

DIESEL & MOTOR ENGINEERING PLC

INTERIM FINANCIAL STATEMENTS - NINE MONTHS ENDED 31ST DECEMBER 2020



STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Group	Group					
Audited Year ended 31-03-2020 Rs.'000	Unaudited 9 months to 31-12-2020 Rs.'000	Unaudited 9 months to 31-12-2019 Rs.'000	Variance %	Unaudited 3 months to 31-12-2020 Rs.'000	Unaudited 3 months to 31-12-2019 Rs.'000	Variance %
34,557,871	22,068,253	25,508,664	(13%)	7,523,872	9,471,865	(21%)
(172,968)	-	(172,968)	(100%)	-	(42,458)	(100%)
34,384,903	22,068,253	25,335,696	(13%)	7,523,872	9,429,407	(20%)
(27,053,148)	(16,545,070)	(20,153,201)	(18%)	(5,758,114)	(7,326,942)	(21%)
7,331,755	5,523,183	5,182,495	7%	1,765,758	2,102,465	(16%)
158,588	46,878	110,819	(58%)	25,694	43,386	(41%)
(686,736)	(460,995)	(444,042)	4%	(180,639)	(191,322)	(6%)
(323,472)	(162,557)	(145,536)	12%	(175,351)	(83,744)	109%
(5,031,901)	(3,524,968)	(3,727,889)	(5%)	(1,243,113)	(1,352,676)	(8%)
1,448,234	1,421,541	975,847	46%	192,349	518,109	(63%)
237,669	23,609	128,644	(82%)	5,317	35,788	(85%)
(1,390,042)	(643,326)	(1,062,954)	(39%)	(128,571)	(344,153)	(63%)
(1,152,373)	(619,717)	(934,310)	(34%)	(123,254)	(308,365)	(60%)
(16,334)	(14,895)	(16,936)	(12%)	(2,569)	(7,587)	(66%)
279,527	786,929	24,601	3099%	66,526	202,157	(67%)
(78,383)	(236,570)	(19,747)	1098%	(25,608)	(67,351)	(62%)
201,144	550,359	4,854	11239%	40,918	134,806	(70%)
Other comprehensive income						
Items that will not be reclassified to profit or loss						
60,870	-	-	-	-	-	-
(17,044)	-	-	-	-	-	-
(527)	(950)	(527)	80%	(619)	100	(719%)
43,299	(950)	(527)		(619)	100	
Items that are or may be reclassified subsequently to profit or loss						
26,501	1,400	7,654	(82%)	1,902	3,734	(49%)
26,501	1,400	7,654		1,902	3,734	
69,800	450	7,127	(94%)	1,283	3,834	(67%)
270,944	550,809	11,981	4498%	42,201	138,640	(70%)
Profit/(loss) attributable to:						
195,011	503,168	(6,770)		28,275	115,793	
6,133	47,191	11,624		12,643	19,013	
201,144	550,359	4,854		40,918	134,806	
Total comprehensive income attributable to:						
260,357	502,700	(1,015)		29,122	118,763	
10,587	48,109	12,996		13,079	19,877	
270,944	550,809	11,981		42,201	138,640	
21.97	56.69	(0.76)		3.19	13.04	

