

Financial Performance of Commercial Public Enterprises - 2003

1 Name & Address of the Enterprise:

Ceylon Fertilizer Co. Ltd.
62, Chatham Street,
Colombo 01.

2 Mission:

Development & Implementation of creative and sustainable solutions to the Agro-Based industry, for the sake of improvement of the lifestyle and income of the farmers and planters community of Sri Lanka while maintaining balanced satisfaction among other local stakeholders accepting social responsibility, and minimize the damages to the environment as a government funded public company.

3 Major Activities:

Importation of fertilizer blend and distribution

4 Brief comments on financial performance

Although there has been an increase in total revenue, the gross margins and net profits have declined very sharply during the year as a result of a substantial increase (21%) in the price of urea in the world market.

Total assets and liabilities too have been on the decline with a marginal increase in equity.

While the number of employees have been the same the cost of employment has been on the increase.

The return on total assets and investment have been marginal.

The current market share is about 23% and the Company imported 124,815 MT of various ingredients of fertilizer at a value of Rs. 2,021mn during the year.

The Company needs to be restructured for improved performance and contribute to the national economy by way of dividend or levy to the Consolidated Fund.

5 Performance Trend

ABSOLUTE VALUES		2000	2001	2002	2003	2004 B
1	Total Non-Current Assets (WDV) as at end of yr.	(Rs.' 000) 127,201	125,908	124,319	122,604	220,390
2	Total Current Assets as at end of year	(Rs.' 000) 1,577,342	994,937	1,897,878	1,404,895	1,624,286
3	Total Equity as at end of year	(Rs.' 000) 653,185	654,838	670,620	692,245	740,336
4	Total Non-Current Liabilities as at end of year	(Rs.' 000) 62,822	72,958	80,771	83,654	89,810
5	Total Current Liabilities as at end of year	(Rs.' 000) 988,535	393,048	1,270,804	751,600	1,014,530
6	Total Revenue for the year	(Rs.' 000) 1,252,456	1,214,702	1,534,343	1,814,565	2,792,865
7	Gross Profit for the year	(Rs.' 000) 109,127	261,834	295,777	199,357	417,921
8	Net Profit bef. Tax for the year	(Rs.' 000) 1,855	18,902	64,158	25,732	118,855
9	Financial Charges for the year	(Rs.' 000) 75,292	137,202	68,311	54,329	78,450
10	Total Capital Expenditure for the year	(Rs.' 000) 3,114	3,706	3,346	2,637	110,844
11	Total Cost of Employment for the year	(Rs.' 000) 59,423	64,075	66,586	73,362	112,537
12	Total Number of Employees as at end of year	(Nos.) 400	398	392	392	392
RATIOS						
a)	Net Profit bef. Tax to total Equity	(%) 0.28%	2.89%	9.57%	3.72%	16.05%
b)	Net Profit before tax & Fin. Charges to Tot. Assets	(%) 4.53%	13.93%	6.55%	5.24%	10.70%
c)	Total Cost of Employment per employee	(Rs.' 000) 148.56	160.99	169.86	187.15	287.08

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1,704,542
1,120,845
1,120,844
2,022,197
2,022,195
1,527,499
1,527,499
1,844,676
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