



Interim Financial Statements
For the period ended
30th September 2016

eChannelling PLC
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the period ended 30.09.2016

	Quarter Ended 30th September		Six Month Ended 30th September	
	Un-audited 2016 LKR	Un-audited 2015 LKR	Un-audited 2016 LKR	Un-audited 2015 LKR
Revenue	39,878,836	53,159,758	79,840,024	104,159,086
Cost of Sales	(9,859)	(10,016)	(19,691)	(22,583)
Gross Profit	39,868,977	53,149,742	79,820,333	104,136,503
Other Operating Income	125	20	567	538
Administrative Expenses	(26,020,293)	(28,009,303)	(46,856,266)	(52,500,370)
Marketing & Distribution Expenses	(1,200,926)	(1,432,599)	(4,177,930)	(2,846,999)
Profit From Operations	12,647,883	23,707,860	28,786,704	48,789,672
Finance Income	4,511,852	1,783,508	7,973,554	3,198,770
Net Finance (Expenses) / Income	4,511,852	1,783,508	7,973,554	3,198,770
Profit Before Taxation	17,159,735	25,491,368	36,760,258	51,988,442
Income Tax Expenses	(3,982,156)	(3,678,789)	(7,890,221)	(10,505,770)
Profit for the Period	13,177,579	21,812,579	28,870,037	41,482,672
Other Comprehensive Income				
Net change in fair value of available-for-sale financial assets	326,316	17,841	332,897	10,385
Remeasurement of employee benefit obligation	1,774,585	-	927,282	-
Deferred tax impact on actuarial (gain)/ loss	314,787	-	162,274	-
Other Comprehensive Income for the Period	2,415,688	17,841	1,422,453	10,385
Total Comprehensive Income for the Period	15,593,267	21,830,420	30,292,490	41,493,057
Earnings Per Share	0.11	0.18	0.24	0.34
Dividends Per Share	-	-	-	-

The notes to the Financial Statements form an integral part of these Financial Statements.

Figures in brackets indicate deductions.

eChannelling PLC
STATEMENT OF FINANCIAL POSITION
As at 30th September 2016

	30.09.2016 LKR Un-audited	30.09.2015 LKR Un-audited	31.03.2016 LKR Audited
ASSETS			
Non Current Assets			
Property, plant & equipment	11,902,871	15,319,423	13,939,863
Intangible assets	5,336,578	5,262,264	5,868,712
Deferred tax assets	-	1,030,826	-
Total Non Current Assets	17,239,449	21,612,513	19,808,575
Current Assets			
Inventories	390,543	434,079	410,234
Trade & other receivables	35,612,657	45,195,656	44,844,874
Short term investments	168,283,777	107,998,732	152,736,978
Cash & cash equivalents	32,343,747	13,385,577	26,075,873
Total Current Assets	236,630,724	167,014,044	224,067,959
Total Assets	253,870,173	188,626,557	243,876,534
EQUITY AND LIABILITIES			
Equity			
Stated capital	93,758,316	93,758,316	93,758,316
Retained earnings	112,229,840	44,503,347	82,270,247
Available for sale reserve	450,852	(644,523)	117,955
Total Equity	206,439,008	137,617,140	176,146,518
Non Current Liabilities			
Employee benefits	4,519,604	5,632,480	4,508,844
Deferred tax liability	645,672	-	586,293
Total Non Current Liabilities	5,165,276	5,632,480	5,095,137
Current Liabilities			
Trade & other payables	39,828,026	34,478,830	48,235,538
Income tax liability	2,437,863	10,898,107	14,399,341
Total Current Liabilities	42,265,889	45,376,937	62,634,879
Total Liabilities	47,431,165	51,009,417	67,730,016
Total Equity & Liabilities	253,870,173	188,626,557	243,876,534
Net Asset Per Share	1.69	1.13	1.44

I certify that these financial statements have been prepared in compliance with the requirements of the Companies Act No 7 of 2007.

Signed
A.R.R.D. Alahakoon
 Finance Manager

The Board of Directors is responsible for the preparation and presentation of these financial statements.

Signed for and on behalf of the board:

Signed
P.G.K. Sirisena
 Chairman

Signed
Abulaiti Gulimire
 Director

Date: 04.11.2016

Figures in the brackets indicate deductions.

