

DIESEL & MOTOR ENGINEERING PLC

INTERIM FINANCIAL STATEMENTS - FOR THE 12 MONTHS PERIOD ENDED 31ST MARCH 2021



STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Group					
	Unaudited Year ended 31-03-2021 Rs.'000	Audited Year ended 31-03-2020 Rs.'000	Variance %	Unaudited 3 months to 31-03-2021 Rs.'000	Unaudited 3 months to 31-03-2020 Rs.'000	Variance %
Revenue	30,819,014	34,557,871	(11)	8,750,761	9,049,207	(3)
Sales taxes	-	(172,968)	(100)	-	-	-
Net revenue	30,819,014	34,384,903	(10)	8,750,761	9,049,207	(3)
Cost of sales	(23,351,725)	(27,053,148)	(14)	(6,806,655)	(6,899,947)	(1)
Gross profit	7,467,289	7,331,755	2	1,944,106	2,149,260	(10)
Other operating income	119,156	158,588	(25)	72,278	47,769	51
Selling and distribution expenses	(772,374)	(686,736)	12	(311,379)	(242,694)	28
Impairment loss on trade receivables	(158,313)	(323,472)	(51)	4,244	(177,936)	(102)
Administrative expenses	(5,276,484)	(5,031,901)	5	(1,751,516)	(1,304,012)	34
Operating profit/(loss)	1,379,274	1,448,234	(5)	(42,267)	472,387	(109)
Finance income	93,458	237,669	(61)	69,849	109,025	(36)
Finance costs	(733,589)	(1,390,042)	(47)	(90,263)	(327,088)	(72)
Net finance Costs	(640,131)	(1,152,373)	(44)	(20,414)	(218,063)	(91)
Share of loss of equity accounted investee, net of tax	(19,032)	(16,334)	17	(4,137)	602	(787)
Profit/(loss) before tax	720,111	279,527	158	(66,818)	254,926	(126)
Income tax (expense)/reversal	(183,845)	(78,383)	135	52,725	(58,636)	(190)
Profit/(loss) for the period	536,266	201,144	167	(14,093)	196,290	(107)
Other comprehensive income						
Items that will not be reclassified to profit or loss						
Remeasurement of defined benefit obligation	47,295	60,870	(22)	47,295	60,870	(22)
Deferred tax charge on actuarial gain	(11,351)	(17,044)	(33)	(11,351)	(17,044)	(33)
Revaluation of freehold land	2,424,015	-	100	2,424,015	-	100
Deferred tax charge on Land revaluation	(354,122)	-	(100)	(354,122)	-	(100)
Equity investments at FVOCI – net change in fair value	(856)	(527)	62	94	-	100
	2,104,981	43,299		2,105,931	43,826	
Items that are or may be reclassified subsequently to profit or loss						
Foreign operations- foreign currency translation differences	(6,735)	26,501	(125)	(8,135)	18,847	(143)
	(6,735)	26,501		(8,135)	18,847	
Total other comprehensive income for the period, net of tax	2,098,246	69,800	2,906	2,097,796	62,673	3,247
Total comprehensive income for the period	2,634,512	270,944	872	2,083,703	258,963	705
Profit/(loss) attributable to:						
Owners of the Company	486,713	195,011		(16,455)	201,781	
Non-controlling interest	49,553	6,133		2,362	(5,491)	
	536,266	201,144		(14,093)	196,290	
Total comprehensive income attributable to:						
Owners of the Company	2,585,163	260,357		2,082,463	261,372	
Non-controlling interest	49,349	10,587		1,240	(2,409)	
	2,634,512	270,944		2,083,703	258,963	
Basic and diluted earnings/(loss) per share (Rs.)	52.72	21.12		(1.78)	21.86	

