



SINGER[®]

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SINGER (SRI LANKA) PLC

INTERIM FINANCIAL STATEMENTS
FOR THE TWELVE MONTHS ENDED 31ST MARCH 2021

Statement of Profit or Loss and Other Comprehensive Income

For the twelve months ended 31st March	Consolidated		Company		Variance		Variance	
	2020/21 Rs. '000	2019/20 Rs. '000	2020/21 Rs. '000	2019/20 Rs. '000	Consolidated Rs. '000	%	Company Rs. '000	%
Revenue	67,412,239	54,751,038	54,863,686	44,125,911	12,661,202	+ 23	10,737,775	+ 24
Cost of Sales	(47,028,484)	(36,537,976)	(39,896,592)	(31,128,175)	(10,490,508)	- 29	(8,768,418)	- 28
Direct Interest Cost	(1,872,403)	(1,829,082)	—	—	(43,323)	- 2	—	—
Gross Profit	18,511,352	16,383,980	14,967,094	12,997,736	2,127,372	+ 13	1,969,359	+ 15
Other Income	220,853	292,673	265,402	300,079	71,820	- 25	34,678	- 12
Selling and Administrative Expenses	(12,429,596)	(11,543,426)	(10,528,257)	(9,810,424)	(886,170)	- 8	(717,833)	- 7
Impairment (Loss)/ Reversal on Trade and Other Receivables	(920,008)	(1,011,144)	(459,524)	(630,876)	(91,136)	+ 9	(171,352)	+ 27
Operating Profit	5,382,601	4,122,083	4,244,715	2,856,515	1,260,518	+ 31	1,388,200	+ 49
Finance Cost	(2,135,702)	(3,455,805)	(2,174,970)	(3,323,287)	(1,320,103)	+ 38	(1,148,317)	+ 35
Finance Income	863,596	255,306	639,103	362,086	608,289	> 100	277,017	+ 77
Net Finance Cost	(1,272,106)	(3,200,499)	(1,535,867)	(2,961,201)	(1,928,393)	+ 60	(1,425,334)	+ 48
Value Added Tax on Financial Services	(292,488)	(310,867)	(79,800)	(51,000)	(18,379)	+ 6	(28,800)	- 56
Profit/(Loss) Before Tax	3,818,007	610,717	2,629,048	(155,686)	3,207,290	> 100	2,784,735	> 100
Income Tax (Expense)/Reversal	(1,210,485)	(183,449)	(879,872)	168,425	(1,027,036)	> 100	(1,048,298)	> 100
Profit for the Year	2,607,522	427,268	1,749,176	12,739	2,180,254	> 100	1,736,437	> 100
Other Comprehensive Income								
Other Comprehensive Income Items that will not be Reclassified to Profit or Loss								
Gain on Remeasurement of Defined Benefit Obligation	3,706	30,476	4,188	20,171				
Equity Investments at FVOCI - Change in Fair Value	7,928	—	7,928	—				
Related Taxes								
Deferred Tax on Other Comprehensive Income	190,836	(8,495)	41,515	(5,648)				
Total Other Comprehensive Income for the Year, Net of Tax	202,470	21,981	53,631	14,523				
Profit Attributable to –								
Owners of the Company	2,452,009	280,735	1,749,176	12,739				
Non-controlling Interests	155,513	146,533	—	—				
	2,607,522	427,268	1,749,176	12,739				
Total Comprehensive Income Attributable to –								
Owners of the Company	2,624,895	300,596	1,802,807	27,262				
Non-controlling Interests	185,097	148,653	—	—				
Total Comprehensive Income for the Year Net of Tax	2,809,992	449,249	1,802,807	27,262				
Basic/Diluted Earnings Per Share (Rs.)	2.18	0.25	1.55	0.01				

Above figures are provisional and subject to audit.

	For the twelve months ended 31st March 2021 Rs.	For the twelve months ended 31st March 2020*** Rs.
Share Prices		
Highest	86.00*	39.50
Lowest	15.80**	20.10
Last Traded Price	17.40**	20.20

*Highest share price reported prior to the sub-division of shares.

