

# **Maskeliya Plantations PLC**

## **Interim Financial Statements**




**FOR THE THREE MONTHS ENDED  
30 JUNE 2012**

## BALANCE SHEET

	As at 30/06/12 Rs. ' 000	As at 30/06/11 Rs. ' 000	As at 31/03/12 Rs. ' 000
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
Leasehold Property	206,756	212,979	208,275
Immovable estate assets on finance lease (other than leasehold property)	129,465	140,152	131,255
Tangible assets other than immature/mature plantations	670,710	718,985	681,322
Immature/Mature Plantations	1,674,733	1,445,614	1,640,887
Biological Assets - Timber Plantation	613,208	-	613,208
	<u>3,294,872</u>	<u>2,517,730</u>	<u>3,274,947</u>
<b>CURRENT ASSETS</b>			
Inventories	517,841	543,627	432,673
ACT Recoverable	47,926	47,926	47,926
VAT Receivable	21,035	21,035	21,033
Trade and other Receivables	144,331	152,426	128,290
ESC Recoverable	23,674	14,726	23,673
Amount due from Related Parties	1,389	8,034	2,555
Cash and Bank balances	6,698	11,412	4,778
	<u>762,894</u>	<u>799,186</u>	<u>660,928</u>
<b>TOTAL ASSETS</b>	<b><u>4,057,766</u></b>	<b><u>3,316,916</u></b>	<b><u>3,935,875</u></b>
<b>EQUITY AND LIABILITIES</b>			
<b>CAPITAL AND RESERVES</b>			
Stated Capital - Note 03	350,000	350,000	350,000
General Reserve	540,000	540,000	540,000
Accumulated Profit/(Loss)	325,147	(199,130)	290,929
<b>TOTAL EQUITY</b>	<u>1,215,147</u>	<u>690,870</u>	<u>1,180,929</u>
<b>NON CURRENT LIABILITIES &amp; DEFERRED INCOME</b>			
Interest Bearing Loans & Borrowings	648,414	177,953	396,707
Retiring Benefit Obligations	864,198	1,018,299	882,848
Deferred Income	243,598	250,308	246,088
Net liability to lessor payable after one year	120,576	122,356	120,954
	<u>1,876,786</u>	<u>1,568,916</u>	<u>1,646,597</u>
<b>CURRENT LIABILITIES</b>			
Trade & Other payables	364,545	517,997	438,103
Dividend payable	2,009	2,028	2,009
Amount due to Related parties	235,793	188,320	209,437
Interest Bearing Loans & Borrowings	361,724	347,023	456,967
Net liability to lessor payable within one year	1,762	1,762	1,833
	<u>965,833</u>	<u>1,057,130</u>	<u>1,108,349</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>4,057,766</u></b>	<b><u>3,316,916</u></b>	<b><u>3,935,875</u></b>
	-	-	-
	<b>Rs.</b>	<b>Rs.</b>	<b>Rs.</b>
Net Assets Per Share	45.04	25.61	43.78

The above figures are subject to audit

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

06 August 2012

# INCOME STATEMENT

	Quarter Ended 30 June		Variance + / (-) %	Year ended
	2012 Rs. ' 000	2011 Rs. ' 000		31/03/2012 Rs. ' 000
Revenue	964,988	949,783	2	3,063,356
Cost of Sales	<u>(841,231)</u>	<u>(1,195,629)</u>	30	<u>(3,259,441)</u>
Gross Profit / (Loss)	123,757	(245,846)	150	(196,085)
Other Operating Income	7,984	4,256	88	16,688
Gain on Change in Fair Value of Biological Assets	-	-	-	70,519
Administration Expenses	(12,412)	(10,095)	(23)	(47,133)
Management Fee	(48,419)	(40,665)	(19)	(130,780)
Finance Cost	<u>(36,692)</u>	<u>(25,402)</u>	(44)	<u>(83,591)</u>
Profit / (Loss) before Taxation	34,218	(317,752)	111	(370,382)
Income Tax Expense	-	-	-	-
<b>Net Profit/(Loss) for the period</b>	<b><u>34,218</u></b>	<b><u>(317,752)</u></b>	<b>111</b>	<b><u>(370,382)</u></b>
	Rs.	Rs.		Rs.
Basic Earnings Per Share	1.27	(11.78)		(13.73)