Figures in brackets indicate deductions

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Company					
	Unaudited Year ended 31-03-2021 Rs.'000	Audited Year ended 31-03-2020 Rs.'000	Variance %	Unaudited 3 months to 31-03-2021 Rs.'000	Unaudited 3 months to 31-03-2020 Rs.'000	Variance %
Revenue	24,954,469	28,612,775	(13)	7,027,709	7,198,488	(2)
Sales taxes	-	(124,184)	(100)	-	-	-
Net revenue	24,954,469	28,488,591	(12)	7,027,709	7,198,488	(2)
Cost of sales	(19,034,262)	(22,472,010)	(15)	(5,517,174)	(5,521,918)	(0)
Gross profit	5,920,207	6,016,581	(2)	1,510,535	1,676,570	(10)
Other operating income	282,720	260,032	9	134,168	82,270	63
Selling and distribution expenses	(626,291)	(591,326)	6	(292,710)	(208,358)	40
Impairment loss on trade receivables	(155,371)	(245,022)	(37)	(866)	(137,259)	(99)
Administrative expenses	(4,245,781)	(4,075,781)	4	(1,497,721)	(1,067,696)	40
Operating profit/(loss)	1,175,484	1,364,484	(14)	(146,594)	345,527	(142)
Finance income	75,006	217,705	(66)	47,992	106,237	(55)
Finance costs	(609,538)	(1,245,260)	(51)	(62,096)	(267,754)	(77)
Net finance Costs	(534,532)	(1,027,555)	(48)	(14,104)	(161,517)	(91)
Share of loss of equity accounted investee, net of tax	(19,032)	(16,334)	17	(4,137)	602	(787)
Profit/(loss) before tax	621,920	320,595	94	(164,835)	184,612	(189)
Income tax (expense)/reversal	(173,868)	(52,874)	229	51,842	(13,007)	(499)
Profit/(loss) for the period	448,052	267,721	67	(112,993)	171,605	(166)
Other comprehensive income						
Items that will not be reclassified to profit or loss						
Remeasurement of defined benefit obligation	45,727	69,817	(35)	45,727	69,817	(35)
Deferred tax charge on actuarial gain	(10,974)	(19,549)	(44)	(10,974)	(19,549)	(44)
Revaluation of freehold land	2,399,072	-	100	2,399,072	-	100
Deferred tax charge on Land revaluation	(351,207)	-	(100)	(351,207)	-	(100)
Equity investments at FVOCI – net change in fair value	(852)	(518)	64	98	-	100
	2,081,766	49,750		2,082,716	50,268	
Items that are or may be reclassified subsequently to profit or loss						
Foreign operations- foreign currency translation differences	(5,647)	5,213	(208)	(2,548)	4,231	(160)
	(5,647)	5,213		(2,548)	4,231	
Total other comprehensive income for the period, net of tax	2,076,119	54,963	3,677	2,080,168	54,499	3,717
Total comprehensive income for the period	2,524,171	322,684	682	1,967,175	226,104	770
Basic and diluted earnings/(loss) per share (Rs.)	48.54	29.00		(12.24)	18.59	

