



Maskeliya Plantations PLC

Interim Financial Statements

**FOR THE THREE MONTHS ENDED
JUNE 2016**

INTERIM FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION

	As at 30/06/16 Rs. ' 000	As at 30/06/15 Rs. ' 000	As at 31/03/16 Rs. ' 000
ASSETS			
NON CURRENT ASSETS			
Lease hold Property ,Plant and Equipment	265,704	283,251	269,783
Freehold Property, plant & equipment	549,256	580,134	550,339
Bearer Biological Assets	2,181,744	2,101,532	2,178,317
Consumable Biological Assets	615,954	604,275	615,953
Defferd Tax Assets	36,165	36,165	36,165
	<u>3,648,823</u>	<u>3,605,357</u>	<u>3,650,557</u>
CURRENT ASSETS			
Inventories	514,017	551,060	431,922
ACT Recoverable	47,926	47,926	47,926
VAT Receivable	20,833	20,613	21,024
Trade and other Receivables	204,294	241,444	202,249
ESC Recoverable	36,878	36,454	34,858
Amount due from Related Parties	1,968	2,986	2,730
Short Term Investment	-	159,709	-
Cash and Bank balances	14,317	5,460	10,899
	<u>840,233</u>	<u>1,065,652</u>	<u>751,608</u>
TOTAL ASSETS	4,489,056	4,671,009	4,402,165
EQUITY AND LIABILITIES			
CAPITAL AND RESERVES			
Stated Capital - Note 01	673,721	673,721	673,721
General Reserve	540,000	540,000	540,000
Timber Reserves	573,202	561,524	573,202
Retained Earnings	(926,527)	(642,055)	(866,885)
TOTAL EQUITY	<u>860,396</u>	<u>1,133,190</u>	<u>920,038</u>
NON CURRENT LIABILITIES & DEFERRED INCOME			
Interest Bearing Loans & Borrowings	554,270	629,351	470,850
Retiring Benefit Obligations	889,238	984,693	905,211
Deferred Tax Liability	-	-	-
Deferred Income	212,739	219,346	215,200
Liability to make Lease Payment after one year	112,343	114,417	112,861
	<u>1,768,590</u>	<u>1,947,807</u>	<u>1,704,122</u>
CURRENT LIABILITIES			
Trade & Other payables	524,392	438,155	374,306
Dividend payable	2,008	2,008	2,008
Amount due to Related parties	360,578	254,099	288,301
Interest Bearing Loans & Borrowings	970,948	893,607	1,111,246
Liability to make Lease Payment within one year	2,144	2,143	2,144
	<u>1,860,070</u>	<u>1,590,012</u>	<u>1,778,005</u>
TOTAL EQUITY AND LIABILITIES	4,489,056	4,671,009	4,402,165
	Rs.	Rs.	Rs.
Net Assets Per Share	15.95	21.00	17.05

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 L A Fernando
Director

11 August 2016

INTERIM FINANCIAL STATEMENTS

STATEMENT OF PROFIT OR LOSS

	Quarter Ended 30th June		Variance + / (-) %	Year Ended 31/03/2016
	2016 Rs. ' 000	2015 Rs. ' 000		Rs. ' 000
Revenue	804,021	921,800	(13)	3,273,852
Cost of Sales	(788,048)	(933,745)	16	(3,425,634)
Gross Profit / (Loss)	15,973	(11,945)	(234)	(151,782)
Other Operating Income	4,291	6,465	(34)	17,569
Gain on Change in Fair Value of Biological Assets	-	-	-	13,267
Administration Expenses	(11,272)	(11,620)	3	(40,011)
Management Fee	(4,918)	(37,536)	87	(101,531)
Finance Cost	(63,716)	(41,436)	(54)	(198,303)
Profit /(Loss) before Taxation	(59,642)	(96,072)	(38)	(460,791)
Income Tax (Expense)/Income	-	-	-	(7,677)
Net Profit/(Loss) for the period	(59,642)	(96,072)	(38)	(468,468)
	Rs.	Rs.		Rs.
Basic Earnings Per Share	(1.11)	(1.78)		(8.68)

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INTERIM FINANCIAL STATEMENTS
STATEMENT OF COMPREHENSIVE INCOME

	Quarter Ended 30th June		Variance + / (-)	Year Ended
	2016 Rs.'000	2015 Rs.'000		31/03/2015 Rs. ' 000
Profit/ (Loss) for the period	(59,642)	(96,072)	(38)	(468,468)
Other Comprehensive Income				
Actuarial Gains/(Losses) on Defined benefit Plans	-	-	-	159,244
Income tax effect	-	-	-	-
Other Comprehensive Income for the period, net of tax	-	-	-	159,244
Total Comprehensive Income for the period, net of tax	<u>(59,642)</u>	<u>(96,072)</u>	(38)	<u>(309,224)</u>

