



**Maskeliya Plantations PLC**

**Interim Financial Statements**

**FOR THE TWELVE MONTHS ENDED  
31 MARCH 2015**


# INTERIM FINANCIAL STATEMENTS

## STATEMENT OF FINANCIAL POSITION

	As at 31/03/15 Rs. ' 000	As at 31/03/14 Rs. ' 000
<b>ASSETS</b>		
<b>NON CURRENT ASSETS</b>		
Lease hold Property ,Plant and Equipment	287,193	304,603
Freehold Property, plant & equipment	592,830	605,588
Bearer Biological Assets	2,079,219	1,952,914
Consumable Biological Assets	604,275	560,113
Differed Tax Asset	36,165	-
	3,599,682	3,423,218
<b>CURRENT ASSETS</b>		
Inventories	477,365	485,218
ACT Recoverable	47,926	47,926
VAT Receivable	21,031	20,971
Trade and other Receivables	246,108	182,636
ESC Recoverable	34,345	33,650
Short Term Investment	-	-
Amount due from Related Parties	2,707	2,929
Cash and Bank balances	10,427	5,313
	839,909	778,643
	4,439,591	4,201,861
<b>EQUITY AND LIABILITIES</b>		
<b>CAPITAL AND RESERVES</b>		
Stated Capital - Note 01	673,721	673,721
General Reserve	540,000	540,000
Timber Reserves	561,524	517,362
Retained Earnings	(545,983)	(321,815)
<b>TOTAL EQUITY</b>	1,229,262	1,409,268
<b>NON CURRENT LIABILITIES &amp; DEFERRED INCOME</b>		
Interest Bearing Loans & Borrowings	417,600	578,697
Retiring Benefit Obligations	981,279	917,379
Deferred Tax Liability	-	7,826
Deferred Income	222,307	231,830
Liability to make Lease Payment after one year	115,006	117,066
	1,736,192	1,852,798
<b>CURRENT LIABILITIES</b>		
Trade & Other payables	376,272	405,093
Dividend payable	2,008	2,008
Amount due to Related parties	216,667	88,740
Interest Bearing Loans & Borrowings	877,129	441,972
Liability to make Lease Payment within one year	2,061	1,982
	1,474,137	939,795
<b>TOTAL EQUITY AND LIABILITIES</b>	4,439,591	4,201,861
	-	-
	<b>Rs.</b>	<b>Rs.</b>
Net Assets Per Share	22.78	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 Epitakumbura**  
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 Ratnayeke**  
Director

28 May 2015

# INTERIM FINANCIAL STATEMENTS

## INCOME STATEMENT

	Quarter Ended 31 March			Year Ended 31 March		
	2015 Rs. ' 000	2014 Rs. ' 000	Variance + / (-) %	2015 Rs. ' 000	2014 Rs. ' 000	Variance + / (-) %
Revenue	835,630	918,228	(9)	3,526,431	3,416,223	3
Cost of Sales	(935,917)	(885,179)	(6)	(3,504,203)	(3,363,600)	(4)
Gross Profit / (Loss)	(100,287)	33,049	(403)	22,228	52,623	(58)
Other Operating Income/(Expenses)	5,447	(1,159)	(570)	17,261	21,617	(20)
Gain on Change in Fair Value of Biological Assets	51,745	75,747	(32)	51,745	75,747	(32)
Administrative Expenses	(11,743)	(12,327)	5	(44,061)	(43,898)	0
Management Fee	(39,524)	(26,498)	(49)	(150,856)	(150,436)	0
Finance Cost	(37,594)	(21,445)	(75)	(117,070)	(78,353)	(49)
Profit /(Loss) before Taxation	(131,956)	47,367	(379)	(220,753)	(122,700)	(80)
Income Tax Expense	36,627	30,509	20	36,627	30,509	20
<b>Net Profit/(Loss) for the period</b>	<b>(95,329)</b>	<b>77,876</b>	<b>(222)</b>	<b>(184,126)</b>	<b>(92,191)</b>	<b>(100)</b>
	Rs.	Rs.		Rs.	Rs.	
Basic Earnings Per Share	(1.77)	1.44		(3.41)	(1.71)	