Figures in brackets indicate deductions

STATEMENT OF FINANCIAL POSITION

	Group		Company	
	Unaudited as at 31-03-2021 Rs.'000	Audited as at 31-03-2020 Rs.'000	Unaudited as at 31-03-2021 Rs.'000	Audited as at 31-03-2020 Rs.'000
ASSETS				
Property, plant and equipment	13,858,789	11,506,819	13,433,899	11,080,460
Right-of-use assets	479,854	478,010	405,769	462,001
Intangible assets and goodwill	145,127	128,720	20,762	11,097
Investments in subsidiaries	-	-	532,808	564,752
Equity accounted investee	5,285	26,620	5,285	26,620
Equity Securities	5,605	6,461	5,537	6,389
Deferred tax assets	99,795	97,341	-	-
Total non-current assets	14,594,455	12,243,971	14,404,060	12,151,319
Inventories	6,198,818	8,007,852	4,386,496	6,878,269
Trade and other receivables	8,243,038	8,207,424	6,144,227	5,475,649
Other current assets	1,761,864	2,091,929	1,243,356	1,844,113
Current tax asset	100,102	306,663	-	236,295
Amounts due from related parties	18,642	17,801	27,271	149,831
Cash and cash equivalents	1,199,232	837,650	848,834	570,503
Total current assets	17,521,696	19,469,319	12,650,184	15,154,660
TOTAL ASSETS	32,116,151	31,713,290	27,054,244	27,305,979
EQUITY AND LIABILITIES				
EQUITY				
Stated capital	425,297	425,297	425,297	425,297
Other components of equity	6,140,005	4,077,499	6,098,741	4,057,375
Revenue reserves	7,976,680	7,476,214	6,647,374	6,186,760
Equity attributable to owners of the Company	14,541,982	11,979,010	13,171,412	10,669,432
Non-controlling interests	419,270	369,921	-	-
Total Equity	14,961,252	12,348,931	13,171,412	10,669,432
Long-term borrowings	1,085,386	290,206	1,079,000	290,000
Lease liabilities	395,451	418,857	321,019	395,875
Employee benefits	798,008	774,909	715,839	705,369
Deferred tax liabilities	1,893,977	1,677,504	1,893,977	1,677,460
Contract liabilities	369,079	97,155	52,899	54,478
Total non-current liabilities	4,541,901	3,258,631	4,062,734	3,123,182
Trade payables	5,016,289	2,601,473	4,209,461	2,213,340
Other current liabilities	2,536,444	1,530,557	1,726,029	922,301
Current portion of long term-borrowings	403,217	202,272	383,585	200,892
Current portion of lease liabilities	140,543	80,990	102,086	57,096
Current portion of contract liabilities	814,131	706,666	455,590	335,690
Deferred income	546,521	184,224	546,521	184,224
Current tax liability	93,108	5,341	79,276	-
Short-term borrowings	3,062,745	10,794,205	2,274,154	9,589,899
Amounts due to related parties	-	-	43,396	9,923
Total current liabilities	12,612,998	16,105,728	9,820,098	13,513,365
Total liabilities	17,154,899	19,364,359	13,882,832	16,636,547
TOTAL EQUITY AND LIABILITIES	32,116,151	31,713,290	27,054,244	27,305,979

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

(Sgd.) M.H.B.U.S.B. Mahagedara
General Manager - Finance

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
28th May 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 year ended 31st March	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	-	-	-	-	-	-	19,727	19,727
Profit/(loss) for the period	-	-	-	-	-	195,011	6,133	201,144
Other comprehensive income, net of tax	-	-	(527)	22,047	-	43,826	4,454	69,800
Total comprehensive income	-	-	(527)	22,047	-	238,837	10,587	270,944
- Dividends to equity owners								
2018/19 Final dividend	-	-	-	-	-	(22,191)	-	(22,191)
Total contributions and distributions	-	-	-	-	-	(22,191)	-	(22,191)
As at 31st March 2020	425,297	4,042,268	5,003	30,228	5,392,290	2,083,924	369,921	12,348,931
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	-	-	-	-	-	486,713	49,553	536,266
Other comprehensive income, net of tax	-	2,069,893	(856)	(6,531)	-	35,944	(204)	2,098,246
Total comprehensive income	-	2,069,893	(856)	(6,531)	-	522,657	49,349	2,634,512
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 March 2021	425,297	6,112,161	4,147	23,697	5,392,290	2,584,390	419,270	14,961,252

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 year ended 31st March	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	-	-	-	-	-	267,721	267,721
Other comprehensive income, net of tax	-	-	(518)	5,213	-	50,268	54,963
Total comprehensive income	-	-	(518)	5,213	-	317,989	322,684
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 March 2020	425,297	4,042,268	4,939	10,168	4,929,464	1,257,296	10,669,432
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	-	-	-	-	-	448,052	448,052
Other comprehensive income, net of tax	-	2,047,865	(852)	(5,647)	-	34,753	2,076,119
Total comprehensive income	-	2,047,865	(852)	(5,647)	-	482,805	2,524,171
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 March 2021	425,297	6,090,133	4,087	4,521	4,929,464	1,717,910	13,171,412

Figures in brackets indicate deductions.

