

Maskeliya Plantations PLC

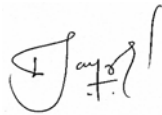
Interim Financial Statements

**FOR THE THREE MONTHS ENDED
30 JUNE 2011**

BALANCE SHEET

	As at 30/06/11 Rs. ' 000	As at 30/06/10 Rs. ' 000	As at 31/03/11 Rs. ' 000
ASSETS			
NON CURRENT ASSETS			
Leasehold Property	212,979	219,238	214,498
Immovable estate assets on finance lease (other than leasehold property)	140,152	151,418	142,512
Tangible assets other than immature/mature plantations	718,985	687,947	730,205
Immature/Mature Plantations	1,445,614	1,282,074	1,397,377
	<u>2,517,730</u>	<u>2,340,677</u>	<u>2,484,592</u>
CURRENT ASSETS			
Inventories	543,627	403,419	493,007
ACT Recoverable	47,926	47,926	47,926
VAT Receivable	21,035	18,056	20,995
Trade and other Receivables	152,426	171,667	170,424
ESC Recoverable	14,726	6,592	14,726
Short Term Deposit	-	44,000	-
Amount due from Related Parties	8,034	7,012	7,906
Cash and Bank balances	11,412	10,928	8,664
	<u>799,186</u>	<u>709,600</u>	<u>763,648</u>
TOTAL ASSETS	<u>3,316,916</u>	<u>3,050,277</u>	<u>3,248,240</u>
EQUITY AND LIABILITIES			
CAPITAL AND RESERVES			
Stated Capital - Note 03	350,000	350,000	350,000
General Reserve	540,000	540,000	540,000
Accumulated Profit/(Loss)	(199,130)	88,748	118,622
TOTAL EQUITY	<u>690,870</u>	<u>978,748</u>	<u>1,008,622</u>
NON CURRENT LIABILITIES & DEFERRED INCOME			
Interest Bearing Loans & Borrowings	177,953	199,277	210,869
Retiring Benefit Obligations	1,018,299	704,699	747,984
Deferred Income	250,308	256,720	252,798
Net liability to lessor payable after one year	122,356	124,058	122,787
	<u>1,568,916</u>	<u>1,284,754</u>	<u>1,334,438</u>
CURRENT LIABILITIES			
Trade & Other payables	517,997	329,936	423,707
Dividend payable	2,028	2,031	2,028
Amount due to Related parties	188,320	131,460	185,869
Interest Bearing Loans & Borrowings	347,023	321,585	291,814
Net liability to lessor payable within one year	1,762	1,763	1,762
	<u>1,057,130</u>	<u>786,775</u>	<u>905,180</u>
TOTAL EQUITY AND LIABILITIES	<u>3,316,916</u>	<u>3,050,277</u>	<u>3,248,240</u>
	Rs.	Rs.	Rs.
Net Assets Per Share	25.61	36.28	37.39

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



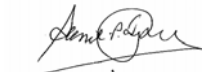
L.C. Herath (Mrs.)
Chief Financial Officer

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 of Directors of Maskeliya Plantations PLC.



J H P Ratnayake
Director



S P Jayakoddy
Director

11 August 2011

INCOME STATEMENT

	Quarter Ended		Variance	Year
	2011	2010		ended
	Rs. ' 000	Rs. ' 000	+ / (-)	31/03/2011
			%	Rs. ' 000
Turnover	949,783	889,351	7	3,251,424
Cost of Sales (Note 7)	<u>(1,195,629)</u>	<u>(798,474)</u>	(50)	<u>(2,919,457)</u>
Gross Profit / (Loss)	(245,846)	90,877	(371)	331,967
Other Operating Income	4,256	2,805	52	8,074
Administration Expenses	(10,095)	(10,978)	8	(44,847)
Management Fee	(40,665)	(44,621)	9	(163,215)
Finance Cost	<u>(25,402)</u>	<u>(22,976)</u>	(11)	<u>(89,498)</u>
Profit /(Loss) before Taxation	(317,752)	15,107	(2,203)	42,481
Income Tax Expense	-	(2,500)	-	-
Net Profit/(Loss) for the period	<u>(317,752)</u>	<u>12,607</u>	(2,620)	<u>42,481</u>
	Rs.	Rs.		Rs.
Basic Earnings Per Share	(11.78)	0.47		1.57