Figures in brackets indicate deductions

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Company Audited Year ended 31-03-2020 Rs.'000	Company					
	Unaudited 9 months to 31-12-2020 Rs.'000	Unaudited 9 months to 31-12-2019 Rs.'000	Variance %	Unaudited 3 months to 31-12-2020 Rs.'000	Unaudited 3 months to 31-12-2019 Rs.'000	Variance %
28,612,775	17,926,760	21,414,287	(16%)	6,017,550	7,828,644	(23%)
(124,184)	-	(124,184)	(100%)	-	(33,049)	(100%)
28,488,591	17,926,760	21,290,103	(16%)	6,017,550	7,795,595	(23%)
(22,472,010)	(13,517,088)	(16,950,092)	(20%)	(4,624,493)	(6,102,040)	(24%)
6,016,581	4,409,672	4,340,011	2%	1,393,057	1,693,555	(18%)
260,032	148,552	177,762	(16%)	37,233	70,261	(47%)
(591,326)	(333,581)	(382,968)	(13%)	(140,727)	(168,627)	(17%)
(245,022)	(154,505)	(107,763)	43%	(167,713)	(65,154)	157%
(4,075,781)	(2,748,060)	(3,008,085)	(9%)	(958,389)	(1,079,594)	(11%)
1,364,484	1,322,078	1,018,957	30%	163,461	450,441	(64%)
217,705	27,014	111,468	(76%)	1,846	32,166	(94%)
(1,245,260)	(547,442)	(977,506)	(44%)	(106,231)	(313,333)	(66%)
(1,027,555)	(520,428)	(866,038)	(40%)	(104,385)	(281,167)	(63%)
(16,334)	(14,895)	(16,936)	(12%)	(2,569)	(7,587)	(66%)
320,595	786,755	135,983	479%	56,507	161,687	(65%)
(52,874)	(225,710)	(39,867)	466%	(18,175)	(56,919)	(68%)
267,721	561,045	96,116	484%	38,332	104,768	(63%)
Other comprehensive income						
Items that will not be reclassified to profit or loss						
69,817	-	-	-	-	-	-
(19,549)	-	-	-	-	-	-
(518)	(950)	(518)	83%	(602)	110	(647%)
49,750	(950)	(518)		(602)	110	
Items that are or may be reclassified subsequently to profit or loss						
5,213	(3,099)	982	(416%)	(285)	(166)	72%
5,213	(3,099)	982		(285)	(166)	
54,963	(4,049)	464	(973%)	(887)	(56)	1484%
322,684	556,996	96,580	477%	37,445	104,712	(64%)
30.16	63.21	10.83		4.32	11.80	

Figures in brackets indicate deductions

STATEMENT OF FINANCIAL POSITION

Group		Company		Group		Company	
Audited as at 31-03-2020 Rs.'000	Audited as at 31-03-2020 Rs.'000			Unaudited as at 31-12-2020 Rs.'000	Unaudited as at 31-12-2019 Rs.'000	Unaudited as at 31-12-2020 Rs.'000	Unaudited as at 31-12-2019 Rs.'000
ASSETS							
11,506,819	11,080,460	Property, plant and equipment		11,485,122	11,419,065	11,059,750	11,003,853
478,010	462,001	Right-of-use assets		512,191	373,282	432,767	370,190
128,720	11,097	Intangible assets and goodwill		132,840	126,856	15,217	9,233
-	564,752	Investments in subsidiaries		-	-	564,752	564,752
26,620	26,620	Equity accounted investee		8,488	24,479	8,488	24,479
6,461	6,389	Equity Securities		5,511	6,461	5,439	6,389
97,341	-	Deferred tax assets		165,170	87,059	-	-
12,243,971	12,151,319	Total non-current assets		12,309,322	12,037,202	12,086,413	11,978,896
8,007,852	6,878,269	Inventories		5,503,972	8,757,930	4,054,128	7,439,591
8,519,705	5,684,764	Trade and other receivables		7,936,897	8,114,777	5,964,180	5,851,384
2,091,929	1,844,113	Other current assets		1,323,150	2,475,696	1,087,511	2,125,828
306,663	236,295	Current tax asset		70,367	474,450	-	383,315
17,801	149,831	Amounts due from related parties		17,457	16,591	74,542	180,827
837,650	570,503	Cash and cash equivalents		1,968,656	355,283	1,398,723	219,212
19,781,600	15,363,775	Total current assets		16,820,499	20,194,727	12,579,084	16,200,157
32,025,571	27,515,094	TOTAL ASSETS		29,129,821	32,231,929	24,665,497	28,179,053
EQUITY AND LIABILITIES							
EQUITY							
425,297	425,297	Stated capital		425,297	425,297	425,297	425,297
4,077,499	4,057,375	Other components of equity		4,077,031	4,061,734	4,053,326	4,053,144
7,476,214	6,186,760	Revenue reserves		7,957,191	7,230,607	6,725,614	5,964,887
11,979,010	10,669,432	Equity attributable to owners of the Company		12,459,519	11,717,638	11,204,237	10,443,328
369,921	-	Non-controlling interests		418,030	372,329	-	-
12,348,931	10,669,432	Total Equity		12,877,549	12,089,967	11,204,237	10,443,328
290,206	290,000	Long-term borrowings		1,184,666	320,000	1,173,200	320,000
418,857	395,875	Lease liabilities		458,456	404,954	376,682	384,766
774,909	705,369	Employee benefits		806,085	780,866	726,286	718,571
1,677,504	1,677,460	Deferred tax liabilities		1,624,779	1,826,411	1,624,779	1,826,411
97,155	54,478	Contract liabilities		221,617	465,469	47,104	379,657
3,258,631	3,123,182	Total non-current liabilities		4,295,603	3,797,700	3,948,051	3,629,405
2,601,473	2,213,340	Trade payables		4,958,049	3,135,477	4,147,587	2,629,963
1,842,838	1,131,416	Other current liabilities		2,475,625	1,439,423	1,875,065	993,045
202,272	200,892	Current portion of long term-borrowings		400,030	242,764	384,981	240,908
80,990	57,096	Current portion of lease liabilities		109,532	75,957	69,430	50,893
706,666	335,690	Current portion of contract liabilities		1,014,343	701,119	466,109	382,640
184,224	184,224	Current portion deferred income		287,597	88,550	287,597	88,550
5,341	-	Current tax liability		95,599	-	38,134	-
10,794,205	9,589,899	Short-term borrowings		2,615,894	10,660,972	2,111,321	9,720,321
-	9,923	Amounts due to related parties		-	-	132,985	-
16,418,009	13,722,480	Total current liabilities		11,956,669	16,344,262	9,513,209	14,106,320
32,025,571	27,515,094	TOTAL EQUITY AND LIABILITIES		29,129,821	32,231,929	24,665,497	28,179,053

