



INTERIM FINANCIAL STATEMENTS

For the Three months ended 30th June 2018

VALLIBEL FINANCE PLC
Income Statement

Amounts in Rupees '000

	Three months ended 30th June		
	2018	2017	Change %
Gross Income	1,968,764	1,544,374	27.5
Interest Income	1,779,092	1,407,935	26.4
Interest Expense	(1,007,173)	(807,132)	24.8
Net Interest Income	771,919	600,803	28.5
Fee and Commission Income	80,017	51,832	54.4
Net Fee and Commission Income	80,017	51,832	54.4
Net Gain / (Loss) from Trading	(101)	93	(208.6)
Net Gain / (Loss) from Financial Investments	-	-	-
Other Operating Income	109,756	84,514	29.9
Total Operating Income	961,591	737,241	30.4
Impairment Charges for Loans and other losses	(38,942)	(26,784)	45.4
Net Operating Income	922,649	710,457	29.9
Expenses			
Personnel Expenses	(220,847)	(171,782)	28.6
Premises Equipment and Establishment Expenses	(33,229)	(27,570)	20.5
Other Operating Expenses	(150,461)	(136,612)	10.1
Operating Profit Before Value Added Tax & NBT	518,112	374,493	38.4
Value Added Tax on Financial Services & NBT	(104,039)	(75,175)	38.4
Profit Before Income Tax	414,073	299,318	38.3
Income Tax Expense	(150,149)	(97,676)	53.7
Profit for the Period	263,924	201,642	30.9
Earnings Per Share (Annualised)	19.05	18.68	2.0

VALLIBEL FINANCE PLC**Statement of Profit or Loss and Other Comprehensive Income**

Amounts in Rupees '000

	Three months ended 30th June		
	2018	2017	Change %
Profit for the period	263,924	201,642	30.9
Other Comprehensive Income for the Period , Net of Tax			
Items that will never be reclassified to Profit or Loss			
Gains / (Losses) on Remeasurement of Defined Benefit Liability	-	-	-
Deferred Tax (Charge) / Reversal on Actuarial Gains / (Losses)	-	-	-
Net Actuarial Gains / (Losses) on Defined Benefit Liability	-	-	-
Items that are or may be reclassified to Profit or Loss			
Fair Value Gains / (Losses) that arose during the period, Net of Tax	625	5,131	(87.8)
Fair Value Gains / (Losses) realised to Income Statement on disposal, Net of Tax	-	-	-
Net Fair Value Gains / (Losses) on remeasuring Available For Sale Financial Assets	625	5,131	(87.8)
Other Comprehensive Income for the Period, Net of Tax	625	5,131	(87.8)
Total Comprehensive Income for the Period	264,549	206,773	27.9

VALLIBEL FINANCE PLC
Statement of Financial Position

	Amounts in Rupees '000		
	As at 30th June 2018	As at 31st March 2018 (Audited)	Change %
Assets			
Cash and Cash Equivalents	1,009,230	1,021,652	(1.2)
Placements with Banks and Other Finance Companies	2,188,808	2,076,192	5.4
Reverse Repurchase Agreements	-	630,286	(100.0)
Financial Investments - Held for Trading	1,838	1,939	(5.2)
Assets Held for Sale	23,919	23,919	-
Loans and Receivables to Other Customers	19,717,993	18,073,714	9.1
Lease Rental and Hire Purchase Receivables	13,697,533	12,753,940	7.4
Financial Investments - Available for Sale	806,392	208,704	286.4
Financial Investments - Held to Maturity	1,678,880	1,920,722	(12.6)
Other Financial Assets	20,191	16,972	19.0
Property, Plant and Equipment	1,437,621	1,445,290	(0.5)
Intangible Assets	13,370	14,569	(8.2)
Deferred Tax Assets	16,020	16,020	-
Other Assets	250,999	202,358	24.0
Total Assets	40,862,794	38,406,277	6.4
Liabilities			
Bank Overdrafts	1,107,776	1,839,145	(39.8)
Rental Received in Advance	394,580	308,688	27.8
Deposits due to Customers	22,421,141	22,186,880	1.1
Interest bearing Borrowings	9,507,463	8,011,422	18.7
Subordinated Term Debts	1,513,817	1,550,967	(2.4)
Current Tax Liabilities	491,279	364,888	34.6
Deferred Tax Liabilities	385,537	385,537	-
Other Liabilities	375,695	400,427	(6.2)
Retirement Benefit Obligations	62,191	57,213	8.7
Total Liabilities	36,259,479	35,105,167	3.3
Equity			
Stated Capital	1,325,918	287,153	361.7
Statutory Reserve Fund	784,921	732,136	7.2
Available For Sale Reserve	625	-	100.0
General Reserve	7,500	7,500	-
Retained Earnings	2,484,351	2,274,321	9.2
Total Equity	4,603,315	3,301,110	39.4
Total Liabilities and Equity	40,862,794	38,406,277	6.4
Net Assets Value Per Share (Rs.)	78.20	79.45	(1.6)

