



VALLIBEL POWER ERATHNA PLC

INTERIM FINANCIAL STATEMENTS

Forth Quarter

for the twelve months ended 31st March 2021

Statement of Financial Position

As at	Group		Company	
	31.03.2021 Rs.	31.03.2020 Rs. (Audited)	31.03.2021 Rs.	31.03.2020 Rs. (Audited)
ASSETS				
Non-Current Assets				
Property, Plant & Equipment	2,072,808,765	2,150,859,107	746,936,516	777,212,163
Right-to-use of Assets	45,637,882	38,617,496	4,539,727	1,446,980
Investment in Subsidiary	-	-	821,619,980	821,619,980
Intangible Assets	65,559,829	76,201,120	5,194,407	5,479,032
Other non-current asset	4,500,000	4,500,000	-	-
	2,188,506,476	2,270,177,723	1,578,290,630	1,605,758,155
Current Assets				
Trade & Other Receivables	576,713,645	504,518,750	273,153,349	230,876,200
Amounts Due from Related Parties	997,913	3,706,167	2,495,254	9,205,296
Other Financial Assets at Amortised Cost	-	133,256,553	-	93,256,553
Cash and cash equivalents	296,637,846	641,166,867	66,279,924	156,626,711
	874,349,404	1,282,648,337	341,928,527	489,964,760
Total Assets	3,062,855,880	3,552,826,060	1,920,219,157	2,095,722,915
EQUITY AND LIABILITIES				
Equity Attributable to Equity Holders of the Parent				
Stated Capital	1,174,365,278	1,174,365,278	1,174,365,278	1,174,365,278
Accumulated Profit	1,313,301,901	1,809,412,628	552,316,791	744,312,848
Capital and reserves attributable to owners of Vallibel Power Erathna PLC	2,487,667,179	2,983,777,906	1,726,682,069	1,918,678,126
Non - Controlling Interest	224,789,541	268,079,882	-	-
Total Equity	2,712,456,720	3,251,857,788	1,726,682,069	1,918,678,126
Non-Current Liabilities				
Retirement Benefit Obligations	41,162,030	32,121,124	26,864,212	21,551,272
Deferred Tax Liability	131,524,504	121,632,952	99,781,158	104,756,362
Lease Liability	46,368,298	41,865,060	3,245,078	1,441,310
	219,054,832	195,619,136	129,890,448	127,748,944
Current Liabilities				
Accruals and other payables	41,697,493	53,920,970	10,481,119	27,217,472
Lease Liability	4,910,439	867,183	1,469,243	61,273
Current tax liabilities	84,736,396	50,560,983	51,696,278	22,017,100
	131,344,328	105,349,136	63,646,640	49,295,845
Total Equity and Liabilities	3,062,855,880	3,552,826,060	1,920,219,157	2,095,722,915
Net Asset Per Share	3.33	3.99	2.31	2.57

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

Sgd.

Sajithra Thanoj

Accountant

Sgd.

Russell De Zilva

Jt.CEO

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

Signed for and on behalf of the Board by.

Sgd.

S. H. Amarasekara

Deputy Chairman

May 28, 2021 / Colombo

Sgd.

