

50+ YEARS

iac



*industrial asphalts (ceylon) PLC*

# QUARTERLY ACCOUNTS

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Q2 - 2018/2019

FORESIGHT ★ AUDACITY

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*a journey*

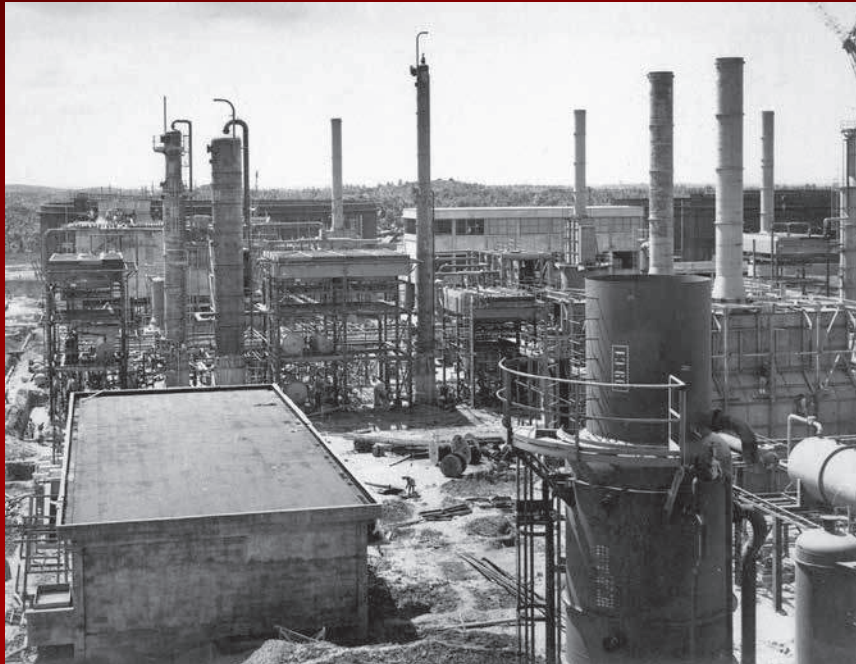
INDUSTRIAL ASPHALTS (CEYLON) PLC

**QUARTERLY ACCOUNTS**

**Q2 2018/2019**



*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<sup>®</sup>, BRITEX<sup>®</sup>, SEALKOTE<sup>®</sup>, EXCHEMIE<sup>®</sup>, 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 six months ended			For the quarter ended		
	30.09.18	30.09.17	Change %	30.09.18	30.09.17	Change %
	(unaudited) Rs'000	(unaudited) Rs'000		(unaudited) Rs'000	(unaudited) Rs'000	
Revenue	60,372	18,854	220%	16,739	12,505	34%
Cost of Sales	(42,083)	(11,303)	-272%	(7,033)	(6,969)	-1%
<b>Gross Profit</b>	<b>18,289</b>	<b>7,551</b>	142%	<b>9,706</b>	<b>5,536</b>	75%
Other Income/ Expenses	3,165	168	1781%	535	115	364%
Distribution Expenses	(5,492)	(2,863)	-92%	(2,365)	(1,832)	-29%
Administrative Expenses	(7,295)	(7,165)	-2%	(3,268)	(3,639)	10%
Surplus on revaluation of Investment Property	-	575,046	-100%	-	575,046	-100%
<b>Profit/ (Loss) from operating activities</b>	<b>8,667</b>	<b>572,737</b>	-98%	<b>4,608</b>	<b>575,226</b>	-99%
Net Finance Cost	(7,277)	(6,007)	-21%	(3,636)	(3,090)	-18%
<b>Profit/ (Loss) before Tax</b>	<b>1,390</b>	<b>566,730</b>	-100%	<b>972</b>	<b>572,136</b>	-100%
Tax Expense	-	-	0%	-	-	0%
<b>Profit/ (Loss) for the period</b>	<b>1,390</b>	<b>566,730</b>	-100%	<b>972</b>	<b>572,136</b>	-100%
<b>Other Comprehensive Income</b>						
Total other comprehensive income for the period (net of tax)	-	-	0%	-	-	0%
<b>Total comprehensive income for the period (net of tax)</b>	<b>1,390</b>	<b>566,730</b>	-100%	<b>972</b>	<b>572,136</b>	-100%
<b>Profit/ (loss) attributable to:</b>						
Equity holders of the Company	1,390	566,730	-100%	972	572,136	-100%
<b>Earnings per share (Rs.):</b>						
Basic earnings/ (loss) per ordinary share	2.09	850.23		1.46	858.34	

