

THE SWADESHI INDUSTRIAL WORKS PLC  
FINANCIAL STATEMENTS  
FOR 06 MONTHS ENDED  
30TH SEPTEMBER 2016

**CORPORATE INFORMATION**

**Auditors**

Messrs Ernst & Young,  
Chartered Accountants,  
201,  
De Saram place,  
Colombo 10.

**Secretaries**

M & A Company Secretaries (pvt) Ltd  
No.28,(Level 02), W.A.D.Ramanayaka Mawatha,  
Colombo 02.

**Registered Office**

18-2/1A, State Bank Building,  
Sir Baron Jayatilake Mawatha,  
Fort, Colombo 1,  
Sri Lanka.

THE SWADESHI INDUSTRIAL WORKS PLC

STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED  
30TH SEPTEMBER 2016

Group	Stated Capital Rs.	Revaluation Reserves Rs.	Accumulated Profit Rs.	Non Controlling Interest Rs.	Total Rs.
Balance as at 01st April 2015	1,306,670	8,645,424	134,220,495	(4,828)	144,167,761
Net profit for the period	-	-	13,074,919	-	13,074,919
Balance as at 30th September 2015	1,306,670	8,645,424	147,295,414	(4,828)	157,242,680
Balance as at 01st October 2015	1,306,670	8,645,424	147,295,414	(4,828)	157,242,680
Revaluation Reserve	-	-	-	-	-
Other Comprehensive Income	-	24,096,612	2,286,210	-	26,382,822
Net profit for the period	-	-	5,880,383	(1,834)	5,878,549
Dividend Paid during the period	-	-	(130,000)	-	(130,000)
Balance as at 31st March 2016	1,306,670	32,742,036	155,332,007	(6,662)	189,374,051

STATEMENT OF CHANGES IN EQUITY  
FOR 03 MONTHS ENDED  
30TH SEPTEMBER 2016

Group	Stated Capital Rs.	Revaluation Reserves Rs.	Accumulated Profit Rs.	Non Controlling Interest Rs.	Total Rs.
Balance as at 01st April 2016	1,306,670	32,742,036	155,332,007	(6,662)	189,374,051
Net Loss for the period	-	-	(33,928,994)	-	(33,928,994)
Balance as at 30th September 2016	1,306,670	32,742,036	121,403,013	(6,662)	155,445,057

STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED  
30TH SEPTEMBER 2016

Company	Stated Capital Rs.	Revaluation Reserves Rs.	Accumulated Profit Rs.	Total Rs.
Balance as at 01st April 2015	1,306,670	7,833,790	140,022,033	149,162,493
Net profit for the period	-	-	8,594,294	8,594,294
Balance as at 30th September 2015	1,306,670	7,833,790	148,616,327	157,756,887
Balance as at 01st October 2015	1,306,670	7,833,790	148,616,327	157,756,887
Revaluation	-	-	-	-
Net loss for the period	-	-	4,215,598	4,215,598
Other Comprehensive Income	-	24,908,246	1,474,576	26,382,822
Dividend Paid during the period	-	-	(130,000)	(130,000)
Balance as at 31st March 2016	1,306,670	32,742,036	154,176,601	188,225,307

STATEMENT OF CHANGES IN EQUITY  
FOR 03 MONTHS ENDED  
30TH SEPTEMBER 2016

Company	Stated Capital Rs.	Revaluation Reserves Rs.	Accumulated Profit Rs.	Total Rs.
Balance as at 01st April 2016	1,306,670	32,742,036	154,176,601	188,225,307
Net Loss for the period	-	-	(41,300,511)	(41,300,511)
Balance as at 30th September 2016	1,306,670	32,742,036	112,876,090	146,924,796