H. Somashantha

Director

Statement of Profit or Loss

For the twelve months ended 31st March	Group						Company					
	Quarter			Twelve Months			Quarter			Twelve Months		
	2021 Rs.	2020 Rs.	Change %	2021 Rs.	2020 Rs.	Change %	2021 Rs.	2020 Rs.	Change %	2021 Rs.	2020 Rs.	Change %
Revenue	155,220,637	49,311,891	215	1,076,977,605	1,058,308,162	2	36,263,628	11,088,682	227	292,529,302	392,556,077	(25)
Cost of Sales	(39,587,259)	(34,342,059)	15	(148,631,005)	(146,774,141)	1	(15,186,940)	(12,536,079)	21	(51,336,488)	(52,155,357)	(2)
Gross Profit	115,633,377	14,969,832	672	928,346,600	911,534,021	2	21,076,688	(1,447,397)	1556	241,192,815	340,400,720	(29)
Other Operating Income	21,485,338	4,780,000	349	21,485,338	11,735,864	83	93,380,206	-	>999	788,264,017	106,765,488	638
Administration Expenses	(29,412,376)	(28,491,311)	3	(105,170,952)	(103,974,039)	1	(11,651,786)	(13,242,444)	(12)	(45,645,794)	(47,709,882)	(4)
Other Operating Expenses	(72,584)	(578,449)	(87)	(1,845,370)	(5,067,969)	(64)	(43,784)	(364,939)	(88)	(764,034)	(2,845,606)	(73)
Finance Cost	(1,184,895)	(5,203,222)	(77)	(4,604,376)	(5,203,222)	(12)	(90,551)	(155,829)	(42)	(323,804)	(155,829)	108
Finance Income	418,117	16,131,595	(97)	27,137,085	52,431,613	(48)	1,242,467	5,762,066	(78)	10,839,666	16,939,260	(36)
Profit Before Tax	106,866,977	1,608,445	>999	865,348,326	861,456,269	0	103,913,241	(9,448,544)	1200	993,562,865	413,394,152	140
Income Tax Expenses	(35,374,367)	(21,099,211)	68	(243,351,983)	(153,879,109)	58	(12,322,710)	(3,970,823)	210	(138,433,639)	(44,289,513)	213
Net Profit For the Period	71,492,610	(19,490,766)	467	621,996,343	707,577,160	(12)	91,590,531	(13,419,367)	783	855,129,226	369,104,639	132
Attributable to:												
Owners of Vallibel Power Erathna PLC	63,818,424	(18,998,106)	436	552,073,258	648,171,398	(15)	91,590,531	(13,419,367)	783	855,129,226	369,104,639	132
Non Controlling Interest	7,674,186	(492,660)	1,658	69,923,085	59,405,762	18	-	-	-	-	-	-
	71,492,610	(19,490,766)	467	621,996,343	707,577,160	(12)	91,590,531	(13,419,367)	783	855,129,226	369,104,639	132
Basic Earnings Per Share	0.09	(0.03)		0.74	0.87		0.12	(0.02)		1.14	0.49	

Statement of Comprehensive Income

For the twelve months ended 31st March	Group						Company					
	Quarter			Twelve Months			Quarter			Twelve Months		
	2021 Rs.	2020 Rs.	Change %	2021 Rs.	2020 Rs.	Change %	2021 Rs.	2020 Rs.	Change %	2021 Rs.	2020 Rs.	Change %
Net Profit for the Period	71,492,610	(19,490,766)	467	621,996,343	707,577,160	(12)	91,590,531	(13,419,367)	(783)	855,129,226	369,104,639	132
Other Comprehensive Income / (Loss);												
Actuarial Gain/(loss) on Defined Benefit Plans	(2,970,020)	(1,627,516)	82	(2,970,020)	(1,627,516)	82	(1,541,658)	(962,192)	60	(1,541,658)	(962,192)	60
Deferred tax impact on Actuarial Gain/(loss)	584,252	234,506	149	584,252	234,506	149	369,998	134,707	175	369,998	134,707	175
Other Comprehensive Income /(Loss)	(2,385,767)	(1,393,010)	71	(2,385,768)	(1,393,010)	71	(1,171,660)	(827,485)	42	(1,171,660)	(827,485)	42
Total Comprehensive Income for the period, net of Tax	69,106,843	(20,883,776)	431	619,610,575	706,184,150	(12)	90,418,871	(14,246,852)	735	853,957,566	368,277,154	132
Attributable to:												
Owners of Vallibel Power Erathna PLC	61,588,062	(20,318,728)	403	549,842,896	646,850,775	(15)	90,418,871	(14,246,852)	735	853,957,566	368,277,154	132
Non Controlling Interest	7,518,781	(565,048)	1431	69,767,679	59,333,375	18	-	-	-	-	-	-
	69,106,843	(20,883,776)	431	619,610,575	706,184,150	(12)	90,418,871	(14,246,852)	735	853,957,566	368,277,154	132

