



Senkadagala Finance PLC

**Interim Financial Statements for the period ended
31 March 2024**



**Fitch Ratings Lanka Limited:
BBB (lka)**

Statement of profit or loss

For the three month period ended 31 March	Company			Group		
	2024 Rs.	2023 Rs.	Change %	2024 Rs.	2023 Rs.	Change %
Gross income	2,169,693,390	1,802,434,870	20	2,206,146,379	1,814,419,333	22
Interest income	1,948,813,146	1,694,068,780	15	1,947,320,886	1,689,986,715	15
Interest expense	(841,110,848)	(1,137,414,200)	(26)	(836,434,533)	(1,128,980,898)	(26)
Net interest income	1,107,702,298	556,654,580	99	1,110,886,353	561,005,817	98
Fee and commission income	21,504,704	24,202,022	(11)	76,459,727	70,859,491	8
Fee and commission expense	(8,476,119)	(12,747,032)	(34)	(8,476,119)	(12,747,032)	(34)
Net fee and commission income	13,028,585	11,454,990	14	67,983,608	58,112,459	17
Net gain from trading	10,652,455	36,953,899	(71)	11,181,133	36,953,899	(70)
Net gain from financial instruments designated at fair value through profit or loss	173,772,614	26,535,788	555	181,818,777	30,021,111	506
Other operating income	14,950,471	20,674,381	(28)	(10,634,144)	(13,401,883)	(21)
Net other operating income	199,375,540	84,164,068	137	182,365,766	53,573,127	240
Total operating income	1,320,106,423	652,273,638	102	1,361,235,727	672,691,403	102
Impairment charges and other credit losses	128,598,624	(137,667,511)	193	128,598,624	(137,667,511)	193
Net operating income	1,448,705,047	514,606,127	182	1,489,834,351	535,023,892	178
Personnel expenses	(260,006,246)	(206,253,851)	26	(270,691,878)	(213,568,626)	27
Depreciation and amortisation	(81,248,165)	(81,640,580)	(0)	(83,256,780)	(83,663,068)	(0)
Reversal of impairment charge on investment in subsidiaries	4,938,214	-	100	-	-	-
Other operating expenses	(257,881,016)	(225,696,219)	14	(262,307,098)	(229,904,447)	14
Operating profit before taxation on financial services	854,507,834	1,015,477	84,048	873,578,595	7,887,751	10,975
Taxes on financial services	(227,438,686)	(42,049,602)	441	(227,438,686)	(42,049,602)	441
Operating profit after taxation on financial services	627,069,148	(41,034,125)	1,628	646,139,909	(34,161,851)	1,991
Share of profit of associate, net of tax	9,294,347	29,060,728	(68)	9,294,347	29,060,728	(68)
Profit before income tax	636,363,495	(11,973,397)	5,415	655,434,256	(5,101,123)	12,949
Income tax (expense)/reversal	(82,947,880)	17,829,576	(565)	(103,326,301)	884,305	(11,784)
Profit for the period	553,415,615	5,856,179	9,350	552,107,955	(4,216,818)	13,193
Basic earnings per share	6.41	0.07	9,350	6.40	(0.05)	13,193

Figures in brackets in 2024 and 2023 columns indicate deductions.
The above figures are provisional and subject to audit.

Statement of other comprehensive income

For the three month period ended 31 March	Company			Group		
	2024 Rs.	2023 Rs.	Change %	2024 Rs.	2023 Rs.	Change %
Profit for the period	553,415,615	5,856,179	9,350	552,107,955	(4,216,818)	13,193
Other comprehensive income						
Items that will not be reclassified to profit or loss						
Actuarial (loss)/gain on defined benefit plans	(16,814,428)	8,421,192	(300)	(16,904,560)	8,099,961	(309)
Deferred tax effect on actuarial gain	5,044,328	(2,526,358)	300	5,071,368	(2,429,988)	309
Changes in fair value of investments in equity at fair value through other comprehensive income	(54,616,378)	479,611	(11,488)	(54,616,378)	479,611	(11,488)
Share of other comprehensive income of associate, net of tax	(352,030)	(870,591)	60	(352,030)	(870,591)	60
Net gain on investments in equity at fair value through other comprehensive income	41,250,000	-	100	41,250,000	-	100
Total other comprehensive income	(25,488,508)	5,503,854	(563)	(25,551,600)	5,278,993	(584)
Total comprehensive income for the period net of tax	527,927,107	11,360,033	4,547	526,556,355	1,062,175	49,473

Figures in brackets in 2024 and 2023 columns indicate deductions.

The above figures are provisional and subject to audit.