The information contained in these statements have been extracted from the unaudited Financial Statements of the company unless indicated as audited.

Certification

These Financial Statements have been prepared and presented in compliance with the requirements of the Companies Act, No.07 of 2007.



K.D. Menaka Sameera
DGM - Finance & Administration

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

Approved and signed for and on behalf of the Board ;



S.B. Rangamuwa
Managing Director



K.D.A. Perera
Director

26th July 2018
Colombo.

VALLIBEL FINANCE PLC
Statement of Changes in Equity

	Amounts in Rupees '000					
	Stated Capital	Statutory Reserve Fund	Available For Sale Reserve	General Reserve	Retained Earnings	Total Equity
Balance as at 01st April 2017	287,153	528,409	(6,835)	7,500	1,741,393	2,557,620
Total Comprehensive Income for the Period						
Profit for the Period	-	-	-	-	201,642	201,642
Other Comprehensive Income, net of Tax						
Net Fair Value Gains / (Losses) on remeasuring Available For Sale Financial Assets	-	-	5,131	-	-	5,131
Net Actuarial Gains / (Losses) on Retirement Benefit Obligation	-	-	-	-	-	-
Total Comprehensive Income for the Period	-	-	5,131	-	201,642	206,773
Transactions with owners, recognised directly in equity, contributions and distributions to owners						
Dividends to equity holders						
First and Final Dividend for 2016/17	-	-	-	-	(124,652)	(124,652)
Statutory Reserve Transfer	-	40,328	-	-	(40,328)	-
Total Transactions with Equity Holders	-	40,328	-	-	(164,980)	(124,652)
Balance as at 30th June 2017	287,153	568,737	(1,704)	7,500	1,778,055	2,639,741
Balance as at 01st April 2018	287,153	732,136	-	7,500	2,274,321	3,301,110
Total Comprehensive Income for the Period						
Profit for the Period	-	-	-	-	263,924	263,924
Other Comprehensive Income, net of Tax						
Net Fair Value Gains / (Losses) on remeasuring Available For Sale Financial Assets	-	-	625	-	-	625
Net Fair Value Change realised to Income Statement on disposal of Available For Sale Financial Assets	-	-	-	-	-	-
Net Actuarial Gains / (Losses) on Retirement Benefit Obligation	-	-	-	-	-	-
Total Comprehensive Income for the Period	-	-	625	-	263,924	264,549
Transactions with owners, recognised directly in equity, contributions and distributions to owners						
Proceeds from Rights Issue	1,038,765	-	-	-	-	1,038,765
Transaction Cost of Rights Issue	-	-	-	-	(1,109)	(1,109)
Statutory Reserve Transfer	-	52,785	-	-	(52,785)	-
Total Transactions with Equity Holders	1,038,765	52,785	-	-	(53,894)	1,037,656
Balance as at 30th June 2018	1,325,918	784,921	625	7,500	2,484,351	4,603,315