It is certified that the Financial Statements have been prepared in accordance with the requirements of the Companies Act No.7 of 2007.

(Sgd.)E.D.C.Kodituwakku
General Manager - Finance & Controlling / Member - Group Management Committee

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

(Sgd.)A.R.Pandithage
Chairman/Managing Director
11th February 2021

(Sgd.)B.C.S.A.P.Gooneratne
Director

Statement of Changes in Equity

Group

	Other Components of Equity				Revenue Reserves		Non-controlling interests	Total
	Stated Capital	Revaluation Reserve	Fair value Reserve	Foreign currency translation reserve	General Reserve	Retained Earnings		
For the three months ended 31st December 2019	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
As at 01st April 2019	425,297	4,042,268	5,530	8,181	5,392,290	1,867,278	339,607	12,080,451
Capital contribution from non-controlling interest	-	-	-	-	-	-	19,726	19,726
Profit/(loss) for the period	-	-	-	-	-	(6,770)	11,624	4,854
Other comprehensive income, net of tax	-	-	(527)	6,282	-	-	1,372	7,127
Total comprehensive income	-	-	(527)	6,282	-	(6,770)	12,996	11,981
- Dividends to equity owners	-	-	-	-	-	-	-	-
2018/19 Final dividend	-	-	-	-	-	(22,191)	-	(22,191)
Total contributions and distributions	-	-	-	-	-	(22,191)	-	(22,191)
As at 31st December 2019	425,297	4,042,268	5,003	14,463	5,392,290	1,838,317	372,329	12,089,967

For the three months ended 31st December 2020

As at 01st April 2020	425,297	4,042,268	5,003	30,228	5,392,290	2,083,924	369,921	12,348,931
Profit for the period	-	-	-	-	-	503,168	47,191	550,359
Other comprehensive income, net of tax	-	-	(950)	482	-	-	918	450
Total comprehensive income	-	-	(950)	482	-	503,168	48,109	550,809
Transactions with owners of the Company								
Dividends to equity owners								
2019/20 Final dividend	-	-	-	-	-	(22,191)	-	(22,191)
- contributions and distributions	-	-	-	-	-	-	-	-
Transfer during the period	-	-	-	-	-	-	-	-
Total contributions and distributions	-	-	-	-	-	(22,191)	-	(22,191)
As at 31st December 2020	425,297	4,042,268	4,053	30,710	5,392,290	2,564,901	418,030	12,877,549