THE SWADESHI INDUSTRIAL WORKS PLC

CASH FLOW STATEMENT FOR THE PERIOD ENDED 30TH SEPTEMBER 2016

	Group		Company	
	2016 Rs 000	2015 Rs 000	2016 Rs 000	2015 Rs 000
<b>Cash flow from operating activities</b>				
Net profit/(loss) before tax	(33,929)	13,594	(41,301)	18,075
Profit on Disposal on Fixed Assets	-	-	-	-
Provision for Taxation	-	-	-	-
Depreciation	7,765	8,813	7,765	8,272
Revaluation receive	-	-	-	-
Provision for defined benefit plans	-	600	-	600
Operating profit before working capital changes	(26,164)	23,007	(33,536)	26,947
(Increase)/Decrease in inventories	(33,064)	(8,688)	(33,064)	(8,647)
(Increase)/Decrease in receivable	52,982	(24,089)	159,365	(15,900)
Amounts due from Related Companies	-	-	(35,524)	9,551
(Decrease)/Increase in payable	(42,275)	(120,310)	(112,423)	(120,657)
Gratuity paid	(1,296)	(260)	(1,296)	(260)
Tax paid	(11,257)	(7,952)	(8,477)	(6,425)
<b>Cash generated from operations</b>	(61,075)	(138,292)	(64,955)	(115,391)
Cash generated from investing activities				
Acquisition of property plant & equipment	(406)	(2,083)	(406)	(2,083)
Disposal On Fixed Assets	-	-	-	-
Investment Additions	-	-	-	-
Acquisition of intangible assets	(3,712)	(604)	(3,712)	(604)
Net cash flow from investing activities	(4,118)	(2,687)	(4,118)	(2,687)
<b>Cash flow from financing activities</b>				
Net Receipt/(Payment) of interest bearing borrowing	40,255	93,630	40,254	92,509
<b>Net cash flow from financing activities</b>	40,255	93,630	40,254	92,509
Net increase/Decrease in cash & cash equivalents	(24,938)	(47,349)	(28,819)	(25,569)
<b>Cash &amp; cash equivalents at the beginning of the period</b>	(92,464)	(44,920)	(92,242)	(39,561)
<b>Cash &amp; cash equivalents at the end of the period</b>	(117,402)	(92,269)	(121,060)	(65,130)