** Lowest and Last Traded share Prices reported post to the sub-division of shares.

*** Original share prices reported prior to the sub-division of shares.

Statement of Profit or Loss and Other Comprehensive Income

For the quarter ended 31st March	Consolidated		Company		Variance		Variance	
	2020/21 Rs. '000	2019/20 Rs. '000	2020/21 Rs. '000	2019/20 Rs. '000	Consolidated Rs. '000	%	Company Rs. '000	%
Revenue	18,024,448	12,164,268	15,767,671	9,542,656	5,860,180	+ 48	6,225,015	+ 65
Cost of Sales	(12,645,403)	(7,959,811)	(11,729,187)	(6,683,527)	(4,685,592)	- 59	(5,045,660)	- 75
Direct Interest Cost	(458,184)	(438,343)	—	—	(19,842)	- 5	—	—
Gross Profit	4,920,861	3,766,114	4,038,484	2,859,129	1,154,747	+ 31	1,179,355	+ 41
Other Income	63,286	92,584	47,469	67,534	29,298	- 32	20,065	- 30
Selling and Administrative Expenses	(3,605,502)	(2,637,091)	(3,042,036)	(2,239,539)	(968,411)	- 37	(802,497)	- 36
Impairment (Loss)/Reversal on Trade and Other Receivables	526,219	(309,822)	507,354	(180,037)	(836,041)	> 100	(687,391)	> 100
Operating Profit	1,904,864	911,785	1,551,271	507,087	993,079	> 100	1,044,184	> 100
Finance Cost	(424,233)	(763,682)	(426,942)	(730,997)	(339,449)	+ 44	(304,055)	+ 42
Finance Income and Exchange Gain/(Loss)	84,300	(21,267)	32,775	30,225	105,567	> 100	2,550	+ 8
Net Finance Cost	(339,933)	(784,949)	(394,167)	(700,772)	(445,016)	+ 57	(306,605)	+ 44
Value Added Tax on Financial Services	(101,356)	(61,245)	(27,000)	(15,200)	(40,113)	- 65	(11,800)	- 78
Profit/(Loss) Before Tax	1,463,575	65,591	1,130,104	(208,885)	1,397,982	> 100	1,338,991	> 100
Income Tax (Expense)/Reversal	(611,520)	(4,751)	(549,284)	118,647	(606,769)	> 100	(667,931)	> 100
Profit/(Loss) for the Period	852,055	60,840	580,820	(90,238)	791,215	> 100	671,060	> 100
Other Comprehensive Income								
Other Comprehensive Income Items that will not be Reclassified to Profit or Loss								
Gain on Remeasurement of Defined Benefit Obligation	3,706	30,477	4,188	20,171				
Equity Investments at FVOCI - Change in Fair Value	7,928	—	7,928	—				
Related Taxes								
Deferred Tax on Other Comprehensive Income	190,836	(8,495)	41,515	(5,648)				
Total Other Comprehensive Income for the Period, Net of Tax	202,470	21,982	53,631	14,523				
Profit/(Loss) Attributable to -								
Owners of the Company	761,957	(1,074)	580,820	(90,238)				
Non-controlling Interests	90,098	61,914	—	—				
	852,055	60,840	580,820	(90,238)				
Total Comprehensive Income/(Loss) Attributable to -								
Owners of the Company	934,843	18,787	634,451	(75,715)				
Non-controlling Interests	119,682	64,034	—	—				
Total Other Comprehensive Income for the Period, Net of Tax	1,054,525	82,821	634,451	(75,715)				
Basic/Diluted Earnings Per Share (Rs.)	0.68	(0.00)	0.52	(0.08)				

Above figures are provisional and subject to audit.

	Quarter ended 31st March 2021 Rs.	Quarter ended 31st March 2020*** Rs.
Share Prices		
Highest	86.00*	36.90
Lowest	15.80**	20.10
Last Traded Price	17.40**	20.20

*Highest share price reported prior to the sub-division of shares.

