



**Maskeliya Plantations PLC**

**Interim Financial Statements**

**FOR THE NINE MONTHS ENDED  
31 December 2014**


# INTERIM FINANCIAL STATEMENTS

## STATEMENT OF FINANCIAL POSITION

	As at 31/12/14 Rs. ' 000	As at 31/12/13 Rs. ' 000	As at 31/03/14 Rs. ' 000
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
Lease hold Property ,Plant and Equipment	292,668	309,151	304,603
Freehold Property, plant & equipment	601,804	617,690	605,588
Bearer Biological Assets	2,060,774	1,900,589	1,952,914
Consumable Biological Assets	560,114	528,466	560,114
	<b>3,515,360</b>	<b>3,355,896</b>	<b>3,423,219</b>
<b>CURRENT ASSETS</b>			
Inventories	471,710	534,322	485,219
ACT Recoverable	47,926	47,926	47,926
VAT Receivable	21,036	21,029	20,971
Trade and other Receivables	226,458	229,379	182,636
ESC Recoverable	38,347	36,765	33,650
Short Term Investment	-	-	-
Amount due from Related Parties	2,448	2,843	2,929
Cash and Bank balances	10,553	4,874	5,313
	<b>818,478</b>	<b>877,138</b>	<b>778,644</b>
<b>TOTAL ASSETS</b>	<b>4,333,838</b>	<b>4,233,034</b>	<b>4,201,863</b>
<b>EQUITY AND LIABILITIES</b>			
<b>CAPITAL AND RESERVES</b>			
Stated Capital - Note 01	673,721	673,721	673,721
General Reserve	540,000	540,000	540,000
Timber Reserves	517,361	485,714	517,361
Retained Earnings	(410,612)	(298,954)	(321,815)
<b>TOTAL EQUITY</b>	<b>1,320,470</b>	<b>1,400,481</b>	<b>1,409,267</b>
<b>NON CURRENT LIABILITIES &amp; DEFERRED INCOME</b>			
Interest Bearing Loans & Borrowings	510,352	622,242	578,697
Retiring Benefit Obligations	904,347	872,794	917,379
Deferred Tax Liability	7,826	59,062	7,826
Deferred Income	225,212	233,984	231,831
Liability to make Lease Payment after one year	115,506	117,613	117,066
	<b>1,763,243</b>	<b>1,905,695</b>	<b>1,852,799</b>
<b>CURRENT LIABILITIES</b>			
Trade & Other payables	328,889	437,071	405,094
Dividend payable	2,008	2,009	2,008
Amount due to Related parties	183,861	76,681	88,740
Interest Bearing Loans & Borrowings	733,306	409,191	441,973
Liability to make Lease Payment within one year	2,061	1,906	1,982
	<b>1,250,125</b>	<b>926,858</b>	<b>939,797</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>4,333,838</b>	<b>4,233,034</b>	<b>4,201,863</b>
	Rs.	Rs.	Rs.
Net Assets Per Share	24.47	25.96	26.12


The above figures are subject to audit

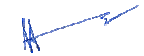
These Financial Statements are in Compliance with the requirements of the Companies Act No. 07 of 2007.

  
**Sudheera Eritakumbura**  
Financial Controller

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 of Directors of Maskeliya Plantations PLC.

  
**S S Poholiyadde**  
Director

  
**J H P Ratnayake**  
Director

12 February 2015

# INTERIM FINANCIAL STATEMENTS

## INCOME STATEMENT

	Quarter Ended 31 December			Nine Months Ended 31 December		
	2014 Rs. ' 000	2013 Rs. ' 000	Variance + / (-) %	2014 Rs. ' 000	2013 Rs. ' 000	Variance + / (-) %
Revenue	792,964	902,355	(12)	2,690,801	2,497,995	8
Cost of Sales	(760,449)	(795,417)	4	(2,568,286)	(2,478,421)	(4)
Gross Profit / (Loss)	32,515	106,938	(70)	122,515	19,574	526
Other Operating Income	7,743	6,655	16	11,814	22,776	(48)
Gain on Change in Fair Value of Biological Assets	-	-	-	-	-	-
Administrative Expenses	(10,411)	(9,959)	(5)	(32,318)	(31,571)	(2)
Management Fee	(37,098)	(51,728)	28	(111,332)	(123,938)	10
Finance Cost	(29,142)	(16,516)	(76)	(79,476)	(56,908)	(40)
Profit / (Loss) before Taxation	(36,393)	35,390	(203)	(88,797)	(170,067)	48
Income Tax Expense	-	-	-	-	-	-
<b>Net Profit/(Loss) for the period</b>	<b>(36,393)</b>	<b>35,390</b>	<b>(203)</b>	<b>(88,797)</b>	<b>(170,067)</b>	<b>48</b>