THE SWADESHI INDUSTRIAL WORKS PLC  
STATEMENT OF COMPREHENSIVE INCOME

THE SWADESHI INDUSTRIAL WORKS PLC  
STATEMENT OF COMPREHENSIVE INCOME  
FOR 06 MONTHS ENDED 30TH SEPTEMBER 2016

Company Audited year ended 31.03.16	Group Audited year ended 31.03.16		Unaudited for THREE MONTHS ENDED 30/09/2016					Unaudited for SIX MONTHS ENDED 30/09/2016							
			Company 30/09/2016	Company 30/09/2015	Variance +/( - )	Group 30/09/2016	Group 30/09/2015	Variance +/( - )	Company 30/09/2016	Company 30/09/2015	Variance +/( - )	Group 30/09/2016	Group 30/09/2015	Variance +/( - )	
2,010,368,586	2,052,792,852	Turnover	491,427,124	513,591,888	(22,164,764)	504,834,927	521,768,219	(16,933,292)	Turnover	942,762,534	975,281,214	(32,518,680)	966,139,086	992,464,671	(26,325,585)
(1,292,197,358)	(1,292,197,357)	Cost of sales	(336,930,272)	(324,093,165)	(12,837,107)	(336,930,272)	(324,093,165)	(12,837,107)	Cost of sales	(641,608,234)	(620,913,108)	(20,695,126)	(641,608,234)	(620,913,108)	(20,695,126)
718,171,228	760,595,495	Gross Profit	154,496,851	189,498,723	(35,001,872)	167,904,655	197,675,054	(29,770,399)	Gross Profit	301,154,300	354,368,106	(53,213,806)	324,530,852	371,551,563	(47,020,711)
6,710,175	20,728,047	Other operating income	421,246	1,042,926	(621,680)	421,246	1,042,926	(621,680)	Other operating income	662,246	1,291,221	(628,975)	662,246	1,291,221	(628,975)
(221,330,424)	(224,209,721)	Administration expenses	(59,807,266)	(64,603,686)	4,796,420	(59,904,717)	(64,971,554)	5,066,837	Administration expenses	(116,531,448)	(127,439,683)	10,908,235	(116,767,424)	(127,824,153)	11,056,729
(435,814,701)	(475,307,500)	Distribution cost	(96,874,414)	(98,729,281)	1,854,867	(100,714,516)	(102,801,415)	2,086,899	Distribution cost	(196,261,028)	(194,227,087)	-	(210,904,817)	(204,444,605)	(6,460,212)
67,736,278	81,806,321	Profit/(Loss) from operation	(1,763,583)	27,208,682	(28,972,265)	7,706,667	30,945,011	(23,238,344)	Profit from operation	(10,975,930)	33,992,557	(44,968,487)	(2,479,143)	40,574,027	(43,053,170)
-	-	Provision For Impairment	-	-	-	-	-	-		-	-	-	-	-	-
518,329	518,329	Finance Income	-	-	-	-	-	-		-	-	-	-	-	-
(48,421,018)	(51,852,944)	Financing cost	(17,217,802)	(10,807,831)	(6,409,971)	(17,815,446)	(11,937,985)	(5,877,461)	Financing cost	(30,324,580)	(20,398,163)	(9,926,417)	(31,449,851)	(22,499,108)	(8,950,743)
19,833,589	30,471,706	Profit/(Loss) on Ordinary Ac beforeTaxation	(18,981,385)	16,400,851	(35,382,236)	(10,108,778)	19,007,026	(29,115,804)	Profit on Ordinary Activitie beforeTaxation	(41,300,511)	13,594,394	(54,894,905)	(33,928,994)	18,074,919	(52,003,913)
(7,023,597)	(11,516,404)	Taxation	-	(5,000,000)	5,000,000	-	(5,000,000)	5,000,000	Taxation	-	(5,000,000)	5,000,000	-	(5,000,000)	5,000,000
12,809,992	18,955,302	Profit/(Loss) on Ordinary Ac after taxation	(18,981,385)	11,400,851	(30,382,236)	(10,108,778)	14,007,026	(24,115,804)	Profit on Ordinary Activitie after taxation	(41,300,511)	8,594,394	(49,894,905)	(33,928,994)	13,074,919	(47,003,913)
1,474,576	1,474,576	Other Comprehensive Income	-	-	-	-	-	-		-	-	-	-	-	-
(130,000)	(130,000)	Transfers	-	-	-	-	-	-		-	-	-	-	-	-
-	-	Dividends	-	-	-	-	-	-		-	-	-	-	-	-
-	-	Add(Less)Minority Interest	-	-	-	-	-	-	Add(Less)Minority Interest	-	-	-	-	-	-
14,154,568	21,111,512	Retained Profit/(Loss) for the	(18,981,385)	11,400,851	(30,382,236)	(10,108,778)	14,007,026	(24,115,804)	Retained profit for the peri	(41,300,511)	8,594,394	(49,894,905)	(33,928,994)	13,074,919	(47,003,913)
140,022,033	134,220,495	At the beginning of the quarter as previously stated	131,857,475	137,215,576	(5,358,101)	131,511,791	133,288,388	(1,776,597)	At the beginning of the year as previously stated	154,176,601	140,022,033	14,154,568	155,332,007	134,220,495	21,111,512
154,176,601	155,332,007	Profit available for appropria	112,876,090	148,616,427	(35,740,337)	121,403,013	147,295,414	(25,892,401)	Profit available for appropr	112,876,090	148,616,427	(35,740,337)	121,403,013	147,295,414	(25,892,401)
-	-	Dividend Paid	-	-	-	-	-	-	Dividend Paid	-	-	-	-	-	-
154,176,601	155,332,007	At the end of the period	112,876,090	148,616,427	(35,740,337)	121,403,013	147,295,414	(25,892,401)	At the end of the period	112,876,090	148,616,427	(35,740,337)	121,403,013	147,295,414	(25,892,401)