** Lowest and Last Traded share Prices reported post to the sub-division of shares.

*** Original share prices reported prior to the sub-division of shares.

Statement of Financial Position

As at	Consolidated		Company	
	31st March 2021 Rs. '000	31st March 2020 Rs. '000	31st March 2021 Rs. '000	31st March 2020 Rs. '000
ASSETS				
Non-current Assets				
Property, Plant and Equipment	6,805,750	6,911,741	3,578,266	3,651,860
Right-of-Use Assets	4,433,003	4,448,560	3,863,148	3,986,190
Intangible Assets	315,022	255,320	222,618	196,451
Investment in Subsidiaries	—	—	2,968,023	2,968,023
Other Non-current Assets	60,617	61,918	—	—
Other Investments	24,990	113,258	24,948	17,020
Trade and Other Receivables	11,861,154	11,330,016	802,806	833,201
Deferred Tax Assets	873,746	825,416	832,573	773,456
	24,374,282	23,946,229	12,292,382	12,426,201
Current Assets				
Inventories	18,180,683	16,047,456	16,150,897	14,273,239
Loans due from Related Parties	—	—	—	446,000
Income Tax Receivables	17,119	579,572	—	401,787
Trade and Other Receivables	23,977,624	23,558,797	12,965,214	12,424,218
Amounts due from Related Parties	10,820	33,424	38,814	32,055
Other Financial Assets	—	27,088	—	27,088
Deposits with Banks	60,935	101,394	—	—
Other Investments	813,262	693,693	—	600,090
Cash and Cash Equivalents	1,868,859	629,295	783,541	394,858
	44,929,302	41,670,719	29,938,466	28,599,335
Total Assets	69,303,584	65,616,948	42,230,848	41,025,536
EQUITY AND LIABILITIES				
Equity				
Stated Capital	626,048	626,048	626,048	626,048
Capital Reserves	1,232,582	1,092,442	1,170,909	1,142,409
Statutory Reserve	198,939	182,548	—	—
Other Component of Equity	6,025	—	6,025	—
Revenue Reserves	6,416,501	4,667,857	3,277,634	2,223,047
Total Equity Attributable to Owners of the Company	8,480,095	6,568,895	5,080,616	3,991,505
Non-controlling Interest	1,778,543	1,619,012	—	—
Total Equity	10,258,638	8,187,907	5,080,616	3,991,505
Non-current Liabilities				
Interest-bearing Loans and Borrowings	7,129,287	8,175,499	3,000,000	6,154,765
Lease Liability – Non-current	4,307,592	4,274,663	3,786,997	3,855,725
Employee Benefit Obligations	946,775	900,984	654,639	636,683
Security Deposits	1,366,565	1,394,611	1,293,744	1,329,963
Other Financial Liabilities	2,091,132	1,979,089	—	—
Deferred Revenue	107,608	91,724	107,608	91,726
Other Non-current Liabilities	142,413	81,590	142,413	81,590
Deferred Tax Liabilities	376,416	669,682	—	—
	16,467,788	17,567,842	8,985,401	12,150,452
Current Liabilities				
Trade and Other Payables	18,760,288	9,321,684	13,565,075	6,636,832
Deferred Revenue	209,075	174,837	183,470	167,725
Dividends Payable	132,672	123,814	58,822	39,152
Amounts due to Related Parties	335,823	226,736	4,253,746	3,418,630
Income Tax Payable	278,063	229,580	25,209	—
Other Financial Liabilities	8,374,066	5,034,997	—	—
Lease Liability – Current	686,421	544,294	624,049	512,501
Interest-bearing Loans and Borrowings	12,085,399	21,725,176	8,132,721	12,607,357
Bank Overdrafts	1,715,351	2,480,081	1,321,739	1,501,382
	42,577,158	39,861,199	28,164,831	24,883,579
Total Liabilities	59,044,946	57,429,041	37,150,232	37,034,031
Total Equity and Liabilities	69,303,584	65,616,948	42,230,848	41,025,536
Net Assets per Share (Rs.)	7.53	17.49	4.51	10.63

I certify that the above Financial Statements of the Company comply with the requirements of the Companies Act No. 07 of 2007.

(Sgd.)

Ramesh Chitrasiri
Finance Director

Above figures are provisional and subject to audit.

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.)

A.M. Pandithage
Chairman
Colombo,
17th May 2021

(Sgd.)

