

# SINGER FINANCE

## SINGER FINANCE (LANKA) PLC

INTERIM FINANCIAL STATEMENTS FOR THE  
SIX MONTHS ENDED 30TH SEPTEMBER 2019

**SINGER<sup>®</sup>**  
Trusted Excellence

## STATEMENT OF FINANCIAL POSITION

As At	30-September-2019	30-September-2018	31-Mar-2019 (Audited)
	Rs.'000	Rs.'000	Rs.'000
<b>ASSETS</b>			
Cash and Cash Equivalents	256,852	233,151	317,309
Placement with Banks	84,093	82,362	83,324
Financial assets at amortised cost-Hire Purchase Receivables	5,743	35,245	14,585
Financial assets at amortised cost-Finance Lease Receivables	14,367,228	12,650,561	13,950,248
Financial assets at amortised cost-Loans and Advances	4,136,841	3,353,560	3,883,300
Financial assets measured at fair value through other comprehensive income/ Financial Instruments - Available-for-Sale	41	41	41
Financial assets at amortised cost-Debt and other financial instruments /Financial Instruments - Held-to-Maturity	693,450	623,063	623,372
Due from Related Companies	174,266	467,355	92,444
Other Debtors, and Prepayments	333,770	328,714	290,636
Deferred Tax Assets	11,529	-	15,632
Intangible Assets	43,866	47,259	46,293
Property, Plant & Equipment	301,556	148,614	221,885
Right-of-use assets / Lease assets	435,269	-	-
<b>Total Assets</b>	<b>20,844,504</b>	<b>17,969,925</b>	<b>19,539,069</b>
<b>LIABILITIES</b>			
Financial liabilities at amortised cost-Due to Customers	6,628,502	5,544,558	6,095,816
Financial liabilities at amortised cost-Interest Bearing Loans & Borrowings	7,841,533	5,630,655	6,631,194
Lease Liabilities	438,592	-	-
Interest Bearing Loans - Related party	600,000	1,425,000	1,000,000
Trade & Other Payables	572,080	747,815	844,909
VAT Payable	2,632	3,414	3,112
Due to Related Companies	104,096	318,645	1,570
Bank Overdraft	822,731	479,927	1,134,836
Current Tax Liabilities	137,824	123,529	220,581
Deferred Tax Liabilities	-	154,876	-
Retirement Benefit Obligations	73,485	58,420	63,118
<b>Total Liabilities</b>	<b>17,221,475</b>	<b>14,486,839</b>	<b>15,995,136</b>
<b>SHAREHOLDERS' FUND</b>			
Stated Capital	1,996,444	1,996,444	1,996,444
Reserve Fund	163,096	136,009	163,096
Retained Earnings	1,463,489	1,350,633	1,384,393
<b>Total Equity</b>	<b>3,623,029</b>	<b>3,483,086</b>	<b>3,543,933</b>
<b>Total Liabilities &amp; Equity</b>	<b>20,844,504</b>	<b>17,969,925</b>	<b>19,539,069</b>
<b>Net Assets per share (Rs)</b>	<b>17.93</b>	<b>17.24</b>	<b>17.54</b>

I certify that the financial statements of the Company comply with the requirements of the companies Act 07 of 2007

(Sgd.) Eraj Fernando  
Head of Finance

The above figures are provisional and subject to audit unless specified.

The Board of Directors is responsible for the preparation and presentation of these Financial Statements.  
Singed for and on behalf of the Board by,