The above figures are subject to audit

# CASH FLOW STATEMENT

<b>For the Three months ended</b>	<b>30/06/2012</b>	<b>30/06/2011</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>Rs. ' 000</b>	<b>Rs. ' 000</b>
Net Profit before Taxation	34,218	(317,752)
<b>ADJUSTMENTS FOR</b>		
Depreciation/Amortization	25,996	25,932
Provision for Defined Benefit Plan Cost	19,724	286,365
Amortisation of Grants	(2,490)	(2,490)
Profit on Disposal of Property, Plant & Equipment	-	(1,225)
Finance Costs	36,692	25,401
<b>Operating Profit before Working Capital changes</b>	<b>114,140</b>	<b>16,231</b>
(Increase)/Decrease in Trade and other receivables	(14,155)	20,205
(Increase)/Decrease in Inventories	(85,168)	(50,620)
Increase/(Decrease) in Trade and other payables	(60,256)	94,291
Increase/(Decrease) in amounts due to Related Parties	26,357	3,399
(Increase)/Decrease in amounts due from Related Parties	1,166	(1,076)
<b>Cash Generated from Operations</b>	<b>(17,916)</b>	<b>82,430</b>
Finance Costs Paid	(29,980)	(19,643)
Defined Benefit Plan Costs paid	(38,374)	(16,050)
Tax Paid	(1,887)	(2,247)
<b>Net Cash from Operating Activities</b>	<b>(88,157)</b>	<b>44,490</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Grants Received	-	-
Proceed from Sale of Property, Plant & Equipment	-	1,225
Field Development Expenditure	(42,898)	(55,596)
Purchase of Property, Plant & Equipment	(3,025)	(3,475)
<b>Net Cash used in Investing Activities</b>	<b>(45,923)</b>	<b>(57,846)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividends Paid	-	-
Payment of Government lease rentals	(20,465)	(6,189)
Proceeds from loans	300,000	-
Payment of loans	(34,732)	(63,583)
<b>Net Cash from Financing Activities</b>	<b>244,803</b>	<b>(69,772)</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>	<b>110,723</b>	<b>(83,128)</b>
<b>A. Cash &amp; Cash Equivalents at the beginning of the period</b>	<b>(317,226)</b>	<b>(88,261)</b>
<b>B. Cash &amp; Cash Equivalents at the end of the period</b>	<b>(206,503)</b>	<b>(171,389)</b>
<b>NOTE A</b>		
Cash & Cash Equivalents at the beginning of the period		
Call Deposit	-	-
Cash & Bank Balances	4,778	8,664
Bank Overdrafts	(322,004)	(96,925)
	<u>(317,226)</u>	<u>(88,261)</u>
<b>NOTE B</b>		
Cash & Cash Equivalents at the end of the period		
Call Deposit	-	-
Cash & Bank Balances	6,698	11,412
Bank Overdrafts	(213,201)	(182,801)
	<u>(206,503)</u>	<u>(171,389)</u>

The above figures are subject to audit

## STATEMENT OF CHANGES IN EQUITY

	Stated Capital Rs. ' 000	General Reserve Rs. ' 000	Retained Earnings Rs. ' 000	Comprehensive Income Revaluation surplus on Timber plantation Rs. ' 000	Total Rs. ' 000	Total Equity Rs. ' 000
<b>Balance as at 31 March 2011</b>	<b>350,000</b>	<b>540,000</b>	<b>118,622</b>	-	<b>118,622</b>	<b>1,008,622</b>
Net profit/ (Loss) for the period			(317,752)		(317,752)	(317,752)
<b>Balance as at 30 June 2011</b>	<b>350,000</b>	<b>540,000</b>	<b>(199,130)</b>	-	<b>(199,130)</b>	<b>690,870</b>
<b>Balance as at 31 March 2012</b>	<b>350,000</b>	<b>540,000</b>	<b>(251,760)</b>	<b>542,689</b>	<b>290,929</b>	<b>1,180,929</b>
Net profit/(Loss) for the period	-	-	34,218	-	34,218	34,218
<b>Balance as at 30 June 2012</b>	<b>350,000</b>	<b>540,000</b>	<b>(217,542)</b>	<b>542,689</b>	<b>325,147</b>	<b>1,215,147</b>

The above figures are subject to audit

For the Three Months Ended 31 June	Year ended 31 March		
	2012 Rs.	2011 Rs.	2012 Rs.
<b>1 Market Price per Share</b>			
- Last Traded price ( For the quarter )	12.90	26.60	17.10
- Highest ( For the quarter )	16.10	31.00	31.00
- Lowest ( For the quarter )	10.00	25.50	13.50
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 2012 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.			
The Company is in process of adopting Sri Lanka Accounting Standards (SLFRS/LKAS) with effect from 1st April 2012 and the impact to the Statement of Comprehensive Income and Net Assets base has not been determined and such work is presently in progress. The Interim Financial Statements are also prepared in accordance with the second option given in the "Ruling on the Comparative Figures in the Interim Financial Statements" issued by The Institute of Chartered Accountants of Sri Lanka dated 2nd March 2012.			
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 2012.			