	Rs.	Rs.	Rs.	Rs.
Basic Earnings Per Share	(0.67)	0.66	(1.65)	(3.15)

The above figures are subject to audit

**INTERIM FINANCIAL STATEMENTS**  
**STATEMENT OF COMPREHENSIVE INCOME**

	Quarter Ended 31 December			Nine Months Ended 31 December		
	2014 Rs.'000	2013 Rs.'000	Variance + / (-)	2014 Rs.'000	2013 Rs.'000	Variance + / (-)
<b>Profit/ (Loss) for the year</b>	(36,393)	35,390	203	(88,797)	(170,067)	48
<b>Other Comprehensive Income</b>						
Actuarial Gains/(Losses) on Defined benefit Plans	-	-	-	-	-	-
Income tax effect	-	-	-	-	-	-
<b>Other Comprehensive Income for the year, net of tax</b>	-	-	-	-	-	-
<b>Total Comprehensive Income for the quarter, net of tax</b>	<u>(36,393)</u>	<u>35,390</u>	203	<u>(88,797)</u>	<u>(170,067)</u>	48

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# INTERIM FINANCIAL STATEMENTS

## STATEMENT OF CASH FLOW

<b>For the Nine Months ended</b>	<b>31/12/2014</b>	<b>31/12/2013</b>
	<b>Rs. ' 000</b>	<b>Rs. ' 000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net Profit before Taxation	(88,797)	(170,067)
<b>ADJUSTMENTS FOR</b>		
Depreciation/Amortization	79,452	77,421
Provision for Defined Benefit Plan Cost	61,867	162,625
Amortisation of Grants	(9,000)	(9,000)
Gain/(Loss) on change in fair value Timber plantations Net of Harvesting	-	-
Finance Costs	79,476	56,908
<b>Operating Profit before Working Capital changes</b>	<b>122,998</b>	<b>117,887</b>
(Increase)/Decrease in Trade and other receivables	(41,917)	(73,204)
(Increase)/Decrease in Inventories	13,509	52,368
Increase/(Decrease) in Trade and other payables	(68,254)	(159,884)
Increase/(Decrease) in amounts due to Related Parties	95,568	43,841
(Increase)/Decrease in amounts due from Related Parties	33	35,198
<b>Cash Generated from Operations</b>	<b>121,937</b>	<b>16,207</b>
Finance Costs Paid	(55,263)	(34,302)
Defined Benefit Plan Costs paid	(74,900)	(66,405)
Tax Paid	(6,667)	(6,286)
<b>Net Cash from Operating Activities</b>	<b>(14,893)</b>	<b>(90,787)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Grants Received	2,382	3,094
Proceed from Sale of Property, Plant & Equipment	-	-
Field Development Expenditure	(139,429)	(162,091)
Purchase of Property, Plant & Equipment	(32,163)	(7,855)
<b>Net Cash used in Investing Activities</b>	<b>(169,210)</b>	<b>(166,852)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividends Paid	-	-
Payment of Government lease rentals	(33,643)	(16,016)
Proceeds from loans	250,000	-
Payment of loans	(202,112)	(143,289)
<b>Net Cash from Financing Activities</b>	<b>14,245</b>	<b>(159,305)</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>	<b>(169,858)</b>	<b>(416,944)</b>
<b>A. Cash &amp; Cash Equivalents at the beginning of the period</b>	<b>(205,483)</b>	<b>243,803</b>
<b>B. Cash &amp; Cash Equivalents at the end of the period</b>	<b>(375,341)</b>	<b>(173,141)</b>
<b>NOTE A</b>		
Cash & Cash Equivalents at the beginning of the period		
Call Deposit	-	300,000
Cash & Bank Balances	5,313	7,967
Bank Overdrafts	(210,796)	(64,164)
	<b>(205,483)</b>	<b>243,803</b>
<b>NOTE B</b>		
Cash & Cash Equivalents at the end of the period		
Call Deposit	-	-
Cash & Bank Balances	10,554	4,874
Bank Overdrafts	(385,895)	(178,015)
	<b>(375,341)</b>	<b>(173,141)</b>

