



NAMUNUKULA PLANTATIONS PLC

Interim
Financial
Statements

For the six months ended
30th September 2019




STATEMENT OF FINANCIAL POSITION


As at,	30.09.2019	30.09.2018	Audited 31.03.2019
	Rs. '000	Rs. '000	Rs. '000
ASSETS			
Non Current Assets			
Leasehold Property, Plant & Equipment	152,264	166,963	159,597
Freehold Property, Plant & Equipment	368,293	406,032	388,341
Bearer Biological Assets	2,739,225	2,597,932	2,670,638
Consumable Biological Assets	171,272	149,268	167,391
Long Term Investments - (Unquoted)	163,314	113,087	134,101
Financial Assets	-	250,000	-
Intangible Assets	316,415	324,515	316,415
Total Non Current Assets	<u>3,910,782</u>	<u>4,007,798</u>	<u>3,836,484</u>
Current Assets			
Produce on bearer Biological asset	14,006	13,187	14,006
Inventories	194,940	264,384	251,792
Trade and Other Receivables	94,363	161,162	116,629
Amounts Due from Related Companies	88,225	24,833	51,409
Financial Assets	-	-	250,000
ESC Recoverable	15,397	23,391	9,617
Income Tax Receivable	8,854	5,943	8,854
Cash and Cash Equivalents	68,054	25,333	22,316
Total Current Assets	<u>483,839</u>	<u>518,233</u>	<u>724,623</u>
TOTAL ASSETS	<u>4,394,621</u>	<u>4,526,031</u>	<u>4,561,107</u>
EQUITY AND LIABILITIES			
Capital and Reserves			
Stated Capital	350,000	350,000	350,000
Retained Earnings	2,478,536	2,341,822	2,313,924
Total Equity	<u>2,828,536</u>	<u>2,691,822</u>	<u>2,663,924</u>
Non Current Liabilities			
Interest Bearing Loans & Borrowings	2,209	34,478	6,939
Retirement Benefit Obligations	509,623	556,455	550,482
Deferred Tax Liability	254,944	206,413	254,944
Deferred Income	132,798	132,301	132,079
Liability to make Lease payment after one year	202,689	207,876	205,498
Total Non Current Liabilities	<u>1,102,263</u>	<u>1,137,521</u>	<u>1,149,942</u>
Current Liabilities			
Trade and Other Payables	391,687	408,409	404,771
Dividend Payable	-	-	201,875
Liability to make Lease payment within one year	4,804	4,619	4,710
Interest Bearing Loans & Borrowings	43,301	186,852	85,882
Amounts Due to Related Companies	1,080	67,092	50,003
Income Tax Liabilities	22,952	29,716	-
Total Current Liabilities	<u>463,823</u>	<u>696,688</u>	<u>747,241</u>
TOTAL LIABILITIES	<u>1,566,085</u>	<u>1,834,209</u>	<u>1,897,183</u>
TOTAL EQUITY AND LIABILITIES	<u>4,394,621</u>	<u>4,526,031</u>	<u>4,561,107</u>
NET ASSETS PER SHARE (RS.)	<u>119.10</u>	<u>113.34</u>	<u>112.17</u>

* 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 are responsible for the preparation and presentation of these Financial Statements. Approved & Signed for and on behalf of the board of Directors of Namunukula Plantations PLC by,


