



industrial asphalts (ceylon) PLC

QUARTERLY ACCOUNTS

Q3 - 2017/2018



FORESIGHT ★ AUDACITY

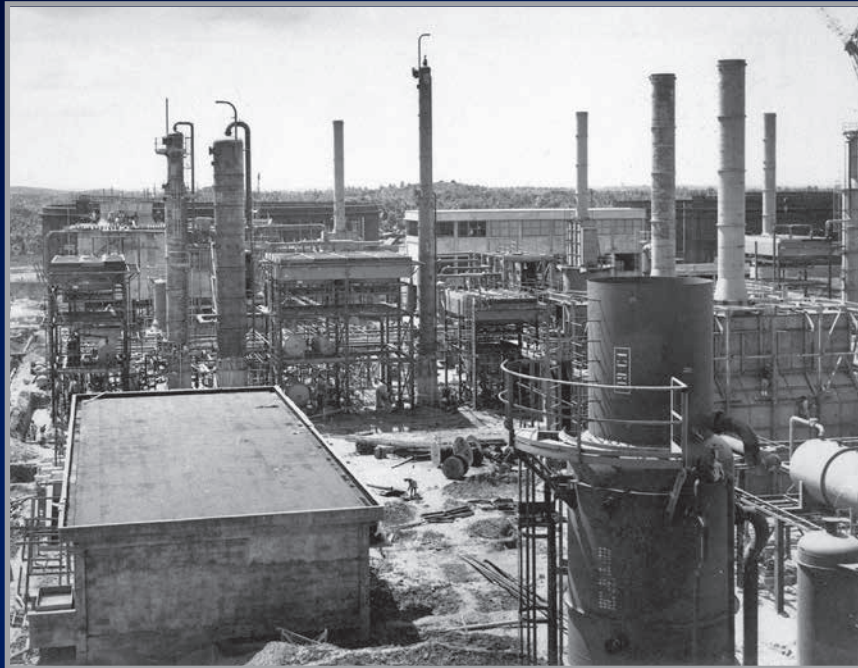
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INDUSTRIAL ASPHALTS (CEYLON) PLC

QUARTERLY ACCOUNTS
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industrial asphalts (ceylon) plc



COMPANY HISTORY

Industrial Asphalts (Ceylon) Plc – IAC - was established in 1964 by a dynamic and foresighted group of Sri Lankans. They had an audacious dream of converting an industry that was essentially dominated by multi national companies to a Sri Lankan capability. IAC was the first 100% Sri Lankan owned entity to produce specialist bituminous products in the post independent environment. The year 2014 represents the 50th anniversary of establishing IAC. 50 years of delivering high quality products supported by the deep technical knowledge in its products.

With a 50-year history in bituminous products, IAC is the pioneer in Bitumen in Sri Lanka. With an unenviable track record of delivering by far the best quality assured protective coatings and bitumen products in the country. IAC has brought to life NOLEAK[®], BRITEX[®], SEALKOTE[®], EXCHEMIE[®], amongst others. These registered trademarks are household names with an undisputed demand for the quality assured by these brands.



INDUSTRIAL ASPHALTS (CEYLON) PLC

INCOME STATEMENT

	For the nine months ended			For the quarter ended		
	31.12.17	31.12.16	Change %	31.12.17	31.12.16	Change %
	(unaudited) Rs'000	(unaudited) Rs'000		(unaudited) Rs'000	(unaudited) Rs'000	
Revenue	33,195	20,566	61%	14,341	6,033	138%
Cost of Sales	(23,870)	(12,670)	-88%	(12,567)	(4,604)	-173%
Gross Profit	9,326	7,896	18%	1,775	1,429	24%
Other Income/ Expenses	422	16	2546%	254	8	3095%
Distribution Expenses	(4,115)	(3,364)	-22%	(1,252)	(964)	-30%
Administrative Expenses	(9,525)	(6,723)	-42%	(2,360)	(3,382)	30%
Profit/ (Loss) from operating activities	(3,892)	(2,176)	-79%	(1,583)	(2,910)	46%
Net Finance Cost	(9,045)	(7,506)	-21%	(3,038)	(2,794)	-9%
Profit/ (Loss) before Tax	(12,936)	(9,682)	-34%	(4,620)	(5,704)	19%
Tax Expense	-	-	0%	-	-	0%
Profit/ (Loss) for the period	(12,936)	(9,682)	-34%	(4,620)	(5,704)	19%
Other Comprehensive Income						
Gain on revaluation of Land	575,046	-	100%	575,046	-	100%
Total other comprehensive income for the period (net of tax)	575,046	-	100%	575,046	-	100%
Total comprehensive income for the period (net of tax)	562,110	(9,682)	5906%	570,426	(5,704)	10101%
Profit/ (loss) attributable to:						
Equity holders of the Company	562,110	(9,682)	5906%	570,426	(5,704)	10101%
Earnings per share (Rs.):						
Basic earnings/ (loss) per ordinary share	843.30	(14.52)		855.77	(8.56)	
Basic earnings/ (loss) per ordinary share (exclusive of fair value gain)	(19.41)	(14.52)		(6.93)	(8.56)	