Company

	Other Components of Equity				Revenue Reserves		Total
	Stated Capital	Revaluation Reserve	Fair value Reserve	Foreign currency translation reserve	General Reserve	Retained Earnings	
For the three months ended 31st December 2019	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
As at 01st April 2019	425,297	4,042,268	5,457	4,955	4,929,464	961,498	10,368,939
Profit for the period	-	-	-	-	-	96,116	96,116
Other comprehensive income, net of tax	-	-	(518)	982	-	-	464
Total comprehensive income	-	-	(518)	982	-	96,116	96,580
Transactions with owners of the Company							
- Dividends to equity owners							
2018/19 Final dividend	-	-	-	-	-	(22,191)	(22,191)
Total contributions and distributions	-	-	-	-	-	(22,191)	(22,191)
As at 31st December 2019	425,297	4,042,268	4,939	5,937	4,929,464	1,035,423	10,443,328
For the three months ended 31st December 2020							
As at 01st April 2020	425,297	4,042,268	4,939	10,168	4,929,464	1,257,296	10,669,432
Profit for the period	-	-	-	-	-	561,045	561,045
Other comprehensive income, net of tax	-	-	(950)	(3,099)	-	-	(4,049)
Total comprehensive income	-	-	(950)	(3,099)	-	561,045	556,996
Transactions with owners of the Company							
Dividends to equity owners							
2019/20 Final dividend	-	-	-	-	-	(22,191)	(22,191)
- contributions and distributions	-	-	-	-	-	-	-
Transfer during the period	-	-	-	-	-	-	-
Total contributions and distributions	-	-	-	-	-	(22,191)	(22,191)
As at 31st December 2020	425,297	4,042,268	3,989	7,069	4,929,464	1,796,150	11,204,237

Figures in brackets indicate deductions.

Statement of Cash Flows

Group	Company		Group		Company	
			Unaudited 9 months to 31-12-2020 Rs.'000	Unaudited 9 months to 31-12-2019 Rs.'000	Unaudited 9 months to 31-12-2020 Rs.'000	Unaudited 9 months to 31-12-2019 Rs.'000
		Cash Flows from Operating Activities				
279,527	320,595	Profit before taxation	786,929	24,601	786,755	135,983
		Adjustments for:				
417,575	354,240	Depreciation on property, plant and equipment	333,445	313,750	259,226	265,451
7,692	7,692	Amortisation of intangible assets and lease rentals paid in advance	5,927	7,409	5,927	7,409
117,985	95,222	Amortisation of right of use assets	82,027	77,771	65,773	60,525
(14,022)	(10,581)	Loss/(gain) on sale of property, plant and equipment	3,357	(9,677)	3,328	(6,653)
64,887	64,542	Derecognition of capital work-in-progress	1,295	2,258	928	2,233
1,390,042	1,245,260	Interest expenses	609,233	1,062,954	510,390	977,506
(37,588)	(39,542)	Interest income	(23,609)	(33,542)	(27,195)	(32,945)
(292)	(22,399)	Dividend income	(191)	(258)	(191)	(22,365)
16,334	16,334	Share of loss of equity-accounted investee, net of tax	14,895	16,936	14,895	16,936
323,472	245,022	Provision for impairment of trade receivables	162,557	145,536	154,505	107,763
69,619	19,336	Provision for/(reversal of) slow moving inventories	81,536	38,704	(300)	7,529
141,479	128,512	Provision for employee benefits obligation excluding actuarial gain	59,826	73,805	47,842	61,571
2,776,710	2,424,233		2,117,227	1,720,247	1,821,883	1,580,943
		Changes in working capital				
282,979	377,906	Decrease/(increase) in inventories	2,422,344	(428,316)	2,824,441	(171,609)
(1,868,958)	(1,096,874)	Decrease/(increase) in trade and other receivables	420,251	(1,286,094)	(433,921)	(1,126,235)
(490,712)	(487,605)	Decrease/(increase) in other current assets	761,762	(767,968)	749,585	(662,151)
403	(14,185)	Decrease/(increase) in amounts due from related parties	344	1,613	80,490	(45,181)
696,000	730,860	Increase in trade payables	2,356,576	1,230,004	1,934,247	1,147,483
126,328	(42,234)	Increase/(decrease) in other current liabilities	643,096	(350,091)	757,566	(237,896)
117,609	117,609	Increase in deferred Income	103,373	21,935	103,373	21,935
41,851	(58,001)	Increase/(decrease) in contract liabilities	432,139	404,618	123,045	314,128
-	(180,528)	Increase/(decrease) in amounts due to related parties	-	-	123,062	(190,451)
1,682,210	1,771,181	Cash generated from operating activities	9,257,112	545,948	8,083,771	630,966
(1,417,767)	(1,272,985)	Interest paid	(641,672)	(1,066,087)	(542,829)	(980,639)
(42,145)	(40,216)	Employee benefits paid	(28,650)	(29,384)	(26,925)	(29,890)
(310,873)	(146,988)	Income tax paid	(26,034)	(250,790)	(4,006)	(112,501)
(88,575)	310,992	Net cash from/(used in) operating activities	8,560,756	(800,313)	7,510,011	(492,064)
		Cash Flows from Investing Activities				
22,788	12,877	Net proceeds from sale of property, plant and equipment	2,376	14,233	2,233	8,450
201	22,308	Dividends received	191	167	191	22,274
37,588	39,542	Interest received	23,609	33,542	21,994	32,945
-	(50,176)	Investment in subsidiary	-	-	-	(50,176)
(433,472)	(350,726)	Acquisition and construction of property, plant and equipment and capital work-in-progress	(303,046)	(188,600)	(245,033)	(122,562)
(5,100)	(5,100)	Acquisition of intangible assets	(10,046)	(1,300)	(10,046)	(1,300)
(377,995)	(331,275)	Net cash used in investing activities	(286,916)	(141,958)	(230,661)	(110,369)
		Cash Flows from Financing Activities				
19,727	-	Capital contribution from non-controlling interest of a newly incorporated subsidiary	-	19,727	-	-
-	-	Proceeds from long-term borrowings	1,325,000	-	1,300,000	-
(351,055)	(349,960)	Repayment of long-term borrowings	(236,451)	(281,460)	(236,380)	(279,970)
1,663,614	1,020,230	Net movement of short-term borrowings	(8,551,700)	1,459,065	(7,874,168)	1,131,276
(65,786)	(30,773)	Repayment of lease liabilities	(55,015)	(14,093)	(36,380)	-
(22,191)	(22,191)	Dividends paid	-	(22,191)	-	(22,191)
1,244,309	617,306	Net cash (used in)/from financing activities	(7,518,166)	1,161,048	(6,846,928)	829,115
777,739	597,023	Net increase in cash and cash equivalents	755,674	218,777	432,422	226,682
(74,447)	(131,940)	Cash and cash equivalents as at 01st April	699,526	(74,447)	465,390	(131,940)
(3,766)	307	Effect of exchange rate changes on cash and cash equivalents	1,943	1,513	208	(19)
699,526	465,390	Cash and cash equivalents at the end of the period (Note-A)	1,457,143	145,843	898,020	94,723
		Note - A				
		Analysis of Cash and Cash Equivalents at the end of the period				
837,650	570,503	Cash and bank balances	1,968,656	355,283	1,398,723	219,212
(138,124)	(105,113)	Bank overdrafts	(511,513)	(209,440)	(500,703)	(124,489)
699,526	465,390	Cash and cash equivalents	1,457,143	145,843	898,020	94,723