N C Peiris
Director


S S G Liyanage
Director

Colombo,
08 November 2019

STATEMENT OF COMPREHENSIVE INCOME

	Quarter Ended 30.09.2019 Rs. '000	Quarter Ended 30.09.2018 Rs. '000	Increase / (Decrease) %	Period Ended 30.09.2019 Rs. '000	Period Ended 30.09.2018 Rs. '000	Increase / (Decrease) %	Audited Year Ended 31.03.2019 Rs. '000
Revenue	618,291	693,863	-11%	1,159,855	1,273,465	-9%	2,414,326
Cost of Sales	(468,041)	(608,181)	-23%	(933,866)	(1,138,924)	-18%	(2,077,972)
Gross Profit	150,250	85,682	75%	225,989	134,540	68%	336,354
Other Income	16,467	29,647	-44%	38,647	81,594	-53%	141,113
Change in fair value of Biological Assets	-	-	--	-	-	--	11,932
Administrative Expenses	(14,553)	(14,557)	0%	(27,823)	(27,661)	1%	(61,778)
Management Fee	(31,640)	(21,453)	47%	(51,253)	(38,965)	32%	(77,811)
Finance Cost	(11,684)	(18,244)	-36%	(27,210)	(36,330)	-25%	(65,129)
Impairment of Goodwill	-	-	--	-	-	--	(8,100)
Share of Profit from the Joint Venture	16,060	6,850	134%	29,213	2,514	1062%	23,527
Profit Before Taxation	124,902	67,926	84%	187,563	115,692	62%	300,109
Tax (Expense) / Reversal	(11,476)	(7,880)	46%	(22,952)	(10,956)	109%	(43,816)
Net Profit for the Year	113,426	60,045	89%	164,612	104,736	57%	256,293
Other comprehensive income							
Actuarial gain/(loss) on defined benefit plans	-	-	--	-	-	--	26,070
Tax effect	-	-	--	-	-	--	(3,650)
Other comprehensive income for the period	-	-	--	-	-	--	22,420
Total comprehensive income for the period	113,426	60,045	89%	164,612	104,736	57%	278,713
Basic Earnings per Share (Rs.)	4.78	2.53		6.93	4.41		10.79

* The above figures are subject to audit.

STATEMENT OF CHANGES IN EQUITY

	Stated Capital Rs. '000	Retained Earnings Rs. '000	Total Rs. '000
Balance as at 1 April 2018	350,000	2,237,086	2,587,086
Net Profit for the period	-	104,736	104,736
Other Comprehensive Income/(Loss)	-	-	-
Balance as at 30 September 2018	<u>350,000</u>	<u>2,341,822</u>	<u>2,691,822</u>
Balance as at 1 April 2019	350,000	2,313,924	2,663,924
Net Profit for the period	-	164,612	164,612
Other Comprehensive Income/(Loss)	-	-	-
Balance as at 30 September 2019	<u><u>350,000</u></u>	<u><u>2,478,536</u></u>	<u><u>2,828,536</u></u>

* The above figures are subject to audit.

STATEMENT OF CASH FLOWS

Period ended,	30.09.2019	30.09.2018
	Rs. '000	Rs. '000
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Profit before Taxation	187,563	115,692
ADJUSTMENTS FOR		
Depreciation	90,762	85,648
Finance Cost	27,210	36,330
Provision for Defined Benefit Plan Cost	24,688	21,490
Profit on Disposal of Property, Plant & Equipment	-	(2,800)
Amortization of Grants	(2,058)	(1,891)
Share of Profit of Joint Venture	(29,213)	(2,514)
Operating profit before working capital changes	<u>298,952</u>	<u>251,956</u>
(Increase)/Decrease in Inventories	56,852	27,304
(Increase)/Decrease in Trade and other Receivables	22,266	(33,657)
(Increase)/Decrease in Amounts due from Related Companies	(36,816)	(14,386)
Increase/(Decrease) in Trade and Other Payables	(13,084)	10,757
Increase/(Decrease) in Amounts due to Related Companies	(48,923)	52,333
Cash Generated from Operating Activities	<u>279,247</u>	<u>294,306</u>
Finance Cost Paid	(2,046)	(11,843)
Defined Benefit Plan Cost Paid	(65,547)	(29,802)
Tax (Paid) / Refund	(5,781)	(9,540)
Net Cash Flow From Operating Activities	<u>205,873</u>	<u>243,122</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of Property, Plant & Equipment	(1,257)	(20,054)
Cash received from Matured Debentures	250,000	-
Investments in Immature plantation	(130,710)	(110,542)
Expenditure on Timber Cultivation	(3,880)	(403)
Proceeds from Disposal of Property, Plant & Equipment	-	2,800
Grants Received	2,777	1,332
Net Cash Flow From Investing Activities	<u>116,930</u>	<u>(126,867)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of Government Lease rentals	(27,879)	(26,730)
Proceeds from borrowings	-	-
Repayment of loans	(30,684)	(30,608)
Settlement of finance lease	(2,121)	(8,633)
Dividend Paid	(201,875)	-
Net Cash Flow From Financing Activities	<u>(262,559)</u>	<u>(65,971)</u>
Net Increase/(Decrease) in Cash and Cash Equivalents	60,244	50,284
A. Cash & Cash Equivalents at the Beginning of the Year	<u>(3,406)</u>	<u>(141,462)</u>
B. Cash & Cash Equivalents at the End of the Year	<u>56,838</u>	<u>(91,178)</u>
NOTE A : Cash & Cash Equivalents at the Beginning of the Period		
Cash & Bank Balances	22,316	36,929
Bank Overdrafts	(25,722)	(178,391)
	<u>(3,406)</u>	<u>(141,462)</u>
NOTE B : Cash & Cash Equivalents at the End of the Period		
Cash & Bank Balances	68,054	25,333
Bank Overdrafts	(11,216)	(116,511)
	<u>56,838</u>	<u>(91,178)</u>

* The above figures are subject to audit.

