

CENTRAL INDUSTRIES PLC

(Company Reg.No. PQ 121)

INTERIM CONDENSED FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED

30TH JUNE 2018

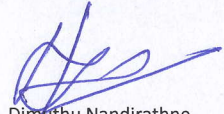
(UNAUDITED)

CENTRAL INDUSTRIES PLC
INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)
STATEMENT OF FINANCIAL POSITION

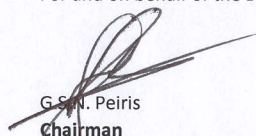
AS AT	GROUP			COMPANY		
	30/06/18 (unaudited) (Rs'000)	31/03/18 (audited) (Rs'000)	30/06/17 (unaudited) (Rs'000)	30/06/18 (unaudited) (Rs'000)	31/03/18 (audited) (Rs'000)	30/06/17 (unaudited) (Rs'000)
ASSETS						
Property, Plant and Equipment	607,751	615,226	553,678	607,751	615,226	553,678
Capital Work In Progress	15,514	16,148	3,787	15,514	16,148	3,787
Intangible Assets	162	176	265	162	176	265
Investments in Subsidiaries	-	-	-	2,000	2,000	2,000
NON-CURRENT ASSETS	623,427	631,550	557,730	625,427	633,550	559,730
Inventories	532,456	562,578	543,303	532,456	562,578	543,303
Trade and Other Receivables	590,639	622,325	554,711	590,639	622,325	554,754
Investments Held for Trading	424	468	574	141	156	191
Cash and Cash Equivalents	13,737	20,109	10,104	13,663	20,033	10,025
CURRENT ASSETS	1,137,256	1,205,480	1,108,692	1,136,899	1,205,092	1,108,273
TOTAL ASSETS	1,760,683	1,837,030	1,666,422	1,762,326	1,838,642	1,668,003
EQUITY AND LIABILITIES						
EQUITY						
Stated Capital	121,320	121,320	121,320	121,320	121,320	121,320
Revaluation Reserve	136,530	136,718	182,959	136,530	136,718	182,959
General Reserve	100,814	100,814	100,814	100,814	100,814	100,814
Retained Earnings	978,677	956,197	934,327	975,351	952,858	931,115
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY	1,337,341	1,315,049	1,339,420	1,334,015	1,311,710	1,336,208
TOTAL EQUITY	1,337,341	1,315,049	1,339,420	1,334,015	1,311,710	1,336,208
LIABILITIES						
Employee Benefits	52,115	49,908	63,008	52,115	49,908	63,008
Deferred Tax Liabilities	99,705	97,776	44,868	99,705	97,776	44,868
NON-CURRENT LIABILITIES	151,820	147,684	107,876	151,820	147,684	107,876
Trade and Other Payables	192,802	171,997	136,218	191,499	170,695	134,878
Loans and Borrowings	60,480	196,067	63,396	60,480	196,067	63,396
Current Tax Liabilities	7,881	3,403	11,124	7,748	3,383	11,088
Amounts due to Related Parties	5,117	2,128	6,399	5,117	2,128	6,399
Amounts due to Subsidiaries	-	-	-	6,405	6,273	6,169
Bank Overdraft	5,242	702	1,989	5,242	702	1,989
CURRENT LIABILITIES	271,522	374,297	219,126	276,491	379,248	223,919
TOTAL LIABILITIES	423,342	521,981	327,002	428,311	526,932	331,795
TOTAL EQUITY AND LIABILITIES	1,760,683	1,837,030	1,666,422	1,762,326	1,838,642	1,668,003
Net Assets per Ordinary Share	67.65	66.52	67.76	67.48	66.35	67.59

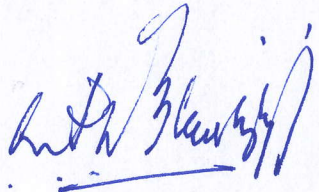
The annexed notes to the Financial Statements form an integral part of these Financial Statements.

These Financial Statements are in compliance with the requirements of the Companies Act No.7 of 2007.