Statement of profit or loss

For the year ended 31 March	Company			Group		
	2024 Rs.	2023 Rs. Audited	Change %	2024 Rs.	2023 Rs. Audited	Change %
Gross income	8,175,127,769	6,846,013,592	19	8,359,802,320	6,961,950,959	20
Interest income	7,361,849,965	6,492,904,281	13	7,364,892,058	6,496,364,447	13
Interest expense	(3,715,481,541)	(3,879,380,604)	(4)	(3,705,027,885)	(3,868,363,731)	(4)
Net interest income	3,646,368,424	2,613,523,677	40	3,659,864,173	2,628,000,716	39
Fee and commission income	69,834,519	40,958,579	71	281,323,821	222,225,045	27
Fee and commission expense	(55,093,360)	(26,875,854)	105	(55,093,360)	(26,875,854)	105
Net fee and commission income	14,741,159	14,082,725	5	226,230,461	195,349,191	16
Net gain from trading	121,711,775	53,083,911	129	123,369,575	58,369,793	111
Net gain from financial instruments designated at fair value through profit or loss	515,684,592	78,083,964	560	535,438,389	81,088,297	560
Other operating income	106,046,918	180,982,857	(41)	54,778,477	103,903,377	(47)
Net other operating income	743,443,285	312,150,732	138	713,586,441	243,361,467	193
Total operating income	4,404,552,868	2,939,757,134	50	4,599,681,075	3,066,711,374	50
Impairment charges and other credit losses	(150,382,470)	(207,159,418)	(27)	(150,382,470)	(207,159,418)	(27)
Net operating income	4,254,170,398	2,732,597,716	56	4,449,298,605	2,859,551,956	56
Personnel expenses	(967,767,892)	(830,795,495)	16	(1,007,416,374)	(865,355,463)	16
Depreciation and amortisation	(325,277,709)	(371,642,800)	(12)	(333,338,343)	(379,894,898)	(12)
Reversal of impairment charge on investment in subsidiaries	4,938,214	-	100	-	-	-
Other operating expenses	(918,272,761)	(776,380,508)	18	(937,997,643)	(790,427,413)	19
Operating profit before taxation on financial services	2,047,790,250	753,778,913	172	2,170,546,245	823,874,182	163
Taxes on financial services	(504,273,840)	(256,537,187)	97	(504,273,840)	(256,537,187)	97
Operating profit after taxation on financial services	1,543,516,410	497,241,726	210	1,666,272,405	567,336,995	194
Share of profits of associate, net of tax	16,547,093	29,060,728	(43)	16,547,093	29,060,728	(43)
Profit before income tax	1,560,063,503	526,302,454	196	1,682,819,498	596,397,723	182
Income tax expense	(373,794,896)	(81,251,092)	360	(424,785,934)	(118,533,985)	258
Profit for the year	1,186,268,607	445,051,362	167	1,258,033,564	477,863,738	163
Basic earnings per share	13.75	5.16	167	14.58	5.54	163

Figures in brackets in 2024 and 2023 columns indicate deductions.

The above figures are provisional and subject to audit, unless stated otherwise.

Statement of other comprehensive income

For the year ended 31 March	Company			Group		
	2024 Rs.	2023 Rs. Audited	Change %	2024 Rs.	2023 Rs. Audited	Change %
Profit for the year	1,186,268,607	445,051,362	167	1,258,033,564	477,863,738	163
Other comprehensive income						
Items that will not be reclassified to profit or loss						
Actuarial (loss)/gain on defined benefit plans	(16,814,428)	8,421,192	(300)	(16,904,560)	8,099,961	(309)
Deferred tax effect on actuarial gain	5,044,328	(2,526,358)	300	5,071,368	(2,429,988)	309
Changes in fair value of investments in equity at fair value through other comprehensive income	(54,616,378)	479,611	(11,488)	(54,616,378)	479,611	(11,488)
Share of other comprehensive income of associate, net of tax	(352,030)	(870,591)	(60)	(352,030)	(870,591)	(60)
Net gain on investments in equity at fair value through other comprehensive income	41,250,000	-	100	41,250,000	-	100
Other comprehensive income for the year	(25,488,508)	5,503,854	(563)	(25,551,600)	5,278,993	(584)
Total comprehensive income for the year	1,160,780,099	450,555,216	158	1,232,481,964	483,142,731	155

Figures in brackets in 2024 and 2023 columns indicate deductions.

The above figures are provisional and subject to audit, unless stated otherwise.

Statement of financial position

As at 31 March	Company		Group	
	2024 Rs.	2023 Rs. Audited	2024 Rs.	2023 Rs. Audited
Assets				
Cash and cash equivalents	675,179,658	492,429,493	745,484,204	515,465,068
Deposits with licensed financial institutions	2,621,954,788	5,113,380,978	2,630,031,829	5,121,558,512
Repurchase agreements	251,569,750	666,610,501	251,569,750	666,610,501
Financial assets held at fair value through profit or loss	4,483,199,237	485,751,196	4,622,384,957	556,025,320
Financial assets at amortised cost - Finance leases and hire purchases	22,240,442,963	19,695,389,245	22,240,442,963	19,695,389,245
Financial assets at amortised cost - Other loans and receivables	2,235,738,399	4,621,527,751	2,236,019,399	4,621,828,751
Financial assets measured at fair value through other comprehensive income	181,876,001	360,242,379	181,876,001	360,242,379
Financial assets at amortised cost - Other financial instruments	1,199,615,574	1,674,913,303	1,199,615,574	1,674,913,303
Investments in subsidiaries	51,729,600	328,301,663	-	-
Investment in associate	132,935,200	116,740,137	132,935,200	116,740,137
Investment property	348,495,373	352,724,122	252,833,861	257,062,610
Property, plant and equipment	1,158,392,068	1,100,527,672	1,165,030,423	1,108,074,539
Intangible assets	54,281,007	58,328,337	54,775,488	58,799,228
Right-of-use assets	385,709,783	346,392,989	385,709,783	352,869,137
Deferred tax assets	218,218,007	109,259,525	218,608,979	109,990,943
Other assets	271,783,071	197,954,691	258,592,544	171,620,428
Total assets	36,511,120,479	35,720,473,982	36,575,910,955	35,387,190,101
Liabilities				
Due to banks	6,532,315,204	6,866,156,797	6,532,315,204	6,866,404,668
Financial liabilities at amortised cost - Due to depositors	13,821,972,948	10,263,254,075	13,759,443,028	10,176,610,569
Financial liabilities at amortised cost - Other borrowings	3,699,366,257	7,597,711,767	3,699,366,257	7,597,711,767
Subordinated debentures	1,768,784,186	1,768,800,757	1,768,784,186	1,768,800,757
Lease liabilities	398,134,175	354,424,986	398,134,175	362,960,317
Current tax payable	412,142,638	137,312,045	419,351,513	143,525,569
Amounts due to related company	-	282,122,456	-	-
Employee retirement benefits	155,216,005	118,815,083	159,768,195	121,745,571
Other liabilities	642,955,831	356,340,988	681,535,383	368,617,941
Total liabilities	27,430,887,244	27,744,938,954	27,418,697,941	27,406,377,159
Equity				
Stated capital	2,424,777,045	2,424,777,045	2,424,777,045	2,424,777,045
Statutory reserve fund	591,036,033	531,036,033	591,036,033	535,997,079
Fair value reserve	(50,078,005)	4,538,373	(50,078,005)	4,538,373
Retained earnings	6,114,498,162	5,015,183,577	6,191,477,941	5,015,500,445
Total equity	9,080,233,235	7,975,535,028	9,157,213,014	7,980,812,942
Total liabilities and equity	36,511,120,479	35,720,473,982	36,575,910,955	35,387,190,101
Net assets per share	105.24	92.44	106.13	92.50