The above figures are subject to audit

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

	Quarter Ended 31 March			Year Ended 31 March		
	2015 Rs.'000	2014 Rs.'000	Variance +/( -)	2015 Rs.'000	2014 Rs.'000	Variance +/( -)
<b>Profit/ (Loss) for the year</b>	<b>(95,329)</b>	<b>77,876</b>	<b>222</b>	<b>(184,126)</b>	<b>(92,191)</b>	<b>(100)</b>
<b>Other Comprehensive Income</b>						
Actuarial Gains/(Losses) on Defined benefit Plans	4,891	(82,017)	-	4,891	(82,017)	-
Income tax effect	(771)	12,926	-	(771)	12,926	-
<b>Other Comprehensive Income for the year, net of tax</b>	<b>4,120</b>	<b>(69,091)</b>	<b>-</b>	<b>4,120</b>	<b>(69,091)</b>	<b>-</b>
<b>Total Comprehensive Income for the quarter, net of tax</b>	<b>(91,209)</b>	<b>8,785</b>	<b>1,138</b>	<b>(180,006)</b>	<b>(161,282)</b>	<b>(12)</b>

The above figures are subject to audit

# INTERIM FINANCIAL STATEMENTS

## STATEMENT OF CASH FLOW

<b>For the Year Ended</b>	<b>31/03/2015</b>	<b>31/03/2014</b>
	<b>Rs. ' 000</b>	<b>Rs. ' 000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net Profit before Taxation	(220,753)	(122,700)
<b>ADJUSTMENTS FOR</b>		
Depreciation/Amortization	107,865	102,142
Provision for Defined Benefit Plan Cost	161,227	141,852
Amortisation of Grants	(11,905)	(12,189)
Gain/(Loss) on change in fair value Timber plantations Net of Harvesting	(44,162)	(31,647)
Finance Costs	117,070	78,353
<b>Operating Profit before Working Capital changes</b>	<b>109,342</b>	<b>155,811</b>
(Increase)/Decrease in Trade and other receivables	(63,232)	(28,808)
(Increase)/Decrease in Inventories	7,853	(58,487)
Increase/(Decrease) in Trade and other payables	(29,358)	23,723
Increase/(Decrease) in amounts due to Related Parties	127,927	35,414
(Increase)/Decrease in amounts due from Related Parties	222	(11)
<b>Cash Generated from Operations</b>	<b>152,754</b>	<b>127,642</b>
Finance Costs Paid	(84,873)	(48,226)
Defined Benefit Plan Costs paid	(92,436)	(83,064)
Tax Paid	(9,127)	(8,567)
<b>Net Cash from Operating Activities</b>	<b>(33,682)</b>	<b>(12,215)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Grants Received	2,382	4,130
Proceed from Sale of Property, Plant & Equipment	-	-
Field Development Expenditure	(163,923)	(219,593)
Purchase of Property, Plant & Equipment	(40,079)	(10,751)
<b>Net Cash used in Investing Activities</b>	<b>(201,620)</b>	<b>(226,214)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividends Paid	-	-
Payment of Government lease rentals	(33,643)	(24,025)
Proceeds from loans	250,000	-
Payment of loans	(282,136)	(186,832)
<b>Net Cash from Financing Activities</b>	<b>(65,779)</b>	<b>(210,857)</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>	<b>(301,081)</b>	<b>(449,286)</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>(506,564)</b>	<b>(205,483)</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	10,427	5,313
Bank Overdrafts	(516,991)	(210,796)
	<b>(506,564)</b>	<b>(205,483)</b>

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
<b>Balance as at 31 March 2013</b>	673,721	540,000	(128,886)	485,715	1,570,550
Net profit/ (Loss) for the period	-	-	(92,191)	-	(92,191)
Other Comprehensive income	-	-	(69,091)	-	(69,091)
Timber Reserve			(75,747)	75,747	-
Transfer of Realized Timber Gain			44,100	(44,100)	-
<b>Balance as at 31 March 2014</b>	<b>673,721</b>	<b>540,000</b>	<b>(321,815)</b>	<b>517,362</b>	<b>1,409,268</b>
<b>Balance as at 31 March 2014</b>	673,721	540,000	(321,815)	517,362	1,409,268
Net profit/(Loss) for the period	-	-	(184,126)	-	(184,126)
Other Comprehensive income	-	-	4,120	-	4,120
Timber Reserve			(51,745)	51,745	-
Transfer of Realized Timber Gain			7,583	(7,583)	-
<b>Balance as at 31 March 2015</b>	<b>673,721</b>	<b>540,000</b>	<b>(545,983)</b>	<b>561,524</b>	<b>1,229,262</b>

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 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.

