

Financial Performance of Commercial Public Enterprises - 2004

Paranthan Chemicals Company Limited

1 Name & Address of the Enterprise: **Paranthan Chemicals Company Limited**
100/25 Sri Ramanathan Road
Colombo 13.

2 Mission:

Import and sales of liquid chlorine with a view to supply chlorinated water to Sri Lanka and to engage in trading of liquid chlorine, caustic soda and hydrochloric acid.

3 Major Activities:

Import and sale of liquid chlorine and caustic soda.

4 Performance Trend

ABSOLUTE VALUES		2001	2002	2003	2004	2005 B
1	Total Revenue for the year	(Rs.' 000) 135,102	100,299	102,114	121,581	137,600
2	Gross Profit for the year	(Rs.' 000) 44,175	49,085	43,244	53,815	47,488
3	Net Profit before Interest and Tax for the year	(Rs.' 000) 11,921	12,000	3,507	35,920	22,275
4	Financial Charges for the year	(Rs.' 000) 17	199	257	368	295
5	Total Cost of Employment for the year	(Rs.' 000) 15,092	19,734	16,698	8,229	10,198
6	Capital Expenditure for the year	(Rs.' 000) 4,119	12,026	4,332	501	2,000
7	Non-Current Assets as at end of the year	(Rs.' 000) 25,348	31,851	29,374	24,769	21,274
8	Current Assets as at end of the year	(Rs.' 000) 86,844	73,393	71,254	98,347	92,506
9	Current Liabilities as at end of the year	(Rs.' 000) 22,866	10,966	7,307	10,870	5,600
10	Non-Current Liabilities as at end of the year	(Rs.' 000) 18,159	17,639	17,611	19,376	7,230
11	Equity as at end of the year	(Rs.' 000) 71,167	76,639	75,710	92,870	100,950
12	Contribution to the Consolidated Fund	(Rs.' 000) 1,000	1,000	2,000	-	2,000
13	Number of Employees as at end of the year	(Nos.) 173	172	148	33	33
14	Investment of Surplus Fund as at end of the year	(Rs.' 000) -	-	-	-	-
15	Key Performance Indicators					
i)	Net Profit bef. Tax to Equity	(%) 17%	15%	4%	38%	22%
ii)	Net Profit bef. Fin. Charges & Tax to Total Assets	(%) 11%	11%	3%	29%	20%
iii)	Current Ratio	(%) 380%	669%	975%	905%	1652%
iv)	Total Cost of Employment per Employee	(Rs.' 000) 87	115	113	249	309

5 Comments on Performance:

There has been tremendous improvement in the net profit despite 20% increase in the total revenue.

In February 2004, VRS was implemented at a cost of Rs.44mn and Rs.40mn has been funded by the Treasury.

Although 116 employees retired under VRS total cost of employment has declined by only 51%.

There has been build up in the asset base and equity with an increase in the liabilities.

During the year the Company has not contributed to the Consolidated Fund, however in the past it has been contributing and is expected to contribute Rs.2mn as dividends in the year 2005.