Figures in brackets indicate deductions.

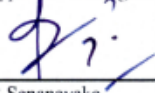
The above figures are provisional and subject to audit, unless stated otherwise.

It is certified that the Financial Statements have been prepared in compliance with the requirements of the Companies Act No. 07 of 2007 and the Finance Business Act No. 42 of 2011.


P K Rajapaksa
Chief Financial Officer

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

Approved and signed for and on behalf of the Board.


R Senanayake
Chairman


L Balasuriya
Chief Executive Officer/Managing Director

Colombo, Sri Lanka
30 May 2024

Statement of changes in equity

	Stated capital	Statutory reserve fund	Fair value reserve	Retained earnings	Total
	Rs.	Rs.	Rs.	Rs.	Rs.
Company					
Balance as at 1 April 2022	2,424,777,045	506,036,033	4,058,762	4,710,899,740	7,645,771,580
Total comprehensive income for the year					
Profit for the year	-	-	-	445,051,362	445,051,362
Other comprehensive income, net of tax	-	-	479,611	5,024,243	5,503,854
Total comprehensive income for the year	-	-	479,611	450,075,605	450,555,216
<i>Transactions with equity holders recognised directly in equity</i>					
Dividends paid	-	-	-	(120,791,768)	(120,791,768)
Transfers to reserves	-	25,000,000	-	(25,000,000)	-
Total contributions from and distributions to equity holders	-	25,000,000	-	(145,791,768)	(120,791,768)
Balance as at 31 March 2023	<u>2,424,777,045</u>	<u>531,036,033</u>	<u>4,538,373</u>	<u>5,015,183,577</u>	<u>7,975,535,028</u>
Balance as at 1 April 2023	2,424,777,045	531,036,033	4,538,373	5,015,183,577	7,975,535,028
Total comprehensive income for the year					
Profit for the year	-	-	-	1,186,268,607	1,186,268,607
Other comprehensive income, net of tax	-	-	(54,616,378)	29,127,870	(25,488,508)
Total comprehensive income for the year	-	-	(54,616,378)	1,215,396,477	1,160,780,099
<i>Transactions with equity holders recognised directly in equity</i>					
Dividends paid	-	-	-	(56,081,892)	(56,081,892)
Transfers to reserves	-	60,000,000	-	(60,000,000)	-
Total contributions from and distributions to equity holders	-	60,000,000	-	(116,081,892)	(56,081,892)
Balance as at 31 March 2024	<u>2,424,777,045</u>	<u>591,036,033</u>	<u>(50,078,005)</u>	<u>6,114,498,162</u>	<u>9,080,233,235</u>
Group					
Balance as at 1 April 2022	2,424,777,045	510,997,079	4,058,762	4,678,629,093	7,618,461,979
Total comprehensive income for the year					
Profit for the year	-	-	-	477,863,738	477,863,738
Other comprehensive income, net of tax	-	-	479,611	4,799,382	5,278,993
Total comprehensive income for the year	-	-	479,611	482,663,120	483,142,731
<i>Transactions with equity holders recognised directly in equity</i>					
Dividends paid	-	-	-	(120,791,768)	(120,791,768)
Transfers to reserves	-	25,000,000	-	(25,000,000)	-
Total contributions from and distributions to equity holders	-	25,000,000	-	(145,791,768)	(120,791,768)
Balance as at 31 March 2023	<u>2,424,777,045</u>	<u>535,997,079</u>	<u>4,538,373</u>	<u>5,015,500,445</u>	<u>7,980,812,942</u>
Balance as at 1 April 2023	2,424,777,045	535,997,079	4,538,373	5,015,500,445	7,980,812,942
Total comprehensive income for the year					
Profit for the year	-	-	-	1,258,033,564	1,258,033,564
Other comprehensive income, net of tax	-	-	(54,616,378)	29,064,778	(25,551,600)
Total comprehensive income for the year	-	-	(54,616,378)	1,287,098,342	1,232,481,964
<i>Transactions with equity holders recognised directly in equity</i>					
Dividends paid	-	-	-	(56,081,892)	(56,081,892)
Transfers to reserves	-	60,000,000	-	(60,000,000)	-
Reclassification of reserves of the wound-up subsidiary	-	(4,961,046)	-	4,961,046	-
Total contributions from and distributions to equity holders	-	55,038,954	-	(111,120,846)	(56,081,892)
Balance as at 31 March 2024	<u>2,424,777,045</u>	<u>591,036,033</u>	<u>(50,078,005)</u>	<u>6,191,477,941</u>	<u>9,157,213,014</u>

Figures in brackets indicate deductions.