The above figures are provisional and subject to audit.

eChannelling PLC
STATEMENT OF CHANGES IN EQUITY

For the Period Ended 30th September 2016

	Stated Capital	Available for- sale Reserve	Retained Earnings	Total
	<u>LKR</u>	<u>LKR</u>	<u>LKR</u>	<u>LKR</u>
Balance as at 1st April 2015	93,758,316	(654,908)	3,020,675	96,124,083
Profit for the period (Six Months)	-	-	41,482,672	41,482,672
Net Change in Fair Value of Available-For-Sale Financial Assets	-	10,385	-	10,385
Balance as at 30th September 2015	93,758,316	(644,523)	44,503,347	137,617,140
Profit for the period (Six Months)	-	-	37,464,747	37,464,747
Net Change in Fair Value of Available-For-Sale Financial Assets	-	762,478	302,153	1,064,631
Balance as at 31st March 2016	93,758,316	117,955	82,270,247	176,146,518
Profit for the period (Six Months)	-	-	28,870,037	28,870,037
Net Change in Fair Value of Available-For-Sale Financial Assets	-	332,897	1,089,556	1,422,453
Balance as at 30th September 2016	93,758,316	450,852	112,229,840	206,439,008

eChannelling PLC
CASH FLOW STATEMENT

For the period ended

	30.09.2016 Un-audited <u>LKR</u>	30.09.2015 Un-audited <u>LKR</u>	31.03.2016 Audited <u>LKR</u>
Cash Flow From Operating Activities			
Profit Before Tax	36,760,258	51,988,442	110,415,778
Adjustments for :			
Depreciation and amortization	3,869,514	3,475,953	7,095,676
Provision for employee benefits	938,041	2,218,788	1,879,551
Interest income	(7,973,554)	(2,959,002)	(8,092,144)
Profit on disposal of property, plant and equipment	-	-	(20,000)
Impairment of investment in equity shares	-	-	1,118,722
Provision for impairment of bad & doubtful debts	-	-	1,714,352
Operating Profit before Working Capital Changes	33,594,259	54,724,181	114,111,935
(Increase) / decrease in inventories	19,692	22,584	46,429
Decrease / (increase) in trade & other receivable	8,288,217	1,833,535	(690,034)
Increase / (decrease) in trade & other payables	(8,407,512)	(6,221,466)	(2,303,077)
Cash Generated from Operations	33,494,656	50,358,834	111,165,253
Interest received	8,917,555	2,959,002	6,005,743
Employee benefits paid	-	-	(548,342)
Tax paid	(19,630,046)	(33,391,013)	(49,169,156)
Net Cash Generated from Operating Activities	22,782,165	19,926,823	67,453,498
Cash Flow From Investing Activities			
Acquisition of property plant and equipment	(130,000)	(1,017,977)	(895,975)
Acquisition of intangible assets	(1,170,389)	-	(2,968,612)
Net Proceeds from short term investments	(15,213,902)	(50,565,960)	(93,574,049)
Cash proceeds from property plant and equipment disposal	-	-	20,000
Net proceed from employee share ownership trust fund	-	-	10,998,320
Net Cash (used in) / Generated from Investing Activities	(16,514,291)	(51,583,937)	(86,420,316)
Net Increase in Cash & Cash Equivalents	6,267,874	(31,657,114)	(18,966,818)
Cash & Cash Equivalents at beginning of the Period	26,075,873	45,042,691	45,042,691
Cash & Cash Equivalents at end of the Period	32,343,747	13,385,577	26,075,873
Analysis of Cash and Cash Equivalents			
Cash at bank & in hand	32,343,747	13,385,577	26,075,873
	32,343,747	13,385,577	26,075,873

Figures in the brackets indicate deductions.

The above figures are provisional and subject to audit.

Notes to the Financial Statements

1 Basis of preparation

The Interim Financial Statements of the Company have been prepared in accordance with Sri Lanka Accounting Standard - LKAS 34 – Interim Financial Reporting. This Interim Financial Statement should be read in conjunction with the Annual Report for the year ended 31 March 2016. The financial statements provide the information as required in terms of Rule 7.4 of the Colombo Stock Exchange.