VALLIBEL FINANCE PLC
Cash Flow Statement

Amounts in Rupees '000

For the Period Ended	30th June 2018	30th June 2017
Cash Flow From Operating Activities		
Interest and Commission Receipts	1,771,717	1,415,257
Interest Payments	(1,022,043)	(832,068)
Cash Receipts from Customers	150,507	112,040
Cash Payments to Employees and Suppliers	(471,080)	(379,664)
Operating Profit Before Changes in Operating Assets and Liabilities	429,101	315,565
(Increase) / Decrease in Operating Assets		
Short Term Funds	(104,278)	5,437
Deposits held for Regulatory or Monetary Control Purposes	1,118,500	20,274
Funds Advanced to Customers	(2,540,256)	(1,077,296)
Other Short Term Negotiable Securities	(906,274)	249,948
Increase / (Decrease) in Operating Liabilities		
Deposits from Customers	272,816	976,217
Certificate of Deposits	(9,827)	18,830
Net Cash (Used in) / Generated from Operating Activities before Income Tax	(1,740,218)	508,975
Current Taxes Paid	(23,758)	(10,562)
Gratuity Paid	(1,022)	(282)
Net Cash (Used In) / Generated from Operating Activities	(1,764,998)	498,131
Cash Flows From Investing Activities		
Dividends Received	-	-
Proceed from Sale of Financial Investments - Held for Trading	-	-
Purchase of Financial Investments - Held for Trading	-	-
Proceed from Sale of Property , Plant and Equipment	84	533
Purchase of Property , Plant and equipment	(12,065)	(6,728)
Purchase of Intangible Assets	-	-
Net Cash (Used In) / Generated from Investing Activities	(11,981)	(6,195)
Cash Flows From Financing Activities		
Proceeds from Rights Issue	1,038,765	-
Net increase / (decrease) in Borrowings	1,458,269	(130,619)
Dividend paid	-	(124,652)
Transaction cost of Right Issue	(1,109)	-
Net Cash (Used In) / Generated from Financing Activities	2,495,925	(255,270)
Net Increase / (Decrease) in Cash & Cash Equivalents	718,947	236,666
Cash & Cash Equivalents at the Beginning of the Period	(817,493)	(680,987)
Cash & Cash Equivalents at the End of the Period (Note A)	(98,546)	(444,321)
Note A		
Cash & Cash Equivalents at the End of the Period		
Cash in Hand and at Banks	1,009,230	734,759
Bank Overdrafts	(1,107,776)	(1,179,080)
	(98,546)	(444,321)

Analysis of Financial Instruments by Measurement Basis

Amounts in Rupees '000

	Held For Trading (HFT)		Held To Maturity (HTM)		Loans and Receivables (L&R)		Available For Sale (AFS)		Total	
	As at 30th June 2018	As at 31st March 2018	As at 30th June 2018	As at 31st March 2018	As at 30th June 2018	As at 31st March 2018	As at 30th June 2018	As at 31st March 2018	As at 30th June 2018	As at 31st March 2018
	Assets									
Cash and Cash Equivalents	-	-	-	-	1,009,230	1,021,652	-	-	1,009,230	1,021,652
Placements with Banks and Other Finance Companies	-	-	-	-	2,188,808	2,076,192	-	-	2,188,808	2,076,192
Reverse Repurchase Agreements	-	-	-	-	-	630,286	-	-	-	630,286
Financial Investments - Held for Trading	1,838	1,939	-	-	-	-	-	-	1,838	1,939
Loans and Receivables to Other Customers	-	-	-	-	19,717,993	18,073,714	-	-	19,717,993	18,073,714
Lease Rental and Hire Purchase Receivables	-	-	-	-	13,697,533	12,753,940	-	-	13,697,533	12,753,940
Financial Investments - Available for Sale	-	-	-	-	-	-	806,392	208,704	806,392	208,704
Financial Investments - Held to Maturity	-	-	1,678,880	1,920,722	-	-	-	-	1,678,880	1,920,722
Other Financial Assets	-	-	-	-	20,191	16,972	-	-	20,191	16,972
Total Financial Assets	1,838	1,939	1,678,880	1,920,722	36,633,755	34,572,756	806,392	208,704	39,120,865	36,704,121
					Held For Trading		Amortised Cost		Total	
					As at 30th June 2018	As at 31st March 2018	As at 30th June 2018	As at 31st March 2018	As at 30th June 2018	As at 31st March 2018
Liabilities										
Bank Overdrafts					-	-	1,107,776	1,839,145	1,107,776	1,839,145
Rental Received in Advance					-	-	394,580	308,688	394,580	308,688
Deposits due to Customers					-	-	22,421,141	22,186,880	22,421,141	22,186,880
Interest bearing Borrowings					-	-	9,507,463	8,011,422	9,507,463	8,011,422
Subordinated Term Debts					-	-	1,513,817	1,550,967	1,513,817	1,550,967
Total Financial Liabilities					-	-	34,944,777	33,897,102	34,944,777	33,897,102