Figures in brackets indicate deductions.

The above figures are provisional and subject to audit.

# INDUSTRIAL ASPHALTS (CEYLON) PLC

## STATEMENT OF FINANCIAL POSITION

As at	30.09.18 (unaudited) Rs'000	31.03.18 (audited) Rs'000	Change %
<b>ASSETS</b>			
Property, plant and equipment	26,295	19,822	33%
Investment Property	587,600	587,600	0%
<b>Non-current Assets</b>	<b>613,895</b>	<b>607,422</b>	<b>1%</b>
Inventories	12,514	18,514	-32%
Trade and other receivables	16,522	15,129	9%
Financial investments - Fair value through profit or loss	10,227	3,507	192%
Financial investments - Available for Sale	-	10,029	-100%
Held to maturity investments	376	376	0%
Cash & cash Equivalents	19,574	1,088	1699%
<b>Current Assets</b>	<b>59,212</b>	<b>48,644</b>	<b>22%</b>
<b>TOTAL ASSETS</b>	<b>673,107</b>	<b>656,066</b>	<b>3%</b>
<b>EQUITY &amp; LIABILITIES</b>			
<b>Capital &amp; Reserves</b>			
Stated Capital	6,666	6,666	0%
Revaluation Reserve	46,113	46,113	0%
General Reserve	15,141	15,141	0%
Retained Earnings	464,970	466,580	0%
<b>Total Equity</b>	<b>532,890</b>	<b>534,499</b>	<b>0%</b>
<b>Liabilities</b>			
Deferred tax liability	1,441	1,441	0%
Retirement benefit obligation	823	804	-2%
<b>Non-current Liabilities</b>	<b>2,263</b>	<b>2,245</b>	<b>-1%</b>
Trade and other payables	10,112	2,793	-262%
Rent Received in Advance	35,400	23,600	-50%
Income tax payable	-	0	0%
Dividend payable	1,254	971	-29%
Interest bearing loans and borrowings	28,282	17,158	-65%
Bank overdraft	62,906	74,799	16%
<b>Current Liabilities</b>	<b>137,955</b>	<b>119,322</b>	<b>-16%</b>
<b>Total Liabilities</b>	<b>140,218</b>	<b>121,567</b>	<b>-15%</b>
<b>Total Equity &amp; Liabilities</b>	<b>673,107</b>	<b>656,066</b>	<b>3%</b>
Net Assets Value per Ordinary Share (Rs.)	799.46	801.87	

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

Above Balance Sheet of the Company as at 30th September 2018 and Income Statement for the six 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