## INTERIM FINANCIAL STATEMENTS SEGMENT INFORMATION

Geographical Segment  
For the year ended 31 March 2015

	Maskeliya		Upcot		Talawakelle		Bandarawela		Total	
	2015	2014	2015	2014	2015	2,014	2015	2,014	2015	2014
	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000
Revenue	962,041	879,797	1,273,679	1,249,263	631,353	571,640	659,358	715,523	3,526,431	3,416,223
Revenue Expenditure	(839,345)	(781,871)	(1,147,974)	(1,092,576)	(564,544)	(512,306)	(684,045)	(732,853)	(3,235,908)	(3,119,606)
Depreciation/ Amortization	(27,680)	(29,129)	(32,885)	(29,214)	(21,361)	(19,556)	(25,939)	(24,243)	(107,865)	(102,142)
Gratuity	(35,568)	(30,668)	(57,413)	(52,027)	(26,757)	(24,310)	(40,692)	(34,847)	(160,430)	(141,852)
<b>Segment Results</b>	<b>59,448</b>	<b>38,129</b>	<b>35,407</b>	<b>75,446</b>	<b>18,691</b>	<b>15,468</b>	<b>(91,318)</b>	<b>(76,420)</b>	<b>22,228</b>	<b>52,623</b>
Other Income									17,261	21,617
Gain on change in fair value of Biological Assets									51,745	75,747
Administration Expenses									(44,061)	(43,898)
Management Fees									(150,856)	(150,436)
Finance Cost									(117,070)	(78,353)
Income Tax expenses									36,627	30,509
<b>Profit /(Loss)for the period</b>									<b>(184,126)</b>	<b>(92,191)</b>

The above figures are subject to audit

## INTERIM FINANCIAL STATEMENTS SHAREHOLDER AND INVESTOR INFORMATION

For the Year Ended 31 March	Quarter Ended		Year Ended	
	2015 Rs.	2014 Rs.	2015 Rs.	2014 Rs.
<b>Market Price per Share</b>				
- Last Traded price ( For the quarter )	9.90	10.00	9.90	10.00
- Highest ( For the quarter )	13.70	13.90	16.00	16.20
- Lowest ( For the quarter )	9.70	9.60	9.70	9.40

### Twenty Largest Shareholders

	as at 31/03/2015		as at 31/03/2014	
	Number of Shares held	% of the Holding	Number of Shares held	% of the Holding
1 R.P.C Mangement Services (Pvt) Ltd	44,998,397	83.40	44,998,397	83.40
2 David Pieris Motor Company Ltd	1,058,806	1.96	1,158,806	2.15
3 Dawi Investment Trust (Pvt) Ltd	962,495	1.78	-	-
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	71,000	0.13	-	-
16 The Ceylon Investors (Pvt) Ltd	58,476	0.11	-	-
17 United Power (Private) Limited	57,000	0.11	-	-
18 Piere Lanka Exports (Pvt) Ltd	51,705	0.10	-	-
19 Confi Management Services (Private) Limited	50,200	0.09	50,200	0.09
20 Merchant Bank of Sri Lanka PLC/Mr. Pathige	50,000	0.09	-	-
	<b>49,387,363</b>	<b>91.54</b>		
Balance held by 16,603 Shareholders (2014-16,717)	4,566,127	8.46	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

	31/03/2015		31/03/2014	
	Number of Shares	%	Number of Shares	%
Public Holding	8,951,993	16.59	8,952,293	16.59
Other Holding	45,001,497	83.41	45,001,197	83.41
<b>Total</b>	<b>53,953,490</b>	<b>100.00</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	31/03/2015	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	-	-
J L A Fernando (Appointed w.e.f 02.04.2015)	300	-



## **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 Ratnayeke - Deputy Chairman S S Poholiyadde - Chief Executive Officer Dr. H S D Soysa E M M Boyagoda Dr. L S Hettiarachchi J L A Fernando - (Appointed w.e.f 02.04.2015)
<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 Ratnayeke 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