Mahesh H. Wijewardene
Director/Group Chief Executive Officer

Statement of Changes in Equity

For the twelve months ended
31st March

Group	Stated Capital Rs. '000	Reserve Fund Rs. '000	Capital Reserve Revaluation Reserves Rs. '000	Other Component of Equity Fair Value Reserve of Financial Assets at FVOCI Rs. '000	Revenue Reserve		Total Rs. '000	Non- controlling Interest Rs. '000	Total equity Rs. '000
					General Reserves Rs. '000	Retained Earnings Rs. '000			
Balance as at 31st March 2019	626,048	163,096	1,118,123	–	2,700,000	2,335,831	6,943,097	1,508,546	8,451,644
Adjustment on Initial Application of SLFRS 16 Leases Net of Tax	–	–	–	–	–	(582,562)	(582,562)	(5,218)	(587,780)
Adjusted Balance as at 1st April 2019	626,048	163,096	1,118,123	–	2,700,000	1,753,269	6,360,535	1,503,329	7,863,864
Realisation of Revaluation Surplus	–	–	(25,681)	–	–	25,681	–	–	–
Transferred to/(from) during the Year	–	19,452	–	–	–	(19,452)	–	–	–
Profit for the Year	–	–	–	–	–	280,735	280,735	146,533	427,268
Other Comprehensive Income									
Gain on Remeasurement of Defined Benefit Obligation	–	–	–	–	–	27,553	27,553	2,923	30,476
Related Taxes									
Tax on Other Comprehensive Income	–	–	–	–	–	(7,693)	(7,693)	(802)	(8,495)
Total Comprehensive Income for the Year	–	–	–	–	–	300,596	300,596	148,653	449,249
Transactions with Owners of the Company, Recognised Directly in Equity									
Distributions to Owners of the Company									
Final Dividend - 2019/20	–	–	–	–	–	(93,907)	(93,907)	(31,299)	(125,207)
Total Distributions to Owners of the Company	–	–	–	–	–	(93,907)	(93,907)	(31,299)	(125,207)
Effect of Change in Holdings in Subsidiaries	–	–	–	–	–	1,670	1,670	(1,670)	–
Total Transactions with Owners of the Company	–	–	–	–	–	(92,237)	(92,237)	(32,969)	(125,207)
Balance as at 31st March 2020	626,048	182,548	1,092,442	–	2,700,000	1,967,856	6,568,895	1,619,012	8,187,907
Realisation of Revaluation Surplus	–	–	(23,030)	–	–	23,030	–	–	–
Transferred to/(from) during the Year	–	16,391	–	–	–	(16,391)	–	–	–
Total Comprehensive Income for the Year	–	–	–	–	–	2,452,009	2,452,009	155,513	2,607,522
Other Comprehensive Income									
Gain/(Loss) Remeasurement of Employee Benefit Obligations	–	–	–	–	–	4,743	4,743	(1,037)	3,706
Fair Value Change in Equity Accounted Investee	–	–	–	7,928	–	–	7,928	–	7,928
Related Taxes									
Tax on Fair Value Change in Equity Investments at FVOCI	–	–	–	(1,903)	–	–	(1,903)	–	(1,903)
Tax on Remeasurement of Defined Benefit Obligation	–	–	–	–	–	(1,051)	(1,051)	200	(851)
Deferred Tax Rate Change on Revaluation of Property, Plant and Equipment	–	–	163,169	–	–	–	163,169	30,421	193,590
Total Other Comprehensive Income for the Year Net of Tax	–	–	163,169	6,025	–	3,692	172,886	29,584	202,470
Total Comprehensive Income for the Year Net of Tax	–	–	163,169	6,025	–	2,455,700	2,624,895	185,097	2,809,992
Distributions to Owners of the Company									
Interim Dividend - 2020/21	–	–	–	–	–	(713,695)	(713,695)	(25,565)	(739,260)
Total Distributions to Owners of the Company	–	–	–	–	–	(713,695)	(713,695)	(25,565)	(739,260)
Balance as at 31st March 2021	626,048	198,939	1,232,582	6,025	2,700,000	3,716,501	8,480,095	1,778,543	10,258,638

Statement of Changes in Equity

For the twelve months ended 31st March

Company	Stated Capital	Capital Reserve	Other Component of Equity	Revenue Reserve		Total
	Rs. '000	Revaluation Reserves Rs. '000	Fair Value Reserve of Financial Assets at FVOCI Rs. '000	General Reserves Rs. '000	Retained Earnings Rs. '000	Rs. '000
Balance as at 31st March 2019	626,048	1,158,333	—	2,700,000	151,601	4,635,982
Adjustment on Initial Application of SLFRS 16 Leases Net of Tax	—	—	—	—	(577,833)	(577,833)
Adjusted balance as at 1st April 2019	626,048	1,158,333	—	2,700,000	(426,232)	4,058,149
Realisation of Revaluation Surplus	—	(15,924)	—	—	15,924	—
Profit for the Year	—	—	—	—	12,739	12,739
Other Comprehensive Income for the Year						
Gain on Remeasurement of Defined Benefit Obligation	—	—	—	—	20,171	20,171
Related Taxes						
Tax on Other Comprehensive Income	—	—	—	—	(5,648)	(5,648)
Total Other Comprehensive Income for the Year	—	—	—	—	14,523	14,523
Total Comprehensive Income for the Year, Net of Tax	—	—	—	—	27,262	27,262
Transactions with Owners of the Company, Recognised Directly in Equity						
Distributions to Owners of the Company						
Final Dividend - 2019/20	—	—	—	—	(93,907)	(93,907)
Total Distributions to Owners of the Company	—	—	—	—	(93,907)	(93,907)
Balance as at 31st March 2020	626,048	1,142,409	—	2,700,000	(476,953)	3,991,505
Realisation of Revaluation Surplus	—	(15,924)	—	—	15,924	—
Profit for the Year	—	—	—	—	1,749,176	1,749,176
Other Comprehensive Income for the Year						
Equity Investments at FVOCI - Change in Fair Value	—	—	7,928	—	—	7,928
Gain on Remeasurement of Defined Benefit Obligation	—	—	—	—	4,188	4,188
Related Taxes						
Tax on Fair Value Change in Equity Investments at FVOCI	—	—	(1,903)	—	—	(1,903)
Tax on Remeasurement of Defined Benefit Obligation	—	—	—	—	(1,005)	(1,005)
Deferred Tax Rate Change on Revaluation of Property, Plant and Equipment	—	44,422	—	—	—	44,422
Total Other Comprehensive Income for the Year, Net of Tax	—	44,422	6,025	—	3,183	53,631
Total Comprehensive Income for the Year, Net of Tax	—	44,422	6,025	—	1,752,358	1,802,807
Transactions with Owners of the Company, Recognised Directly in Equity						
Distributions to Owners of the Company						
Interim Dividend - 2020/21	—	—	—	—	(713,695)	(713,695)
Total Distributions to Owners of the Company	—	—	—	—	(713,695)	(713,695)
Balance as at 31st March 2021	626,048	1,170,909	6,025	2,700,000	577,634	5,080,616