- 2** Company is following the same accounting policies published in the Annual report for the year ended 31st March 2016.
- 3** The figures are provisional and subject to audit.
- 4** All known expenses including management fees and similar expenses have been provided for the financial statements.
- 5** According to the best of knowledge and belief of the Board of Directors no circumstances have arisen since the reporting date, which would require adjustments to or disclosure in the Financial Statements.
- 6** There has not been a significant change in the nature of contingent liabilities, which were disclosed in the Annual Report for the year ended 31 March 2016.
- 7** Basic earnings per share is calculated by dividing the net profit for the respective period attributable to ordinary shareholders of the parent entity by the weighted average number of ordinary shares outstanding during that period.

20 Largest Shareholders		
Name of Shareholder	No of Shares	% Holding
	30-Sep-16	
Voluntary Offer by Mobitel (Pvt) Limited to acquire all the ordinary shares of E-Channelling PLC	106,974,618	87.59
Mr.G.C. Goonetilleke	1,162,000	0.95
Mr.P. Rathnayaka	840,000	0.69
EST.OF.LAT Perera (Deceased)	577,455	0.47
Mr. F.N. Herft	425,000	0.35
Mr. H.A.V. Starrex	372,580	0.31
Dr. M.M. Rinoza	322,400	0.26
Mr. M Fazal	300,000	0.25
Mr. M.A.B Morahela	289,300	0.24
Mr. A.H Munasinghe	277,031	0.23
Mr. D Kotthoff	275,000	0.23
Mr. Z.G Carimjee	231,933	0.19
Mr.D.K.A.K. Weeratunga	219,544	0.18
Mrs.T.R. Selvanayagam	196,800	0.16
Mr.D.P. Kumarasingha	174,989	0.14
Pan Asia Banking Corporation PLC/Mr.R.E. Rambukwelle	169,000	0.14
Dasatha Investments Limited	163,331	0.13
Mr. B.M.G Rathnasiri	150,543	0.12
MBSL/H.W.R.S Jayawardena	144,597	0.12
Miss. W.J.M.I.T Perera	135,900	0.11
Sub Total	113,402,021	92.86
Others	8,729,394	7.14
Total Shares	122,131,415	100

Public Shareholding

Number of Shareholders	1,723
Number of Shares	15,156,797
Percentage Holding	12.41%

Directors Shareholding

Name of Director	As at 30th September 2016	
Mr. D.J. Stephen	-	-
Mr.S.A. Hettiarachchi	-	-
Ms. A. Gulimire	-	-
Mr. P.G.K. Sirisena	-	-
Mr. D.K. Senanayake	-	-
Mr. L.M. Paratz	-	-
Mr. N.T.M. Perera	-	-

Market Price Per Share

	2016	2015
	LKR	LKR
For the 3 months ended 30th September		
Highest	10.10	14.40
Lowest	7.00	11.40
Last Traded	8.60	11.50

Corporate Information

Name of the Company	eChannelling PLC
Company Registration No	PQ 205
Registered Office	Suncity Towers, Mezzanine Floor, No 18, St Anthony's Mawatha, Colombo 03
Telephone	(+94 11) 7 600500
Telefax	(+94 11) 2 370979
Website	www.echannelling.com
Contant Person	Dhammika Alahakoon (Finance Manager)
Legal Form	Quoted Public Company incorporated in Sri Lanka in 2000, Ordinary share listed on the Diri Savi Board of the Colombo Stock Exchange
Board of Directors	Mr. P.G.K. Sirisena - Chairman Ms. A. Gulimire Mr. D.K. Senanayake Mr. L.M. Paratz Mr. N.T.M. Perera Mr. D.J. Stephen Mr. S.A. Hettiarachchi
Secretaries of the Company	S.S.P Corporate Services (Pvt) Limited No 101, Inner Flower Road Colombo 03 Tel. 2573894/ 2576871 Contact person: Mr.Lalindra Abeysekera
Auditors	KPMG Chartered Accountants 32A, Sir Mohamed Macan Marker Mawatha P.O. Box 186 Colombo 03
Lawyer(s)	D. L. & F. De Saram 47 Alexandra Place, Colombo 07
Bankers	Sampath Bank PLC Nations Trust Bank PLC Peoples Bank Commercial Bank of Ceylon PLC DFCC Bank National Development Bank