Notes

- The above figures are provisional and subject to audit.
- The 2016/17 current quarter and period financial statements have been prepared according to the International Financial Reporting Standards (IFRS) however the comparative figures for 2015/16 have been prepared according to LKAS standards that prevailed.
- The Company has consistently followed the accounting policies and methods of computation as disclosed in the Annual Report for the year ended 31st March 2016
- There have been no material events subsequent to the interim period, which require disclosure in the Interim Financial Statements.
- There has been no changes to the contingent liabilities to what were reported as at 31st March 2016.

For quarter and the Period

	Group Quarter		Group Period	
	30/09/2016	30/09/2015	30/09/2016	30/09/2015
Earnings/ (Loss) per shar	(77.36)	107.20	(259.66)	100.06
No of Shares	130,667	130,667	130,667	130,667

**1. Twenty Largest Share Holders As At 30/09/2016**

	No. of Shares	Percentage
Ms. A.M. Wijewardene	44,155	33.79
Seylan Bank PLC/Dr. T. Senthilveri	32,500	24.87
Sedawatte Exports Limited	25,388	19.43
Sampath Bank PLC	13763	10.53
Mr. L. C. Lobo	1,546	1.18
Miss. D.K. Munasinghe	1,384	1.06
Mr. S. Vytilingam	1,269	0.97
Mrs. M.E. Wemyss	813	0.62
Mrs. R. Rodrigo	584	0.45
Estate of the Late Mr. V.K. Joshi	510	0.39
Mr. K.D. Joshi	509	0.39
The Life Insurance Corporation of India	400	0.31
S . Santhosa Nadar Limited	400	0.31
Estate of the Late Mr. A . R . M . Thassim	400	0.31
Mr. W.A.J. Lobo	383	0.29
Mrs. S.C. Fernando	340	0.26
Mr. C. Abeywickrama	336	0.26
Estate of the Late Dr. C.L.S. Ferdinands	333	0.25
Mrs. S. Kumarasingham	266	0.20
Estate of the Late Mr. M.D.D. Wijetunga	252	0.19
	125,531	96.06
<b>Percentage of shares held by the Public as at 30/09/2016</b>		
Total number of shares issued	130,667	
No of shares held by the Public	60,687	
No of Public Share Holders	154	
Percentage of shares held by the Public	46.44	

**2.Directors' Shareholding**

The shareholding of the Directors as at the end of the year is given below.

FOR THE PERIOD ENDED  
30TH SEPTEMBER 2016

	As At 30/09/2016
Mrs. A.M. Wijewardene	44,155
Mr. P.D. Samarasinghe	100
Mr. V.M.J.A. Perera	100
Mr. D L De Saram	100
Mr. Thusantha Wijemanna	NIL
Mrs. C.S.M. Samarasinghe	137