(Sgd.) A.Perera  
Chairman

(Sgd.) Mahesh H. Wijewardene  
Director

Colombo  
07th November 2019

## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the quarter ended 30th September	2019	2018	Variance	
	Rs.'000	Rs.'000	Rs.'000	%
<b>Gross Income</b>	<b>1,117,564</b>	1,015,778	101,786	10%
Interest Income	1,054,101	926,871	127,230	14%
Less: Interest Expense	506,980	389,335	(117,645)	(30%)
<b>Net Interest Income</b>	<b>547,121</b>	537,536	9,585	2%
Net Fee and Commission Income	53,983	60,393	(6,410)	(11%)
Trading Income	418	414	4	1%
Other Operating Income	9,062	28,100	(19,038)	(68%)
<b>Total Operating Income</b>	<b>610,584</b>	626,443	(15,859)	(3%)
Less: Impairment charges and Other Credit Losses on Financial Assets	86,289	39,768	(46,521)	(117%)
<b>Net Operating Income</b>	<b>524,295</b>	586,675	(62,380)	(11%)
<b>Less:- Expenses</b>				
Personnel Cost	145,345	119,429	(25,916)	(22%)
Administration & Selling Expenses	207,690	186,963	(20,727)	(11%)
<b>Operating Profit Before VAT, NBT and DRL on Financial Services</b>	<b>171,260</b>	280,283	(109,023)	(39%)
Less: VAT, NBT and DRL on Financial Services	64,509	58,926	(5,583)	(9%)
<b>Profit Before Income Tax</b>	<b>106,751</b>	221,357	(114,606)	(52%)
Less: Income Tax Expense	32,255	81,685	49,430	61%
<b>Net profit for the Period</b>	<b>74,496</b>	139,672	(65,176)	(47%)
<b>Total Comprehensive Income for the Period</b>	<b>74,496</b>	139,672	(65,176)	(47%)
Basic Earnings per Share (Rs)	<b>0.37</b>	<b>0.69</b>		

Share Price	Quarter Ended 30th September 2019	Quarter Ended 30th September 2018
	Rs.	Rs.
Highest	14.70	14.90
Lowest	12.20	13.00
Closing	13.00	13.00

## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Six Months ended 30th September	2019	2018	Variance	
	Rs.'000	Rs.'000	Rs.'000	%
<b>Gross Income</b>	<b>2,262,468</b>	1,953,308	309,160	16%
Interest Income	2,135,876	1,794,235	341,641	19%
Less: Interest Expense	1,019,672	748,817	(270,855)	(36%)
<b>Net Interest Income</b>	<b>1,116,204</b>	1,045,418	70,786	7%
Net Fee and Commission Income	107,482	120,773	(13,291)	(11%)
Trading Income	721	972	(251)	(26%)
Other Operating Income	18,389	37,328	(18,939)	(51%)
<b>Total Operating Income</b>	<b>1,242,796</b>	1,204,491	38,305	3%
Less: Impairment charges and Other Credit Losses on Financial Assets	208,803	100,805	(107,998)	(107%)
<b>Net Operating Income</b>	<b>1,033,993</b>	1,103,686	(69,693)	(6%)
<b>Less:- Expenses</b>				
Personnel Cost	293,276	230,301	(62,975)	(27%)
Administration & Selling Expenses	421,024	360,429	(60,595)	(17%)
<b>Operating Profit Before VAT, NBT and DRL on Financial Services</b>	<b>319,693</b>	512,956	(193,263)	(38%)
Less: VAT, NBT and DRL on Financial Services	130,272	106,445	(23,827)	(22%)
<b>Profit Before Income Tax</b>	<b>189,421</b>	406,511	(217,090)	(53%)
Less: Income Tax Expense	65,899	149,198	83,299	56%
<b>Profit for the Period</b>	<b>123,522</b>	257,313	(133,791)	(52%)
<b>Total Comprehensive Income for the Period</b>	<b>123,522</b>	257,313	(133,791)	(52%)
Basic Earnings per Share (Rs)	0.61	1.27		

## Share Price

	Six Months Ended	
	30th September 2019	30th September 2018
	Rs.	Rs.
Highest	14.70	16.40
Lowest	11.90	13.00
Closing	13.00	13.00

