



# VIDULLANKA PLC

Building on Renewable Energy Sources

**(PQ 83)**

**INTERIM FINANCIAL STATEMENTS  
FOR THE THREE MONTHS ENDED  
30<sup>th</sup> June 2016.**

Registered office: Level 04, Access Towers, No. 278, Union Place, Colombo 2 Sri Lanka.  
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**VIDULLANKA PLC**

**Statement of Financial Position**

**Quarter ended 30th June 2016**

	Group		Company	
	30.06.2016 (Unaudited*) Rs.	31.03.2016 (Audited) Rs.	30.06.2016 (Unaudited*) Rs.	31.03.2016 (Audited) Rs.
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
Property , Plant & Equipment	2,453,995,107	2,267,305,432	511,874,518	517,452,643
Investments in Subsidiaries	-	-	883,334,126	883,334,127
Investment in Joint Ventures & Associates	336,260,404	313,587,225	220,912,412	220,912,412
Other Project Investments	111,797,370	79,021,852	111,797,370	79,021,852
Goodwill	215,879,383	215,879,382	-	-
	<b>3,117,932,264</b>	<b>2,875,793,892</b>	<b>1,727,918,426</b>	<b>1,700,721,035</b>
<b>Current Assets</b>				
Inventories	1,730,009	1,160,939	563,221	-
Trade and Other Receivables	466,797,328	342,959,974	286,262,990	230,396,859
Other Financial Assets	196,286,658	196,266,668	196,286,658	196,266,668
Cash and Bank Balances	38,070,223	92,823,126	14,078,085	22,816,481
	702,884,218	633,210,707	497,190,954	449,480,008
<b>Total Assets</b>	<b>3,820,816,482</b>	<b>3,509,004,598</b>	<b>2,225,109,380</b>	<b>2,150,201,043</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Capital and Reserves</b>				
Stated Capital	1,267,893,105	1,267,893,105	1,267,893,105	1,267,893,105
Retained Earnings	695,013,234	603,247,633	256,652,209	234,065,162
Other components of equity	(5,840,432)	(5,709,736)	-	-
<b>Equity attributable to Equity Holders of the Parent</b>	<b>1,957,065,907</b>	<b>1,865,431,002</b>	<b>1,524,545,314</b>	<b>1,501,958,267</b>
Non Controlling Interest	5,668,188	4,968,730	-	-
<b>Total Equity</b>	<b>1,962,734,095</b>	<b>1,870,399,732</b>	<b>1,524,545,314</b>	<b>1,501,958,267</b>
<b>Non- Current Liabilities</b>				
Financing and Lease [Ijara] Payables	1,146,105,743	963,765,092	219,230,193	170,507,756
Defined Benefit Liability	18,980,144	17,897,827	16,562,385	15,788,028
Deferred Taxation	20,641,552	20,381,187	20,256,560	19,996,195
	<b>1,185,727,439</b>	<b>1,002,044,106</b>	<b>256,049,138</b>	<b>206,291,979</b>
<b>Current Liabilities</b>				
Trade and Other Payables	119,055,854	147,057,046	76,117,836	126,929,539
Financing and Lease [Ijara] Payables	547,497,672	484,605,275	363,071,148	310,805,215
Income Tax Liability	5,801,422	4,898,439	5,325,944	4,216,042
	<b>672,354,948</b>	<b>636,560,760</b>	<b>444,514,928</b>	<b>441,950,797</b>
<b>Total Equity and Liabilities</b>	<b>3,820,816,482</b>	<b>3,509,004,598</b>	<b>2,225,109,380</b>	<b>2,150,201,043</b>

<b>Net Asset Value Per Share (Rs)</b>	2.62	2.50	2.04	2.01
<b>No of Issued Shares</b>	747,153,790	747,153,790	747,153,790	747,153,790

\* The amounts are provisional and subject to audit

These Financial Statements are in compliance with the requirement of the Companies Act No. 07 of 2007