The above figures are provisional and subject to audit.

Statement of cash flows

For the year ended 31 March	Company		Group	
	2024 Rs.	2023 Rs.	2024 Rs.	2023 Rs.
Cash flows from operating activities				
Interest and commission receipts	7,387,646,273	6,063,993,782	7,602,177,668	6,248,720,414
Interest payments	(3,756,220,350)	(3,684,542,979)	(3,745,230,025)	(3,672,149,834)
Recoveries of bad debts	63,185,870	61,529,199	63,185,870	61,529,199
Other operating income	47,745,007	48,446,129	47,409,110	48,366,649
Operating expenses	(1,521,462,011)	(1,015,933,058)	(1,541,186,893)	(1,029,979,963)
Rent expenses	(8,462,490)	(10,097,415)	(8,462,490)	(10,097,415)
Cash payments to employees	(929,780,198)	(802,447,339)	(967,897,110)	(836,091,239)
Operating cash flow before changes in operating assets and liabilities (Note A)	1,282,652,101	660,948,319	1,449,996,130	810,297,811
Changes in operating assets and liabilities				
Net funds received from customers	(276,860,187)	2,006,694,245	(276,840,187)	2,006,638,245
Net deposits from customers	3,558,718,873	(560,729,305)	3,582,832,459	(605,727,882)
Net deposits with licensed financial institutions	2,153,676,267	2,577,972,983	2,153,776,760	2,578,047,600
Government and other securities	890,338,480	252,155,254	890,338,480	252,155,254
Other assets	(82,328,380)	(70,226,047)	(86,972,116)	(73,009,277)
Other liabilities	381,541,204	(317,173,642)	409,241,567	(313,506,781)
	6,625,086,257	3,888,693,488	6,672,376,963	3,844,597,159
Net cash flow from operating activities before taxation	7,907,738,358	4,549,641,807	8,122,373,093	4,654,894,970
Taxes paid	(300,516,664)	(323,327,404)	(350,862,986)	(351,439,441)
Retirement benefit liabilities paid	(18,401,200)	(10,032,450)	(18,401,200)	(12,943,100)
Net cash generated from operating activities	7,588,820,494	4,216,281,953	7,753,108,907	4,290,512,429
Cash flows from investing activities				
Investment in shares of associate	-	(88,550,000)	-	(88,550,000)
Net investment in trading securities	(3,360,051,674)	(66,922,087)	(3,407,551,674)	(60,922,085)
Net investment in financial assets at FVOCI	165,000,000	(345,000,000)	165,000,000	(345,000,000)
Dividends received	70,484,689	90,422,504	10,984,689	3,422,504
Purchase of property, plant and equipment	(248,440,706)	(30,695,389)	(249,029,417)	(30,722,655)
Purchase of intangible assets	(6,459,981)	(8,201,873)	(6,570,841)	(8,201,873)
Proceeds from sale of property, plant and equipment	27,499,151	51,060,207	27,499,151	51,060,207
Addition of right-of-use assets	(36,431,384)	(21,518,100)	(36,431,384)	(21,518,100)
Net cash used in investing activities	(3,388,399,905)	(419,404,738)	(3,496,099,476)	(500,432,002)
Cash flows from financing activities				
Borrowings obtained	4,828,915,479	3,735,000,000	4,828,915,479	3,735,000,000
Repayment of borrowings	(8,683,168,776)	(7,355,562,843)	(8,683,168,776)	(7,355,562,843)
Repayment of lease liabilities	(145,136,628)	(126,918,071)	(154,208,628)	(134,694,071)
Dividends paid	(53,370,046)	(114,763,561)	(53,370,046)	(114,763,561)
Net cash used in financing activities	(4,052,759,971)	(3,862,244,475)	(4,061,831,971)	(3,870,020,475)

Figures in brackets indicate deductions.

The above figures are provisional and subject to audit.

Statement of cash flows (Continued)