Figures in brackets indicate deductions.

The above figures are provisional and subject to audit.

INDUSTRIAL ASPHALTS (CEYLON) PLC

STATEMENT OF FINANCIAL POSITION

As at	31.12.17 (unaudited) Rs'000	31.03.17 (audited) Rs'000	Change %
ASSETS			
Property, plant and equipment	71,385	74,791	-5%
Investment Property	577,600	2,573	22347%
Non-current Assets	648,985	77,364	739%
Inventories	31,023	37,770	-18%
Trade and other receivables	34,313	31,754	8%
Financial investments - Fair value through profit or loss	1,287	1,386	-7%
Held to maturity investments	376	376	0%
Cash & cash Equivalents	40	335	-88%
Current Assets	67,037	71,622	-6%
TOTAL ASSETS	716,022	148,986	381%
EQUITY & LIABILITIES			
Capital & Reserves			
Stated Capital	6,666	6,666	0%
Revaluation Reserve	621,159	46,113	1247%
General Reserve	15,141	15,141	0%
Retained Earnings	(20,049)	(7,112)	-182%
Total Equity	622,917	60,807	924%
Liabilities			
Deferred tax liability	1,666	1,666	0%
Retirement benefit obligation	988	1,085	9%
Non-current Liabilities	2,654	2,751	4%
Trade and other payables	893	3,173	72%
Income tax payable	(7)	(7)	0%
Dividend payable	971	971	0%
Interest bearing loans and borrowings	12,886	11,979	-8%
Bank overdraft	75,708	69,311	-9%
Current Liabilities	90,452	85,428	-6%
Total Liabilities	93,106	88,179	-6%
Total Equity & Liabilities	716,022	148,986	381%
Net Assets Value per Ordinary Share (Rs.)	934.52	91.23	

The Financial Statements are in compliance with the requirements of Companies Act No. 7 of 2007.

Above Balance Sheet of the Company as at 31st December 2017 and Income Statement for the nine months ended as at that date are drawn up from unaudited accounts of the company and provide information as required by Colombo Stock Exchange.

S. Fernando

Financial Controller

Approved and signed for and behalf of the Board of Directors

M. Perera

Director

G. Ramanan

Managing Director/ CEO

14th February 2018

Colombo

INDUSTRIAL ASPHALTS (CEYLON) PLC

STATEMENT OF CHANGES IN EQUITY

For the nine months ended 31st December 2017

	Stated Capital Rs.'000	Revaluation Reserve Rs.'000	General Reserve Rs.'000	Retained Earnings Rs.'000	Total Equity Rs.'000
Balance as at 1st April 2016 (audited)	6,666	46,113	15,141	3,632	71,552
Net Profit/ (Loss) for the nine months	-	-	-	(9,682)	(9,682)
Other Comprehensive Income for the period	-	-	-	-	-
Balance as at 31st December 2016	6,666	46,113	15,141	(6,050)	61,870
Net Profit/ (Loss) for the three months	-	-	-	(1,063)	(1,063)
Other Comprehensive Income for the period	-	-	-	-	-
Total Comprehensive Income for the period	-	-	-	(1,063)	(1,063)
Dividend paid	-	-	-	-	-
Balance as at 31st March 2017 (audited)	6,666	46,113	15,141	(7,113)	60,807
Balance as at 1st April 2017 (audited)	6,666	46,113	15,141	(7,113)	60,807
Net Profit/ (Loss) for the nine months	-	-	-	(12,936)	(12,936)
Other Comprehensive Income for the period	-	575,046	-	-	575,046
Total Comprehensive Income for the period	6,666	621,159	15,141	(20,049)	622,917
Dividend paid	-	-	-	-	-
Balance as at 31st December 2017 (unaudited)	6,666	621,159	15,141	(20,049)	622,917