## STATEMENT OF CHANGES IN EQUITY

For the Six Months ended 30th September

	Attributable to Equity Holders of the Company			
	Stated Capital Rs.'000	Reserve Fund Rs.'000	Retained Earnings Rs.'000	Total Rs.'000
<b>Balance as at 31st March 2018</b>	1,996,444	136,009	1,202,659	3,335,112
Impact of Adopting SLFRS-09- Note 7.1	-	-	(109,339)	(109,339)
<b>Balance as at 01st April 2018</b>	1,996,444	136,009	1,093,320	3,225,773
<b>Total Comprehensive Income</b>				
Profit for the Period	-	-	257,313	257,313
<b>Total Comprehensive Income for the Period</b>	-	-	257,313	257,313
<b>Balance as at 30th September 2018</b>	1,996,444	136,009	1,350,633	3,483,086
<b>Total Comprehensive Income</b>				
Profit for the Period	-	-	284,418	284,418
<b>Other Comprehensive Income</b>				
Employee Benefit Plan Actuarial Loss			(1,792)	(1,792)
Tax on Other Comprehensive Income			502	502
<b>Total Other Comprehensive Income for the Period</b>	-	-	(1,290)	(1,290)
<b>Total Comprehensive Income for the Period</b>	-	-	283,128	283,128
Transferred to/(from) during the Period		27,087	(27,087)	-
<b>Transactions with Owners, Recorded Directly in Equity</b>				
Dividends	-	-	(222,281)	(222,281)
<b>Total Transactions with Equity Owners</b>	-	-	(222,281)	(222,281)
<b>Balance as at 31st March 2019</b>	1,996,444	163,096	1,384,393	3,543,933
Impact of Adopting SLFRS-16- Note 8.1			(40,325)	(40,325)
Deferred Tax Impact on Adopting SLFRS-16			(4,101)	(4,101)
<b>Balance as at 01st April 2019</b>	1,996,444	163,096	1,339,967	3,499,507
<b>Total Comprehensive Income</b>				
Profit for the Period	-	-	123,522	123,522
<b>Total Comprehensive Income for the Period</b>	-	-	123,522	123,522
<b>Balance as at 30th September 2019</b>	1,996,444	163,096	1,463,489	3,623,029

## CASH FLOW STATEMENT

For the Six Months ended 30th September	2019	2018
	Rs.'000	Rs.'000
<b>Cash Flows From Operating Activities</b>		
<b>Profit Before Tax</b>	<b>189,421</b>	<b>406,511</b>
<b>Adjustments for</b>		
<b>Non-Cash Items Included In Profit Before Tax</b>		
Interest Income from Investing Activities	(33,887)	(33,285)
Interest Income from Placement With Banks	(4,612)	(4,382)
Finance Cost	896,331	605,305
Depreciation/Amortization	59,914	18,692
(Profit)/ Loss on disposal of Property, Plant and Equipment	630	(66)
Provision for Define Benefit Plans - Gratuity	12,000	9,500
Provision for Bad Debt	208,805	100,805
Issue Cost_Securitization	14,130	-
Debenture Issue Cost	2,678	3,917
<b>Operating Profit Before Changes In Operating Assets And Liabilities</b>	<b>1,345,410</b>	<b>1,106,997</b>
<b>Changes In;</b>		
Increase in Lease Rentals Receivables	(538,536)	(1,362,140)
Decrease in Hire Debtors	10,326	47,805
Increase in Loans and Advances	(336,690)	(569,327)
Increase in Other Assets	(31,799)	(109,356)
Increase in Due from Related Companies	(81,822)	(131,087)
Increase In Public Deposits	463,770	172,043
Increase in Right-of-use assets / Lease assets	(466,922)	-
Increase in Lease Laibilities	438,592	-
Increase/(Decrease) in amounts due to Related Companies	102,526	(146,702)
Increase/(Decrease) in Other Liabilities	(61,029)	18,815
<b>Cash from/(used in) Operations</b>	<b>843,826</b>	<b>(972,952)</b>
Finance costs paid	(696,518)	(493,339)
Retiring Gratuity Paid	(1,634)	(6,294)
ESC Paid	(11,336)	(9,094)
Income Tax Paid	(148,657)	(35,716)
<b>Net Cash from/(used in) Operating Activities</b>	<b>(14,319)</b>	<b>(1,517,395)</b>
<b>Cash Flows from/(used in) Investing Activities</b>		
Acquisition of Property Plant & Equipment	(107,747)	(49,283)
Proceeds from Sale of Property, Plant & Equipment	686	5,418
Incurred on Software Development	(626)	(759)
(Increase)/Decrease Investment in Investment Securities	(45,084)	63,089
Interest Income Received	12,735	22,041
<b>Net Cash Flows from/ (used in) Investing Activities</b>	<b>(140,036)</b>	<b>40,506</b>
<b>Cash Flows from/(used in) Financing Activities</b>		
Issue Of Securitization	950,000	1,750,000
Loans Obtained During the Period Other Than Related Party	2,150,000	1,630,000
Loans Obtained During the Period From Related Party	500,000	425,000
Repayment of Loans Other Than Related Party	(1,413,532)	(1,745,000)
Repayment of Loans Related Party	(900,000)	-
Repayment of Debenture	(409,300)	(416,668)
Repayment of Securitization	(258,881)	-
Dividends Paid	(212,285)	(32,004)
<b>Net Cash Flows from Financing Activities</b>	<b>406,002</b>	<b>1,611,328</b>
<b>Net increase/(Decrease) in Cash and Cash Equivalents</b>	<b>251,647</b>	<b>134,439</b>
<b>Cash and Cash Equivalents at the beginning of the Period</b>	<b>(817,527)</b>	<b>(381,215)</b>
<b>Cash and Cash Equivalents at the end of the Period</b>	<b>(565,880)</b>	<b>(246,776)</b>