Statement of Cash Flows

For the twelve months ended 31st March	Group		Company	
	2021 Rs.	2020 Rs.	2021 Rs.	2020 Rs.
Cash Flows from/(Used in) Operating Activities				
Net Profit Before Income Tax Expense	865,348,326	861,456,269	993,562,865	413,394,152
Adjustments for				
Amortization of Intangible Assets	10,641,292	10,570,136	284,625	213,469
Amortization of Right of Use Assets	4,924,178	2,634,290	1,179,324	111,306
Depreciation	79,683,585	77,953,274	31,378,712	31,331,290
Provision for Retirement Benefit Obligations	6,669,343	5,677,680	4,176,813	3,619,997
Profit on disposal of Property, Plant & Equipment	(3,256,086)	(4,700,957)	-	-
Dividend Income and Interest classified as investing cash flows	(2,679,044)	(6,955,864)	(772,713,809)	(106,765,488)
Finance Income	(27,137,085)	(52,431,613)	(10,839,666)	(16,939,260)
Finance Cost	4,604,376	5,203,222	323,804	155,829
Operating Profit Before Working Capital Changes	938,798,885	899,406,437	247,352,668	325,121,293
(Increase)/ Decrease in Trade and Other Receivables	(80,398,612)	(206,432,658)	(45,010,200)	(71,120,733)
(Increase)/ Decrease in Amounts Due from Related Parties	2,708,254	(2,802,643)	6,710,042	(6,919,167)
(Increase) / Decrease in Other Financial Assets at Amortised Cost	133,256,553	(128,256,553)	93,256,553	(93,256,553)
Increase / (Decrease) in Trade and Other Payables	(17,023,477)	2,945,335	(16,736,353)	2,239,679
Cash Generated from /(used in) Operating Activities	977,341,603	564,859,918	285,572,710	156,064,519
Finance Cost Paid	(610,288)	(155,829)	(323,804)	(155,829)
Finance Income Received	33,959,000	51,280,617	12,377,736	18,372,200
Retirement Benefit Obligations Paid	(598,457)	(424,534)	(405,531)	(152,895)
Taxes Paid	(198,700,768)	(194,013,381)	(113,359,667)	(65,106,924)
Net Cash from / (used in) Operating Activities	811,391,090	421,546,791	183,861,445	109,021,071
Cash Flows From / (Used in) Investing Activities				
Acquisitions of Property, Plant & Equipments	(1,633,245)	(12,162,214)	(1,103,065)	(538,456)
Acquisition of Intangible Asset	-	(5,692,500)	-	(5,692,500)
Interest Received on Financial Assets Held as Investments	4,060,850	5,589,360	3,391,809	5,169,810
Proceeds from disposal of property, plant & equipment	3,256,086	4,780,000	-	-
Dividend Received	-	-	770,516,980	100,400,697
Net Cash Flow from / (Used In) Investing Activities	5,683,691	(7,485,354)	772,805,724	99,339,551
Cash Flows from /(Used in) Financing Activities				
Principal Elements of Lease Payments	(2,592,159)	(55,703)	(1,060,333)	(55,703)
Dividends Paid	(1,159,011,643)	(241,262,919)	(1,045,953,623)	(224,132,919)
Net Cash Flows From / (Used In) Financing Activities	(1,161,603,802)	(241,318,622)	(1,047,013,956)	(224,188,622)
Net Increase / (Decrease) In Cash & Cash Equivalents	(344,529,021)	172,742,815	(90,346,787)	(15,828,000)
Cash and Cash Equivalents at the Beginning of the Period (Note A)	641,166,867	468,424,052	156,626,711	172,454,711
Cash and Cash Equivalents at the End of the Period (Note B)	296,637,846	641,166,867	66,279,924	156,626,711
Note A				
Cash and Cash Equivalents at the Beginning of the Period				
Cash in Hand & at Bank	624,084,439	32,268,390	14,982,505	18,068,006
Investments in short-term deposits (Maturity period < 3 months)	17,082,427	436,155,662	141,644,206	154,386,705
	641,166,867	468,424,052	156,626,711	172,454,711
Note B				
Cash and Cash Equivalents at the End of the Period				
Cash in Hand & at Bank	20,634,361	624,084,439	19,273,877	14,982,505
Investments in short-term deposits (Maturity period < 3 months)	276,003,486	17,082,427	47,006,047	141,644,206
	296,637,846	641,166,867	66,279,924	156,626,711