Director

Director

17th October 2018  
Colombo

## INDUSTRIAL ASPHALTS (CEYLON) PLC

### STATEMENT OF CHANGES IN EQUITY

For the six months ended 30<sup>th</sup> September 2018

	Stated Capital Rs.'000	Revaluation Reserve Rs.'000	General Reserve Rs.'000	Retained Earnings Rs.'000	Total Equity Rs.'000
<b>Balance as at 1st April 2017 (audited)</b>	6,666	46,113	15,141	(7,113)	60,807
Net Profit/ (Loss) for the six months	-	-	-	566,730	566,730
Other Comprehensive Income for the period	-	-	-	-	-
<b>Balance as at 30th June 2017 (unaudited)</b>	<b>6,666</b>	<b>46,113</b>	<b>15,141</b>	<b>559,617</b>	<b>627,537</b>
Net Profit/ (Loss) for the six months	-	-	-	(93,075)	(93,075)
Other Comprehensive Income for the period	-	-	-	37	37
<b>Total Comprehensive Income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(93,038)</b>	<b>(93,038)</b>
<b>Transactions with equity holders</b>					
Dividend paid	-	-	-	-	-
<b>Balance as at 31st March 2018 (audited)</b>	<b>6,666</b>	<b>46,113</b>	<b>15,141</b>	<b>466,579</b>	<b>534,499</b>
<b>Balance as at 1st April 2018 (audited)</b>	6,666	46,113	15,141	466,579	534,499
Net Profit/ (Loss) for the six months	-	-	-	1,390	1,390
Other Comprehensive Income for the period	-	-	-	-	-
<b>Total Comprehensive Income for the period</b>	<b>6,666</b>	<b>46,113</b>	<b>15,141</b>	<b>467,969</b>	<b>535,889</b>
Dividend paid	-	-	-	(3,000)	(3,000)
<b>Balance as at 30th September 2018 (unaudited)</b>	<b>6,666</b>	<b>46,113</b>	<b>15,141</b>	<b>464,970</b>	<b>532,890</b>

# INDUSTRIAL ASPHALTS (CEYLON) PLC

## CASH FLOW STATEMENT

<b>For the six months ended 30th September</b>	Unaudited 2018 Rs'000	Unaudited 2017 Rs'000
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/ (Loss) before Tax	1,390	566,730
<i>Adjustments for:</i>		
Depreciation & Amortization	1,542	2,996
Interest Income	(116)	(17)
Provisions/ Impairments	(3,685)	-
Provision for Gratuity	90	143
Surplus on revaluation of Investment Property	-	(575,046)
Change in Market value of investment	283	-
Net Finance Cost	7,277	6,007
<b>Operating Profit before working capital changes</b>	<b>6,782</b>	<b>812</b>
<b>Changes in working capital:</b>		
(Increase)/ Decrease in Inventories	6,000	4,275
(Increase)/ Decrease in Trade and other receivables	(1,393)	(1,898)
Increase/ (Decrease) in Trade and other payables	7,601	(2,569)
<b>Cash generated from/ (used in) operations</b>	<b>18,991</b>	<b>619</b>
Net Finance Cost	(7,277)	(6,007)
Gratuity paid	-	-
Taxation paid	-	-
<b>Net Cash generated from/ (used in) operating activities</b>	<b>11,714</b>	<b>(5,387)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase and construction of property, plant & equipment	(8,187)	(1,028)
Proceeds on disposal of property, plant & equipment	2,240	-
Financial investments - Fair value through profit or loss	(6,720)	-
Net investment in Short term investments	10,029	-
Rent Deposit Received	11,800	-
Other Income	832	-
Interest Income	116	17
Dividend Received	430	46
<b>Net Cash from/ (used in) Investing activities</b>	<b>10,540</b>	<b>(965)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Net Increase/ (Decrease) in interest bearing loans/ borrowings	11,124	815
Net Increase/ (Decrease) in Non-interest bearing loans/ borrowings	-	-
Dividends paid	(3,000)	-
<b>Net Cash generated from/ (used in) Financing activities</b>	<b>8,125</b>	<b>815</b>
Net Increase/ (Decrease) in Cash & cash Equivalents	30,378	(5,537)
Cash & cash equivalents at beginning of period	(73,710)	(68,976)
<b>Cash &amp; cash equivalents at end of period</b>	<b>(43,332)</b>	<b>(74,513)</b>
Cash & short-term funds as at 30th September	19,574	335
Bank overdraft as at 30th September	(62,906)	(74,848)
	<b>(43,332)</b>	<b>(74,513)</b>

