

KELANI TYRES PLC

(Reg: No. PQ 123)

INTERIM FINANCIAL STATEMENTS

FOR TWELVE MONTHS ENDED MARCH 31, 2024



Corporate Office
203, Union Place
Colombo 02.

KELANI TYRES PLC AND ITS GROUP
CONSOLIDATED STATEMENT OF
COMPREHENSIVE INCOME
(all amounts in Sri Lankan Rupees thousands)

	Group		Company		Group		Company	
	Apr. -Mar		Apr. - Mar.		Jan. -Mar.		Jan. - Mar.	
	2024 <i>(Un audited)</i>	2023 <i>(Audited)</i>	2024 <i>(Un audited)</i>	2023 <i>(Audited)</i>	2024	2023	2024	2023
Revenue	-	839	-	-	-	199	-	-
Direct costs	-	(292)	-	-	-	(0)	-	-
Gross margin	-	547	-	-	-	199	-	-
Other operating income	93,071	62,207	593,072	921,974	23,413	57,042	23,413	56,809
Net gain from fair value adjustment on Investment Property	56,288	82,721	56,288	82,721	56,288	82,721	56,288	82,721
Distribution costs	-	-	-	-	-	-	-	-
Administrative costs	(74,623)	(89,812)	(74,418)	(92,013)	(22,974)	(20,798)	(22,918)	(23,100)
Management Expenses	(93,748)	(56,255)	(93,748)	(56,255)	(21,353)	(14,588)	(21,353)	(14,588)
Depreciation	(1,114)	(14,374)	(1,114)	(14,374)	(285)	(970)	(285)	(970)
Operating profit/(loss)	(20,125)	(14,966)	480,079	842,053	35,089	103,606	35,145	100,872
Finance Income	142,049	85,922	142,049	85,922	22,504	6,521	22,504	6,521
Finance costs	(3,249)	(19,594)	(3,249)	(19,594)	(810)	(4,690)	(810)	(4,690)
Profit/(Loss) before tax	118,675	51,362	618,879	908,381	56,783	105,437	56,839	102,703
Tax	-	(37,990)	-	(37,990)	-	(37,990)	-	(37,990)
Profit/(Loss) after tax	118,675	13,372	618,879	870,391	56,783	67,447	56,839	64,713
Share of results of JV	871,214	494,418	-	-	356,915	377,840	-	-
Profit/(Loss) for the period	989,889	507,790	618,879	870,391	413,698	445,287	56,839	64,713
Other comprehensive income:								
Items that will not be reclassified to profit or (loss)								
(Loss)/ gain on defined benefit obligation	(3,251)	(507)	(3,251)	(507)	(3,251)	(507)	(3,251)	(507)
Related tax on defined benefit obligation		152		152		152		152
Related tax on revaluation of Property - Plant & Equipment	-	(2,642)	-	(2,642)	-	(2,642)	-	(2,642)
Share of OCI of equity accounted investee								
Gain/ (loss) on defined benefit obligation	(73,382)	76,953	-	-	(54,839)	65,247	-	-
Related tax on defined benefit obligation	22,015	(23,086)	-	-	16,452	(26,598)	-	-
Related tax on revaluation of Property - Plant & Equipment	-	(69,887)	-	-	-	(69,887)	-	-
Total comprehensive income - for the period, net of tax	935,271	488,773	615,628	867,394	372,059	411,053	53,588	61,716
Earning per share (for the period)	12.31	6.32	7.70	10.83	5.15	5.54	0.71	0.80

KELANI TYRES PLC AND ITS GROUP

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(all amounts in Sri Lankan Rupees thousands)