Mafaz Ansar  
Head of Finance

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



Riyaz M. Sangani  
Director



M. Zulficar Ghouse  
Director

Colombo  
2nd August 2016

## Vidullanka PLC

### Statement of Comprehensive Income

Quarter ended 30th June 2016

	Group			Company		
	2016 (Unaudited*) Rs.	2015 Rs.	Variance	2016 (Unaudited*) Rs.	2015 Rs.	Variance
<b>Revenue</b>	214,057,959	155,478,317	37.7%	91,634,902	103,501,747	-11.5%
Cost of Sales	(36,680,650)	(26,206,966)	-40.0%	(10,920,002)	(11,116,103)	1.8%
<b>Gross Profit</b>	<b>177,377,309</b>	<b>129,271,352</b>	<b>37.2%</b>	<b>80,714,900</b>	<b>92,385,644</b>	<b>-12.6%</b>
Other Income and Gain/(Losses)	5,638,550	22,076,780	-74.5%	4,020,833	20,326,650	-80.2%
Administrative Expenses	(72,659,839)	(39,435,709)	-84.2%	(43,161,988)	(24,472,426)	-76.4%
Finance Cost	(35,869,498)	(13,723,868)	-161.4%	(14,757,053)	(6,620,499)	-122.9%
Finance Income	78,332	234,035	-66.5%	43,512	1,275,489	-96.6%
Investment Income from Joint Ventures	22,370,945	27,828,825	-19.6%	-	-	-
<b>Profit Before Tax</b>	<b>96,935,798</b>	<b>126,251,414</b>	<b>-23.2%</b>	<b>26,860,204</b>	<b>82,894,859</b>	<b>-67.6%</b>
Income Tax Expense	(4,910,826)	(7,450,728)	34.1%	(4,719,818)	(7,021,521)	32.8%
<b>Profit for the period</b>	<b>92,024,972</b>	<b>118,800,686</b>	<b>-22.5%</b>	<b>22,140,386</b>	<b>75,873,338</b>	<b>-70.8%</b>
<b>Other Comprehensive Income</b>						
Net Actuarial Gain/(Loss) on Defined Benefit Plan	570,346	(253,745)	324.8%	595,550	(218,881)	372.1%
Income Tax on Other Comprehensive Income	(143,286)	31,867	-549.6%	(148,887)	26,266	-666.9%
Exchange Differences on Translation of Foreign Operations	(130,696)	(908,763)	85.6%	-	-	-
Other Comprehensive Income for the Year, Net of Tax	309,391	(1,148,930)	126.9%	446,662	(192,615)	331.9%
<b>Total Comprehensive Income for the Year, Net of Tax</b>	<b>92,334,363</b>	<b>117,651,756</b>	<b>-21.5%</b>	<b>22,587,048</b>	<b>75,680,723</b>	<b>-70.2%</b>
<b>Profit attributable to :</b>						
Equity Holders of the Parent	91,325,514	119,265,935	-23.4%	22,140,386	75,873,338	-70.8%
Non-Controlling Interest	699,458	(465,249)	250.3%	-	-	-
<b>Total Profit for the period</b>	<b>92,024,972</b>	<b>118,800,686</b>	<b>-22.5%</b>	<b>22,140,386</b>	<b>75,873,338</b>	<b>-70.8%</b>
<b>Total Comprehensive Income attributable to :</b>						
Equity Holders of the Parent	91,634,905	118,119,885	-22.4%	22,587,048	75,680,722	-70.2%
Non-Controlling Interest	699,458	(468,129)	249.4%	-	-	-
<b>Total Comprehensive Income for the Year</b>	<b>92,334,363</b>	<b>117,651,756</b>	<b>-21.5%</b>	<b>22,587,048</b>	<b>75,680,722</b>	<b>-70.2%</b>

Earnings Per Share	0.12	0.25	0.03	0.16
Weighted Average No of Shares	747,153,790	477,269,193	747,153,790	477,269,193