For the year ended 31 March	Company		Group	
	2024 Rs.	2023 Rs.	2024 Rs.	2023 Rs.
Net increase/(decrease) in cash and cash equivalents	147,660,618	(65,367,260)	195,177,460	(79,940,048)
Cash and cash equivalents at the beginning of the year	354,311,064	419,678,324	377,098,768	457,038,816
Cash and cash equivalents at the end of the year	501,971,682	354,311,064	572,276,228	377,098,768
Reconciliation of cash and cash equivalents				
Cash and cash equivalents (Note B)	675,479,712	492,517,823	745,784,258	515,553,398
Bank overdrafts	(173,508,030)	(138,206,759)	(173,508,030)	(138,454,630)
	501,971,682	354,311,064	572,276,228	377,098,768
Note A				
Reconciliation of operating profit				
Profit before income tax	1,560,063,503	526,302,454	1,682,819,498	596,397,723
Depreciation and amortisation	325,277,709	371,642,800	333,338,343	379,894,898
Profit on disposal of property, plant and equipment	(27,499,153)	(34,973,072)	(27,499,153)	(34,973,072)
Profit on disposal of right-of-use assets	-	(987,421)	-	(987,421)
Net gain from trading	(121,711,775)	(53,083,911)	(123,369,575)	(58,369,793)
Net gain from financial instruments designated at FVTPL	(515,684,592)	(78,083,964)	(535,438,389)	(81,088,297)
Dividends received	(61,984,689)	(80,422,504)	(10,984,689)	(3,422,504)
Provision for defined benefit plan	37,987,694	28,348,156	39,519,264	29,264,224
Reversal of impairment charge on investment in subsidiaries	(4,938,214)	-	-	-
Gain on winding up of subsidiary	(612,179)	-	(679,635)	-
Impairment (reversal)/charge on financial assets	(92,696,141)	230,822,783	(92,696,141)	230,822,783
Net interest accrued for leases, hire purchases, other loans and receivables	(44,038,212)	(469,869,078)	(44,038,212)	(469,869,078)
Loan losses and write-offs	183,812,990	71,274,725	183,812,990	71,274,725
Net loss from auction of pawned articles	70,166,951	1,341,606	70,166,951	1,341,606
Share of profit of associate, net of tax	(16,547,093)	(5,331,645)	(16,547,093)	(5,331,645)
Gain on bargain purchase of associate	-	(23,729,083)	-	(23,729,083)
Net unrealised gain from foreign currency conversion	31,794,110	(17,141,152)	31,794,110	(17,141,152)
Interest adjustments on lease liabilities	65,995,070	56,647,312	66,531,739	58,023,584
Accrued interest on borrowings	(106,717,307)	137,936,746	(106,717,307)	137,936,746
Accrued interest on debentures	(16,571)	253,567	(16,571)	253,567
	1,282,652,101	660,948,319	1,449,996,130	810,297,811
Note B				
Cash and cash equivalents				
Gross cash and cash equivalents *	675,479,712	492,517,823	745,784,258	515,553,398
Less: Allowance for impairment losses	(300,054)	(88,330)	(300,054)	(88,330)
Net cash and cash equivalents	675,179,658	492,429,493	745,484,204	515,465,068

*Gross cash and cash equivalents are reported in the Statement of Cash Flows.

Figures in brackets indicate deductions.

The above figures are provisional and subject to audit.

Financial instruments – Classification and fair values

Financial instruments classifications and fair values - Company

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	31-Mar-24						31-Mar-23					
	Carrying amount Rs.				Fair value Rs.		Carrying amount Rs.				Fair value Rs.	
	Designated at FVTPL	Designated at FVOCI	Designated at Amortised Cost	Total	Total	Level	Designated at FVTPL	Designated at FVOCI	Designated at Amortised Cost	Total	Total	Level
Financial assets measured at fair value												
Investments in equity securities - quoted	349,773,434	-	-	349,773,434	349,773,434	Level 1	197,400,984	-	-	197,400,984	197,400,984	Level 1
Investments in equity securities - unquoted	-	181,876,001	-	181,876,001	181,876,001	Level 3	-	360,242,379	-	360,242,379	360,242,379	Level 3
Investments in unit trusts - unquoted	4,133,425,803	-	-	4,133,425,803	4,133,425,803	Level 2	288,350,212	-	-	288,350,212	288,350,212	Level 2
	4,483,199,237	181,876,001	-	4,665,075,238	4,665,075,238		485,751,196	360,242,379	-	845,993,575	845,993,575	
Financial assets not measured at fair value												
Cash and cash equivalents	-	-	675,179,658	675,179,658	-		-	-	492,429,493	492,429,493	-	
Deposits with licensed financial institutions	-	-	2,621,954,788	2,621,954,788	-		-	-	5,113,380,978	5,113,380,978	-	
Repurchase agreements	-	-	251,569,750	251,569,750	-		-	-	666,610,501	666,610,501	-	
Finance leases and hire purchases	-	-	22,240,442,963	22,240,442,963	-		-	-	19,695,389,245	19,695,389,245	-	
Other loans and receivables	-	-	2,235,738,399	2,235,738,399	-		-	-	4,558,292,534	4,558,292,534	-	
Investment in government treasury bills	-	-	1,192,062,925	1,192,062,925	1,198,809,212	Level 1	-	-	1,667,371,333	1,667,371,333	1,651,704,930	Level 1
Investments in debentures	-	-	7,552,649	7,552,649	6,959,249	Level 3	-	-	7,541,970	7,541,970	8,852,210	Level 3
Other financial assets	-	-	43,386,697	43,386,697	-		-	-	44,163,258	44,163,258	-	
	-	-	29,267,887,829	29,267,887,829	1,205,768,461		-	-	32,245,179,312	32,245,179,312	1,660,557,140	
Financial liabilities not measured at fair value												
Due to banks	-	-	6,532,315,204	6,532,315,204	-		-	-	6,866,156,797	6,866,156,797	-	
Term deposits from customers	-	-	13,114,503,785	13,114,503,785	13,393,870,710	Level 3	-	-	9,643,980,575	9,643,980,575	10,295,529,542	Level 3
Savings deposits from customers	-	-	707,469,163	707,469,163	-		-	-	619,273,500	619,273,500	-	
Borrowings	-	-	3,699,366,257	3,699,366,257	-		-	-	7,597,711,767	7,597,711,767	-	
Subordinated debentures	-	-	1,768,784,186	1,768,784,186	1,773,294,462	Level 3	-	-	1,768,800,757	1,768,800,757	1,594,216,393	Level 3
Lease liabilities	-	-	398,134,175	398,134,175	-		-	-	354,424,986	354,424,986	-	
Amounts due to related company	-	-	-	-	-		-	-	282,122,456	282,122,456	-	
Other financial liabilities	-	-	547,537,409	547,537,409	-		-	-	269,310,441	269,310,441	-	
	-	-	26,768,110,179	26,768,110,179	15,167,165,171		-	-	27,401,781,279	27,401,781,279	11,889,745,935	