Dimuthu Nandirathne
Manager - Finance

For and on behalf of the Board,


G.S.N. Peiris
Chairman
Colombo, 31st July 2018


A.N.P. Wickramasuriya
Director

CENTRAL INDUSTRIES PLC
INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Group			Company		
FOR THE THREE MONTHS ENDED	30/06/18	30/06/17	Change	30/06/18	30/06/17	Change
	Rs.'000	Rs.'000	%	Rs.'000	Rs.'000	%
Revenue	557,588	506,399	10	557,588	506,399	10
Cost of Sales	<u>(458,645)</u>	<u>(429,516)</u>	7	<u>(458,645)</u>	<u>(429,516)</u>	7
Gross Profit	98,943	76,883	29	98,943	76,883	29
Other Income	305	263	16	335	152	120
Selling and Distribution Expenses	<u>(40,160)</u>	<u>(35,319)</u>	14	<u>(40,160)</u>	<u>(35,319)</u>	14
Administrative Expenses	<u>(23,842)</u>	<u>(29,225)</u>	(18)	<u>(23,842)</u>	<u>(29,208)</u>	(18)
Operating Profit	35,246	12,602	180	35,276	12,508	182
Finance Income	203	343	(41)	203	343	(41)
Finance Cost	<u>(3,683)</u>	<u>(3,708)</u>	(1)	<u>(3,822)</u>	<u>(3,861)</u>	(1)
Net Finance Cost	(3,480)	<u>(3,365)</u>	3	(3,619)	<u>(3,518)</u>	3
Profit Before Taxation	31,766	9,237	244	31,657	8,990	252
Income Tax Expenses	<u>(9,474)</u>	<u>(2,585)</u>	266	<u>(9,352)</u>	<u>(2,530)</u>	270
Profit for the Period	22,292	<u>6,652</u>	235	22,305	<u>6,460</u>	245
Profit attributable to						
Owners of the Company	22,292	6,652		22,305	6,460	
Non-Controlling Interests	-	-		-	-	
Total Comprehensive Income attributable to						
Owners of the Company	22,292	6,652		22,305	6,460	
Non Controlling Interests	-	-		-	-	
Basic Earnings per Share (Rs.)	1.13	0.34		1.13	0.33	

CENTRAL INDUSTRIES PLC

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)

STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 30TH JUNE 2018

GROUP

	Stated Capital Rs.'000	Revaluation Reserve Rs.'000	General Reserve Rs.'000	Retained Earnings Rs.'000	Total Equity Rs.'000
Balance as at 1st April 2017	121,320	183,147	100,814	927,487	1,332,768
Comprehensive Income for the period					
Profit for the Period	-	-	-	6,652	6,652
Total Comprehensive Income for the period	-	-	-	6,652	6,652
Depreciation on Revaluation Surplus	-	(274)	-	274	-
Deferred Tax on Revaluation Surplus	-	86	-	(86)	-
Balance as at 30th June 2017	<u>121,320</u>	<u>182,959</u>	<u>100,814</u>	<u>934,327</u>	<u>1,339,420</u>
 Balance as at 1st April 2018	 121,320	 136,718	 100,814	 956,197	 1,315,049
Comprehensive Income for the Period					
Profit for the Period	-	-	-	22,292	22,292
Total Comprehensive Income for the Period	-	-	-	22,292	22,292
Depreciation on Revaluation Surplus	-	(274)	-	274	-
Deferred Tax on Revaluation Surplus	-	86	-	(86)	-
Balance as at 30th June 2018	<u>121,320</u>	<u>136,530</u>	<u>100,814</u>	<u>978,677</u>	<u>1,337,341</u>