	Group		Company	
	31-03-2024 (un-audited)	31-03-2023 (audited)	31-03-2024 (un-audited)	31-03-2023 (audited)
ASSETS				
Non-current assets				
Property, plant and equipment	32,986	31,816	32,986	31,816
Investment Property	703,000	642,221	703,000	642,221
Investments in subsidiaries	-	-	10	10
Investment in JV	5,229,450	4,909,603	139,607	139,607
	5,965,436	5,583,640	875,603	813,654
Current assets				
Trade and other receivables	4,414	3,893	4,414	3,893
Amounts due from related parties	39,600	36,412	39,600	36,412
Income Tax Refund	4,315	4,315	3,712	3,712
Other Investments	875,189	848,695	875,189	848,695
Cash and cash equivalents	276,778	233,405	272,866	229,239
	1,200,296	1,126,720	1,195,781	1,121,951
Total assets	7,165,732	6,710,360	2,071,384	1,935,605
EQUITY AND LIABILITIES				
Equity attributable to equity holders				
Stated capital	402,000	402,000	402,000	402,000
Revaluation reserves	753,290	753,290	22,049	22,049
Retained earnings	5,874,481	5,341,208	1,511,423	1,297,794
Total equity	7,029,770	6,496,498	1,935,472	1,721,843
Non - current liabilities				
Retirement benefit obligations	12,929	7,920	12,929	7,920
Deferred tax liability	40,480	40,480	40,480	40,480
	53,409	48,400	53,409	48,400
Current liabilities				
Trade and other payables	73,097	65,057	73,047	64,957
Borrowings	-	833	-	833
Bank Overdraft	9,456	99,572	9,456	99,572
	82,553	165,462	82,503	165,362
Total liabilities	135,962	213,862	135,912	213,762
Total equity and liabilities	7,165,732	6,710,360	2,071,384	1,935,605
Net Asset Value Per share	87.43	80.80	24.07	21.42

I certify that these financial statements have been prepared in compliance with requirements of the Companies Act, No. 07 of 2007.

Sgd

P. R. Mann

Finance Officer

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

Sgd

Rohan T. Fernando

Managing Director

21st May 2024

Sgd

(Mrs.) S. S. Jayatilaka

Director

KELANI TYRES PL AND ITS GROUP**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

(all amounts in Sri Lanka Rupees Thousands)

Company

	Stated capital	Revaluation Reserve	Retained Earnings	Total
Balance at 1 April 2022 (audited)	402,000	24,691	829,759	1,256,450
Profit for the Period	-	-	870,391	870,391
Other comprehensive income	-	(2,642)	(355)	(2,997)
Dividend paid	-	-	(402,000)	(402,000)
Balance at 31st Mar. 2023 (audited)	402,000	22,049	1,297,794	1,721,843
Balance at 1 April 2023 (audited)	402,000	22,049	1,297,794	1,721,843
Profit for the Period	-	-	618,879	618,879
Other comprehensive income	-	-	(3,251)	(3,251)
Dividend paid	-	-	(402,000)	(402,000)
Balance at 31st Mar. 2024 (Un-audited)	402,000	22,049	1,511,423	1,935,472

KELANI TYRES PL AND ITS GROUP**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

(all amounts in Sri Lanka Rupees Thousands)

Group

	Stated capital	Revaluation Reserve	Retained Earnings	Total
Balance at 1 April 2022 (audited)	402,000	825,819	5,181,906	6,409,725
Profit for the Period	-	-	507,790	507,790
Other comprehensive income	-	(72,529)	53,512	(19,017)
Dividend paid	-	-	(402,000)	(402,000)
Balance at 31st Mar. 2023 (audited)	402,000	753,290	5,341,208	6,496,498
Balance at 1 April 2023 (audited)	402,000	753,290	5,341,208	6,496,498
Profit for the Period	-	-	989,889	989,889
Other comprehensive income	-	-	(54,618)	(54,618)
Dividend paid	-	-	(402,000)	(402,000)
Balance at 31st Mar. 2024 (Un-audited)	402,000	753,290	5,874,481	7,029,770

KELANI TYRES PLC AND ITS GROUP

Cash flow statement

(all amounts in Sri Lankan Rupees thousands)