The above figures are subject to audit

INTERIM FINANCIAL STATEMENTS

STATEMENT OF CASH FLOWS

For the Three Months ended

CASH FLOWS FROM OPERATING ACTIVITIES

	30/06/2016	30/06/2015
	Rs. ' 000	Rs. ' 000
Net Profit before Taxation	(59,642)	(96,072)
ADJUSTMENTS FOR		
Depreciation/Amortization	28,378	28,046
Provision for Defined Benefit Plan Cost	19,642	19,258
Amortisation of Grants	(3,000)	(3,000)
Gain/(Loss) on change in fair value Timber plantations Net of Harvesting	-	-
Finance Costs	63,716	41,436
Operating Profit before Working Capital changes	49,094	(10,332)
(Increase)/Decrease in Trade and other receivables	5,008	5,081
(Increase)/Decrease in Inventories	(82,095)	(73,694)
Increase/(Decrease) in Trade and other payables	152,105	61,743
Increase/(Decrease) in amounts due to Related Parties	72,277	37,434
(Increase)/Decrease in amounts due from Related Parties	762	(280)
Cash Generated from Operations	197,151	19,952
Finance Costs Paid	(55,154)	(33,259)
Defined Benefit Plan Costs paid	(35,615)	(15,844)
Tax Paid	(2,020)	(2,108)
Net Cash from Operating Activities	104,362	(31,259)
CASH FLOWS FROM INVESTING ACTIVITIES		
Grants Received	539	39
Proceed from Sale of Property, Plant & Equipment	-	-
Field Development Expenditure	(14,373)	(33,038)
Purchase of Property, Plant & Equipment	(12,270)	(683)
Net Cash used in Investing Activities	(26,104)	(33,682)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends Paid	-	-
Payment of Government lease rentals	(17,962)	(8,545)
Proceeds from loans	200,000	300,000
Payment of loans	(123,199)	(87,524)
Net Cash from Financing Activities	58,839	203,931
Net Increase/(Decrease) in Cash & Cash Equivalents	137,097	138,990
A. Cash & Cash Equivalents at the beginning of the period	(655,548)	(506,565)
B. Cash & Cash Equivalents at the end of the period	(518,451)	(367,575)
NOTE A		
Cash & Cash Equivalents at the beginning of the period		
Short Term Deposit	-	-
Cash & Bank Balances	10,899	10,427
Bank Overdrafts	(666,447)	(516,992)
	(655,548)	(506,565)
NOTE B		
Cash & Cash Equivalents at the end of the period		
Short Term Deposit	-	159,709
Cash & Bank Balances	14,317	5,460
Bank Overdrafts	(532,768)	(532,744)
	(518,451)	(367,575)

The above figures are subject to audit

INTERIM FINANCIAL STATEMENTS
STATEMENT OF CHANGES IN EQUITY

	Stated Capital Rs. ' 000	General Reserve Rs. ' 000	Retained Earnings Rs. ' 000	Timber Reserve Rs. ' 000	Total Equity Rs. ' 000
Balance as at 31 March 2015	673,721	540,000	(545,983)	561,524	1,229,262
Net profit/ (Loss) for the period	-	-	(96,072)	-	(96,072)
Other Comprehensive income	-	-	-	-	-
Balance as at 30 June 2015	673,721	540,000	(642,055)	561,524	1,133,190
Balance as at 31 March 2016	673,721	540,000	(866,885)	573,202	920,038
Net profit/(Loss) for the period	-	-	(59,642)	-	(59,642)
Other Comprehensive income	-	-	-	-	-
Balance as at 30 June 2016	673,721	540,000	(926,527)	573,202	860,396

The above figures are subject to audit

- 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 2016.
- 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 2016.
 - 6 Financial statements does not include/classify actuarial gain/(loss) on defined benefit plans costs as the valuation is done at the year end.
 - 7 Ministry of Plantation Industries (letter dated 22.07.2016) has informed to pay an interim allowance of Rs. 100/- per worker for each day worked during the months of June and July pending finalization of wage negotiations. The interim allowance cost for the month of June 2016 is Rs. 17.49 mn which has charged to the Income Statement. To effect the payment, term loan facility was granted by Sri Lanka Tea Board.