\* The amounts are provisional and subject to audit

# VIDULLANKA PLC

## Statement of Changes In Equity

Quarter ended 30th June 2016

GROUP	Stated Capital	Retained Earnings	Foreign Currency Translation Reserve	Non-Controlling	Total
	Rs	Rs	Rs	Rs	Rs
<b>Balance As at 1st April 2015</b>	<b>829,258,508</b>	<b>617,737,438</b>	<b>194,856</b>	<b>3,261,138</b>	<b>1,450,451,939</b>
Profit for the period	-	119,265,935	-	(465,249)	118,800,686
Other Comprehensive Income	-	(237,287)	(908,763)	(2,881)	(1,148,930)
Total Comprehensive Income for the Year	-	119,028,648	(908,763)	(468,129)	117,651,756
<b>Balance As At 30th June 2015</b>	<b>829,258,508</b>	<b>736,766,086</b>	<b>(713,907)</b>	<b>2,793,009</b>	<b>1,568,103,696</b>
<b>Balance As at 1st April 2016</b>	<b>1,267,893,105</b>	<b>603,247,633</b>	<b>(5,709,736)</b>	<b>4,968,730</b>	<b>1,870,399,732</b>
Profit for the period	-	91,325,514	-	699,458	92,024,972
Other Comprehensive Income	-	440,087	(130,696)	-	309,391
Total Comprehensive Income for the Year	-	91,765,601	(130,696)	699,458	92,334,363
<b>Balance As At 30th June 2016</b>	<b>1,267,893,105</b>	<b>695,013,234</b>	<b>(5,840,432)</b>	<b>5,668,188</b>	<b>1,962,734,095</b>

COMPANY	Stated Capital	Retained Earnings	Total
	Rs	Rs	Rs
Balance As At 1st April 2015	829,258,508	397,755,781	1,227,014,289
Profit for the period	-	22,140,386	22,140,386
Other Comprehensive Income	-	446,662	446,662
Total Comprehensive Income for the Year	-	22,587,048	22,587,048
<b>Balance As At 30th June 2015</b>	<b>829,258,508</b>	<b>420,342,829</b>	<b>1,249,601,337</b>
Balance As At 1st April 2016	1,267,893,105	234,065,161	1,501,958,266
Profit for the period	-	22,140,386	22,140,386
Other Comprehensive Income	-	446,662	446,662
Total Comprehensive Income for the Year	-	22,587,048	22,587,048
<b>Balance As At 30th June 2016</b>	<b>1,267,893,105</b>	<b>256,652,209</b>	<b>1,524,545,314</b>