INDUSTRIAL ASPHALTS (CEYLON) PLC

CASH FLOW STATEMENT

For the nine months ended 31st December	Unaudited 2017 Rs'000	Unaudited 2016 Rs'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/ (Loss) before Tax	(12,936)	(9,682)
<i>Adjustments for:</i>		
Depreciation & Amortization	4,481	4,612
Gain on disposal of property, plant & equipment	-	-
Interest Income	(26)	(16)
Provision for Gratuity	188	293
Investment Income	-	-
Change in Market value of investment	-	-
Net Finance Cost	9,045	7,506
Operating Profit before working capital changes	751	2,713
Changes in working capital:		
(Increase)/ Decrease in Inventories	6,748	4,031
(Increase)/ Decrease in Trade and other receivables	(2,596)	13,045
Increase/ (Decrease) in Trade and other payables	(2,280)	(514)
Cash generated from/ (used in) operations	2,622	19,275
Net Finance Cost	(9,045)	(7,506)
Gratuity paid	(284)	-
Taxation paid	-	(23)
Net Cash generated from/ (used in) operating activities	(6,707)	11,746
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase and construction of property, plant & equipment	(1,064)	(14,372)
Proceeds on disposal of property, plant & equipment	-	-
Purchases of Intangible Assets	-	-
Investment in Fixed Deposits	-	-
Financial investments - Fair value through profit or loss	100	(1,940)
Net investment in Short term investments	-	-
Investment Income	-	-
Interest Income	26	16
Dividend Received	46	-
Net Cash from/ (used in) Investing activities	(892)	(16,296)
CASH FLOW FROM FINANCING ACTIVITIES		
Net Increase/ (Decrease) in interest bearing loans/ borrowings	907	(4,962)
Net Increase/ (Decrease) in Non-interest bearing loans/ borrowings	-	-
Dividends paid	-	-
Net Cash generated from/ (used in) Financing activities	907	(4,962)
Net Increase/ (Decrease) in Cash & cash Equivalents	(6,692)	(9,512)
Cash & cash equivalents at beginning of period	(68,976)	(61,680)
Cash & cash equivalents at end of period	(75,668)	(71,192)
Cash & short-term funds as at 31st December	40	314
Bank overdraft as at 31st December	(75,708)	(71,506)
	(75,668)	(71,192)

INDUSTRIAL ASPHALTS (CEYLON) PLC

SHAREHOLDING INFORMATION

Top 20 Shareholders

Name of the Shareholder	As at 31 December 2017	%
GOVINDASAMY RAMANAN	445,837	66.89
DR. THIRUGNANASAMBANDAR SENTHILVERL	43,688	6.55
MRS. KULARATNE SIRIYA WATHIE SOMAPALA	29,746	4.46
SAMPATH BANK PLC/MR SHABBIR ABBAS GULAMHUSEIN	19,054	2.86
MR. MURUGESU MAHIBALAN	16,241	2.44
MR. DON BUDDHADASA WETHASINGHE	12,000	1.80
MR. DEVALAMUNI PUSHPA KUMARA	7,436	1.12
MR. DEVALAMUNI SAVINDRA SARATH KUMARA	7,436	1.12
MR. HAMISH WINSTON MCDONALD WOODWARD	6,932	1.04
MR. MOHAMED MALICK ABDUL LATIFF	6,253	0.94
WALDOCK MACKENZIE LTD/MR.S.A.GULAMHUSEIN	4,508	0.68
MR. ROHITH UDALAGAMA	4,000	0.60
MR. MOHAMED ANNES JUNAID	3,746	0.56
MR. SIRI GAMINI NISSANKA HERATH	3,330	0.50
MBSL/G.S.P. GUNASENA	3,248	0.49
MR. RATHWELLA GALAPITADENIYA GAYAN WIJESURIYA	2,810	0.42
MRS JANAKI MYLVAGANAM	2,466	0.37
MRS. ANOJA LALANIE HULANGAMUWA	2,306	0.35
EXECUTOR OF THE LAST WILL AND TESTAMENT OF THE LATE MR. A.Y.S. GNANAM	2,254	0.34
MRS. NANDANIE KRISHNAJENA VO PARANAGAMA DIVITOTAWELA	2,036	0.31
	625,327	93.81