Figures in brackets indicate deductions.

NOTES TO THE INTERIM FINANCIAL STATEMENTS

1. Corporate information

Diesel & Motor Engineering PLC (the Company) is a public limited liability Company, incorporated and domiciled in Sri Lanka. The registered office and principal place of business of the company is located at No. 65, Jetawana Road, Colombo 14. The ordinary shares of the Company are listed at the Colombo Stock Exchange.

2. Basis of preparation

The interim condensed financial statements have been prepared in accordance with Sri Lanka Accounting Standard - LKAS 34 Interim Financial Reporting. These interim condensed financial statements should be read in conjunction with the annual financial statements for the year ended 31st March 2020.

These financial statements provide the information as required in terms of Rule 7.4 of the Colombo Stock Exchange.

3. Operating Segment Information

The operating business segments are organised and managed separately according to the nature of the products and services provided. The primary segment reporting format is determined based on products and services offered as the Group's risk and returns are affected predominantly by differences in the products and services offered.

4. Other information

4.1 Contingent liabilities

The Contingent liabilities as at 31st December 2020, on guarantees given by the Company in respect of bid bonds, performance bonds and advance payments amounted to Rs. 3,742.8 million (Rs.3,148.2 million as at 31st March 2020).

4.2 Income tax assessments

During the year of 2013/14, the Commissioner General of Inland Revenue issued an assessment notice for the year of assessment 2010/11 on Diesel & Motor Engineering PLC pertaining to an additional tax liability on account of disallowing 2/3rd of NBT claimed on imports. An Appeal was lodged against the tax assessed by the Department of Inland Revenue. The matter currently pending with the Tax Appeals Commission.