Statement of Cash Flows

	Group		Company	
	2020/21 Rs.'000	2019/20 Rs.'000	2020/21 Rs.'000	2019/20 Rs.'000
<i>For the twelve months ended 31st March</i>				
Cash Flows from Operating Activities				
Net Profit before Income Tax Expense	3,818,007	610,717	2,629,048	(155,686)
Adjustment for:				
Depreciation on Property, Plant and Equipment	650,524	654,722	478,836	496,207
Amortisation of Intangible Assets	24,602	21,540	13,638	11,704
Amortisation of Leasehold Rights	1,301	1,301	–	–
Amortisation of Right-of-Use Assets	891,876	853,156	802,801	779,951
(Gain)/Loss on Disposal of Property, Plant and Equipment	1,312	2,601	283	(2,536)
Changing Fair Value of Derivative (Assets)/Liabilities	27,088	58,560	27,088	58,560
Interest Expense	2,176,811	3,438,000	2,174,970	3,323,287
Interest Income	(120,795)	(128,838)	(81,295)	(235,617)
Impairment of Inventories	179,485	96,787	144,075	88,811
Impairment on Trade and Other Receivables	920,008	1,011,644	459,524	630,876
Dividend Income	(320)	(241)	(192,227)	(181,895)
Provision for Retiring Gratuity	153,142	154,248	105,976	109,636
Operating Profit before Working Capital Changes	8,723,041	6,774,197	6,562,717	4,923,298
(Increase)/Decrease in Inventories	(2,312,713)	(2,018,526)	(2,021,733)	(2,229,064)
(Increase)/Decrease in Debtors Falling due after One Year	(531,137)	148,292	30,395	599,036
(Increase)/Decrease in Debtors Falling due within One year	(1,339,718)	(2,515,335)	(1,000,523)	(758,551)
(Increase)/Decrease in dues from Related Parties	22,605	(33,426)	27,865	(28,745)
Increase/(Decrease) in dues to Related Parties	109,087	(29,285)	829,002	656,318
Increase/(Decrease) in Security Deposits	(28,046)	6,179	(36,219)	(2,165)
Increase/(Decrease) in Trade and Other Payables	9,499,425	1,939,110	6,989,065	1,461,117
Increase/(Decrease) in Deferred Liabilities	50,121	(7,411)	31,626	(9,014)
Cash Generated from Operations	14,192,665	4,263,795	11,412,198	4,612,230
Finance Costs Paid	(1,851,933)	(2,740,795)	(1,694,977)	(2,753,692)
Retiring Gratuity Paid	(103,646)	(94,758)	(77,892)	(83,444)
Income Tax Paid	(749,426)	(657,733)	(470,480)	(295,453)
Net Cash from/(used in) Operating Activities	11,487,660	770,509	9,168,849	1,479,641
Cash Flows from Investing Activities				
Acquisition of Property, Plant and Equipment and Intangible Assets	(654,942)	(917,856)	(468,298)	(690,813)
Proceeds from Disposal of Property, Plant and Equipment	(24,793)	44,877	22,675	38,406
Proceeds from Disposal of Investment in Shares and Debentures in Subsidiaries	–	–	600,090	–
(Acquisition)/Disposal of Marketable Securities	(23,373)	(166,517)	–	311,183
Investment in Bank Deposits	40,459	(18,070)	–	–
Net Cash Flows from Loans Given to Related Companies	–	–	446,000	702,669
Interest Income Received	120,795	128,838	81,295	235,617
Dividends Received	320	241	158,071	181,895
Net Cash Flows from Investing Activities	(491,948)	(928,487)	839,833	778,957
Cash Flows from Financing Activities				
Net Proceeds from Interest-bearing Loans and Borrowings	(10,384,198)	(294,566)	(7,549,144)	(1,985,491)
Net Settlements to Lease Creditors	(1,327,930)	(1,302,630)	(1,197,189)	(1,196,286)
Increase/(Decrease) in Customer Deposit Liabilities	3,451,112	1,061,062	–	–
Net (Payment) to Minority Shareholders	(25,566)	(31,299)	–	–
Dividends Paid	(704,836)	(58,590)	(694,023)	(103,969)
Net Cash Flows from Financing Activities	(8,991,418)	(626,023)	(9,440,356)	(3,285,746)
Net Increase/(Decrease) in Cash and Cash Equivalents	2,004,294	(784,001)	568,326	(1,027,148)
Cash and Cash Equivalents at the Beginning of the Year	(1,850,786)	(1,066,785)	(1,106,524)	(79,376)
Cash and Cash Equivalents at the End of the Period	153,508	(1,850,786)	(538,198)	(1,106,524)