Senkadagala Finance PLC

Financial instruments – Classification and fair values

Financial instruments classifications and fair values - Group

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	31-Mar-24						31-Mar-23					
	Carrying amount Rs.				Fair value Rs.		Carrying amount Rs.				Fair value Rs.	
	Designated at FVTPL	Designated at FVOCI	Designated at Amortised Cost	Total	Total	Level	Designated at FVTPL	Designated at FVOCI	Designated at Amortised Cost	Total	Total	Level
Financial assets measured at fair value												
Investments in equity securities - quoted	349,773,434	-	-	349,773,434	349,773,434	Level 1	197,400,984	-	-	197,400,984	197,400,984	Level 1
Investments in equity securities - unquoted	-	181,876,001	-	181,876,001	181,876,001	Level 3	-	360,242,379	-	360,242,379	360,242,379	Level 3
Investments in unit trusts - unquoted	4,272,611,523	-	-	4,272,611,523	4,272,611,523	Level 2	358,624,336	-	-	358,624,336	358,624,336	Level 2
	4,622,384,957	181,876,001	-	4,804,260,958	4,804,260,958		556,025,320	360,242,379	-	916,267,699	916,267,699	
Financial assets not measured at fair value												
Cash and cash equivalents	-	-	745,484,204	745,484,204	-		-	-	515,465,068	515,465,068	-	
Deposits with licensed financial institutions	-	-	2,630,031,829	2,630,031,829	-		-	-	5,121,558,512	5,121,558,512	-	
Repurchase agreements	-	-	251,569,750	251,569,750	-		-	-	666,610,501	666,610,501	-	
Finance leases and hire purchases	-	-	22,240,442,963	22,240,442,963	-		-	-	19,695,389,245	19,695,389,245	-	
Other loans and receivables	-	-	2,236,019,399	2,236,019,399	-		-	-	4,558,593,534	4,558,593,534	-	
Investment in government treasury bills	-	-	1,192,062,925	1,192,062,925	1,198,809,212	Level 1	-	-	1,667,371,333	1,667,371,333	1,651,704,930	Level 1
Investments in debentures	-	-	7,552,649	7,552,649	6,959,249	Level 3	-	-	7,541,970	7,541,970	8,852,210	Level 3
Other financial assets	-	-	17,886,697	17,886,697	-		-	-	10,163,258	10,163,258	-	
	-	-	29,321,050,416	29,321,050,416	1,198,809,212		-	-	32,242,693,421	32,242,693,421	1,660,557,140	
Financial liabilities not measured at fair value												
Due to banks	-	-	6,532,315,204	6,532,315,204	-		-	-	6,866,404,668	6,866,404,668	-	
Term deposits from customers	-	-	13,051,973,865	13,051,973,865	13,331,340,790	Level 3	-	-	9,557,337,069	9,557,337,069	10,200,888,903	Level 3
Savings deposits from customers	-	-	707,469,163	707,469,163	-		-	-	619,273,500	619,273,500	-	
Borrowings	-	-	3,699,366,257	3,699,366,257	-		-	-	7,597,711,767	7,597,711,767	-	
Subordinated debentures	-	-	1,768,784,186	1,768,784,186	1,773,294,462	Level 3	-	-	1,768,800,757	1,768,800,757	1,594,216,393	Level 3
Lease liabilities	-	-	398,134,175	398,134,175	-		-	-	362,960,317	362,960,317	-	
Other financial liabilities	-	-	547,537,409	547,537,409	-		-	-	269,310,441	269,310,441	-	
	-	-	26,705,580,259	26,705,580,259	15,104,635,251		-	-	27,041,798,519	27,041,798,519	11,795,105,296	