	Twelve months ended 31st Mar. 2024		Twelve months ended 31st Mar. 2023	
	Group	Company	Group	Company
Cash flows from operating activities				
Cash generated from (used in) operations	(69,211)	(68,957)	115,788	115,134
Interest paid	(3,249)	(3,249)	(19,594)	(19,594)
Gratuity paid	-	-	(1,589)	(1,589)
Net cash generated from (used in) operating activities	(72,460)	(72,205)	94,605	93,951
Cash flows from investing activities				
Purchases of property, plant and equipment	(6,774)	(6,774)	(5,823)	(5,823)
Dividend received	500,000	500,000	860,000	860,000
Investment in government securities/other investments	(26,492)	(26,492)	(499,709)	(499,709)
Proceeds from sale of property, plant and equipment	-	-	234	-
Interest Income from Other Income	142,049	142,049	82,717	82,717
Net cash (used in)/generated from investing activities	608,782	608,782	437,419	437,185
Cash flows from financing activities				
Dividend payment	(402,000)	(402,000)	(402,000)	(402,000)
Change in Bank borrowings	(833)	(833)	(10,000)	(10,000)
Net cash (used in)generated from financing activities	(402,833)	(402,833)	(412,000)	(412,000)
Net (decrease)/increase in cash and cash equivalents	133,489	133,743	120,024	119,136
Movement in cash and cash equivalents				
At the start of period	133,833	129,667	13,809	10,532
(Decrease)/increase	133,489	133,743	120,024	119,136
At the end of period	267,322	263,410	133,833	129,667

KELANI TYRES PLC AND ITS GROUP**NOTES TO THE INTERIM FINANCIAL STATEMENTS:***(all amounts are in Sri Lanka Rupees thousands)***1 General Information****Company**

The company is a limited liability company incorporated and domiciled in Sri Lanka and listed on the Colombo Stock Exchange. The address of its registered office is P.O.Box 8, Nungamugoda, Kelaniya.

Group

Joint Venture (JV):

The JV's principal activity is the manufacture of tyres and tubs locally and its sale thereof locally and internationally.

Subsidiary company:

The principal business activity is to hire out motor vehicles.

2 Basis of preparation

The Interim Financial Statements have been prepared in compliance with Sri Lanka Accounting Standard (LKAS-34) Interim Financial reporting. These interim financial statements should be read in conjunction with the annual financial statement for the year ended 31 Mar. 2023,

3 Significant Accounting Policies

The Company has adopted consistent accounting policies and method applied for the year ended 31st March 2023 and the presentation and classification of the financial statements of the previous year have been amended where relevant for better presentation and to be comparable with those of the current year.

4 Stated Capital

Stated Capital represented by issued shares is given below:

	3/31/24	3/31/23
Ordinary shares as at	80,400	80,400

5 There have been no other events subsequent to the Balance Sheet date, which require disclosure in the Interim Financial Statements.

6 Provision was made for taxation by joint venture CEAT SRI LANKA as follows:

	Rs.
Profit before Tax JV	2,220,413
Less: Provision for Tax	(477,984)
Profit after Tax	1,742,429

7 There were no Contingent Liabilities or Contingent Assets since the Balance Sheet date.

8 There were no Liability towards Management fee or any similar expenditure not provided for in the Interim Financial Statements.

9 Dividend per share

	Group		Company	
	3/31/24	3/31/23	3/31/24	3/31/23
Dividend received from the JV	500,000	860,000	500,000	860,000
Dividend declared & paid to shareholders	402,000	402,000	402,000	402,000
Number of shares in issue (thousands)	80,400	80,400	80,400	80,400
Dividend per share - (Rs.)	5.00	5.00	5.00	5.00

10 The figures have been presented in these financial statements are provisional and subject to audit, and also comparative figures have been reclassified where necessary.

11 Market price per share:

for the Twelve months ended 31st Mar.