NOTES TO THE FINANCIAL STATEMENTS CONTD...

7 Twenty Largest Shareholders

	as at 30/06/2012		as at 31/03/2012	
	Number of Shares held	% of the Holding	Number of Shares held	% of the Holding
1 R.P.C Mangement Services (Pvt) Ltd	19,823,844	73.48	19,823,844	73.48
2 Mr C.P De Silva	780,500	2.89	780,500	2.89
3 David Pieris Motor Company Ltd	601,206	2.23	610,081	2.26
4 Mr.M. Radhakrishnan	260,600	0.97	260,600	0.97
5 Amina Investment Ltd	187,000	0.69	187,000	0.69
6 Entrust Limited	110,000	0.41	110,000	0.41
7 Freudenberg Shipping Agencies Ltd	95,500	0.35	95,500	0.35
8 Mr J. Asanath Priyantha	89,400	0.33	89,400	0.33
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 Mrs T.N Kelly	75,309	0.28	75,309	0.28
12 Mr M.H Nassim Hussain	73,500	0.27	73,500	0.27
13 HSBC International Nominees Ltd-SSBT-Deutsche	70,800	0.26	70,800	0.26
14 Commercial Bank of Ceylon PLC - Mr G. Ramanan	65,400	0.24	65,400	0.24
15 Confifi Management Services (Pvt)Ltd	50,100	0.19	50,100	0.19
16 Emerging Markets Investment Management (Pvt)Ltd	50,000	0.19	50,000	0.19
17 Waldock Mackenzie Ltd/Hi-Line Trading(Pvt)Ltd	50,000	0.19	50,000	0.19
18 Cocoshell Activated Carbon Company Ltd	49,100	0.18	49,100	0.18
19 Mr R.A Kelly	47,566	0.18	47,566	0.18
20 Mr K.M.A.R.K Almuhairi	38,000	0.14	38,000	0.14
	<b>22,681,925</b>	<b>84.08</b>		
Balance held by 13,851 shareholders (2011/12 - 16,703 Shareholders)	4,294,820	15.92	4,285,945	15.89
Total no. of Shares	<b>26,976,745</b>	<b>100.00</b>	<b>26,976,745</b>	<b>100.00</b>

The percentage of shares held as at

	30/06/2012		31/03/2012	
	Number of Shares	%	Number of Shares	%
Public Holding	7,146,801	26.49	7,146,801	26.49
Other Holding	19,829,944	73.51	19,829,944	73.51
<b>Total</b>	<b>26,976,745</b>	<b>100.00</b>	<b>26,976,745</b>	<b>100.00</b>

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

As at	30/06/2012	31/03/2012
Dr.S.Yaddehige	-	-
J H P Ratnayake	-	-
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 2012

	Maskeliya		Upcot		Talawakelle		Bandarawela		Total	
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000
Revenue	244,217	241,045	334,390	338,291	181,254	167,402	205,127	203,044	964,988	949,782
Revenue Expenditure	(194,383)	(211,997)	(264,390)	(308,011)	(141,992)	(152,675)	(194,746)	(210,647)	(795,511)	(883,330)
Depreciation/ Amortization	(7,437)	(7,001)	(7,651)	(7,850)	(5,179)	(5,584)	(5,729)	(5,497)	(25,996)	(25,932)
Gratuity	(4,830)	(69,703)	(7,111)	(107,737)	(2,971)	(43,002)	(4,812)	(65,924)	(19,724)	(286,366)
<b>Segment Results</b>	<b>37,567</b>	<b>(47,656)</b>	<b>55,238</b>	<b>(85,307)</b>	<b>31,112</b>	<b>(33,859)</b>	<b>(160)</b>	<b>(79,024)</b>	<b>123,757</b>	<b>(245,846)</b>
Other Income									7,984	4,256
Administration Expenses									(12,412)	(10,095)
Management Fees									(48,419)	(40,665)
Finance Cost									(36,692)	(25,402)
Income Tax expenses									-	-
<b>Profit /(Loss)for the period</b>									<b>34,218</b>	<b>(317,752)</b>

The above figures are subject to audit

## 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 Yaddhige - Chairman J H P Ratnayake - Deputy Chairman S P Jayakoddy Dr. A Ekanayake Dr. H S D Soysa
<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