Notes to the Financial Statements

1. Basis of Preparation and Group's Accounting Policies

The interim condensed consolidated Financial Statements for the twelve months ended 31st March 2021 have been prepared in accordance with LKAS 34 – "Interim Financial Reporting".

The Financial Statements for the period ended 31st March 2021, includes "the Company" referring to Singer (Sri Lanka) PLC, as the holding company and "the Group" referring to the companies whose accounts have been consolidated therein.

The interim condensed consolidated Financial Statements do not include all the information and disclosures required in the annual Financial Statements, and should be read in conjunction with the Group's annual consolidated Financial Statements as at 31st March 2021.

The presentation and classification of the Financial Statements of the previous period have been amended, where relevant, for better presentation and to be comparable with those of the current period.

The interim condensed Financial Statements are presented in Sri Lankan Rupees (LKR) and all values are rounded to the nearest thousand except when otherwise indicated

1.1 Fair Value Measurement and Related Fair Value Disclosures – Financial Instruments

As at 31st March	Consolidated		Company		Level
	2021 Rs. '000	2020 Rs. '000	2021 Rs. '000	2020 Rs. '000	
Recurring Fair Value Measurements					
Investment in Equity Securities	24,990	17,061	24,948	17,020	3 Financial Assets at FVOCI
Derivatives	–	27,087	–	27,087	2 Financial Assets at FVTPL
	24,990	44,148	24,948	44,107	

2. Segmental Analysis of Company Net Turnover is as follows:

	Quarter ended 31st March 2021 Rs. '000	Quarter ended 31st March 2020 Rs. '000	Twelve months ended 31st March 2021 Rs. '000	Twelve months ended 31st March 2020 Rs. '000
Consumer Electronics	2,077,716	1,189,720	7,275,145	6,859,210
Financial Services	812,188	785,054	3,187,212	3,599,039
Furniture	925,236	512,345	2,700,253	2,686,993
Home Appliances	6,137,986	3,846,848	19,945,907	17,712,878
IT Products	3,702,204	1,988,552	14,588,155	8,143,824
Sewing Machines	1,008,182	514,782	2,848,773	2,175,616
Other	1,104,159	705,355	4,318,241	2,948,351
	15,767,671	9,542,656	54,863,686	44,125,911

2.1 Segmental Analysis of Company Profits/(Loss) Before Tax is as follows:

	Quarter ended 31st March 2021 Rs. '000	Quarter ended 31st March 2020 Rs. '000	Twelve months ended 31st March 2021 Rs. '000	Twelve months ended 31st March 2020 Rs. '000
Consumer Electronics	150,383	195,634	735,409	869,926
Financial Services	73,038	88,479	522,915	573,743
Furniture	81,896	35,248	238,254	152,663
Home Appliances	398,936	169,781	1,798,323	1,126,501
IT products	170,098	98,627	664,858	276,582
Sewing Machines	70,624	36,964	257,305	149,892
Other	64,786	21,340	294,948	156,189
Intercompany Dividend	34,156	41,051	192,227	181,895
Impairment (Loss)/Reversal on Trade and Other Receivables	507,354	(180,037)	(459,524)	(630,876)
Operating Profit	1,551,271	507,087	4,244,715	2,856,515
Net Finance Cost	(394,167)	(700,772)	(1,535,867)	(2,961,201)
VAT on Financial Services	(27,000)	(15,200)	(79,800)	(51,000)
Profit/(Loss) before Tax	1,130,104	(208,885)	2,629,048	(155,686)

Notes to the Financial Statements

2.2 Segmental Analysis of Group Net Turnover is as follows:

	Quarter ended 31st March 2021 Rs. '000	Quarter ended 31st March 2020 Rs. '000	Twelve months ended 31st March 2021 Rs. '000	Twelve months ended 31st March 2020 Rs. '000
Consumer Electronics	2,077,716	1,189,720	7,275,145	6,859,210
Financial Services	1,971,062	1,878,194	7,644,345	7,925,318
Furniture	925,236	512,345	2,700,253	2,686,993
Home Appliances	6,147,109	3,848,885	19,963,193	17,720,768
IT Products	4,785,694	3,513,789	22,649,065	14,431,827
Sewing Machines	1,008,182	514,782	2,848,773	2,175,616
Other	1,109,449	706,553	4,331,465	2,951,306
	18,024,448	12,164,268	67,412,239	54,751,038