**Interim Financial Statements for the Quarter Ended 30th September 2019**

**Notes to the Financial Statements**

**FINANCIAL REPORTING BY SEGMENTS AS PER PROVISION OF THE SRI LANKA ACCOUNTING STANDARD SLFRS 8**

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

The following table presents financial information regarding business segments:

Business Segments (Rs.'000)

For the quarter ended 30th September	Finance Lease		Hire Purchase		Loan & Advances		Other		Total	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Interest	783,413	678,594	557	2,509	240,625	209,786	29,506	35,982	1,054,101	926,871
Net Fee and Commission Income	46,759	33,706	28	295	5,679	24,399	1,517	1,993	53,983	60,393
Net Trading Income	-	-	-	-	-	-	418	414	418	414
Other Operating Income	6,602	21,042	4	105	1,951	5,537	505	1,416	9,062	28,100
Total Revenue	836,774	733,342	589	2,909	248,255	239,722	31,946	39,805	1,117,564	1,015,778
Interest Expense	(376,802)	(285,057)	(268)	(1,059)	(115,725)	(88,105)	(14,185)	(15,114)	(506,980)	(389,335)
Depreciation & Amortization	(24,105)	(7,475)	(17)	(28)	(7,400)	(2,310)	-	-	(31,522)	(9,813)
Period S&A	(245,828)	(225,909)	(174)	(838)	(75,511)	(69,830)	-	-	(321,513)	(296,577)
Impairment charges and Other Credit Losses on Financial Assets	(57,161)	(23,455)	1,556	1,330	(30,684)	(17,643)	-	-	(86,289)	(39,768)
Less: VAT, NBT and DRL on Financial	(47,944)	(43,159)	(35)	(167)	(14,725)	(13,313)	(1,805)	(2,287)	(64,509)	(58,926)
Profit Before Tax	84,934	148,287	1,651	2,147	4,210	48,521	15,956	22,404	106,751	221,359
Income Tax Expense	(25,664)	(54,721)	(499)	(792)	(1,272)	(17,905)	(4,820)	(8,269)	(32,255)	(81,687)
Profit After Tax	59,270	93,566	1,152	1,355	2,938	30,616	11,136	14,135	74,496	139,672
Segment Assets	15,270,337	13,309,379	6,102	37,081	4,396,878	3,528,207	1,171,187	1,095,258	20,844,504	17,969,925
Segment Liabilities	12,713,451	10,647,491	5,081	29,665	3,660,658	2,822,562	842,285	987,121	17,221,475	14,486,839
* Segment assets include the additions to non current assets	50,117	31,934	11	76	14,766	7,924	3,180	-	68,074	39,934

**Interim Financial Statements for the Six Months Ended 30th September 2019**

**Notes to the Financial Statements**

**FINANCIAL REPORTING BY SEGMENTS AS PER PROVISION OF THE SRI LANKA ACCOUNTING STANDARD SLFRS 8**

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 different markets

The following table presents financial information regarding business segments:

**Business Segments (Rs.'000)**

For the Six Months ended 30th September	Finance Lease		Hire Purchase		Loan & Advances		Other		Total	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Interest	1,590,643	1,317,469	1,157	6,614	486,030	400,589	58,046	69,563	2,135,876	1,794,235
Net Fee and Commission Income	73,444	64,315	53	323	32,425	54,097	1,560	2,038	107,482	120,773
Trading Income	-	-	-	-	-	-	721	972	721	972
Other Operating Income	12,474	26,846	9	135	5,714	8,932	192	1,415	18,389	37,328
Total Revenue	1,676,561	1,408,630	1,219	7,072	524,169	463,618	60,519	73,988	2,262,468	1,953,308
Interest Expense	(759,377)	(549,841)	(552)	(2,760)	(232,032)	(167,184)	(27,711)	(29,032)	(1,019,672)	(748,817)
Depreciation & Amortization	(45,865)	(14,278)	(33)	(72)	(14,016)	(4,341)	-	-	(59,914)	(18,691)
Period S&A	(500,952)	(436,978)	(364)	(2,194)	(153,070)	(132,867)	-	-	(654,386)	(572,039)
Impairment charges and Other Credit Losses on Financial Assets	(127,137)	(55,288)	1,483	1,027	(83,149)	(46,544)	-	-	(208,803)	(100,805)
Less: VAT, NBT and DRL on Financial Services	(97,017)	(78,160)	(71)	(392)	(29,644)	(23,766)	(3,540)	(4,127)	(130,272)	(106,445)
Profit Before Income Tax	146,213	274,085	1,682	2,681	12,258	88,916	29,268	40,829	189,421	406,511
Income Tax Expense	(50,867)	(100,595)	(585)	(984)	(4,265)	(32,633)	(10,182)	(14,986)	(65,899)	(149,198)
Profit After Tax	95,346	173,490	1,097	1,697	7,993	56,283	19,086	25,843	123,522	257,313
Segment Assets	15,270,337	13,309,379	6,102	37,081	4,396,878	3,528,207	1,171,187	1,095,258	20,844,504	17,969,925
Segment Liabilities	12,713,451	10,647,491	5,081	29,665	3,660,658	2,822,562	842,285	987,121	17,221,475	14,486,839
* Segment assets include the additions to non current assets	90,440	41,103	36	117	26,041	11,088	5,992	-	122,509	52,308



## Notes to the Financial Statements

- 1 The Interim Financial Statements of the Company have been prepared on the basis of the same accounting policies and methods applied for the year ended 31st March 2019, except for the Accounting Policies and methods of computation adopted to be in compliant with the requirements of the Sri Lanka Accounting Standard SLFRS - 16 on Leases, which became effective for Annual Financial periods from January 01, 2019.

SLFRS 16 requires the recognition of lease liabilities and right of use of assets for leases previously classified as operating leases in accordance with LKAS 17 – “Leases:”

Accordingly, the required transition adjustments have been made on best estimate at the date of initial application of SLFRS 16 and Company is in the process of refining these estimates and any subsequent adjustments will be made in following quarters.

These Interim Financial Statements are in compliance with Sri Lanka Accounting Standards 34 - 'Interim Financial Reporting' and provide the information as required in terms of Rule 7.4 of the Colombo Stock Exchange. Further details of SLFRS-16 are disclosed under Note-8

## 2 COMMITMENT & CONTINGENCIES

There are no significant capital commitments which have been approved or contracted for by the company as at 30th September 2019 except following,

### 2.1 Operating Lease Commitments as at 30th September 2019

Within One Year	Rs. 23.88 million
Between One to Five Years	Rs. 50.15 million
Over Five Years	Rs. 30.68 million

### 2.2 Approved but not disbursed facilities

Revolving Loan Facility Amount	Rs. 366.76 million
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### 2.3 (a) As at 30th September 2019, the Company has provided letters of guarantee totaling to Rs. 4,500,000/- against Fixed Deposits of Rs. 4,700,000/-

- 2.4 (c) Under the finance companies (single borrowers limit) direction no 4 of 2006/1, the value of unsecured accommodations granted to and outstanding at any point of time from all borrowers should not exceed 5% of the capital funds as shown in the last audited balance sheet. However as of 30th September 2019, the balance has been exceeded in the credit card product by Rs.26Mn . However, the Credit Card product was brought under the stipulated amount as discribed in the direction no 4 of 2006/1on 7th October 2019.

### 2.5 Assets Pledged as Securities

Company has given a negative pledge amounting to Rs.11,020,658,000/- over the Company's Lease receivable and Hire Purchase receivable, for the following banks over Loans, Overdrafts, Securitization & Debentures having a carrying value of Rs.8,630,160,000/- as at 30th September 2019.