Statement of Changes in Equity

Group

	Stated Capital Rs.	Accumulated Profit Rs.	Non Controlling Interest Rs.	Total Equity Rs.
Balance as at 01st April 2019	1,174,365,278	1,386,694,773	225,876,507	2,786,936,558
Net Profit for the Period	-	648,171,398	59,405,762	707,577,160
Other Comprehensive Income/(Loss)	-	(1,320,624)	(72,387)	(1,393,011)
Dividend	-	(224,132,919)	(17,130,000)	(241,262,919)
Balance as at 31st March 2020	1,174,365,278	1,809,412,628	268,079,882	3,251,857,788
Net Profit for the Period	-	552,073,258	69,923,085	621,996,342
Other Comprehensive Income/(Loss)	-	(2,230,362)	(155,406)	(2,385,767)
Final Dividend - 2019/20	-	(298,843,892)	(64,523,011)	(363,366,904)
Interim Dividend - 2020/21	-	(747,109,731)	(48,535,009)	(795,644,740)
Balance as at 31st March 2021	1,174,365,278	1,313,301,901	224,789,541	2,712,456,720

Company

	Stated Capital Rs.	Accumulated Profit Rs.	Total Equity Rs.
Balance as at 01st April 2019	1,174,365,278	600,168,614	1,774,533,892
Net Profit for the Period	-	369,104,639	369,104,639
Other Comprehensive Income/(Loss)	-	(827,485)	(827,485)
Dividend	-	(224,132,919)	(224,132,919)
Balance as at 31st March 2020	1,174,365,278	744,312,848	1,918,678,126
Net Profit for the Period	-	855,129,226	855,129,226
Other Comprehensive Income/(Loss)	-	(1,171,660)	(1,171,660)
Final Dividend - 2019/20	-	(298,843,892)	(298,843,892)
Interim Dividend - 2020/21	-	(747,109,731)	(747,109,731)
Balance as at 31st March 2021	1,174,365,278	552,316,791	1,726,682,069

Notes to the Interim Financial Statements

1. The above figures are provisional & subject to audit unless otherwise stated.
2. The interim financial statements of the Group and the Company for the twelve months ended 31st March 2021 were authorised for issue by the Board of Directors on 28th May 2021.
3. The financial statements for the period ended 31st March 2021, includes “the Company” referring to Vallibel Power Erathna PLC as the Holding Company and “the Subsidiary” referring to Country Energy (Private) Limited whose accounts have been consolidated therein.
4. The Interim Financial Statements have been prepared in accordance with the accounting policies set out in the Annual report for the year ended 31st March 2020 and comply with the Sri Lanka Accounting Standards (SLFRS/LKAS). These Interim Financial Statements should be read in conjunction with the annual financial statements for the year ended 31st March 2020. They also provide the information required by the Colombo Stock Exchange and LKAS 34.
5. The number of shares representing the stated capital is 747,109,731.
6. The Company paid the dividends during the financial year as below.

Dividend Year	Type	Dividend/Share	Amount (Rs.)	Date
2019/20	Final	40 cents	298,843,892.40	June 30, 2020
2020/21	Interim	40 cents	298,843,892.40	August 25, 2020
2020/21	Interim	30 cents	224,132,919.30	November 19, 2020
2020/21	Final	30 cents	224,132,919.30	February 18, 2021

7. The Group had no significant contingent liabilities outstanding as at the reporting date.
8. The company has entered in to the extension of power purchase agreement with Ceylon Electricity Board on 7th July 2020 for the sale of electricity from their 9.9MW Erathna hydro power plant. The agreement is valid till 20th July 2024 and has the provision to extend till 14th July 2039. The tariff applicable from 15th July 2019 to 20th July 2024 with a 3% escalation YoY will be as follows.

Year	Period		Tariff Rs./kWh
	From	To	
Year - 1	15 th July 2019	14 th July 2020	7.02
Year - 2	15 th July 2020	14 th July 2021	7.23
Year - 3	15 th July 2021	14 th July 2022	7.44
Year - 4	15 th July 2022	14 th July 2023	7.66
Year - 5	15 th July 2023	20 th July 2024	7.88

The tariff applicable for the Denawaka Ganga MHP and Kiriwaneliya MHP is Avoided Cost Based NCRE tariff.