2.3 Segmental Analysis of Group Profits Before Tax is as follows:

	Quarter ended 31st March 2021 Rs. '000	Quarter ended 31st March 2020 Rs. '000	Twelve months ended 31st March 2021 Rs. '000	Twelve months ended 31st March 2020 Rs. '000
Consumer Electronics	150,383	195,634	735,409	869,926
Financial Services	338,497	521,351	1,750,810	1,868,126
Furniture	81,896	35,248	238,254	152,663
Home Appliances	536,600	261,400	2,021,743	1,322,489
IT Products	133,398	157,322	1,031,049	596,476
Sewing Machines	66,790	27,543	213,412	154,351
Other	71,081	23,109	311,612	168,955
Dividend	–	–	320	241
Impairment (Loss)/Reversal on Trade and Other Receivables	526,219	(309,822)	(920,008)	(1,011,144)
Operating Profit	1,904,864	911,785	5,382,601	4,122,083
Net Finance Cost	(339,933)	(784,949)	(1,272,106)	(3,200,499)
VAT on Financial Services	(101,356)	(61,245)	(292,488)	(310,867)
Profit before Tax	1,463,575	65,591	3,818,007	610,717

3. Stated Capital

3.1

	31st March 2021	31st March 2020
Value – Ordinary Shares (Rs.)		
1,126,886,490 (375,628,830 - 31.03.2020) Number of Ordinary Shares	626,048,050	626,048,050
Weighted Average Number of Ordinary Shares	1,126,886,490	1,126,886,490
Voting Rights	One Vote per Ordinary Share	One Vote per Ordinary Share

The Ordinary Shares of the Company were subdivided by splitting each issued ordinary share into 3 ordinary shares from 04th March 2021. Consequently the total number of existing issued Ordinary Shares were increased from 375,628,830 to 1,126,886,490 without changing the Stated Capital of the Company which will remain at Rs. 626,048,050/-.

Weighted Average Number of Ordinary Shares as at 31st March 2020 has been adjusted based on post sub - division of three ordinary shares for every one ordinary shares held.

Notes to the Financial Statements

4. Contingencies

- (a) Commissioner General of Inland Revenue has issued assessment notices on Singer (Sri Lanka) PLC pertaining to an additional VAT Liability/Payment on account of Deemed VAT for seven quarters for the period 1st January 2014 to 30th September 2015. The assessment was for a Deemed VAT payment of Rs. 1,076 million and penalty of Rs. 423 million totalling to Rs. 1,499 million. Commissioner General of Inland Revenue has given the determination on the appeal. Accordingly, Rs. 791 million of Deemed VAT liability and penalty of Rs. 395 million totalling to Rs. 1,186 million is payable as a Deemed VAT liability for seven quarters for the period 1st January 2014 to 30th September 2015. The Company after carefully reviewing the situation and based on the advice of tax consultants, is of the opinion that there is no basis for the Company to be made liable for Deemed VAT. Accordingly Company has decided to appeal to the Tax Appeal Commission against the determination. Hence, no provision has been made in the Financial Statements. The Company previously sought a clarification from the Inland Revenue Department on the interpretation of the Act and did not receive the required clarification. Deemed VAT is removed with effect from 1st January 2016 under VAT Amendment Act No. 20 of 2016.
- (b) Singer (Sri Lanka) PLC has provided bank guarantees amounting to Rs. 292 million to Director General of Customs to clear imports during the years 2008 to March 2021. The bank guarantee related to alleged additional duty payable on imports, claimed by the customs and is being contested by the Company in courts. The Court of Appeal ordered that the Director General of Customs continue with the investigations. The Company being aggrieved by the decision has filed an appeal, which is pending before the Supreme Court. The Company lawyers are of the opinion that there is no basis that the Company is liable for the additional duty. Based on assessment of the probability is higher that the Company would not be required to settle the liabilities. Hence, no provision is made in the Financial Statements.
- (c) Singer Finance (Lanka) PLC has provided letters of guarantee totalling to Rs. 3.1 million against fixed deposits of Rs. 7.5 million
- (d) Case bearing No. 404 has been filled against Singer Finance (Lanka) PLC by a customer in the District Court of Ampara claiming Rs. 2 million as damages caused by repossessing and selling of the vehicle leased through the Company. The lawyers of the Company are of the view that the ultimate resolution of this litigation would not likely to have a material impact.
- (e) Regnis (Lanka) PLC has provided corporate guarantees to banks on behalf of Regnis Appliances (Pvt) Limited amounting to Rs. 410 million for the purpose of obtaining banking facilities.
- (f) Regnis (Lanka) PLC cleared a shipment of imported goods during the year 2008 on provision of a bank guarantee amounting to Rs. 6.5 million to the Director of Customs. The bank guarantee relates to alleged additional duty payable on imports which is contested by the Company. The customs inquiry initiated in 2008 is still pending. The Management is of the opinion that there is no basis that the Company is liable for the additional duty and hence, no provision is made in the Financial Statements.