**THE SWADESHI INDUSTRIAL WORKS PLC**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30TH SEPTEMBER 2016**

Company Audited As at 31.03.16 Rs	Group Audited As at 31.03.16 Rs		Company Unaudited as at		Group Unaudited as at	
			30/09/2016 Rs	30/09/2015 Rs	30/09/2016 Rs	30/09/2015 Rs
		<b>ASSETS</b>				
212,512,443	214,724,934	Property Plant & Equipment	205,153,632	185,246,274	205,964,689	186,726,064
3,569,076	3,569,076	Intangible Assets	7,281,037	5,015,225	7,281,037	5,015,225
73,679,400	-	Investment in Subsidiaries	73,679,400	73,679,400	-	-
-	-	Deferred Tax Assets	-	-	-	-
<u>289,760,919</u>	<u>218,294,010</u>		<u>286,114,069</u>	<u>263,940,899</u>	<u>213,245,725</u>	<u>191,741,289</u>
		<b>Current Assets</b>				
294,915,025	294,915,026	Inventories	327,979,345	296,325,876	327,979,345	296,325,876
347,395,826	349,982,662	Trade & Other Receivables	188,030,989	188,106,577	297,000,997	269,563,455
-	-	Amounts due from Related Companies	35,524,444	-	-	-
-	-	Tax Refund Due	1,418,629	-	1,418,629	-
31,301,215	40,937,008	Bank Balance & Cash	22,801,691	24,273,972	36,348,353	36,593,082
<u>673,612,066</u>	<u>685,834,696</u>		<u>575,755,097</u>	<u>508,706,425</u>	<u>662,747,324</u>	<u>602,482,413</u>
<u>963,372,985</u>	<u>904,128,706</u>	<b>TOTAL ASSETS</b>	<u>861,869,166</u>	<u>772,647,324</u>	<u>875,993,049</u>	<u>794,223,702</u>
		<b>EQUITY &amp; LIABILITIES</b>				
		<b>Capital &amp; Reserves</b>				
1,306,670	1,306,670	Stated Capital	1,306,670	1,306,670	1,306,670	1,306,670
32,742,036	32,742,036	Revaluation Reserves	32,742,036	7,833,790	32,742,036	8,645,424
154,176,601	155,332,007	Profit Retained	112,876,090	148,616,427	121,403,013	147,295,414
188,225,307	189,380,713		146,924,797	157,756,887	155,451,719	157,247,508
-	(6,662)	Non Controlling Interest	-	-	(6,662)	(4,828)
<u>188,225,307</u>	<u>189,374,051</u>		<u>146,924,797</u>	<u>157,756,887</u>	<u>155,445,057</u>	<u>157,242,680</u>
		<b>Non Current Liabilities</b>				
9,626,559	9,626,559	Long Term Liabilities(Secured)	12,038,751	11,450,752	12,038,751	11,450,753
24,570,433	24,768,192	Deferred Taxation	24,570,433	20,198,177	24,570,433	20,198,177
15,425,250	15,425,250	Retirement Benefit Obligation	16,422,750	17,533,833	16,422,750	17,533,833
<u>49,622,242</u>	<u>49,820,001</u>		<u>53,031,934</u>	<u>49,182,762</u>	<u>53,031,934</u>	<u>49,182,763</u>
		<b>Current Liabilities</b>				
231,095,168	153,513,031	Trade & Other Payables	118,672,452	111,008,023	109,837,842	129,590,984
		Amounts due from Related Companies	-	35,951,045	-	-
363,829,144	363,829,145	Current Portion of long term loans(Secur	399,378,243	327,699,180	399,378,243	327,699,180
7,058,173	14,191,058	Income Tax Payable	-	1,646,845	4,549,992	1,646,845
123,542,951	133,401,420	Bank Overdrafts	143,861,741	89,402,582	153,749,981	128,861,250
<u>725,525,436</u>	<u>664,934,654</u>		<u>661,912,436</u>	<u>565,707,675</u>	<u>667,516,059</u>	<u>587,798,259</u>
<u>963,372,985</u>	<u>904,128,706</u>	<b>TOTAL EQUITY &amp; LIABILITIES</b>	<u>861,869,166</u>	<u>772,647,324</u>	<u>875,993,049</u>	<u>794,223,702</u>
			<b>30/09/2016</b>	<b>30/09/2015</b>	<b>30/09/2016</b>	<b>30/09/2015</b>
		Net Asset Value per Share (RS.)	1,124	1,207	1,190	1,203
		No of Shares	130,667	130,667	130,667	130,667

Market prices recorded during the period

Highest Price (Rs)	15,000.00
Lowest Price (Rs)	10,272.00
Last traded price (Rs)	10,272.00

For and on behalf of the Board

.....  
Mr.P.D.Samarasinghe ( Director)

.....  
Mr.V.M.J.A.Perera (Director)

15th November 2016  
Date