9. Operating Segment Information

For the twelve months ended 31st March 2021

		Erathna MHPP	Denawaka Ganga MHPP	Kiriwaneliya MHPP	Group
Power Generation	kWh	41,812,594	24,849,726	14,773,125	81,435,445
Revenue	Rs.	292,529,302	494,135,688	290,312,615	1,076,977,605
Gross Profit	Rs.	241,192,815	441,019,528	255,024,258	928,346,600
Profit After Tax	Rs.	855,129,226	341,726,633	204,547,462	621,996,343
Total Assets	Rs.	1,920,219,157	1,204,582,152	802,608,607	3,062,855,880
Total Liabilities	Rs.	193,537,088	130,376,285	121,226,948	350,399,160

For the twelve months ended 31st March 2020

		Erathna MHPP	Denawaka Ganga MHPP	Kiriwaneliya MHPP	Group
Power Generation	kWh	37,174,462	22,986,110	13,817,089	73,977,661
Revenue	Rs.	392,556,077	417,687,029	248,065,056	1,058,308,162
Gross Profit	Rs.	340,400,720	365,850,740	214,172,559	911,534,021
Profit After Tax	Rs.	369,104,639	285,978,012	178,129,507	707,577,160
Total Assets	Rs.	2,095,722,915	1,268,420,231	955,408,635	3,522,826,060
Total Liabilities	Rs.	177,044,789	106,976,977	22,749,350	300,968,271

10. Reclassifications

The short-term deposits with maturity of three months were previously presented under short-term investments (hereinafter referred to as 'Other financial assets at amortised cost') in the Company and Group consolidated statement of financial position. However, the management considers it more relevant if such deposits are presented under cash and cash equivalents. Prior year comparatives as at 31 March 2020 have been restated by reclassifying Rs. 141,644,206 and Rs. 624,084,440, from short-term investments to cash and cash equivalents, for the Company and the Group respectively.

Consistent with the above basis, prior year comparatives in the consolidated statement of comprehensive income for the year ended 31 March 2020 have been restated by reclassifying interest income from financial assets held as investments from finance income to other income for the Company and the Group amounting to Rs. 6,364,791 and Rs. 6,955,864 respectively. The aforementioned changes are also incorporated in the consolidated statement of cash flows for the year ended 31 March 2020 by reclassifying the interest received on financial assets held as investment from cash flows generated from operating activities to cash flows generated from investing activities for the Company and the Group amounting to Rs. 5,169,810 and Rs. 5,589,360 respectively.

11. Related Party Transactions with the Company

For the Period Ended	31-03-2021 Rs.	31-03-2020 Rs.
11.1 Key Management Personal (KMP)		
Directors Remuneration	(4,250,000)	(3,733,333)
Key Management Compensation	(7,653,112)	(6,957,376)
Close Family Members of KMP	Nil	Nil
11.2 Country Energy (Pvt) Ltd - Subsidiary		
Net operating expenses incurred on behalf of the Subsidiary	(24,221,082)	(26,405,416)
Reimbursement of operating expenses by the Subsidiary	28,474,259	21,985,187
11.3 Other Related companies		
11.3.1 Alternate Power Systems (Pvt) Ltd (APSL)		
Net operating expenses incurred on behalf of APSL	(15,231,164)	(14,889,661)
Reimbursement of operating expenses by APSL	17,489,274	12,499,929
11.3.2 Vallibel Finance PLC		
Investments in Fixed Deposit	(680,171,059)	(284,222,898)
Withdrawal of Fixed Deposit	713,517,264	226,265,373
FD Interest Recieved	5,435,409	3,529,498
11.3.3 LB Finance PLC		
Investments in Fixed Deposit	(1,517,973)	(2,608,177)
Withdrawal of Fixed Deposit	29,126,149	Nil
FD Interest Recieved	147,626	Nil
11.3.4 Greener Water Limited (GWL)		
Net operating expenses incurred on behalf of GWL	(3,005,021)	(9,566,213)
Reimbursement of operating expenses by GWL	3,203,775	9,448,511
11.3.5 Hayleys PLC		
Payment for rent and services	(5,545,260)	Nil
11.3.6 Hayleys Power Limited (HPL)		
Net operating expenses incurred on behalf of HPL	(2,111,048)	Nil
Reimbursement of operating expenses by HPL	2,111,048	Nil

12. Share Information

12.1. The public shareholding percentage as at 31st March 2021 was 40.517%, comprising of 6,493 shareholders.

12.2. The Float Adjusted Market Capitalization as at 31st March 2021 is Rs. 2,240,029,180.40. The Company complies with option 5 of the Listing Rules 7.13.1 (a) – Less than Rs.2.5 Bn Float Adjusted Market Capitalization.