NOTES TO THE FINANCIAL STATEMENTS

1. Market Price per Share

	Quarter Ended 30.09.2019	Quarter Ended 30.09.2018	Period Ended 30.09.2019	Period Ended 30.09.2018	Year Ended 31.03.2019
	Rs.	Rs.	Rs.	Rs.	Rs.
Last traded price	76.00	65.00	76.00	65.00	64.00
Highest	78.00	79.80	78.00	95.00	95.00
Lowest	65.00	65.00	58.00	65.00	55.50

2. Market Capitalization & Ratios

	As at 30.09.2019	As at 31.03.2019
Market Capitalization (Rs. '000)	1,805,000	1,520,000
Float adjusted Market Capitalization (Rs. '000)	586,981	494,300
Price Earning Ratio (times)	5.48	5.93

The company complies with option 05 of the listing rules 7.13.1 (a) - Less than Rs. 2.5 Bn. float adjusted market capitalization.

3. Stated Capital of Namunukula Plantations PLC amounts to Rs. 350,000,010 represented by 23,750,000 ordinary shares and a Golden Share which has special rights held by the Secretary to the Treasury.
4. The Interim Financial Statements of the Company are unaudited and have been prepared in accordance with Sri Lanka Accounting Standards (SLFRS/LKAS) and are in compliance with Sri Lanka Accounting Standard 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.
5. The Interim Financial Statements of the Company have been prepared on the basis of the same accounting policies and methods applied for year ended 31 March 2019, except for the Accounting Policies and methods of computation adopted to be in compliant with the requirement of the Sri Lanka Accounting Standard SLFRS 16 - "Leases", which became effective from January 01, 2019. SLFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract (i.e. Lessee and Lessor). SLFRS 16 replaced LKAS 17 - "Leases" and related interpretations.

Leasehold Land - The Statement of Recommended Practice (SoRP) for Right-to-use of Land on Lease was approved by the Council of the Institute of Chartered Accounts of Sri Lanka on 19th December 2012. Subsequently, the amendment to the SoRP along with the modification to the title as Statement of Alternative Treatment (SoAT) were approved by the Council on 21st August 2013. The Company is in the process of re-assessing the impact of the Right-to-use of Land and the impact to the Financial Statements yet to be quantified.

6. The presentation and classification of figures for the corresponding period of the previous year have been re-arranged, where relevant, for better presentation and to be comparable with those of the current period.
7. These interim financial statements does not include the Gain/(Loss) arising from the valuation of biological assets and Actuarial Gain/(Loss) on defined benefit plan costs arising since the valuation is done at the year end.

Further management is assessed that, the fair values of financial assets & financial liabilities are approximate to their carrying values of these instruments.
8. In May 2014, the Company invested in 2.5 Mn, Rs.100 each Five year Fixed Rated Listed Debenture (11.25% p.a.) payable semi annually issued by the ultimate parent company (Richard Pieris & Company PLC) amounting to Rs. 250 Mn. This 2.5 Mn Fixed Rated Listed debenture investment at Richard Pieris & Company PLC was Matured on 15th May 2019.
9. There has been no any other significant change in the nature of contingent liabilities, which were disclosed in the Annual Report for the year ended 31 March 2019.
10. Except discloser under note no: 8, there have been no any other material events occurring after the reporting date that require adjustments or disclosure in the financial statements.

11. The Interim Financial Statements of the company for the period ended 30th June 2019 were authorized for issue by the Board of Directors on 08 November 2019.