Computation of Public Shareholding as at 31st December 2017

	Number of shares	Holding %
Parent Company	-	-
Subsidiaries and Associate Companies of Parent	-	-
Subsidiaries of Company	-	-
Related Party entities		
- Sigma Holdings (Pvt) Limited	470	0.07%

Directors Shareholding as at 31st December 2017

Director Name	Number of shares	Holding %
Mr. G Ramanan	445,837	66.89%
Mr. M Perera	-	-
Mr. S P Muthusamy	-	-
	445,837	66.89%
Spouse and children of Directors	-	-
Public Holding	220,255	33.04%
Total Number of Ordinary shares in issue (Voting)	666,562	100.00%

Number of Shareholders

Total number of shareholders as at 31st December 2017	364
Number of shareholders representing the Public holding	361

Market value of shares for the quarter ended

	31.12.2017	31.12.2016
Highest price per share (Rs.)	398.00	377.00
Lowest price per share (Rs.)	265.00	300.10
Last traded price per share (Rs.)	394.60	308.10

INDUSTRIAL ASPHALTS (CEYLON) PLC

EXPLANATORY NOTES

- 1 The Interim Financial Statements for the nine months ended 31st December 2017 are drawn up from unaudited accounts of the Company.
- 2 These Interim Financial Statements are presented in accordance with LKAS 34 - Interim Financial Reporting and as required by Colombo Stock Exchange in terms of Rule 7.4.
- 3 As per LKAS 40 'Investment Property', the Directors have adopted the fair value model for accounting for Investment Property as at 30 September 2017.
- Except for the above there were no changes to the accounting policies and the methods of computation since the annual accounts were published for the year ended 31st March 2017.
- 4 There were no material capital commitments and contingencies as at 31st December 2017 except for the following.
- a) Commitment for capital expenditure as at 31st December 2017 would amount to Rs.5,152,660
- b) Guarantees given by Commercial Bank of Ceylon PLC on behalf of Industrial Asphalts (Ceylon) PLC amounts to Rs.400,000
- 5 No circumstances have arisen since the Balance Sheet date, which would require adjustments to or disclosure in the financial statements.

6 Dividends paid (Per Share in Rupees)

	Quarter ended 31.12.17	Quarter ended 31.12.16
Voting Ordinary Shares	-	-

INDUSTRIAL ASPHALTS (CEYLON) PLC

CORPORATE INFORMATION

Legal Form	Quoted Public Company with limited liability listed on the Colombo Stock Exchange
Date of Incorporation	30 June 1964
Date of Re-registration	1 August 2008
Accounting year end	31 March
New Registration Number	PQ185
Registered Office	No.28/1, New Nuge Road, Peliyagoda
Website	www.iac.lk
Auditors	A. I. Macan Markar & Co. Chartered Accountants 46-2/1, 2nd Floor, Lauries Road, Colombo 4
Directors	G. Ramanan (Managing Director/ CEO) M. Perera (Non-Executive Independent Director) S.P. Muthusamy (Non-Executive Independent Director)
Company Secretaries	Ninecap Corporate Solutions (Pvt) Ltd. No.55, Vinayalankara Mawatha, Colombo 10
Registrars	Ninecap Corporate Solutions (Pvt) Ltd. No.55, Vinayalankara Mawatha, Colombo 10
Bankers	Commercial Bank of Ceylon PLC Bank of Ceylon Hatton National Bank PLC



Industrial Asphalts (Ceylon) PLC

28/1, New Nuge Road, Peliyagoda.

Tel: 0115 289 845 | Fax: 0112 699 106 | E-mail: info@iac.lk | Web: www.iac.lk