12.3. Market price per share

For the period ended	31-03-2021 Rs.	31-03-2020 Rs.
Market Price – Highest	8.60	6.60
Market Price – Lowest	7.10	5.40
Market Price – Last Traded	7.40	5.40

12.4. Directors' shareholding as at 31st March 2021

Director	No. of Shares
Mr. K D.D Perera	144,812,225
Mr. S H Amarasekera	30
Mr. P K Sumanasekera	150,000
Mr. H Somashantha	15,000
Mr. S Shanmuganathan	Nil
Mr. C V Cabraal	Nil
Ms. Y Bhaskaran	Nil

12.5. **Major Shareholders as at 31st March 2021**

Shareholder	No. of Shares	Percentage (%)
1. Vallibel Power Limited	299,425,830	40.078
2. Mr K.D.D. Perera	144,812,225	19.383
3. Sri Lanka Insurance Corporation Ltd-Life Fund	33,296,740	4.457
4. Sri Lanka Insurance Corporation Ltd-General Fund	27,500,000	3.681
5. Mr K.D.H. Perera	18,750,000	2.510
6. Mr K.D.A. Perera	18,750,000	2.510
7. Ms K.D.C. Samanthi	9,375,000	1.255
8. Employees Trust Fund Board	8,931,225	1.195
9. DFCC Bank PLC A/C 1	6,400,000	0.857
10. HSBC Bank PLC-McKinley Capital Measa Fund Oeic Limited	5,846,105	0.782
11. Mr P.P. Subasinghe	5,173,190	0.692
12. Mr A.R. Gero	5,052,969	0.676
13. Perera and Sons Bakers Pvt Limited	4,500,000	0.602
14. Mr B.C. Tay	3,000,000	0.402
15. Acuity Partners (Pvt) Limited/Mr. Anthony Romesh Gero	2,796,493	0.374
16. Mr D.C.C. Joseph	2,642,143	0.354
17. Mr M.F. Hashim	2,612,989	0.350
18. Sampath Bank PLC/Mr.Arunasalam Sithampalam	2,500,000	0.335
19. Hatton National Bank PLC/Yonmeregna Simon Hewage Rushanka Sulakshana Silva	2,500,000	0.335
20. Mr M.I.M. Shafie & Mrs F.R. Shafie	2,500,000	0.335

Corporate Information

Name of Company

Vallibel Power Erathna PLC

Legal Form

A Public quoted company with limited liability incorporated under the Provisions of the Companies Act, No. 07 of 2007.

Date of Incorporation

07th November 2001

Company Registration Number

P.Q. 103

Nature of the Business

Generate and Supply Electric Power to the National Grid.

Board of Directors

Mr. K D D Perera – Chairman
Mr. S H Amarasekera - Deputy Chairman
Mr. P K Sumanasekera
Mr. H Somashantha
Mr. S Shanmuganathan
Mr. C V Cabraal
Ms. Y Bhaskaran

Registered Office

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Echelon Square, Colombo 01.
E-mail: energy@vallibel.com
Web Site: www.vallibel-hydro.com

Business Office

No. 25, Foster Lane, Colombo 10
Telephone: 011 2381111
Fax: 011 2381115

Subsidiary Company

Country Energy (Pvt) Ltd. (unquoted)

Company Secretaries

P W Corporate Secretarial (Pvt) Limited
No.3/17, Kynsey Road,
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Telephone:011- 4640360
Fax :011- 4740588
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Auditors

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Fax : 011 230 3197
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Bankers

Commercial Bank of Ceylon PLC
Hatton National Bank PLC
Pan Asia Banking Corporation PLC