5. Events Occurring after the Balance Sheet Date

There have been no material events occurring after the Balance Sheet date that require disclosure in the Financial Statements other than the below.

On 17th May 2021, Board of Directors proposed and approved a final Dividend of Rs. 0.25 per share amounting to Rs. 281 million for the year ended 31st March 2021.

6. Listed Debentures

Details regarding the listed debentures are as follows:

Interest Rates of Comparable Government Securities as at Issue Date (%)

i. 12% senior rated listed unsecured redeemable on 28th September 2021	9.51
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Interest rates of comparable Government Securities as at 31st March 2021 were 5.13%.

The debentures were not traded during the quarter ended 31st March 2021.

	Group		Company	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020
Debt Equity Ratio	3.37	5.32	3.17	6.07
Interest Cover	4.00	1.19	2.71	0.95
Quick Assets Ratio	0.63	0.64	0.49	0.58

Notes to the Financial Statements

7. Top 20 Shareholders as at 31st March 2021

Name	Number of Shares	Percentage
1. Hayleys PLC	783,801,111	69.55
2. Hayleys Advantis Limited	111,382,980	9.88
3. Volanka (Pvt) Limited	34,787,235	3.09
4. Hayleys Aventura (Private) Limited	31,595,745	2.80
5. Carbotels (Pvt) Limited	29,042,553	2.58
6. Hayleys Agriculture Holdings Limited	28,404,255	2.52
7. Mr Kulappuarachchige Don Dammika Perera	20,807,739	1.85
8. Deutsche Bank AG as Trustee for JB Vantage Value Equity Fund	7,476,390	0.66
9. Mrs Mihiri Virani Fernando	6,000,000	0.53
10. Commercial Bank of Ceylon PLC/Andaradeniya Estate (Pvt) Limited	1,600,000	0.14
11. Mrs Anoma Kamalika Amarasuriya	1,200,000	0.11
12. Miss Nai Kaluge Ruvani Hemamala De Silva	1,192,914	0.11
13. Jafferjee Brothers (Exports) Limited	1,126,800	0.10
14. Mr Abeysiri Hemapala Munasinghe	985,932	0.09
15. Mrs Enoka Kamali Wickramasinghe	884,571	0.08
16. Dr Ananda Krishnakumar Abeytunga Jayawardene	830,214	0.07
17. Mr Murtaza Ali Jafferjee	691,800	0.06
18. Mr Sinnadurai Vamathevan	682,116	0.06
19. Mr Nai Kaluge Anura Deepal De Silva and Miss S H De Silva	662,385	0.06
Mr Nai Kaluge Anura Deepal De Silva and Mrs G V De Silva	662,385	0.06
20. Sisira Investors Limited	651,348	0.06
	1,064,468,473	94.46
Others	62,418,017	5.54
Total issued shares	1,126,886,490	100

8. Directors' and CEO's Shareholding as at

Name of the Director	Shareholding as at 31st March 2021 Number of Shares	Shareholding as at 31st March 2020 Number of Shares
Mr A M Pandithage	–	–
Mr K D D Perera	20,807,739	6,935,913
Mr D Sooriyaarachchi	–	–
Mr D H Fernando	–	–
Mr M H Wijewardene (CEO)	–	–
Mr M H Jamaldeen	–	–
Mr S C Ganegoda	–	–
Mr D K De Silva Wijeyeratne	–	–
Ms H M G DE Alwis – Appointed w.e.f. 15th May 2020	–	–
Mr H P S Perera (Alternate Director to M H Wijewardene)	–	–
Ms A A K Amarasinghe (Alternate Director to Mr K D D Perera)	–	–
Mr K K L P Yatiwella (Alternate Director to S C Ganegoda) (Resigned w.e.f. 31st March 2021)	–	–

The Directors' shareholding increased as a result of the subdivision of shares made on 04th March 2021 splitting each issued ordinary share into 3 ordinary shares.

Notes to the Financial Statements

9. Public Holding

Shares held by public as at 31st March 2021

Number of Shareholders	Number of Shares	Percentage
3,329	86,959,872	7.72%

Float adjusted market Capitalisation – Rs. 1,513,724,084.

The Company is not in compliance with Option 5 of the Listing Rule 7.13.1 (a) which requires a company with a Float Adjusted Market Capitalisation of less than Rs. 2.5 billion. to maintain a minimum public holding of 20%.

10. Explanatory Note

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