease) in Amount Due to Related Companies	10,039	(33,381)
Cash Generated from Operations	23,750,489	18,071,136
Income Tax Paid	(9,944,636)	(5,786,529)
Surcharge Tax Paid	(3,077,288)	-
Retiring Gratuities paid	(7,450)	(10,836)
Net Cash Flows Generated from Operating Activities	10,721,115	12,273,771
Cash flow from Investing Activities		
Acquisition of Property, Plant & Equipment	(124,882)	(77,155)
Proceeds on Sale of Property, Plant & Equipment	2,400	-
Proceeds on Sale of Investments	-	119,098
Sub Lease Rental Income Received	20,947	20,701
Net (acquisitions) of Other Financial Investments	-	(104,122)
Interest Received	1,491,065	377,008
Dividend Received	3	83,891
Net Cash Flows Generated from Investing Activities	1,389,533	419,421
Cash Flow from Financing Activities		
Finance Cost Paid	(4,474)	(3,454)
Lease Rent Paid	(692,212)	(620,119)
Loans Obtained during the period	-	4,235,000
Loans Paid during the period	-	(4,238,000)
Dividend Paid	(13,329,222)	(7,170,172)
Net Cash Flows Used in Financing Activities	(14,025,908)	(7,796,745)
Net (Decrease)/Increase in Cash and Cash Equivalents During the Year	(1,915,260)	4,896,447
Cash and Cash Equivalents at the Beginning of the Year	6,830,214	1,933,767
Cash and Cash Equivalents at the End of the period	4,914,954	6,830,214
Analysis of Cash and Cash Equivalents at the End of the Year		
Cash in Hand	11,586	9,770
Cash in Bank / Related Companies	5,612,212	6,968,467
Cash in Transit	49,728	49,445
Bank Overdraft	(758,573)	(197,468)
	4,914,954	6,830,215

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

	31-03-2023	31-03-2022
Net Assets Value per Share - (Rs)	2.58	1.39
Market Price per Share - Last Traded (Rs.)	19.60	13.60
- Highest (Rs.)	22.00	19.30
- Lowest (Rs.)	12.90	13.40

4. 4,600,000,000 ordinary shares represent the Stated Capital.
5. The float adjusted market capitalisation as at 31st March 2023 was Rs.2,949,133,600/-, The percentage of shares held by the public as at 31st March 2023 is 3.271% and the number of public shareholders as at 31st March 2023 was 12,107.
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. Fair value measurement and related fair value disclosures

As at reporting date, there were no significant differences in the comparison made between fair value and carrying value of financial assets and liabilities, from what was disclosed in the annual report for the year ending 31st March 2022. There were no transfers between different levels of fair value hierarchy or changes to asset classes classified on recurring and non-recurring basis. Valuation techniques or significant unobservable inputs used for measuring level 3 fair values remain unchanged from 31st March 2022.

During the period under review, there were no transfers in and out of level 3 financial instrument measurement and any change in fair values are captured in the statement of other comprehensive income.

Unquoted equity shares that are subjected to level 3 of fair value measurement hierarchy, were revalued as at the reporting date. The fair value would not significantly vary if one or more unobservable inputs for valuation were changed.

8. 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.

9. 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 2022.

DISTILLERIES COMPANY OF SRI LANKA PLC
NOTES TO THE FINANCIAL STATEMENTS

10. Top 30 Shareholders – 31st March 2023

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	RUBBER INVESTMENT TRUST LTD A/C NO 01	18,058,452	0.39
5	COMMERCIAL BANK OF CEYLON PLC/L.E.M.YASEEN	15,466,666	0.34
6	CEYLON GUARDIAN INVESTMENT TRUST PLC A/C # 02	7,169,799	0.16
7	CEYLON INVESTMENT PLC A/C # 02	7,071,227	0.15
8	MRS. L.E.M. YASEEN	5,978,334	0.13
9	SEYLAN BANK PLC/ARRC CAPITAL (PVT) LTD	5,117,316	0.11
10	COMMERCIAL BANK OF CEYLON PLC/M.A.YASEEN	4,740,740	0.10
11	MRS. S.M. CHRYSOSTOM	3,874,814	0.08
12	METROCORP (PVT) LTD	3,225,271	0.07
13	MR. M.H. RAOUF	3,120,000	0.07
14	J.B. COCOSHELL (PVT) LTD	2,881,507	0.06
15	STASSEN EXPORTS (PVT) LIMITED	2,505,718	0.05
16	MR. D. HASITHA S. JAYAWARDENA	2,231,505	0.05
17	ASKOLD (PRIVATE) LIMITED	2,050,000	0.04
18	PEOPLE'S LEASING & FINANCE PLC/L.P.HAPANGAMA	2,032,428	0.04
19	HATTON NATIONAL BANK PLC/JN LANKA HOLDINGS COMPANY (PVT) LTD	1,800,000	0.04
20	AIA INSURANCE LANKA LIMITED A/C NO.07	1,735,995	0.04
21	PEOPLES BANK	1,700,000	0.04
22	MR. M.A. YASEEN	1,641,406	0.04
23	MCSEN RANGE PRIVATE LIMITED	1,617,737	0.04
24	MR. A.M. WEERASINGHE	1,500,000	0.03
25	HATTON NATIONAL BANK PLC A/C NO.4 (HNB RETIREMENT PENSION FUND)	1,215,590	0.03
26	MR. D.C.D.L.S.D. PERERA	1,076,758	0.02
27	JAFFERJEE BROTHERS EXPORTS (PRIVATE)LIMITED	1,000,000	0.02
28	JB CAPITAL(PRIVATE) LIMITED	1,000,000	0.02
29	MR. G.B.D. TILAKARATHNE	915,806	0.02
30	DFCC BANK PLC/J N LANKA HOLDINGS COMPANY (PVT) LTD	886,061	0.02
	Sub Total	4,546,387,793	98.83%
	Others Shareholders	53,612,207	1.17%
	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 **12,107**

Directors' Shareholdings – 31st March 2023	No of Shares	%
Mr. D. H. S. Jayawardena	-	-
Mr. C. R. Jansz	-	-
Mr. K. J. Kahanda	-	-
Mr. N. De S. Deva Aditya	-	-
Dr. A. N. Balasuriya	-	-
Mr. D. Hasitha S. Jayawardena	2,231,505	0.05%
Mr.R. Seevaratnam (Deceased on 19.01.2023)	-	-
Ms. D. S. T. Jayawardena (Appointed w.e.f 22.09.2022)	11,437	0.00%
Mr.M.A.N.S. Perera (Appointed w.e.f 02.01.2023)	-	-
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.K. J. Kahanda-Joint Managing Director
Mr.N. De S. Deva Aditya
Dr.A.N.Balasuriya
Mr. D. Hasitha S. Jayawardena
Mr.R. Seevaratnam (Deceased on 19.01.2023)
Ms.D.S.T. Jayawardena (Appointed w.e.f 22.09.2022)
Mr.M.A.N.S. Perera (Appointed w.e.f 02.01.2023)
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.