The above figures are subject to audit

## INTERIM FINANCIAL STATEMENTS

### STATEMENT OF CHANGES IN EQUITY

	<b>Stated Capital Rs. ' 000</b>	<b>General Reserve Rs. ' 000</b>	<b>Retained Earnings Rs. ' 000</b>	<b>Timber Reserve Rs. ' 000</b>	<b>Total Equity Rs. ' 000</b>	
<b>Balance as at 31 March 2013</b>	673,721	540,000	(128,887)	485,714	1,570,548	
Net profit/ (Loss) for the period	-	-	(170,067)	-	(170,067)	
Other Comprehensive income	-	-	-	-	-	
<b>Balance as at 31 December 2013</b>	<b>673,721</b>	<b>540,000</b>	<b>(298,954)</b>	<b>485,714</b>	<b>1,400,481</b>	-
<b>Balance as at 31 March 2014</b>	673,721	540,000	(321,815)	517,361	1,409,267	-
Net profit/(Loss) for the period	-	-	(88,797)	-	(88,797)	
Other Comprehensive income	-	-	-	-	-	
<b>Balance as at 31 December 2014</b>	<b>673,721</b>	<b>540,000</b>	<b>(410,612)</b>	<b>517,361</b>	<b>1,320,470</b>	-

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- 1 Stated Capital of Maskeliya Plantations PLC amounts to 673,720,950 represented by 53,953,490 shares.
  - 2 The Interim Financial Statements of the Company are unaudited and have been prepared in accordance with Sri Lanka Financial Reporting Standards (SLFRS/LKAS) and are in compliance with Sri Lanka Accounting Standards 34-Interim Financial Reporting. Further, provisions of the Companies Act No 7 of 2007 have been considered in preparing the Interim Financial Statements of the Company.
- The Interim Financial Statements of the Company have been prepared on the basis of the same accounting policies and methods applied for the year ended 31 March 2014.
- 3 The presentation and classification of figures for the corresponding period of the previous quarter have been amended, where relevant, for better presentation and to be comparable with those of the current period.
  - 4 No circumstances have arisen since the Statement of Financial Position date, which would require adjustment or disclosure in the Interim Financial Statements.
  - 5 There has been no significant change in the nature of contingent liabilities, which were disclosed in the Annual Report for the year ended 31 March 2014.
  - 6 Financial statements does not include/classify actuarial gain/(loss) on defined benefit plans costs as the valuation is done at the year end.

## INTERIM FINANCIAL STATEMENTS SEGMENT INFORMATION

Geographical Segment  
For the Nine months ended 31 December 2014

	Maskeliya		Upcot		Talawakelle		Bandarawela		Total	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000
Revenue	761,889	644,831	984,206	927,527	496,764	404,922	447,942	520,715	2,690,801	2,497,995
Revenue Expenditure	(635,933)	(560,593)	(856,646)	(791,837)	(426,884)	(372,280)	(507,504)	(513,666)	(2,426,967)	(2,238,376)
Depreciation/ Amortization	(21,130)	(22,151)	(23,438)	(22,523)	(15,790)	(14,830)	(19,094)	(17,916)	(79,452)	(77,420)
Gratuity	(15,166)	(40,596)	(22,880)	(59,728)	(9,962)	(25,602)	(13,859)	(36,698)	(61,867)	(162,625)
<b>Segment Results</b>	<b>89,660</b>	<b>21,491</b>	<b>81,242</b>	<b>53,439</b>	<b>44,128</b>	<b>(7,790)</b>	<b>(92,515)</b>	<b>(47,566)</b>	<b>122,515</b>	<b>19,574</b>
Other Income									11,814	22,776
Gain on change in fair value of Biological Assets									-	-
Administration Expenses									(32,318)	(31,571)
Management Fees									(111,332)	(123,938)
Finance Cost									(79,476)	(56,908)
Income Tax expenses									-	-
<b>Profit /(Loss)for the period</b>									<b>(88,797)</b>	<b>(170,067)</b>