# VIDULLANKA PLC

## Statement of Cash Flow

Quarter ended 30th June 2016

	Group		Company	
	30.06.2016 (Unaudited*)	30.06.2015	30.06.2016 (Unaudited*)	30.06.2015
	Rs.	Rs.	Rs.	Rs.
<b>CASH FLOWS FROM/(USED IN ) OPERATING ACTIVITIES</b>				
Profit from Ordinary Activities Before Tax	96,935,798	126,251,414	26,860,204	82,894,859
<b>Adjustments for</b>				
Depreciation	19,897,026	12,234,642	6,461,329	6,822,696
(Profit) /Loss on Disposal of Property, Plant and Equipment	-	(1,905,127)	-	(1,905,127)
Provision for Retiring Gratuity	1,082,317	598,505	774,357	399,342
Dividend Received	-	(16,110,294)	-	(16,110,294)
Share of Profits from Joint Ventures	(22,370,945)	(27,828,825)	-	-
Finance Income	(78,332)	(234,035)	(43,512)	(1,275,489)
Finance Cost	35,869,498	13,723,868	14,757,053	6,620,499
<b>Operating Profit/(Loss) Before Working Capital Changes</b>	<b>131,335,362</b>	<b>106,730,149</b>	<b>48,809,431</b>	<b>77,446,486</b>
(Increase)/Decrease in Inventories	(569,070)	108,156	(563,221)	-
(Increase)/Decrease in Trade & Other Receivables	(123,837,355)	(36,617,969)	(55,866,131)	3,450,208
(Increase)/ Decrease in Other Financial Assets	(19,990)	1,955,382	(19,990)	1,955,382
Increase/(Decrease) in Other Payables	(28,001,193)	(44,981,547)	(50,811,703)	(36,846,611)
<b>Cash Generated from Operations</b>	<b>(21,092,245)</b>	<b>27,194,171</b>	<b>(58,451,614)</b>	<b>46,005,465</b>
Finance Cost Paid	(35,869,498)	(13,723,868)	(14,757,053)	(6,620,499)
Finance Income Received	78,332	234,035	43,512	1,275,489
Income Tax Paid	(3,747,478)	(7,131,595)	(2,902,898)	(6,218,882)
<b>Net Cash From Operating Activities</b>	<b>(60,630,888)</b>	<b>6,572,743</b>	<b>(76,068,053)</b>	<b>34,441,573</b>
<b>Net Cash From (Used In ) Investing Activities</b>				
Acquisition of Property, Plant & Equipment	(206,579,880)	(50,640,318)	(883,203)	(247,338)
Proceeds from sale of Property, Plant & Equipment	-	2,027,027	-	2,027,027
Expenses incurred in new project development	(32,775,518)	(215,929)	(32,775,518)	(215,929)
Investment in Subsidiaries & Joint Ventures	-	-	-	(54,179,529)
Dividend Received	-	16,110,294	-	16,110,294
<b>Net Cash Flow Used in Investing Activities</b>	<b>(239,355,398)</b>	<b>(32,718,927)</b>	<b>(33,658,721)</b>	<b>(36,505,475)</b>
<b>Cash From (Used in ) Financing Activities</b>				
Principal Repayment Under Ijara Facilities/(Finance Leases)	(629,768)	(103,653)	(268,486)	(103,653)
Principal Repayment Under Murabaha Facilities	(4,383,845)	(3,988,042)	(4,383,845)	(3,988,042)
Principal Repayment Under Diminishing Musharakah Facilities	(38,241,703)	(19,348,447)	(6,249,989)	(13,097,446)
Principal Payments under Wakala Facilities	(10,000,000)	-	(10,000,000)	-
Principal Repayment Under Short term facilities	(25,576,540)	(12,535,847)	(25,576,540)	(12,535,847)
Proceeds from Short term facilities	75,540,953	63,065,517	75,540,953	63,065,517
Proceeds from Wakala Facilities	71,926,285	-	71,926,285	-
Proceeds from Diminishing Musharakah Facilities	176,598,000	26,703,825	-	-
<b>Net Cash From (Used In ) Financing Activities</b>	<b>245,233,383</b>	<b>53,793,353</b>	<b>100,988,378</b>	<b>33,340,529</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>	<b>(54,752,903)</b>	<b>27,647,169</b>	<b>(8,738,396)</b>	<b>31,276,627</b>
<b>Cash &amp; Cash Equivalents at the beginning of period</b>	<b>92,823,126</b>	<b>92,019,456</b>	<b>22,816,481</b>	<b>69,246,226</b>
<b>Cash &amp; Cash Equivalents at end of period</b>	<b>38,070,223</b>	<b>119,666,624</b>	<b>14,078,085</b>	<b>100,522,853</b>
<b>Movement in cash and cash equivalents</b>				
Components of Cash and Cash Equivalents	362,500	372,500	195,000	195,000
Cash and Bank Balances	37,707,723	119,294,124	13,883,085	100,327,853
<b>At the end of the period</b>	<b>38,070,223</b>	<b>119,666,624</b>	<b>14,078,085</b>	<b>100,522,853</b>

\* The amounts are provisional and subject to audit

# VIDULLANKA PLC

## NOTES TO THE FINANCIAL STATEMENTS

1. The condensed interim financial statements have been prepared in accordance with Sri Lanka Accounting Standards – LKAS 34 Interim Financial Reporting. The condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended 31<sup>st</sup> March 2016, including the changes to accounting policies as a result of convergence to the revised Sri Lanka Accounting Standards (“SLFRSs/LKASs”). Further, the provisions of the Companies Act No 7 of 2007 have been considered in preparing the interim financial statements. The figures in the presented financial statements are provisional and subject to audit unless otherwise stated.
2. The summarized financial information of the Joint Ventures which are now being accounted under Equity method is presented below;