## INDUSTRIAL ASPHALTS (CEYLON) PLC

### SHAREHOLDING INFORMATION

#### Top 20 Shareholders

Name of the Shareholder	As at 30 September 2018	%
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	16,569	2.49
MR. DON BUDDHADASA WETHASINGHE	12,000	1.80
MR. DEVALAMUNI PUSHPA KUMARA	7,436	1.12
MRS. CONCEICAO APARECIDA DOS SANTOS WOODWARD	6,932	1.04
MR. MOHAMED MALICK ABDUL LA TIFF	6,253	0.94
WALDOCK MACKENZIE LTD/MR.S.A.GULAMHUSEIN	4,508	0.68
MR. ROHITH UDALAGAMA	4,000	0.60
MRS. P.O. BOGAHALANDA	3,718	0.56
MR. MOHAMED ANNES JUNAID	3,622	0.54
MBSL/G.S.P. GUNASENA	3,248	0.49
MRS. A.N. HERATH	3,162	0.47
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 DIVITOTA WELA	2,036	0.31
	<b>621,645</b>	<b>93.26</b>

#### Computation of Public Shareholding as at 30th September 2018

	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 30th September 2018

Director Name	Number of shares	Holding %
Mr. G Ramanan	445,837	66.89%
Mr. K Naveenkanth	1,263	0.19%
Mr. S P Muthusamy	-	-
Mr. D. Daluwatte	-	-
	<b>447,100</b>	<b>67.08%</b>

Spouse and children of Directors

	-	-
<b>Public Holding</b>	<b>218,992</b>	<b>32.85%</b>

#### Total Number of Ordinary shares in issue (Voting)

	<b>666,562</b>	<b>100.00%</b>
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#### Number of Shareholders

Total number of shareholders as at 30th September 2018	372
Number of shareholders representing the Public holding	368

#### Float adjusted Market Capitalization (Rs.)

	81,946,806
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#### Market value of shares for the quarter ended

	30.09.2018	30.09.2017
Highest price per share (Rs. )	400.00	345.00
Lowest price per share (Rs. )	300.00	248.00
Last traded price per share (Rs. )	374.20	300.00



# INDUSTRIAL ASPHALTS (CEYLON) PLC

## EXPLANATORY NOTES

- 1 The Interim Financial Statements for the six months ended 30th September 2018 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 There were no material capital commitments and contingencies as at 30th September 2018 except for the following.
  - a) Guarantees given by Commercial Bank of Ceylon PLC on behalf of Industrial Asphalts (Ceylon) PLC amounts to Rs.287,340
- 4 No circumstances have arisen since the Balance Sheet date, which would require adjustments to or disclosure in the financial statements.
- 5 Dividends paid (Per Share in Rupees)

	Quarter ended 30.09.18	Quarter ended 30.09.17
Voting Ordinary Shares	1.50	-

## INDUSTRIAL ASPHALTS (CEYLON) PLC

### CORPORATE INFORMATION

<b>Legal Form</b>	Quoted Public Company with limited liability listed on the Colombo Stock Exchange
<b>Date of Incorporation</b>	30 June 1964
<b>Date of Re-registration</b>	1 August 2008
<b>Accounting year end</b>	31 March
<b>New Registration Number</b>	PQ185
<b>Registered Office</b>	No.28/1, New Nuge Road, Peliyagoda
<b>Website</b>	<a href="http://www.iac.lk">www.iac.lk</a>
<b>Auditors</b>	A. I. Macan Markar & Co. Chartered Accountants 46-2/1, 2nd Floor, Lauries Road, Colombo 4
<b>Directors</b>	G. Ramanan (Executive Director) K. Naveenkanth (Managing Director/ CEO) S.P. Muthusammy (Non-Executive Independent Director) D. Daluwatte (Non-Executive Independent Director)
<b>Company Secretaries</b>	Ninecap Corporate Solutions (Pvt) Ltd. No.55, Vinayalankara Mawatha, Colombo 10
<b>Registrars</b>	Ninecap Corporate Solutions (Pvt) Ltd. No.55, Vinayalankara Mawatha, Colombo 10
<b>Bankers</b>	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](mailto:info@iac.lk) | Web: [www.iac.lk](http://www.iac.lk)**

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