With the advice of our tax consultants and based on the information available, the Company is of the view that there is no basis for company to be made liable for the amount assessed. Accordingly no provision has been made in the financial statements. The contingent liability relating to this as at 31st December 2020 is estimated to be Rs. 124.7 million (2019/20 – Rs. 124.7 million).

4.3 Capital expenditure commitments

Capital expenditure committed by the Board of Directors for which a provision has not been made in the interim condensed Financial Statements amounted to approximately Rs. 786 million (2019/20 - Rs. 66.9 million).

4.4 Comparative Information

Where necessary comparative figures have been reclassified to conform with the current year's presentation.

4.5 Post-lockdown Business Operation

The recovery of performance from the adverse impact of COVID-19 occurred faster than initially expected. The Group was able to finance any adverse impact to cash flows, due to lockdown, by securing appropriate credit lines from the banks.

The temporary suspension of imports of vehicles was scheduled to be in-effect till 30th December 2020. This restriction has been extended by the government until further notice. This will lead to an adverse impact in the vehicle sales revenue. However, the diversity of revenue sources of the Group will minimize this impact.

4.6 Dividends

A first and final dividend of Rs. 2.50 per share was declared by the Board of Directors on 30th December 2020 for the Financial Year 2019/20. The total dividend payment amount to Rs. 22.19 million. The dividend payable as at 31st December 2020 is accounted for in the Financial Statements.

4.7 Events Occurring after the reporting period

There were no material events that occurred after the reporting date that require adjustments or disclosure to the Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS

OPERATING SEGMENT INFORMATION

The Group comprises of the following main business segments.

Segment	Product & Services
Vehicles – Sales	Sale of brand new passenger vehicles, commercial vehicles, special purpose vehicles and pre-owned passenger vehicles.
Vehicles – After Services	Repair and service of vehicles included in the vehicle-sales segment, sale of franchised vehicle spare parts, accessories and components.
Marketing and Distribution	Sale and service of power tools and accessories, lamps, lighting controls, switchgear, fittings and accessories, tyres, original equipment spare parts and auto components.
Construction & Material Handling Equipment	Sales and Services of Earth Moving Machinery, Road Construction Machinery, Material Handling Machinery, Forklifts, Storage Systems, Dock Levellers, Car Parking Systems and Gondolas.
Agriculture	Import, sale and after sales services of agri machinery, import, processing and distribution of agro chemicals, seeds and fertilizer, import producing, processing and sale of agricultural seeds.
Electro-Mechanical , Bio-Medical and Marine Engineering	Sale, after sales and solutions in the business domains of bio-medical engineering, generating sets, elevators and escalators, diesel engines for marine propulsion and rail traction, building management systems, fluid management systems, industrial refrigeration systems and power engineering equipment and systems.