	2024	2023
	Rs.	Rs.
Highest Price (27/03/24 & 24/01/23)	71.10	62.90
Lowest Price (30/01/24 & 31/01/23)	61.00	55.30
Closing Price (28/03/24 & 31/03/23)	70.00	59.40

KELANI TYRES PLC
TOP 20 SHARE HOLDERS LIST
AS AT 30-03-2024

No.	Name	No of Shares	%
1	SILVERSTOCK LIMITED	38,477,144	47.857
2	BANCK OF CEYLON A/C CEYBANK UNIT TRUST	6,123,886	7.617
3	MR. H. M. UDESHI	5,050,000	6.281
4	EMPLOYEES TRUST FUND BOARD	2,835,639	3.527
5	MR. R. C. D. DE SILVA	2,000,000	2.488
6	EMPLOYEE'S PROVIDENT FUND	1,553,800	1.933
7	BANK OF CEYLON ACCOUNT CEYBANK - CENTURY GROWTH FUND	1,011,585	1.258
8	MRS. T. T. A. DE SILVA WEERASOORIYA	622,612	0.774
9	MOULDEX (PVT) LTD	600,000	0.746
10	MR D.K. A.K WEERATHUNGA (DECEASED)	579,050	0.720
11	MR N. PUSPARAJ & MRS K. PUSPARAJ	550,000	0.684
12	ACUITY PARTNERS (PVT) LTD/MR SUBRAMANIAM VASUDEVAN	483,392	0.601
13	J. B. COCOSHELL (PVT) LTD	472,482	0.588
14	SAMPATH BANK PLC / ARUNA ENTERPRISES(PVT) LTD	437,600	0.544
15	SANASA LIFE INSURANCE COMPANY PLC	424,966	0.529
16	MR. A.M. WEERASINGHE	400,000	0.498
17	DR. T SENTHILVERL	379,212	0.472
18	MR. B POBRAN	350,240	0.436
19	RANSIRI ENTERPRISES PRIVATE LIMITED	310,000	0.386
20	MRS. N. MULJIE	290,694	0.362

PUBLIC HOLDING

The percentage of shares held by the public as at 31st March 2024 is 49.618% comprising of 9,596 shareholders
(31st March 2023 - 50.086% comprising of 9613 shareholders)

FLOAT ADJUSTED MARKET CAPITALIZATION AS AT 31ST MARCH 2024 - RS.2,792,476,610/-

The Company is in compliance with Option 4 of Section 7.13.1. i (a) of the Listing Rule of the Colombo Stock Exchange pertaining to minimum public holding.

SHARE HOLDINGS BY THE DIRECTORS AS AT 31ST MARCH 2024

Names of Directors	No of Shares as at 31st Mar. 2024	%
Mr. Chanaka De Silva	2,000,000	2.488%
Mr. Rohan T. Fernando	Nil	Nil
Mr. T. Bevan Perera	1920	0.002%
Mr. D. S. Kamantha Amarasekera	Nil	Nil
Mrs. S. S. Jayatilaka	240	0.000%
Mr. Eradj T. Fernando	24,553	0.031%
Mr. R. P. Weerasooria	Nil	Nil

KELANI TYRES PLC AND ITS GROUP

NOTES TO THE INTERIM FINANCIAL STATEMENTS (cont.):

Joint Venture Performance

The assets and liabilities and the income and the expenses of the Joint venture as follows:

Summarised Financial Position

	31-03-2024	31-03-2023
Non-Current Assets	7,626,440	7,665,471
Current Assets	8,829,492	9,795,281
Total Assets	16,455,932	17,460,752
Capital and Reserves	10,458,899	9,819,206
Non-Current Liabilities	839,487	729,100
Current Liabilities	5,157,546	6,912,446
Total Equity & Liabilities	16,455,932	17,460,752

Summarised Income Statement

	2024 Apr. to Mar.	2023 Apr. to Mar.
Production (MT)	11,979	10,776
Total Sales (MT)	12,865	10,294
Domestic Sales	16,116,938	14,082,216
Export Sales	1,283,860	1,349,823
Total Sales	17,400,798	15,432,039
Cost of Sales	(12,901,543)	(12,200,420)
Gross Profit	4,499,255	3,231,618
Distribution/Administrative Cost	(2,428,852)	(1,829,241)
Finance Cost less income	(4,362)	54,798
Other Operating Income	154,372	63,223
Profit Before Tax	2,220,413	1,520,397
Taxation	(477,984)	(531,562)
Profit for the period	1,742,429	988,836
Other Comprehensive income/(Expenses)	(102,735)	(32,040)
Total Comprehensive income	1,639,694	956,796