COMPANY

	Stated Capital Rs.'000	Revaluation Reserve Rs.'000	General Reserve Rs.'000	Retained Earnings Rs.'000	Total Equity Rs.'000
Balance as at 1st April 2017	121,320	183,147	100,814	924,466	1,329,747
Comprehensive Income for the period					
Profit for the Period	-	-	-	6,460	6,460
Total Comprehensive Income for the period	-	-	-	6,460	6,460
Depreciation on Revaluation Surplus	-	(274)	-	274	-
Deferred Tax on Revaluation Surplus	-	86	-	(86)	-
Balance as at 30th June 2017	<u>121,320</u>	<u>182,959</u>	<u>100,814</u>	<u>931,115</u>	<u>1,336,208</u>
 Balance as at 1st April 2018	 121,320	 136,718	 100,814	 952,858	 1,311,710
Comprehensive Income for the Period					
Profit for the Period	-	-	-	22,305	22,305
Total Comprehensive Income for the Period	-	-	-	22,305	22,305
Depreciation on Revaluation Surplus	-	(274)	-	274	-
Deferred Tax on Revaluation Surplus	-	86	-	(86)	-
Balance as at 30th June 2018	<u>121,320</u>	<u>136,530</u>	<u>100,814</u>	<u>975,351</u>	<u>1,334,015</u>

CENTRAL INDUSTRIES PLC

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)

STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 30TH JUNE 2018

	GROUP		COMPANY	
	30/06/18 (Rs.'000)	30/06/17 (Rs.'000)	30/06/18 (Rs.'000)	30/06/17 (Rs.'000)
Cash Flows from Operating Activities				
Profit Before taxation	31,766	9,237	31,657	8,990
Adjustments for :				
Depreciation, Impairment and Amortisation	10,136	9,503	10,136	9,503
Fair Value(Gain) / Loss on Investments Held for Trading	45	(167)	15	(56)
Loss on Disposal of Property, Plant & Equipment	-	(29)	-	(29)
Provision for Employee Benefits	2,760	3,356	2,760	3,356
(Reversal of) / Provision for Impairment of Trade Debtors	1,719	(273)	1,719	(273)
Provision for Slow moving inventories	-	1,450	-	1,450
Interest Expenses	3,683	3,708	3,822	3,861
Interest Received	(203)	(343)	(203)	(343)
Operating Profit before Working Capital changes	49,906	26,442	49,906	26,459
Adjustments for Working Capital Changes				
Decrease in Inventories	30,122	43,526	30,122	43,526
Decrease in Trade and Other Receivables	29,966	42,625	29,966	42,585
Increase/(Decrease) in Trade and Other Payables	23,794	(615)	23,925	(440)
Cash generated from Operating Activities	133,788	111,978	133,919	112,130
Gratuity Paid	(553)	(2,336)	(553)	(2,336)
Interest Paid	(3,683)	(3,708)	(3,822)	(3,861)
Tax Paid	(3,066)	(11,875)	(3,056)	(11,875)
Net Cash generated from Operating Activities	126,486	94,059	126,488	94,058
Cash Flows from Investing Activities				
Acquisition of Property, Plant and Equipment and Intangible Assets	(1,863)	(22,051)	(1,863)	(22,051)
Transfer from Inventroy	(151)	-	(151)	-
Capital Work-in-progress	-	(1,212)	-	(1,212)
Proceeds from Sale of Property, Plant & Equipment	-	29	-	29
Interest Received	203	343	203	343
Net Cash Used in Investing Activities	(1,811)	(22,891)	(1,811)	(22,891)
Cash Flows from Financing Activities				
Short Term Loans Paid	(135,587)	(82,760)	(135,587)	(82,760)
Net Cash used in Financing Activities	(135,587)	(82,760)	(135,587)	(82,760)
Net Decrease in Cash and Cash Equivalents	(10,912)	(11,592)	(10,910)	(11,593)
Cash and Cash Equivalents at the beginning of the period	19,407	19,707	19,331	19,629
Cash and Cash Equivalents at the end of the period	8,495	8,115	8,421	8,036
Analysis of Cash and Cash Equivalents at end of the period				
Cash in Hand and Cash at Bank	13,737	10,104	13,663	10,025
Bank Overdraft	(5,242)	(1,989)	(5,242)	(1,989)
	8,495	8,115	8,421	8,036

CENTRAL INDUSTRIES PLC

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

The interim condensed financial statements for the period ended 30th June 2018 are drawn from the unaudited accounts of the Company and its Subsidiaries Polymer Technologies (Pvt) Ltd and Central Industries Marketing (Pvt) Ltd.