Statement of Cash Flows

For the Year Ended 31st March	Group		Company	
	Unaudited	Audited	Unaudited	Audited
	2021 Rs.'000	2020 Rs.'000	2021 Rs.'000	2020 Rs.'000
Cash Flows from Operating Activities				
Profit before taxation	720,111	279,527	621,920	320,595
Adjustments for:				
Depreciation on property, plant and equipment	435,840	417,575	339,208	354,240
Amortisation of intangible assets	10,688	7,692	7,489	7,692
Amortisation of right of use assets	115,825	117,985	94,232	95,222
Impairment of investments in subsidiaries	-	-	31,944	-
Gain on sale of property, plant and equipment	(10,678)	(14,022)	(10,845)	(10,581)
Derecognition of capital work-in-progress	6,806	64,887	5,565	64,542
Interest expenses	733,589	1,390,042	609,538	1,245,260
Interest income	(30,622)	(37,588)	(31,994)	(39,542)
Dividend income	(191)	(292)	(191)	(22,399)
Share of loss of equity-accounted investee, net of tax	19,032	16,334	19,032	16,334
Provision for impairment of trade receivables	158,313	323,472	155,371	245,022
Provision for/(reversal of) slow moving inventories	(17,531)	69,619	(26,464)	19,336
Provision for employee benefits obligation excluding actuarial gain	140,377	141,479	124,456	128,512
	2,281,559	2,776,710	1,939,261	2,424,233
Changes in working capital				
Decrease in inventories	1,826,565	282,979	2,518,237	377,906
Decrease/(increase) in trade and other receivables	118,354	(1,556,677)	(614,834)	(887,759)
Decrease/(increase) in other current assets	323,406	(490,712)	594,098	(487,605)
(Increase)/decrease in amounts due from related parties	(841)	403	122,560	(14,185)
Increase in trade payables	2,414,816	696,000	1,996,121	730,860
Increase/(decrease) in other current liabilities	724,245	(185,953)	625,252	(251,349)
Increase in deferred Income	362,297	117,609	362,297	117,609
Increase/(decrease) in contract liabilities	379,389	41,851	118,321	(58,001)
Increase/(decrease) in amounts due to related parties	-	-	33,473	(180,528)
Cash generated from operating activities	8,429,790	1,682,210	7,694,786	1,771,181
Interest paid	(761,035)	(1,417,767)	(636,984)	(1,272,985)
Employee benefits paid	(69,983)	(42,145)	(68,259)	(40,216)
Income tax paid	(41,145)	(310,873)	(3,961)	(146,988)
Net cash from/(used in) operating activities	7,557,627	(88,575)	6,985,582	310,992
Cash Flows from Investing Activities				
Net proceeds from sale of property, plant and equipment	25,697	22,788	25,553	12,877
Dividends received	191	201	191	22,308
Interest received	30,622	37,588	31,994	39,542
Investment in subsidiary	-	-	-	(50,176)
Acquisition and construction of property, plant and equipment and capital work-in-progress	(381,699)	(433,472)	(313,842)	(350,726)
Acquisition of intangible assets	(17,704)	(5,100)	(17,154)	(5,100)
Net cash used in investing activities	(342,893)	(377,995)	(273,258)	(331,275)
Cash Flows from Financing Activities				
Capital contribution from non-controlling interest of a newly incorporated subsidiary	-	19,727	-	-
Proceeds from long-term borrowings	1,325,000	-	1,300,000	-
Repayment of long-term borrowings	(332,068)	(351,055)	(331,500)	(349,960)
Net movement of short-term borrowings	(7,752,240)	1,663,614	(7,313,782)	1,020,230
Repayment of lease liabilities	(88,808)	(65,786)	(61,208)	(30,773)
Dividends paid	(22,191)	(22,191)	(22,191)	(22,191)
Net cash (used in)/from financing activities	(6,870,307)	1,244,309	(6,428,681)	617,306
Net increase in cash and cash equivalents	344,427	777,739	283,643	597,023
Cash and cash equivalents as at 01st April	699,526	(74,447)	465,390	(131,940)
Effect of exchange rate changes on cash and cash equivalents	(3,625)	(3,766)	(3,349)	307
Cash and cash equivalents at the end of the period (Note-A)	1,040,328	699,526	745,684	465,390
Note - A				
Analysis of Cash and Cash Equivalents at the end of the period				
Cash and bank balances	1,199,232	837,650	848,834	570,503
Bank overdrafts	(158,904)	(138,124)	(103,150)	(105,113)
Cash and cash equivalents	1,040,328	699,526	745,684	465,390

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 March 2021, on guarantees given by the Company in respect of bid bonds, performance bonds and advance payments amounted to Rs. 4,269.6 million (Rs.3,148.2 million as at 31st March 2020).