For the period ended 31st December	Vehicles - Sales		Vehicles - After Services		Marketing and Distribution		Construction and Material Handling Equipment		Agriculture		Electro-Mechanical, Bio- Medical and Marine Engineering		Total	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Business Segment Turnover and Results														
Total segment revenue	5,262,012	10,503,741	3,792,056	4,109,193	3,184,017	3,838,362	1,479,878	1,504,811	5,509,489	2,813,381	3,698,257	3,721,692	22,925,709	26,491,180
Inter-segment revenue	(9,188)	(25,795)	(355,973)	(601,883)	(103,719)	(111,803)	(62,536)	(69,536)	(48,625)	(58,596)	(277,415)	(114,903)	(857,456)	(982,516)
Total external revenue	5,252,824	10,477,946	3,436,083	3,507,310	3,080,298	3,726,559	1,417,342	1,435,275	5,460,864	2,754,785	3,420,842	3,606,789	22,068,253	25,508,664
Segment results	424,060	421,933	673,350	697,353	259,972	413,370	226,530	231,324	580,776	122,298	221,285	165,108	2,385,973	2,051,386
Unallocated other income	-	-	-	-	-	-	-	-	-	-	-	-	46,878	110,819
Unallocated expenses	-	-	-	-	-	-	-	-	-	-	-	-	(1,026,205)	(1,203,294)
Finance income	-	-	-	-	-	-	-	-	-	-	-	-	23,609	128,644
Finance costs	-	-	-	-	-	-	-	-	-	-	-	-	(643,326)	(1,062,954)
Income tax expense	-	-	-	-	-	-	-	-	-	-	-	-	(236,570)	(19,747)
Profit for the period	-	-	-	-	-	-	-	-	-	-	-	-	550,359	4,854
Business Segment Assets and Liabilities														
Segment assets	1,018,041	5,133,984	2,068,661	1,944,951	2,371,257	3,476,207	1,214,868	1,129,459	5,549,166	4,277,651	5,858,177	5,086,514	18,080,170	21,048,766
Unallocated assets	-	-	-	-	-	-	-	-	-	-	-	-	11,049,651	11,183,163
Total assets	-	-	-	-	-	-	-	-	-	-	-	-	29,129,821	32,231,929
Segment liabilities	544,720	7,334,435	1,179,545	1,296,300	1,296,605	1,156,452	1,227,678	211,660	3,996,413	1,520,471	1,034,767	1,199,408	9,279,728	12,718,726
Unallocated liabilities	-	-	-	-	-	-	-	-	-	-	-	-	6,972,544	7,423,236
Equity	-	-	-	-	-	-	-	-	-	-	-	-	12,877,549	12,089,967
Total equity and liabilities	-	-	-	-	-	-	-	-	-	-	-	-	29,129,821	32,231,929
Other Information														
Capital expenditure	1,874	16,167	34,004	27,953	9,173	37,556	15,167	25,376	46,122	49,885	160,223	9,451	266,563	166,388
Unallocated capital expenditure	-	-	-	-	-	-	-	-	-	-	-	-	46,529	23,512
Depreciation and amortisation	28,649	30,206	64,017	74,318	13,990	12,131	8,889	12,857	63,982	39,457	26,791	9,924	206,318	178,893
Unallocated depreciation and amortisation	-	-	-	-	-	-	-	-	-	-	-	-	133,054	142,266

INVESTOR INFORMATION

Market Value of Shares

The market value of an ordinary share of Diesel & Motor Engineering PLC is as follows:

	Quarter to 31-Dec-20 Rs.		Quarter to 31-Dec-19 Rs.	
Highest Price per Share	649.90	December 28, 2020	350.00	December 4, 2019
Lowest Price per Share	310.00	October 6, 2020	296.00	November 20, 2019
Last Traded Price per Share	618.20	December 31, 2020	320.00	December 31, 2019

Market Capitalisation

	As at 31-Dec-20	As at 31-Dec-19
Market Capitalisation (Rs.'000)	5,487,413	2,840,460

Ratios

	<u>Group</u>		<u>Company</u>	
	31-Dec-20	31-Dec-19	31-Dec-20	31-Dec-19
E.P.S. Rs*	56.69	(0.76)	63.21	10.83
Net asset value per share*	1,403.66	1,320.08	1,262.24	1,176.52
Quick asset ratio	0.95	0.70	0.90	0.62
Interest cover (times)	2.22	1.02	2.44	1.14

* Earnings & net assets per share are based on 8,876,437 shares in issue as at 31st December 2020.

The stated capital consists of 8,876,437 Ordinary shares.

Statement of share holding of Directors (Including Spouses)

NAME	31ST DECEMBER 2020	
	SHARES	%
Mr A R Pandithage	1,929,735	21.74%
Mr S C Algama	574,779	6.48%
Mr A G Pandithage	570,862	6.43%
Mr A M Pandithage	224,172	2.53%
Mr A N Algama	213,739	2.41%
Mr M V Bandara	1,682	0.02%
	3,514,969	39.61%

Mr. A. D. B. Talwatte, Dr.H.Cabral, Mr.B.C.S.A.P Gooneratne, Mr. P. K. W. Mahendra, Mr. S. R. W. M. C. Ranawana, Mr. J. M. De Silva, & Mr. A.N. Ranasinghe who are Directors of the Company did not hold any shares of the Company as at 31st December 2020.

PUBLIC HOLDING

As at 31st December 2020

Public Holding %	53.18%
Number of Public shareholders	1,991
Float adjusted market capitalisation	2,918,206,421

The Company complies with option 5 of the Listing Rules 7.13.1 (a) – Less than Rs.2.5Billion Float Adjusted Market Capitalization which requires 20% minimum Public Holding.