These interim financial statements have been prepared on the basis of the same accounting policies and methods set out in the Annual Report for the period ended 31st March 2018 and are in compliance with LKAS 34 – Interim Financial Reporting. The presentation and classification of comparative information relating to previous years have been amended where relevant.

2. SEGMENT INFORMATION (GROUP)

SEGMENT RESULTS

FOR THE PERIOD ENDED	30/06/18 (Rs.'000)	30/06/17 (Rs.'000)
Revenue		
Water Management Products	493,878	431,417
Electrical Products	63,710	74,982
	<u>557,588</u>	<u>506,399</u>
Profit Before Taxation		
Water Management Products	36,313	6,572
Electrical Products	(4,547)	2,665
	<u>31,766</u>	<u>9,237</u>

SEGMENT ASSETS AND LIABILITIES

As at	30/06/18 (Rs.'000)	30/06/17 (Rs.'000)
Total Assets		
Water Management Products	1,591,593	1,443,676
Electrical Products	169,090	222,746
	<u>1,760,683</u>	<u>1,666,422</u>
Total Liabilities		
Water Management Products	414,153	318,131
Electrical Products	9,189	8,871
	<u>423,342</u>	<u>327,002</u>

3. EVENTS AFTER THE REPORTING PERIOD

No circumstances have arisen since the end of the reporting period of these financial statements, which would require adjustments to or disclosure in the financial statements.

4. CONTINGENCIES

There has been no significant change in the nature of the contingencies which were disclosed in the Annual Report for the period ended 31st March 2018.

CENTRAL INDUSTRIES PLC

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (Unaudited)

5. CAPITAL EXPENDITURE

The group invested Rs.2.01 million in Property, Plant and Equipment and in Capital Work-in-Progress during the period.

6. CAPITAL COMMITMENTS

The Board of Directors had approved to purchase capital assets totaling Rs.34.64 million of which Rs.15.48 million has been paid as an advance. The Company had no other capital commitments as at 30th June 2018

7. MANAGEMENT FEES OR ANY OTHER SIMILAR EXPENDITURE

There were no liabilities for Management Fees or any other similar expenditure not provided for the Interim Financial Statements.

8. SEASONALITY OF OPERATIONS

There is no seasonality / cyclical impact on the operations of the Company which need be disclosed.

9. TRANSACTIONS WITH RELATED PARTIES

Name of Entity	Nature of Relationship	Nature of Transactions	Transaction Value	
			For the three months ended	For the three months ended
			30/06/2018 (Rs.'000)	30/06/2017 (Rs.'000)
Central Finance Co. PLC	Parent company	Hire charges on vehicles	-	77
		Deposited in savings account	3,026	19
		Interest earned from savings account	4	-
		Value of goods purchased from the company	8	-
		Value of purchase blade server (IBMHS22)	100	-
CF Insurance Brokers (Pvt) Ltd	Fellow Subsidiary	Entitled to Brokerage commission on premia paid to Insurance Companies Value of Insurance Premia paid	257	1,019
Nations Trust Bank PLC	An associate of the parent company	Bank facilities in the normal course of the business.		
		Limit of Facilities	250,000	250,000
		- Utilisation as at 30th June,		
		Import Loans	-	12,000
		Interest Received	193	337
		Interest & Charges Paid	472	575
Tivoli Plastics (Pvt) Ltd	An enterprise controlled by a director.	Subcontract manufacture of PVC pipe fittings		
		- Processing Charges on PVC Pipe Fittings	7,108	10,440
		- Amounts Payable as at 30th June	5,119	6,399
Amano Construction (Pvt) Ltd	An enterprise controlled by a director.	Contract for Rs.20.5 million to construct a factory (Entered in to in 2016/17)		
		Advance payments made during the Period	-	1,811
		Purchase of products manufactured by the company	59	53
		Amount due as at 30th June	76	81
Central Industries Marketing (Pvt) Ltd.	A wholly owned subsidiary	Funds advanced to the Company	5,040	4,787
		Interest paid on funds advanced	112	122
Polymer Technologies (Pvt.) Ltd.	A wholly owned subsidiary	Funds advanced to the Company	1,364	1,382
		Interest paid on funds advanced	30	31