Senkadagala Finance PLC

Segment report

	Finance leasing and hire purchase		Gold backed loans		Other loans and receivables		Investments		Insurance Brokering		Unit trust management		Unallocated		Total	
As at 31 March	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Revenue																
<i>External customers</i>																
Interest	6,137,050,553	4,674,437,697	311,536,999	512,069,757	366,595,864	405,297,288	546,666,549	901,099,539	1,576,549	1,412,453	1,465,544	2,047,713	-	-	7,364,892,058	6,496,364,447
Trading	-	-	-	-	-	-	123,369,575	139,458,090	-	-	-	-	-	-	123,369,575	139,458,090
Fee and commissions	69,834,519	40,958,579	-	-	-	-	-	-	119,759,763	116,425,027	91,729,539	64,841,439	-	-	281,323,821	222,225,045
Rent	-	-	-	-	-	-	28,584,366	28,779,766	-	-	-	-	-	-	28,584,366	28,779,766
Dividends	-	-	-	-	-	-	10,984,689	3,422,504	-	-	-	-	-	-	10,984,689	3,422,504
Other income	-	-	-	-	-	-	531,143,432	55,425,224	-	-	-	-	19,504,379	16,275,883	550,647,811	71,701,107
Total revenue	6,206,885,072	4,715,396,276	311,536,999	512,069,757	366,595,864	405,297,288	1,240,748,611	1,128,185,123	121,336,312	117,837,480	93,195,083	66,889,152	19,504,379	16,275,883	8,359,802,320	6,961,950,959
Profit before tax															1,682,819,498	596,397,723
Taxation															(424,785,934)	(118,533,985)
Profit after tax															1,258,033,564	477,863,738
Segment Assets	22,240,442,963	19,695,389,245	564,360,692	2,596,820,076	1,671,377,707	2,024,707,675	10,336,657,486	9,833,557,113	95,662,865	40,121,884	142,016,696	84,555,378	1,525,392,546	1,112,038,730	36,575,910,955	35,387,190,101
Segment Liabilities	20,855,322,074	18,954,038,730	1,046,773,764	2,064,440,864	1,231,773,221	1,633,981,058	4,168,952,960	4,456,033,078	39,138,566	19,043,200	11,355,470	10,634,759	65,381,888	268,205,470	27,418,697,943	27,406,377,159
Information on Cash flows																
Operating activities	4,558,984,814	1,964,283,697	270,373,656	188,896,746	217,002,653	(49,603,829)	2,890,964,039	2,536,300,699	14,154,080	(27,782,092)	46,184,329	25,645,784	(244,554,664)	(347,228,576)	7,753,108,907	4,290,512,429
Investing activities	-	-	-	-	-	-	(3,204,067,834)	(439,989,374)	-	-	-	-	-	-	(3,204,067,834)	(439,989,374)
Capital expenditure	(178,306,815)	(33,804,786)	(4,524,611)	(4,457,132)	(13,399,825)	(3,366,634)	(82,871,392)	(16,878,128)	(699,571)	(27,266)	-	-	(12,229,428)	(1,908,682)	(292,031,642)	(60,442,628)
Financing activities	-	-	-	-	-	-	-	-	-	-	-	-	(4,061,831,971)	(3,870,020,475)	(4,061,831,971)	(3,870,020,475)
Net cash flow	4,380,677,999	1,930,478,911	265,849,045	184,439,614	203,602,828	(52,970,463)	(395,975,187)	2,079,433,197	13,454,509	(27,809,358)	46,184,329	25,645,784	(4,318,616,063)	(4,219,157,733)	195,177,460	(79,940,048)
Depreciation and amortisation	(274,609,188)	(284,571,762)	(6,968,325)	(37,520,541)	(20,636,984)	(29,254,290)	(4,228,749)	(4,228,749)	(148,344)	(385,497)	(7,912,289)	(7,866,601)	(18,834,464)	(16,067,458)	(333,338,343)	(379,894,898)
Impairment charges and other credit losses	(94,719,224)	(341,949,602)	(71,692,637)	(11,680,184)	15,679,159	138,519,863	561,956	7,979,952	-	-	-	-	(211,724)	(29,447)	(150,382,470)	(207,159,418)

Selected performance indicators

As at 31 March

2024

2023

Regulatory Capital Adequacy

Core Capital - Tier 1 (Rs. '000)	7,584,490	7,711,163
Total Capital Base - Tier 1 and 2 (Rs. '000)	8,231,184	8,653,755
Core Capital Adequacy Ratio, (Min. Req. 8.5%)	21.20%	25.12%
Total Capital Adequacy Ratio, (Min. Req. 12.5%)	23.01%	28.19%
Capital Funds to Deposit Liabilities Ratio, (Min. Req. 10%)	59.55%	84.32%

Computed as per Finance Business Act Direction No. 03 of 2018 (Capital Adequacy Requirements)

Quality of Loan Portfolio

	90 dpd	90 dpd	120 dpd
Gross Stage 3 Loans Ratio	13.00%	16.72%	14.63%
Net Stage 3 Loans Ratio	6.62%	9.64%	7.91%
Net Stage 3 Loans to Core Capital Ratio	23.80%	34.10%	27.97%
Stage 3 Impairment Coverage Ratio	49.13%	42.33%	45.92%
Total Impairment Coverage Ratio	10.30%	10.81%	10.81%

As per the Finance Business Act Direction No. 01 of 2020 (Classification and Measurement of Credit Facilities), LFCs are required to classify credit facilities as NPLs based on days past due period and/or potential risk, effective from 01 April 2022. Accordingly, for the period ended 31 March 2024, the Company classified loans and advances with principal and/or interest past due for more than 90 days from the due date, as opposed to 120 days up to 31 March 2023, as NPL.

Profitability

Net Interest Margin	11.86%	7.64%
Return on Assets (before Tax)	5.67%	2.02%
Return on Equity (after Tax)	13.91%	5.70%
Cost to Income Ratio	50.82%	67.61%

Liquidity

Required Minimum Amount of Liquid Assets (Rs. '000)	1,716,544	1,437,815
Available Liquid Assets (Rs. '000)	2,002,885	2,893,814
Available Liquid Assets to Required Liquid Assets	116.68%	201.26%
Liquid Assets to External Funds	7.76%	10.92%

Computed as per CBSL guidelines

Leverage

Debt-to-Equity ratio (times)	1.32	2.04
Interest cover (times)	1.42	1.14

Memorandum information

Number of Employees	896	819
Number of Branches	110	100
External Credit Rating by Fitch Ratings Lanka Limited	BBB (lka) Stable outlook	BBB+ (lka) RWN

There are no regulatory restrictions and/or penalties imposed by the Central Bank of Sri Lanka over the operations of the Company.

The above figures are provisional and subject to audit.

Notes to the financial statements

1 General

The financial statements of the Company and the Group are prepared on the basis of the accounting policies and methods of computation applied in the year ended March 31, 2023 and are in accordance with Sri Lanka Accounting Standards (LKASs/SLFRSs). The interim financial statements are prepared in compliance with Sri Lanka Accounting Standard (LKAS) 34 - Interim Financial Reporting.