Bank	Exposure	Type of Facility	Carrying Value Rs.	Amount Pledged Rs.
Sampath Bank	130% of the Banks's exposure	Loan Overdraft Facility	643,100,000 300,000,000	1,226,030,000
Commercial Bank	150% of the Banks's exposure	Overdraft Facility	200,000,000	300,000,000
Seylan Bank	130% of the Banks's exposure	Loan Overdraft Facility	433,360,000 250,000,000	888,368,000
Nations Trust Bank	130% of the Banks's exposure	Loan Overdraft Facility	970,000,000 30,000,000	1,300,000,000
National Development Bank	130% of the Banks's exposure	Loan Overdraft Facility	200,000,000 100,000,000	390,000,000
Singer Sri Lanka	130% of the Debenture exposure	Loan	600,000,000	780,000,000
Deutsche Bank	130% of the Debenture exposure	Debenture	2,090,700,000	2,717,910,000
Hatton National Bank	130% of the Banks's exposure	Securitization	2,813,000,000	3,656,900,000
			<u>8,630,160,000</u>	<u>11,020,658,000</u>

## 3 EVENTS AFTER THE REPORTING PERIOD

There have been no material events occurring after the Reporting Period date which require adjustments to or disclosure in the financial statements.

## Notes to the Financial Statements

**4 LISTED DEBENTURES**

Details regarding the listed Debentures are as follows.

	Face Value Rs.	Maturity Date	Interest rate of Comparable Government Securities
1. 9.95% 60 months Debentures Secured	1,500,000,000	16-June-2020	as at 11th June 2015 was 8.35%
2. 12% 48 months Debentures Secured	590,700,000	06-April-2020	as at 1st April 2016 was 13%
Interest rate of Comparable Government Securities as at 30th September 2019 was 10.27%			

The Listed Debentures were not traded during the period 01st April 2019 to 30th September 2019. Therefore, Highest Traded price, Lowest Traded Price, Last Traded Price as at 30th September 2019, Interest Yield and Yield to Maturity of trade were not available.

	30-Sep.-2019	30-Sep.-2018
Debt Equity Ratio	4.39	3.76
Interest Cover	1.19	1.54
Quick Assets Ratio	0.72	0.86
Liquid Asset Ratio	11.76%	10.20%

**5 Directors' and CEO's Debenture holding as at 30th September 2019**

Name of the Director	No of Debentures 30-Sep.-2019	No of Debentures 31-March-2019
Mr. Aravinda Perera	-	-
Mr. J.A. Setukavalar	-	-
Mr. Priyath Salgado	-	-
Mr. Jayanth Perera	-	-
Ms. D. Talpahewa	-	-
Mr. L.S. Sadeep Perera	-	-
Mr. T.A.Amarasuriya (Chief Executive Officer/Executive Director)	-	-
Mr. Mahesh H. Wijewardene	-	-
Mr. K.K.L.P.Yatiwella (Alternate Director to Ms. D. Talpahewa)	10,000	10,000

**6 INFORMATION ON ORDINARY SHARES**

a) Stated Capital	30-Sep.-2019	30-Sep.-2018
Value-Ordinary Shares	Rs.1,996,444,457	Rs.1,996,444,457
No of Shares-Ordinary Shares	202,074,075	202,074,075
Voting Rights	One Vote per Ordinary Share	One Vote per Ordinary Share

## Notes to the Financial Statements

c) **Twenty Largest holders of Shares as at 30th September 2019**

Name	No of Shares	%
1 Singer (Sri Lanka) PLC	161,513,035	79.93
2 Employees Trust Fund Board	3,440,878	1.70
3 Associated Electrical Corporation Ltd	2,947,500	1.46
4 Mr. D. A. S. De Abrew Abeyesinhe	1,000,000	0.49
5 Mr. A. M. C. S. Atapattu	842,511	0.42
6 Mr. S. T. Hettige Don	711,000	0.35
7 Mrs. H. G. E. Arumugampillai	684,500	0.34
8 United Motors Lanka PLC	679,224	0.34
9 Hatton National Bank PLC/ Mr. S. A. Lukmanjee	569,867	0.28
10 Unimo Enterprises Ltd	521,885	0.26
11 Mr. S. Vasudevan & Mrs. V. Saraswathi	520,000	0.26
12 Bank of Ceylon A/C NDB Wealth Growth Fund	516,841	0.26
13 Mr. A. M. Weerasinghe	500,000	0.25
14 Mr. M. L. Ajit Benedict	448,834	0.22
15 A E C Properties ( Pvt ) Ltd.	440,000	0.22
16 Hatton National Bank PLC/Arunasalam Sithampalam	420,944	0.21
17 Mr. M.A.A. Hassanaly Esufally	385,000	0.19
18 Mr. L.N.S. Kumara Samarasinghe	355,000	0.18
19 Mr. G. W. S. Bandara Giriagama	304,001	0.15
20 Mr. C. Ramachandran & Miss. E. Ramachandran	300,000	0.15
	177,101,020	87.64
Others	24,973,055	12.36
	202,074,075	100.00