4.2 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. 1,591 million (2019/20 - Rs. 66.9 million).

4.3 Comparative Information

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

4.4 Import Restriction on Vehicles, Fertilizer and Chemicals

The temporary suspension of imports of vehicles was scheduled to be in effect till 30th December 2020. This restriction has now been extended by the government until further notice. Until the import restrictions are removed, there are no prospects of new stocks being received by the company except for any vehicles assembled in Sri Lanka. The import restrictions will lead to an adverse impact on vehicle sales revenue.

As per a Gazette notification issued on 06th May 2021, the government imposed a complete ban on the import of chemical fertilizer and agro chemicals. This will have an impact on the revenue of the Group/Company. The management, believes that it is too early to determine any adverse negative consequences of the government's decision on the carrying amount of the assets reported in these Financial Statements.

The management believes that the diversity of other sources of income and initiatives embarked upon will minimise the impact caused by the above.

4.5 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 other than stated below,

4.5.1 Capitalisation of reserves

On 07th May 2021, the Board of Directors decided to capitalize Rs. 195,281,350.00 of its reserve as a part of its stated capital by issuing 355,057 ordinary shares at a consideration of Rs. 550 per share, subject to approval from the Colombo Stock Exchange (CSE). The CSE has approved the Board's decision on 20th May 2021, which is before the financial statements were authorised for issue. Therefore earnings per share (both basic and diluted) have been calculated considering the effect of the above decision as per LKAS 33 "Earnings per share"

4.5.2 First and final dividend

Subsequent to the reporting date, the Board of directors of the company approved a first and final dividend of Rs. 12.50 per share for the year ended 31st March 2021, which will be paid on or before 29th June 2021.

In accordance with LKAS 10, Events after the reporting period, the final dividend has not been recognised as a liability in the financial statements as at 31st March 2021.

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 March	Vehicles - Sales		Vehicles - After Services		Marketing and Distribution		Construction and Material Handling Equipment		Agriculture		Electro-Mechanical, Bio- Medical and Marine Engineering		Total	
	2021 Rs.'000	2020 Rs.'000	2021 Rs.'000	2020 Rs.'000	2021 Rs.'000	2020 Rs.'000	2021 Rs.'000	2020 Rs.'000	2021 Rs.'000	2020 Rs.'000	2021 Rs.'000	2020 Rs.'000	2021 Rs.'000	2020 Rs.'000
Business Segment Turnover and Results														
Total segment revenue	6,442,765	13,818,825	5,409,150	5,374,676	4,749,672	5,208,673	2,039,370	1,683,999	7,651,243	3,600,938	5,653,474	6,079,403	31,945,674	35,766,514
Inter-segment revenue	(3,806)	(36,230)	(520,444)	(726,255)	(151,884)	(131,235)	(96,523)	(77,496)	(86,652)	(69,064)	(267,351)	(168,363)	(1,126,660)	(1,208,643)
Total external revenue	6,438,959	13,782,595	4,888,706	4,648,421	4,597,788	5,077,438	1,942,847	1,606,503	7,564,591	3,531,874	5,386,123	5,911,040	30,819,014	34,557,871
Segment results	340,323	658,753	963,857	867,452	460,029	485,924	303,163	249,739	598,953	123,643	406,502	546,435	3,072,827	2,931,946
Unallocated other income	-	-	-	-	-	-	-	-	-	-	-	-	119,156	158,588
Unallocated expenses	-	-	-	-	-	-	-	-	-	-	-	-	(1,831,741)	(1,658,634)
Finance income	-	-	-	-	-	-	-	-	-	-	-	-	93,458	237,669
Finance costs	-	-	-	-	-	-	-	-	-	-	-	-	(733,589)	(1,390,042)
Income tax expense	-	-	-	-	-	-	-	-	-	-	-	-	(183,845)	(78,383)
Profit for the period	-	-	-	-	-	-	-	-	-	-	-	-	536,266	201,144
Business Segment Assets and Liabilities														
Segment assets	866,736	4,083,218	2,076,383	2,020,553	3,088,113	3,500,838	1,293,507	1,189,454	5,899,296	3,160,824	6,208,657	6,021,157	19,432,692	19,976,044
Unallocated assets	-	-	-	-	-	-	-	-	-	-	-	-	12,683,459	11,737,246
Total assets	-	-	-	-	-	-	-	-	-	-	-	-	32,116,151	31,713,290
Segment liabilities	483,758	6,040,450	1,142,478	1,157,614	1,311,907	1,696,440	456,541	317,617	3,462,299	2,070,262	1,226,003	1,426,314	8,082,986	12,708,697
Unallocated liabilities	-	-	-	-	-	-	-	-	-	-	-	-	9,071,913	6,655,662
Equity	-	-	-	-	-	-	-	-	-	-	-	-	14,961,252	12,348,931
Total equity and liabilities	-	-	-	-	-	-	-	-	-	-	-	-	32,116,151	31,713,290
Other Information														
Capital expenditure	3,038	16,589	53,421	46,246	12,310	39,257	35,921	25,719	68,294	88,274	165,848	198,160	338,832	414,245
Unallocated capital expenditure	-	-	-	-	-	-	-	-	-	-	-	-	60,571	24,327
Depreciation and amortisation	37,061	39,859	96,925	97,259	18,078	16,695	11,956	11,328	83,398	50,795	37,243	19,411	284,661	235,347
Unallocated depreciation and amortisation	-	-	-	-	-	-	-	-	-	-	-	-	161,867	189,920