Explanatory Notes

1. There were no changes to the Accounting Policies and methods of computation since the publication of the Audited Financial Statements for the year ended 31st March 2018.
2. These Interim Financial Statements have been prepared in accordance with the requirements of Sri Lanka Accounting Standard - LKAS 34 on 'Interim Financial Reporting'.
3. **SLFRS - 9**

The Sri Lanka Accounting Standard – SLFRS 9 (Financial Instruments) is effective for annual periods beginning on or after 01st January 2018. SLFRS 9 (Financial Instruments) replaces the existing guidance on LKAS 39 on “Financial Instruments: Recognition and Measurement”. However, CA Sri Lanka has granted the option, via the Statement of Alternative Treatment (SoAT) to prepare the interim financial statements continuing the application of LKAS 39 (Financial Instruments: Recognition and Measurement), with disclosures on impact to the Statement of Comprehensive Income for the period, if SLFRS 9 has been applied.

Accordingly, as permitted by the above SoAT, the Company has prepared the Interim Financial Statements for the quarter ended 30th June 2018 based on LKAS 39.

Based on the preliminary assessments undertaken to date which is yet to be audited, with the transition from LKAS 39 incurred loss method to SLFRS 9 expected credit loss method, it is expected 10% - 20% increase in overall impairment provision as at 31st March 2018. The impact of the new classification and measurement approach for financial assets is not expected to be material. The Company is in the process of validating the impact of migration to SLFRS 9 as at 30th June 2018.
4. **Right Issue of Shares**

During the quarter Stated Capital of the Company increased by Rs. 1,038,765,000/- through a Rights Issue of 17,312,750 Ordinary shares (the ratio of five new shares for every twelve shares held) at a price of Rs. 60/- . The purpose of the Rights Issue is to strengthen the Tier 1 capital base of the Company and the proceeds of the Rights Issue is utilized to fund the expected growth in the Loan Book. The shares were listed on the CSE on 20th June 2018.
5. Mr. Sisira Sirimewan Weerabahu was appointed as an Independent Non Executive Director of the Company with effect from 20th April 2018.
6. ICRA Lanka Limited has revised / reaffirmed the ratings issued to the Company as follows.
 - Issuer Rating revised to [SL] BBB with a stable outlook
 - Unsecured Subordinate Redeemable Debentures revised to [SL] BBB - with a stable outlook
 - Guaranteed Subordinate Redeemable Debentures rating of [SL] AA - (SO) with a stable outlook reaffirmed
7. During the quarter there were no material changes in the composition of assets, liabilities, contingent liabilities. All known expenditure items have been provided for.
8. The presentation and classification of certain items in these financial statements are amended to ensure the comparability with the current period.
9. There were no material events took place since reporting date other than disclosed above in Financial Statements.

Information On Ordinary Shares

Share Price During the Quarter	For the Quarter Ended	
	30.06.2018	30.06.2017
Highest	72.00	71.80
Lowest	63.10	59.80
Closing	65.00	67.50
No. of Ordinary Share Issued As At 30th June	58,863,350	41,550,600

Selected Performance Indicators

Indicator	As at 30th June 2018	As at 30th June 2017
Asset Quality	Rs'000	Rs'000
Based on Sri Lanka Accounting Standards effected prior to 1st April 2012		
Total Accommodation (Net of Interest in Suspense)	34,137,336	26,474,159
Net Total Accommodations (Net of Provision for Bad and Doubtful Debts)	33,484,898	25,889,890
Non-Performing Accommodations (Net of Interest in Suspense)	856,819	782,304
Liquidity		
Required Minimum Amount of Liquid Assets	2,461,149	1,985,168
Available Amount of Liquid Assets	3,654,313	3,893,535
Required Minimum Amount of Government Securities	1,573,335	1,323,561
Available Amount of Government Securities	1,674,928	2,200,072
Capital Adequacy		
Core Capital to Risk Weighted Assets Ratio (Minimum 5%)	12.64%	9.52%
Total Capital to Risk Weighted Assets Ratio (Minimum 10%)	14.09%	12.66%
Capital Funds to Total Deposit Liabilities Ratio (Minimum 10%)	22.31%	17.61%
Profitability		
Return on Average Assets (After Tax) - Annualised	2.66%	2.60%
Return on Average Equity - Annualised	26.71%	31.04%