2 There were no material changes in the composition of assets, liabilities and contingent liabilities during the period.

3 All known expenses have been provided for in these financial statements.

4 The Board of Directors has declared the following dividend;

Year	Dividend	Dividend per share Rs.	Total amount paid Rs.	Date of payment
2022/23	Final dividend	0.65	56,081,892	22-Aug-23

5 Debenture information

5.1 Debenture issue -August 2019

Utilization of funds raised via capital market Debenture issue as at May 30, 2024

Objective number	Objective as per prospectus	Amount allocated as per prospectus Rs.	Proposed date of utilization as per prospectus	Amount allocated from proceeds in Rs. (A)	% of total proceeds	Amount utilized in Rs. (B)	% of utilization against allocation (B/A)	Clarification if not fully utilized including where the funds are invested
1	Strengthen the capital structure	1,750 Mn	31-Aug-19	1,750 Mn	100	1,750 Mn	100	Not Applicable
2	Expansion of the lending portfolio	1,750 Mn	Within 12 months from the date of allotment	1,750 Mn	100	1,750 Mn	100	Not Applicable

5.2 Information on listed debenture

Type of Debenture	Date of issue	Date of maturity	Effective annual yield %	Current yield %	Yield to maturity %	Last traded value Rs.	Highest traded value Rs.	Lowest traded value Rs.
5 year - 12.875% payable Semi- Annually	2019 August	2024 August	13.29%	12.95%	13.47%	99.46	99.46	99.46

5.3 Interest rate of comparable government securities

As at	31.03.2024	31.03.2023
5 year Treasury Bonds	12.25%	27.25%

6 Share information

6.1 Directors' shareholdings

The number of shares held by the members of the Board of Directors and their close family members are as follows;

As at	31.03.2024
1. Mr. L. Balasuriya & Mr. S. K. Balasuriya	2,963,360
2. Mr. L. Balasuriya & Ms. A. S. Balasuriya	2,963,358
3. Ms. L. Fernando & Ms. S.A. Fernando	1,735,089
4. Ms. L. Fernando & Mr. A. R. Fernando	1,735,088
5. Ms. L. Fernando & Ms. A. L. Fernando	1,735,088
6. Mr. L. Balasuriya - The Trustee of the Capitalisation Issue	16
7. Mr. S. D. Bandaranayake	Nil
8. Mr. R. Senanayake	Nil
9. Mr. N. Vasantha Kumar	Nil
10. Dr. (Ms.) R. A. Perera	Nil
11. Mr. A. Herath	Nil

6.2 Key Management Shareholdings

As at	31.03.2024	31.03.2023
1. Mr. P.P.K. Ikiriwatte	16,977	16,977
2. Mr. J.K. Jayatileke	16,963	16,963

Notes to the financial statements (continued)

6.3 Stated Capital

Stated capital is represented by the number of shares in issue as set out below:

As at	31.03.2024	31.03.2023
Ordinary shares	86,279,834	86,279,834

6.4 The 20 largest shareholders of the Company as at March 31, 2024 were:

Shareholder	Number of Shares	%
1. E. W. Balasuriya & Co. (Pvt) Limited	44,781,393	51.90
2. Hallsville Trading Group Inc.	7,088,562	8.22
3. Dr. (Mrs.) G. Madan Mohan	5,926,720	6.87
4. Mr. R. Balasuriya	5,926,719	6.87
5. Late Dr. M. Balasuriya	4,172,046	4.84
6. Dr. A. Balasuriya & Mr. D. Balasuriya	2,963,360	3.43
7. Mr. L. Balasuriya & Mr. S. K. Balasuriya	2,963,360	3.43
8. Mr. L. Balasuriya & Ms. A. S. Balasuriya	2,963,358	3.43
9. Dr. A. Balasuriya & Mr. S. Balasuriya	2,963,358	3.43
10. Ms. L. Fernando & Ms. S. A. Fernando	1,735,089	2.01
11. Ms. L. Fernando & Mr. A. R. Fernando	1,735,088	2.01
12. Ms. L. Fernando & Ms. A. L. Fernando	1,735,088	2.01
13. Mr. D. K. C. R. Fernando	721,444	0.84
14. Mrs. C. Fernando	185,237	0.21
15. Estate of the late Mr. D. G. K. Hewamallika	172,888	0.20
16. Mr. S. V. W. B. K. Sirimalwatta	144,073	0.17
17. Mr. M. M. Ariyaratne	37,677	0.04
18. Mr. P. P. K. Ikiwatte	16,977	0.02
19. Mr. J. K. Jayatileke	16,963	0.02
20. Mrs. S. Thaha	14,408	0.02
	86,263,808	

6.5 The float adjusted market capitalisation and public holding

As at	31.03.2024	31.03.2023	Minimum Requirement
The float adjusted market capitalisation (Rs.)	7,369,354,752	5,553,582,703	1 Bn
Public holding percentage	21.42%	21.42%	7.5%
Number of public shareholders	206	185	200

6.6 Information on ratios and share prices

As at	31.03.2024	31.03.2023
Dividend per share (Rs.)	Nil	0.65
Net Assets per share (Rs.)	105.24	92.44
Market Prices (Rs.)		
- Highest price	438.00	419.00
- Lowest price	375.00	300.00
- Last traded price	398.75	300.50

7 Events after the reporting period

There were no material events that occurred after the reporting period that require adjustment to or disclosure in the Financial Statements other than the disclosures above.