	<b>Quarter Ended</b>	<b>Year Ended</b>
	<b>30-06-2016</b>	<b>31-03-2016</b>
<b><u>Investment in Joint Ventures</u></b>		
Investment in Gurugoda Hydro (Pvt) Ltd	81,328,407	76,779,827
Investment in Udaka Energy Group (Pvt) Ltd	39,294,123	39,000,683
Investment in Vidul Madugeta (Pvt) Ltd	163,137,875	145,306,715
Investment in Nilwala Vidulibala Company (Pvt) Ltd	52,500,000	52,500,000
<b>Total Investment in Joint Ventures</b>	<b>336,260,404</b>	<b>313,587,225</b>
<b><u>Share of Comprehensive Income from Joint Ventures</u></b>		
Gurugoda Hydro (Pvt) Ltd	4,228,475	16,690,964
Udaka Energy Group (Pvt) Ltd	293,439	17,036,571
Vidul Madugeta (Pvt) Ltd	17,849,030	55,264,316
Lower Kothmale Oya Hydro Power (Pvt) Ltd	-	25,321,572
<b>Total Share of Comprehensive Income from Joint Ventures</b>	<b>22,370,945</b>	<b>114,313,423</b>

3. The Bambarabatu Oya Mini Hydro Power Project concluded the stipulated contractual period of Standard Power Purchasing agreement (SPPA) with the Ceylon Electricity Board (CEB) on 1<sup>st</sup> June 2016. The SPPA is yet to be renewed, however the plant continues to supply electricity to the grid. The revenue (amounting Rs.6.1 Mn) has been recognized based on the tariff of Rs. 5.30 per unit, which is offered by CEB for the mini hydro power plants with SPPA expired.
4. There has not been any significant change in the nature of the contingent liabilities which were disclosed in the Annual Report for the financial year ended 31<sup>st</sup> March 2016.
5. No circumstance has arisen since the Balance Sheet date, which would require adjustments to or disclosure in the financial statement, other than the disclosures made in this interim financial statements.

6. Market price per share during the quarter ended 30<sup>th</sup> June 2016.

Description	30 <sup>th</sup> June 2016		30 <sup>th</sup> June 2015	
	Date	Rs.	Date	Rs.
Market Price-Highest	19.05.2016	6.20	20.05.2015	8.80
Market Price-Lowest	30.06.2016	5.70	02.04.2015	6.70
Market Price-last Traded	30.06.2016	5.80	30.06.2015	8.30

7. Directors' Shareholding as at 30th June 2016.

Name of Director	Number of Shares
Mr. Osman Kassim	8,993,560
Mr. Riyaz M. Sangani	77,141,202
Mr. Shahid M. Sangani	3,310,845
Dr. A.A.M Haroon	NIL
Mr. Ranjan Mather	4,500,000
Mr. M. Zulficar Ghouse	10,000,000
Mrs. B.R.I Sangani	8,819,958
Mr. C.F. Fuhrer	NIL
Mr. S.S.V Fernando	4,500,000
Mr. Sattar Kassim	10,799,470
Mr. Sujendra Mather	18,025,356