Information On Listed Debentures

Market Values of Listed Debentures

VFIN Debentures 2014/2019

	Highest		For the quarter ended		Period End	
	30.06.2018	30.06.2017	30.06.2018	30.06.2017	30.06.2018	30.06.2017
5 Year Fixed Rate - 14.75%	N/T	N/T	N/T	N/T	N/T	N/T
5 Year Fixed Rate - 15.00%	N/T	100.00	N/T	100.00	N/T	100.00
5 Year Fixed Rate - 15.50%	N/T	N/T	N/T	N/T	N/T	N/T

VFIN Debentures 2015/2020

	Highest		For the quarter ended		Period End	
	30.06.2018	30.06.2017	30.06.2018	30.06.2017	30.06.2018	30.06.2017
5 Year Fixed Rate - 10.25%	N/T	N/T	N/T	N/T	N/T	N/T

Interest Rates

VFIN Debentures 2014/2019

	For the quarter ended			
	Coupon Rate		Effective Rate	
	30.06.2018	30.06.2017	30.06.2018	30.06.2017
5 Year Fixed Rate - 14.75%	14.75%	14.75%	15.59%	15.59%
5 Year Fixed Rate - 15.00%	15.00%	15.00%	15.56%	15.56%
5 Year Fixed Rate - 15.50%	15.50%	15.50%	15.50%	15.50%

VFIN Debentures 2015/2020

	For the quarter ended			
	Coupon Rate		Effective Rate	
	30.06.2018	30.06.2017	30.06.2018	30.06.2017
5 Year Fixed Rate - 10.25%	10.25%	10.25%	10.51%	10.51%

Interest Rates of Comparable Government Securities

	For the quarter ended	
	30.06.2018	30.06.2017
5 Year Treasury Bond	10.51%	11.42%

Interest Yield and Yield to Maturity

VFIN Debentures 2014/2019

	Fixed - 14.75%		For the quarter ended		Fixed - 15.50%	
	30.06.2018	30.06.2017	30.06.2018	30.06.2017	30.06.2018	30.06.2017
Interest Yield	14.75%	14.75%	15.00%	15.00%	15.50%	15.50%
Yield to Maturity of last trade	N/T	N/T	N/T	15.00%	N/T	N/T

VFIN Debentures 2015/2020

	For the quarter ended	
	30.06.2018	30.06.2017
Interest Yield	10.25%	10.25%
Yield to Maturity of last trade	N/T	N/T

* N/A - Not Applicable as at 30th June and N/T - Not Traded as at 30th June

Ratios

	30.06.2018	30.06.2017
Debt to Equity Ratio (%)	239%	286%
Interest Cover (Times)	1.51	1.47
Liquid Asset Ratio (%)	14.85%	19.62%

Utilization of Funds Raised Via Capital Market

Issue	Objective Number	Objective as Per Prospectus / Circular	Amount Allocated as per Prospectus / Circular	Proposed Date of Utilization as Per Prospectus / Circular	Amount Allocated From Proceeds	% of Total Proceeds	Amounts Utilized	% Of Utilization Against Allocation	Clarification if not Fully Utilized
Right Issue of Ordinary Shares Rs. 1,038.765 Mn	i	To fund the expected growth in the Loan Book of the Company	Rs. 1,038.765 Mn	Within 1 to 2 Months from 11th June 2018	Rs. 1,038.765 Mn	100%	Rs. 323.55 Mn	31%	Funds invested in Fixed Deposits of Commercial Banks during the interim period
Debenture Issue of Rs. 500 Mn	i	To Expand and strengthen the capital base of the Company	Rs. 500 Mn	From 11th February 2014 onwards	Rs. 500 Mn	100%	Rs. 500 Mn	100%	N/A
	ii	Diversify the funding mix of the Company							
	iii	To minimize the interest rate risk and gap exposure of the Company							
Debenture Issue of Rs. 1,000 Mn	i	To Expand and strengthen the capital base of the Company	Rs. 1,000 Mn	From 26th March 2015 onwards	Rs. 1,000 Mn	100%	Rs. 1,000 Mn	100%	N/A
	ii	To minimize the interest rate risk							

Financial Reporting by Segments as per the Provisions of SLFRS - 08

The primary business segment reporting format is determined to be business segment as nature of the products and services provided, with each segment representing a strategic business unit that offers different product and serves in different markets.