Twenty Major Shareholders

NAME	31ST DECEMBER 2020	
	SHARES	%
EMPLOYEES PROVIDENT FUND	1,765,260	19.89%
MR. A R PANDITHAGE	991,233	11.17%
MRS. J C PANDITHAGE	938,502	10.57%
A & G INVESTMENTS PVT LIMITED	640,765	7.22%
MR. S C ALGAMA	567,786	6.40%
MR. A G PANDITHAGE	525,814	5.92%
MR. C R PANDITHAGE	214,081	2.41%
MR. A N ALGAMA	213,739	2.41%
MR. T G H PERIES	193,069	2.18%
ALMAR TRADING CO (PVT) LTD	191,250	2.15%
MR. A M PANDITHAGE	182,319	2.05%
DR. D JAYANNTHA	160,000	1.80%
MISS. T R N C PERIES	148,009	1.67%
SEYLAN BANK PLC./JANASHAKTHI PLC	144,748	1.63%
MR. L P ALGAMA	134,569	1.52%
ESTATE OF THE LATE MR. N U ALGAMA	118,845	1.34%
UNITED MOTORS LANKA PLC	109,883	1.24%
THE TRUSTEE, BANK OF CEYLON NO. 1 ACCOUNT	77,937	0.88%
MRS. I S SALGADO	46,000	0.52%
MRS. H S PANDITHAGE	45,048	0.51%
	7,408,857	83.46%

CORPORATE INFORMATION

Name of the Company

Diesel & Motor Engineering PLC

Legal Form

A Quoted Public Company with Limited Liability, incorporated in Sri Lanka in 1945.

Company Registration Number

PQ 146

Board of Directors

A. R. Pandithage - Dipl. Ing (Chairman, Managing Director)
A. G. Pandithage - FCMA (Chief Executive Officer)
A. N. Algama
S. C. Algama - FIED (SL)
M .V. Bandara - Postgraduate Certificate (USQ-Aus)
Dr. H. Cabral- PC, PhD
B. C. S. A. P. Gooneratne - FCA, MBA (Sri.J)
P. K. W. Mahendra - B.Eng (University of Greenwich-UK)
A. M. Pandithage
S. R. W. M. C. Ranawana - MBA (Warnborough University-UK)
A. N. Ranasinghe - BSc (Hons) Colombo, FCIM, Chartered Marketer, MBA (PIM)
J. M. De Silva - FBSC, FCITP (Appointed on 01/08/2020)
A. D. B. Talwatte - FCMA, FCA, MBA (Sri.J)
R. Seevaratnam- FCA, B.Sc (Lon), FCA (E&W) - (Retired w.e.f 31/07/2020)

Company Secretary

B. C. S. A. P. Gooneratne - FCA, MBA(Sri.J)

Registrars

Jacey and Company
NO.9/5, Thambiah Avenue,
off Independence Avenue,
Colombo 07, Sri Lanka

Audit Committee

A. D. B. Talwatte (Chairman)
J. M. De Silva
Dr. H. Cabral
A. M. Pandithage

Remuneration Committee

Dr. H. Cabral (Chairman)
A. M. Pandithage
J. M. De Silva
A. D. B. Talwatte

Nomination Committee

Dr. H. Cabral (Chairman)
A. R. Pandithage
A. M. Pandithage
J. M. De Silva
A. D. B. Talwatte

Related Party Transactions Review Committee

J. M. De Silva (Chairman)
Dr. H. Cabral
A. M. Pandithage
A. D. B. Talwatte

Group Management Committee

A. R. Pandithage (Chairman)
A. G. Pandithage
S. C. Algama
M .V. Bandara
B. C. S. A. P. Gooneratne
R. K. J. Gunasekera
E. D. C. Kodituwakku
D.N.K.Kurukulasuriya
P. K. W. Mahendra
C. R. Pandithage
S.R.W.M.C.Ranawana
A. N. Ranasinghe
V. Wickramaratne

Bankers

Bank of Ceylon
Commercial Bank of Ceylon PLC
DFCC Bank PLC
Hatton National Bank PLC
Hong Kong & Shanghai Banking Corporation Ltd.
Nations Trust Bank PLC
People's Bank
Sampath Bank PLC
Seylan Bank PLC
Standard Chartered Bank

Auditors

KPMG
Chartered Accountants,
P.O. Box 186,
No.32A, Sir Mohamed Macan Markar Mawatha,
Colombo 03, Sri Lanka

Lawyers

Julius & Creasy
Attorneys-at-law & Notaries Public
P.O.Box 154,
No 41, Janadhipathi Mawatha
Colombo 01, Sri Lanka

Registered Office

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