CASH FLOW STATEMENT

For the Three months ended	30/06/2011	30/06/2010
CASH FLOWS FROM OPERATING ACTIVITIES	Rs. ' 000	Rs. ' 000
Net Profit before Taxation	(317,752)	15,107
ADJUSTMENTS FOR		
Depreciation/Amortization	25,932	25,104
Provision for Defined Benefit Plan Cost	286,365	16,526
Amortisation of Grants	(2,490)	(2,490)
Profit on Disposal of Property, Plant & Equipment	(1,225)	-
Finance Costs	25,401	22,976
Operating Profit before Working Capital changes	16,231	77,223
(Increase)/Decrease in Trade and other receivables	20,205	10,764
(Increase)/Decrease in Inventories	(50,620)	(38,052)
Increase/(Decrease) in Trade and other payables	94,291	35,993
Increase/(Decrease) in amounts due to Related Parties	3,399	24,700
(Increase)/Decrease in amounts due from Related Parties	(1,076)	(794)
Cash Generated from Operations	82,430	109,834
Finance Costs Paid	(19,643)	(16,215)
Defined Benefit Plan Costs paid	(16,050)	(18,258)
Tax Paid	(2,247)	(1,962)
Net Cash from Operating Activities	44,490	73,399
CASH FLOWS FROM INVESTING ACTIVITIES		
Grants Received	-	37,009
Proceed from Sale of Property, Plant & Equipment	1,225	
Field Development Expenditure	(55,596)	(46,056)
Purchase of Property, Plant & Equipment	(3,475)	(26,050)
Net Cash used in Investing Activities	(57,846)	(35,097)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends Paid	-	-
Payment of Government lease rentals	(6,189)	(6,015)
Proceeds from loans	-	-
Payment of loans	(63,583)	(35,669)
Net Cash from Financing Activities	(69,772)	(41,684)
Net Increase/(Decrease) in Cash & Cash Equivalents	(83,128)	(3,382)
A. Cash & Cash Equivalents at the beginning of the period	(88,261)	(51,887)
B. Cash & Cash Equivalents at the end of the period	(171,389)	(55,269)
NOTE A		
Cash & Cash Equivalents at the beginning of the period		
Call Deposit	-	32,000
Cash & Bank Balances	8,664	6,821
Bank Overdrafts	(96,925)	(90,708)
	(88,261)	(51,887)
NOTE B		
Cash & Cash Equivalents at the end of the period		
Call Deposit	-	44,000
Cash & Bank Balances	11,412	10,928
Bank Overdrafts	(182,801)	(110,197)
	(171,389)	(55,269)

STATEMENT OF CHANGES IN EQUITY

	Stated Capital Rs. ' 000	General Reserve Rs. ' 000	Accumulated Profit/(Loss) Rs. ' 000	Total Rs. ' 000
Balance as at 31 March 2010	350,000	540,000	76,141	966,141
Net profit/ (Loss) for the period	-	-	12,607	12,607
Balance as at 30 June 2010	350,000	540,000	88,748	978,748
Balance as at 31 March 2011	350,000	540,000	118,622	1,008,622
Net profit/(Loss) for the period	-	-	(317,752)	(317,752)
Balance as at 30 June 2011	350,000	540,000	(199,130)	690,870

NOTES TO THE FINANCIAL STATEMENTS

For the Three Months Ended 30 June	Year ended 31 March		
	2011 Rs.	2010 Rs.	2011 Rs.
1 Market Price per Share			
- Last Traded price (For the period)	26.60	28.50	28.10
- Highest (For the period)	31.00	33.25	35.80
- Lowest (For the period)	25.50	28.00	24.00
2 There have been no material events occurring after the Balance Sheet date that require adjustment or disclosure in the Financial Statements.			
3 Stated Capital of Maskeliya Plantations PLC amounts to 350,000,010 represented by 26,976,745 shares.			
4 The presentation and classification of figures for the corresponding period of the previous year have been amended , where relevant to be comparable with those of current year.			
5 The above figures are provisional and subject to Audit. 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 2011 and are in compliance with Sri Lanka Accounting Standard 35 - 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.			
6 There has been no significant change in the nature of the contingent liabilities, which were disclosed in the Annual Report for the year ended 31 March 2011.			
7 In June 2011, as per the Collective Agreement, wage rate was increased from Rs. 447/75 to Rs. 572/- with retrospective effect from April 2011. Arrears payment from April to May 2011 is payable in August 2011. Total impact of the wage arrears and increase in gratuity provision amounting to Rs.345 mn was charged to Cost of Sales as at 30 June 2011 as follows;			

Details	Amount Rs "000"
Cost of Manufacture for the period	850,359
Arrears in wages	75,721
Adjustment to Opening Balance of Gratuity Provision	269,549
Total Cost of Sales	1,195,629

These figures are subject to an Actuarial Valuation that will be carried out during the current financial year.