8. Public Shareholding information as at 30<sup>th</sup> June 2016 presented below;

<b>Issued Share Capital</b>			<b>747,153,790</b>
<b>Parent, Subsidiary, Affiliated Or Associate Entities Or Any Subsidiaries Or Associates Of Its Parent Entity</b>			
Dynawash Ltd	16,333,271		
Lanka Equities (Pvt) Ltd	3,106,726		
Vanguard Industries (Pvt) Ltd	6,914,556		
Trade First (Pvt) Ltd	149,801		
		<b>26,504,354</b>	
<b>Directors Of The Entity, Spouses &amp; Their Close Family Members</b>			
Mr. Osman Kassim	8,993,560		
Mr. Riyaz M. Sangani	77,141,202		
Mr. Sahid M. Sangani	3,310,845		
Mr. Ranjan Mather	4,500,000		
Mr. M.Zulficar Ghouse	10,000,000		
Mrs. B.R.I Sangani	8,819,958		
Mr. S.S.V Fernando	4,500,000		
Mr. Sattar Kassim	10,799,470		
Mr. Sujendra Mather	18,025,356		
Mrs. S.R. Sangani	380,849		
Mrs. S.S Sangani	4,345,232		
Mrs. R. L. Mather	36,750,000		
Mrs. Z.M.Sangani	17,052,385		
Mr.Suhayb Sangani	15	<b>204,618,872</b>	
<b>More Than 10%</b>			
Aberdeen Holdings (Pvt) Limited	170,475,947		
Belmont Agents Limited	112,500,000		
Wembly Spirit Limited	99,039,429	<b>382,015,376</b>	<b>613,138,602</b>
<b>Public Shareholding</b>			<b>134,015,188</b>
<b>Public Shareholding %</b>			<b>17.94%</b>
<b>No Of Public Shareholders</b>			<b>1,499</b>
<b>Non Public Shareholding</b>			<b>613,138,602</b>
<b>Non Public Shareholding %</b>			<b>82.06%</b>
<b>No. Of Non Public Shareholders</b>			<b>21</b>



9. The name and the Number of shares held by the top 20 shareholders as at 30<sup>th</sup> June 2016.

	<b>Name</b>	<b>Shares</b>	<b>%</b>
1	Aberdeen Holdings (Pvt) Limited	170,475,947	22.8%
2	Belmont Agents Limited	112,500,000	15.1%
3	Wembley Spirit Limited	99,039,429	13.3%
4	Mr.Riyaz M. Sangani	77,141,202	10.3%
5	Mrs.R.L. Mather	36,750,000	4.9%
6	ABC International Limited	26,204,463	3.5%
7	Mrs.Yumna Kunimoto	22,977,683	3.1%
8	Mr.Mohamed Shafee Mohideen	18,708,998	2.5%
9	Mr.Sujendra Mather	18,025,356	2.4%
10	Mrs.Z.M.Sangani	17,052,385	2.3%
11	Dynawash Ltd	16,333,271	2.2%
12	Mrs. Durriya Zuzar Kathawala	15,312,500	2.0%
13	Jaywise (Construction) (Pvt) Limited	12,812,500	1.7%
14	Mr. Ranjeet Bhanwarlal Barmecha	10,800,002	1.4%
15	Mr. Sattar Kassim	10,799,470	1.4%
16	Mr. Zulficar M Ghouse	10,000,000	1.3%
17	Mr.Osman Kassim	8,993,560	1.2%
18	Mrs.B.R.I Sangani	8,819,958	1.0%
19	Vanguard Industries Pvt Ltd	6,914,556	0.9%
20	Mr.Ranjan Mather	4,500,000	0.6%
21	Mr.S.S.V Fernando	4,500,000	0.6%
	<b>Top 20 Shareholders</b>	<b>708,661,280</b>	<b>94.85%</b>

## **CORPORATE INFORMATION**

### **COMPANY STATUS**

Public Limited Liability Company Listed in the Colombo Stock Exchange on 10<sup>th</sup> June 2005

### **RE-REGISTRATION DATE & NUMBER**

27<sup>th</sup> September 2007

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### **COMPANY SECRETARY**

Managers & Secretaries (Pvt) Ltd

No 8 Tickle Road

Colombo 08.

### **REGISTERED OFFICE**

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No 278 Union Place

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Web – [www.vidullanka.com](http://www.vidullanka.com)

### **AUDITORS**

M/s. Ernst & Young, Chartered Accountants

No 201, De Saram Place

Colombo 10.

### **BANKERS**

Amana Bank PLC

MCB Bank Limited

Hatton National Bank PLC

Commercial Bank of Ceylon PLC

Bank of Ceylon