INTERIM FINANCIAL STATEMENTS SEGMENT INFORMATION

Geographical Segment For the Three Months Ended 2016

	Maskeliya		Upcot		Talawakelle		Bandarawela		Total	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000
Revenue	211,819	233,555	292,793	321,778	154,900	171,431	144,509	195,036	804,021	921,800
Revenue Expenditure	(187,474)	(218,483)	(270,756)	(301,484)	(136,636)	(154,596)	(145,162)	(211,878)	(740,028)	(886,441)
Depreciation/ Amortization	(7,896)	(6,063)	(8,067)	(8,899)	(5,350)	(6,037)	(7,065)	(7,047)	(28,378)	(28,046)
Gratuity	(4,823)	(4,692)	(6,981)	(7,291)	(3,211)	(3,003)	(4,627)	(4,272)	(19,642)	(19,258)
Segment Results	11,626	4,317	6,989	4,104	9,703	7,795	(12,345)	(28,161)	15,973	(11,945)
Other Income									4,291	6,465
Gain on change in fair value of Biological Assets									-	-
Administration Expenses									(11,272)	(11,620)
Management Fees									(4,918)	(37,536)
Finance Cost									(63,716)	(41,436)
Income Tax (Expense)/Income									-	-
Profit /(Loss)for the period									(59,642)	(96,072)

The above figures are subject to audit

INTERIM FINANCIAL STATEMENTS
SHAREHOLDER AND INVESTOR INFORMATION

For the Three Months Ended 30 June	Quarter Ended		Year Ended
	2016 Rs.	2015 Rs.	2016 Rs.
Market Price per Share			
- Last Traded price (For the quarter)	7.10	9.80	7.70
- Highest (For the quarter)	9.80	11.30	12.40
- Lowest (For the quarter)	6.50	9.60	7.70

Twenty Largest Shareholders

	as at 30/06/2016		as at 31/03/2016	
	Number of Shares held	% of the Holding	Number of Shares held	% of the Holding
R.P.C Mangement Services (Pvt) Ltd	44,998,397	83.40	44,998,397	83.40
David Pieris Motor Company Ltd	1,058,806	1.96	1,058,806	1.96
Bansei Securities Capital (Pvt) Ltd/Dawi Investment	953,604	1.77	962,495	1.78
Amina Investment Ltd	650,000	1.20	650,000	1.20
Seylan Bank Ltd/Govindasamy Ramanan	251,529	0.47	251,529	0.47
Mr.M.H.M.Fazal	145,858	0.27		
HSBC International Nominees Ltd-SSBT-Deutsche	141,600	0.26	141,600	0.26
Freudenberg Shipping Agencies Ltd	137,295	0.25	126,828	0.24
Mr. P.S.M Fernando	122,943	0.23	122,943	0.23
Merchant Bank of Sri Lanka PLC/ R R S Ananda	104,098	0.19	104,098	0.19
Mrs.M.M.C Fernando	100,000	0.19	100,000	0.19
Mrs. J.K.P Singh	100,000	0.19	100,000	0.19
Mr. A.K Seneviratne	99,766	0.18	71,000	0.13
Mr. R. Magdon Ismail	87,586	0.16	87,586	0.16
Mr.R.Maheswaran	86,867	0.16	84,100	0.16
Miss.A.Radhakrishnan	86,867	0.16		
Miss.M.P.Radhakrishnan	86,866	0.16		
Dee Investments (Pvt) Ltd	84,100	0.16		
Mrs.V.Indraganthi	55,200	0.10		
Merchant Bank of Sri Lanka PLC/ Mr. Pathige	50,000	0.09	50,000	0.09
	49,401,382	91.56		
Balance held by 16,547 Shareholders (2015/16- 16,559)	4,552,108	8.44	4,380,881	8.12
Total no. of Shares	53,953,490	100.00	53,953,490	100.00

The percentage of shares held as at

	30/06/2016			31/03/2016		
	Number of Shareholders	Number of Shares	%	Number of Shareholders	Number of Shares	%
Public Holding	16,565	8,954,793	16.60	16,577	8,954,793	16.60
Other Holding	2	44,998,697	83.40	2	44,998,697	83.40
Total	16,567	53,953,490	100.00	16,579	53,953,490	100.00

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

As at	30/06/2016	31/03/2016
Dr.S Yaddehige	-	-
S S Poholiyadde	-	-
Dr. L.S Hettiarachchi	-	-
E M M Boyagoda		
J L A Fernando	300	300
Mr.Shaminda Yaddehige	-	-

INTERIM FINANCIAL STATEMENTS

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 Yaddehige - Chairman S S Poholiyadde - Chief Executive Officer E M M Boyagoda Dr. L S Hettiarachchi J L A Fernando Shaminda Yaddehige
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 Ratnayake Associates International Legal Consultants Solicitors and Attorneys-at-law No.59, Gregory's Road Colombo 07.
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