10. SHARE INFORMATION

10.1 Number of Shares Representing the Entity's Stated Capital

Ordinary Shares

As at 30/06/18	As at 30/06/17
19,768,428	19,768,428

CENTRAL INDUSTRIES PLC

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (Unaudited)

10. SHARE INFORMATION - Contd .

10.2 Twenty Largest Shareholders as at 30th June 2018

<u>Name</u>	<u>No. of Shares</u>	<u>%</u>
1 CENTRAL FINANCE COMPANY PLC A/C NO 03	8,709,000	44.06
2 SEYLAN BANK LTD/ GOVINDASAMY RAMANAN	1,372,116	6.94
3 CF INSURANCE BROKERS (PVT) LTD	1,129,200	5.71
4 TIVOLI LANKA LTD	614,400	3.11
5 MRS. C.A.D.S.WOODWARD	360,000	1.82
6 MR. A.R. GRERO	320,000	1.62
7 DR. (MRS.) V.BANDARANAYAKE	238,109	1.20
8 ALLIANCE FINANCE COMPANY PLC	200,000	1.01
9 MR. P.P.SUBASINGHE	155,258	0.79
10 AMINA INVESTMENTS LIMITED	116,300	0.59
11 SANDWAVE LIMIED	115,732	0.59
12 MISS. N.BANDARANAYAKE	100,000	0.51
MRS. N.D.PALLIYA GURUGE	100,000	0.51
TIMEX GARMENTS (PVT) LTD	100,000	0.51
13 MISS I.BANDARANAYAKE	99,632	0.50
14 BANSI SECURITIES CAPITAL (PVT) LTD/ C.P.A.GUNASEKARA	99,000	0.50
15 MR.V.SUNILGAVASKER	98,920	0.50
16 ASSETLINE LEASING COMPANY LTD/MR E.J.GUNASEKERA	81,854	0.41
17 MR. A.M.WEERASINGHE	81,284	0.41
18 PEOPLES LEASING & FINANCE PLC/HI LINE TRADING (PVT) LTD	77,418	0.39
19 MR. M.M.FUAD	75,966	0.38
20 MR. J.D.BANDARANAYAKE/N. BANDARANAYAKE	75,500	0.38
MR. J.D.BANDARANAYAKE/V. BANDARANAYAKE	75,500	0.38
	14,395,189	72.82

10.3 Public Holding of Shares

Shares held by the public	46.72%
Total Number of shareholders comprising the Public Holding %	1,459

In terms of the rule 7.13.1(b) of the Listing Rules if the Colombo Stock Exchange, the Company Qualifies under option five of the minimum public holding requirement.

10.4 Total Number of shareholders 1,467

10.5 Directors' and Chief Executive Officer's Holdings In Shares

	No. of Shares held as at 30/06/18
Directors	
Mr.E.H.Wijenaike	36,012
Mr.G.S.N.Peiris	6
Mr. A.N.P.Wickramasuriya	-
Mr.C.S.W.De Costa	-
Mr.R.E.Rambukwelle (Retired with effect from 30th June 2018)	1,014
Mr.A.K.Gunaratne	-
Mr.L.R.de Lanerolle	-
Mrs. I.S. Jayasinghe	-
Mr.A. Hettiarachchi	-
Mr.C.S. Hettiarachchi (Appointed with effect from 30th June 2018)	-
CEO	
Mr.I.M.P.Rupathunga	-

10.6 Market Value of Ordinary Shares

	<u>The Period Ended</u>	
	<u>30-06-18</u>	<u>30-06-17</u>
Highest price recorded during the period (Rs.)	40.00	51.00
Lowest price recorded during the period (Rs.)	27.00	44.00
Last traded price recorded during the period (Rs.)	30.00	46.50

Float Adjusted Market Capitalisation

Rs. 277,074,287