d) **Directors' and CEO's Shareholding as at 30th September 2019**

Name of the Director	Shareholding 30-September-2019 No of Shares	Shareholding 31-March-2019 No of Shares
Mr. Aravinda Perera	-	-
Mr. J.A. Setukavalar	-	-
Mr. Priyath Salgado	12,224	12,224
Mr. Jayanth Perera	-	-
Ms. D. Talpahewa	-	-
Mr. L.S. Sadeep Perera	-	-
Mr. T.A.Amarasuriya (Chief Executive Officer/Executive Director)	50,155	50,155
Mr. Mahesh H. Wijewardene	-	-
Mr. K.K.L.P.Yatiwella (Alternate Director to Ms. D. Talpahewa)	-	-

e) **Public Holding**

	30-Sep.-2019	30-Sep.-2018
No of Share Holders	6,879	6,947
No of Shares	40,498,661	40,498,661
% of Public Holding	20.04%	20.04%
Float Adjusted Market Capitalization	Rs. 526,443,380/-	Rs.526,443,380/-
The Company is Compliant with option 5 of the Listing Rules 7.13.1 (a) - Less than Rs.2.5Bn Float Adjusted Market Capitalization which requires 20% minimum Public Holding		

7 **Sri Lanka Accounting Standard-SLFRS 9 on "Financial Instruments"**

The Company has previously prepared Interim Financial Statements for the quarter ended 30th September 2018 based on "LKAS 39 – Financial Instruments: Recognition and Measurement" as permitted by the Statement of Alternative Treatment (SoAT) on the Figures in the Interim Financial Statements" issued by The Institute of Chartered Accountants of Sri Lanka.

## SINGER FINANCE (LANKA) PLC

## 7.1 Transition Disclosures

The impact of transition to SLFRS 9 on retained earnings, is as follows.

	Retained earnings Rs.'000
Closing balance under LKAS 39 as at 31st March 2018	1,202,659
<u>Remeasurement adjustments on adoption of SLFRS 9</u>	
Impact of expected credit losses under SLFRS 9	(109,339)
Total change in equity due to adoption of SLFRS 9	(109,339)
Opening balance under SLFRS 9 as at 1st April 2018	1,093,320

The following table reconciles the aggregate opening loan loss provision allowances under LKAS 39 to the ECL allowances under SLFRS 9

	Loan loss provision under LKAS 39 as at 31 March 2018	Re-measurement	ECLs under SLFRS 9 as at 1 April 2018
	Rs.'000	Rs.'000	Rs.'000
Hire Purchase Receivables	11,790	822	12,612
Finance Lease Receivables	126,311	38,931	165,242
Loans and Advances	168,104	69,586	237,690
	306,205	109,339	415,544

## 8 Sri Lanka Accounting Standard-SLFRS 16 on "Leasing"

SLFRS 16 introduces a single, on-balance sheet lease accounting model for lessees. At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company recognizes a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items.

## 8.1 Transition to SLFRS 16

The Company applied SLFRS 16 from 01 April 2019 using the modified retrospective approach. Therefore, the cumulative effect of adopting SLFRS 16 was recognized as an adjustment to the opening balance of Retained Earnings at 01 April 2019, with no restatement of comparative information.

The impact of transition to SLFRS 16 on retained earnings, is as follows.

	Retained earnings Rs.'000
Closing balance as at 31st March 2019	1,384,393
<u>Remeasurement adjustments on adoption of SLFRS 16</u>	
Impact of adopting SLFRS 16	(40,325)
Deferred Tax Impact on Adopting SLFRS-16	(4,101)
Total change in equity due to adoption of SLFRS 16	(44,426)
Opening balance under SLFRS 16 as at 1st April 2019	1,339,967

## 9 Information of the Company Secretary

Hayleys Group Services (Pvt) Ltd  
TP: 2-627000