The Following table presents financial information regarding business segments :-

Business Segments

For the Period ended 30th June	Finance Lease		Hire Purchase		Loans & Advances		Investments		Unallocated		Total	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Income From												
External Operations												
Interest	719,709	628,510	9,116	34,474	954,570	637,427	95,697	107,524	-	-	1,779,092	1,407,935
Fee & Commission Income	-	-	-	-	-	-	-	-	80,017	51,832	80,017	51,832
Dividends	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	5,638	733	104,017	83,873	109,655	84,607
Total Revenue	719,709	628,510	9,116	34,474	954,570	637,427	101,335	108,257	184,034	135,705	1,968,764	1,544,374
Profit before Income tax											414,073	299,318
Income Tax Expense											(150,149)	(97,676)
Profit after tax											263,924	201,642
Other Information												
As at 30th June												
Segment assets	13,534,019	11,876,800	163,514	605,644	19,717,993	13,362,082	4,674,080	4,333,501	2,773,187	1,252,572	40,862,794	31,430,599
Segment Liabilities	12,009,372	10,879,311	145,094	554,778	17,496,703	12,239,849	4,147,531	3,969,546	2,460,779	1,147,373	36,259,479	28,790,858
Net assets	1,524,647	997,489	18,420	50,866	2,221,290	1,122,233	526,549	363,955	312,408	105,199	4,603,315	2,639,741

Additional Notes

20 Major Shareholders As At 30th June 2018

	No. of Shares	(%)
1 Vallibel Investments (Pvt) Limited	30,277,000	51.436%
2 Mr K D D Perera	12,616,266	21.433%
3 Mr K D A Perera	1,926,396	3.273%
4 Mr R F T Perera	1,850,000	3.143%
5 Mr S B Rangamuwa	1,312,500	2.230%
6 Union Bank of Colombo PLC/Mr S Abishek	449,639	0.764%
7 Mr C S J Perera	404,033	0.686%
8 Mr K Sabaratnam	308,562	0.524%
9 Mr S Abishek	291,411	0.495%
10 Mr H Beruwalage	287,300	0.488%
11 Mr B A R Dissanayake	284,041	0.483%
12 Mrs S P Gunasekera	266,459	0.453%
13 Mr D S Panditha	229,438	0.390%
14 Mr A Ragupathy	205,708	0.349%
15 Mr V R Kathiragamatamby	205,000	0.348%
16 Mr A S Marapana	204,750	0.348%
17 Mrs K I A Hewage	200,000	0.340%
18 Mr F J P Raj	196,350	0.334%
19 Mr A Sithampalam	186,690	0.317%
20 Mr K A S R Nissanka	152,880	0.260%
	<u>51,854,423</u>	<u>88.093%</u>
Others	7,008,927	11.907%
	<u>58,863,350</u>	<u>100.000%</u>

Directors' Shareholding As At 30th June 2018

1 Mr. K V P Ranjith De Silva	-	-
2 Mr. Dhammika Perera	12,616,266	21.433%
3 Mr. S B Rangamuwa	1,312,500	2.230%
4 Mr. R M Karunaratne	-	-
5 Mr. T Murakami	-	-
6 Mr. K D A Perera	1,926,396	3.273%
7 Mr. A Dadigama	-	-
8 Mr. H Ota (Alternate Director to Mr. T Murakami)	-	-
9 Mr. S S Weerabahu	-	-
	<u>15,855,162</u>	<u>26.936%</u>

Public Holding As At 30th June 2018

21.43%

Number of Public Shareholders

2,481

The Float Adjusted Market Capitalization (Rs.)

819,754,845 /-

The Float adjusted market capitalization of the Company falls under **Option 5** of Rule 7.13.1 (a) of the Listing Rules of the Colombo Stock Exchange and the Company has complied with the minimum public holding requirement applicable under the said option.