NOTES TO THE FINANCIAL STATEMENTS CONTD...

8 Twenty Largest Shareholders

	as at 30/06/2011		as at 31/03/2011	
	Number of Shares held	% of the Holding	Number of Shares held	% of the Holding
1 R.P.C Mangement Services (Pvt) Ltd	19,605,844	72.68	19,172,144	71.07
2 Mr C.P De Silva	780,500	2.89	250,000	0.93
3 David Pieris Motor Company Ltd	410,300	1.52	410,300	1.52
4 Mr.M. Radhakrishnan	260,600	0.97	260,600	0.97
5 Amina Investment Ltd	162,800	0.60	155,000	0.57
6 Mr.M.T.T. Al-Nakib	150,000	0.56	150,000	0.56
7 Entrust Limited	110,000	0.41	110,000	0.41
8 Freudenberg Shipping Agencies Ltd	95,500	0.35	596,000	2.21
9 Dee Investment(Pvt)Ltd	84,100	0.31	84,100	0.31
10 Mr R.R.S Ananda	80,000	0.30	80,000	0.30
11 Mr J. Asanath Priyantha	79,400	0.29	79,400	0.29
12 HSBC International Nominees Ltd-SSBT-Deustche	70,800	0.26	70,800	0.26
13 Commercial Bank of Ceylon PLC - Mr G. Ramanan	65,400	0.24	65,400	0.24
14 Mr.H.G.R Peiris	58,900	0.22	58,900	0.22
15 Mr.M.H. Nassim Hussain	58,000	0.21	-	-
16 First Capital Markets Ltd-Mrs. S.S.S De Fonseka	54,000	0.20	54,000	0.20
17 Confifi Management Services (Pvt)Ltd	50,100	0.19	50,100	0.19
18 Emerging Markets Investment Management (Pvt)Ltd	50,000	0.19	50,700	0.19
19 Waldock Mackenzie Ltd/HI-Line Trading (Pvt) Ltd	50,000	0.19		
20 Cocoshell Activated Carbon Company Ltd	49,100	0.18	51,100	0.19
	22,325,344	82.76		
Balance held by 16,819 shareholders (2010/11 - 16,874 Shareholders)	4,651,401	17.24	5,031,701	18.65
Total no. of Shares	26,976,745	100.00	26,976,745	100.00

The percentage of shares held as at

	30/06/2011		31/03/2011	
	Number of Shares	%	Number of Shares	%
Public Holding	7,364,801	27.30	7,798,501	28.91
Other Holding	19,611,944	72.70	19,178,244	71.09
Total	26,976,745	100.00	26,976,745	100.00

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

As at	30/06/2011	31/03/2011
Dr.S.Yaddehige	-	-
Mr.J H P Ratnayeke	-	-
Mr.S.P. Jayakoddy	4,700	4,700
Dr.A.Ekanayake	-	-
Dr.H.S.D. Soysa	1,400	1,400

SEGMENT INFORMATION

Geographical Segment

For the three months ended 30 June 2011

	Maskeliya		Upcot		Talawakelle		Bandarawela		Total	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000
Revenue	241,045	199,788	338,291	336,533	167,402	154,326	203,044	198,704	949,783	889,351
Revenue Expenditure	(211,997)	(166,536)	(308,011)	(271,242)	(152,676)	(127,201)	(210,647)	(191,865)	(883,331)	(756,844)
Depreciation/ Amortization	(7,001)	(7,485)	(7,850)	(7,341)	(5,584)	(5,151)	(5,497)	(5,127)	(25,932)	(25,104)
Gratuity	(69,703)	(4,015)	(107,737)	(6,064)	(43,002)	(2,597)	(65,924)	(3,850)	(286,365)	(16,526)
Segment Results	(47,656)	21,752	(85,307)	51,886	(33,860)	19,377	(79,024)	(2,138)	(245,846)	90,877
Other Income									4,256	2,805
Administration Expenses									(10,095)	(10,978)
Management Fees									(40,665)	(44,621)
Finance Cost									(25,402)	(22,976)
Income Tax expenses									-	(2,500)
Profit /(Loss) for the period									(317,752)	12,607

CORPORATE INFORMATION

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