INVESTOR INFORMATION

Market Value of Shares

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

	Quarter to 31-Mar-21 Rs.		Quarter to 31-Mar-20 Rs.	
Highest Price per Share	672.00	January 25, 2021	325.00	January 8, 2020
Lowest Price per Share	475.00	March 10, 2021	245.00	March 13, 2020
Last Traded Price per Share	530.25	March 31, 2021	250.00	March 13, 2020

Market Capitalisation

	As at 31-Mar-21	As at 31-Mar-20
Market Capitalisation (Rs.'000)	4,706,731	2,219,109

Ratios

	<u>Group</u>		<u>Company</u>	
	31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20
E.P.S. Rs*	52.72	21.12	48.54	29.00
Net asset value per share	1,638.27	1,349.53	1,483.86	1,201.99
Quick asset ratio	0.90	0.71	0.84	0.61
Interest cover (times)	1.98	1.20	2.02	1.26

* Earnings per share is based on 9,231,494 shares as follows.

Ordinary shares at the beginning of the year	8,876,437
Capitalisation of reserves (Refer note 4.5.1)	355,057
	<u>9,231,494</u>

Statement of share holding of Directors (Including Spouses)

NAME	31ST MARCH 2021	
	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 M V Bandara	1,682	0.02%
	3,301,230	37.20%

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 (Retired w.e.f 15/05/2021) who are Directors of the Company did not hold any shares of the Company as at 31st March 2021.

PUBLIC HOLDING

As at 31st March 2021

Public Holding %	55.59%
Number of Public shareholders	2,000
Float adjusted market capitalisation	2,616,471,607

The Company complies with option 4 of the Listing Rules 7.13.1 (a) – Rs.2.5 Billion Float Adjusted Market Capitalization which requires 10% minimum Public Holding.

Twenty Major Shareholders

NAME	31ST March 2021	
	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%
MR. S. PARAMANATHAN	49,591	0.56%
MRS. I S SALGADO	46,000	0.52%
	7,413,400	83.52%

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 - (Retired w.e.f 08/03/2021)
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)
(Retired w.e.f 15/05/2021)
J. M. De Silva - FBCS, 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 (Retired w.e.f 31/03/2021)
D.N.K.Kurukulasuriya
P. K. W. Mahendra
C. R. Pandithage
S.R.W.M.C.Ranawana
A. N. Ranasinghe (Retired w.e.f 15/05/2021)
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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