The above figures are subject to audit

**INTERIM FINANCIAL STATEMENTS**  
**SHAREHOLDER AND INVESTOR INFORMATION**

For the Nine Month Ended 31 December	Quarter Ended		Year Ended	
	2014 Rs.	2013 Rs.	2014 Rs.	
<b>Market Price per Share</b>				
- Last Traded price ( For the quarter )	12.50	10.50	10.00	
- Highest ( For the quarter )	16.00	13.90	16.20	
- Lowest ( For the quarter )	12.00	9.40	9.40	
<b>Twenty Largest Shareholders</b>	<b>as at 31/12/2014</b>		<b>as at 31/03/2014</b>	
	<b>Number of Shares held</b>	<b>% of the Holding</b>	<b>Number of Shares held</b>	<b>% of the Holding</b>
1 R.P.C Mangement Services (Pvt) Ltd	44,998,397	83.40	44,998,397	83.40
2 David Pieris Motor Company Ltd	1,188,806	2.20	1,158,806	2.15
3 Dawi Investment Trust (Pvt) Ltd	1,003,988	1.86	-	-
4 Amina Investment Ltd	650,000	1.20	650,000	1.20
5 Est of Late Mr.M. Radhakrishnan (Deceased)	260,600	0.48	260,600	0.48
6 Seylan Bank Ltd/Govindasamy Ramanan	251,529	0.47	251,529	0.47
7 HSBC International Nominees Ltd-SSBT-Deustche	141,600	0.26	141,600	0.26
8 Freudenberg Shipping Agencies Ltd	126,828	0.24	95,500	0.18
9 Mr. P S M Fernando	122,943	0.23	-	-
10 Merchant Bank of Sri Lanka PLC/ R R S Ananda	104,098	0.19	80,000	0.15
11 Mrs. M M C Fernando	100,000	0.19	-	-
12 Mr. J K P Singh	100,000	0.19	-	-
13 Mr. R Magdon Ismail	87,586	0.16	-	-
14 Dee Investments (Pvt) Ltd	84,100	0.16	84,100	0.16
15 Mr. A K Seneviratne	61,000	0.11	-	-
16 Mr. N.W.N Jayasiri	60,000	0.11	60,000	0.11
17 United Power (Private) Limited	57,000	0.11	-	-
18 Conffi Management Services (Private) Limited	50,200	0.09	50,200	0.09
19 Merchant Bank of Sri Lanka PLC/Mr. Pathige	50,000	0.09	-	-
20 Cocoshell Activated Carbon Company Limited	44,100	0.08	-	-
	<b>49,542,775</b>	<b>91.82</b>		
Balance held by 16,596 Shareholders (2014-16,717)	4,410,715	8.18	4,720,096	8.75
Total no. of Shares	<b>53,953,490</b>	<b>100.00</b>	<b>53,953,490</b>	<b>100.00</b>

The percentage of shares held as at	31/12/2014			31/03/2014		
	Number of Shareholders	Number of Shares	%	Number of Shareholders	Number of Shares	%
Public Holding	16,614	8,952,293	16.59	16,735	8,952,293	16.59
Other Holding	2	45,001,197	83.41	2	45,001,197	83.41
<b>Total</b>	<b>16,616</b>	<b>53,953,490</b>	<b>100.00</b>	<b>16,737</b>	<b>53,953,490</b>	<b>100.00</b>

**The number of shares held by the Board of Directors are as follows:**

As at	31/12/2014	31/03/2014
Dr.S Yaddhegige	-	-
J H P Ratnayake	-	-
S S Poholiyadde	-	-
Dr.H S D Soysa	2,800	2,800
E M M Boyagoda	-	-
Dr. L S Hettiarachchi	-	-



## **INTERIM FINANCIAL STATEMENTS**

### **CORPORATE INFORMATION**

<b>Name of Company</b>	Maskeliya Plantations PLC
<b>Legal Form</b>	A Quoted Public Company with Limited Liability Incorporated in Sri Lanka.
<b>Date of Incorporation</b>	22nd June 1992
<b>Company Registration No</b>	PQ 134
<b>Principal Business Activities</b>	Cultivation, Manufacture and Sale of Tea, Planting and Cultivation of Timber.
<b>Stock Exchange Listing</b>	The Ordinary Shares are listed with the Colombo Stock Exchange of Sri Lanka.
<b>Registered / Head Office</b>	310, High Level Road, Nawinna, Maharagama Sri Lanka
<b>Ultimate Parent Enterprise</b>	Richard Pieris & Company PLC
<b>Board of Directors</b>	Dr. Sena Yaddehige - Chairman J H P Ratnayake - Deputy Chairman S S Poholiyadde - Chief Executive Officer Dr. H S D Soysa E M M Boyagoda Dr. L S Hettiarachchi
<b>Secretaries</b>	Richard Pieris Group Services (Private) Limited 310, High Level Road, Nawinna, Maharagama. Sri Lanka  Telephone: +(94) 11-4310564
<b>Auditors</b>	Messrs Ernst & Young Chartered Accountants 201, De Saram Place, Colombo 10, Sri Lanka.
<b>Bankers</b>	Sampath Bank - Nawam Mawatha Branch Bank of Ceylon - Corporate Branch & Regional Branches Seylan Bank - Millennium Branch Hatton National Bank - City Office NDB Bank
<b>Legal Advisors</b>	Paul Ratnayake Associates International Legal Consultants Solicitors and Attorneys-at-law No.59, Gregory's Road Colombo 07.
<b>Contact Details</b>	Telephone : +(94) 11 4310888 Facsimile : +(94) 11 4310835 Internet : www.arpico.com E-mail : mpl.rpk@arpico.com