NOTES TO THE FINANCIAL STATEMENTS

12. Twenty largest shareholders of the company (Voting shares),

	As at 30.09.2019		As at 31.03.2019	
	No. of shares held	% of Holding	No. of shares held	% of Holding
1 RPC Plantation Management Services (Pvt) Ltd	16,026,561	67.48%	16,026,561	67.48%
2 The Secretary to the Treasury	3,763,300	15.85%	3,763,300	15.85%
3 Mr. T.T.T Al Nakib	392,521	1.65%	350,000	1.47%
4 National Development Bank PLC/Sakuvi Investment Trust (Pvt) Ltd	368,000	1.55%	368,000	1.55%
5 Mr.D.F.G.Dalpethado	184,202	0.78%	184,202	0.78%
6 Bank of Ceylon No .1 Account	80,000	0.34%	80,000	0.34%
7 Pershing LLC S/A Averbach Grauson & Co.	80,000	0.34%	100,000	0.42%
8 Mr.H.A.A.H.Algharabally	77,000	0.32%	77,000	0.32%
9 Mr.K.C.Vignarajah	71,858	0.30%	71,852	0.30%
10 Cocoshell Activated Carbon Co. Ltd	57,387	0.24%	57,387	0.24%
11 Mrs. J.K.P Singh	48,938	0.21%	48,938	0.21%
12 Mr.Z.G.Carimjee	43,200	0.18%	43,200	0.18%
13 Hatton National Bank PLC/Thilak Dias Gunasekera	41,768	0.18%	30,000	0.13%
14 T.S.T.T.T. Sathe Secretary to the Treasury-Sundry	38,298	0.16%	38,298	0.16%
15 Mr.N.A. Withana	35,419	0.15%	34,351	0.14%
16 J.B. Cocoshell (Pvt) Ltd	32,522	0.14%	32,522	0.14%
17 Northstar Holdings (Pvt) Ltd	29,900	0.13%	29,900	0.13%
18 Mr.U.P.Jayasinghe	29,500	0.12%	34,704	0.15%
19 Mrs.S.Vignarajah	28,104	0.12%	28,104	0.12%
20 Mrs.K.Fernando	25,000	0.11%	25,000	0.11%
Sub Total	21,453,478	90.33%		
Balance held by 11,620 (2018/19 - 11,634) shareholders	2,296,523	9.67%	2,326,682	9.80%
Total No. of Shares	23,750,001	100.00%	23,750,001	100.00%

* There were no non voting shares as at 30 September 2019.

The Percentage of shares held as at ,

	As at 30.09.2019			As at 31.03.2019		
	No. of Shareholders	No. of shares held	%	No. of Shareholders	No. of shares held	%
Public Holding	11,639	7,723,440	32.52%	11,653	7,723,440	32.52%
Other Holding	1	16,026,561	67.48%	1	16,026,561	67.48%
Total No. of Shares	11,640	23,750,001	100.00%	11,654	23,750,001	100.00%

13. Directors' & CEO's Shareholding

The Directors and CEO of the Company hold shares in the Company as follows.

	As at 30.09.2019 No. of Shares	As at 31.03.2019 No. of Shares
Dr. S Yaddhegige - Chairman	Nil	Nil
Mr. N C Peiris	Nil	Nil
Mr. B A T Rodrigo	Nil	Nil
Mr. Shaminda Yaddhegige	Nil	Nil
Mr. Shirley Gerard Devinda Amerasinghe	Nil	Nil
Mr. S S G Liyanage	Nil	Nil
Mr. Sriyan Eriyagama - CEO	Nil	Nil

SEGMENT INFORMATIONS

REVENUE	2019	2018
Summary	Rs. '000	Rs. '000
Sale of Goods		
Tea	450,263	665,979
Rubber	70,036	112,580
Oil Palm	619,297	463,170
Coconut	14,270	19,366
Cinnamon	5,988	12,370
	<u>1,159,855</u>	<u>1,273,465</u>

For the period ended 30 September,	Tea		Rubber		Oil Palm		Coconut		Cinnamon		Total	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Revenue	450,263	665,979	70,036	112,580	619,297	463,170	14,270	19,366	5,988	12,370	1,159,855	1,273,465
Revenue Expenditure	(551,893)	(757,071)	(76,159)	(106,555)	(178,902)	(152,796)	(9,322)	(8,549)	(4,696)	(9,327)	(820,974)	(1,034,297)
Depreciation / Amortization	(17,971)	(18,006)	(24,013)	(21,463)	(40,593)	(37,743)	(3,682)	(3,667)	(3,144)	(3,158)	(89,404)	(84,037)
Gratuity	(13,699)	(11,762)	(4,340)	(4,126)	(5,142)	(4,371)	(202)	(198)	(106)	(133)	(23,488)	(20,590)
Gross Profit/(Loss)	<u>(133,300)</u>	<u>(120,859)</u>	<u>(34,476)</u>	<u>(19,564)</u>	<u>394,660</u>	<u>268,259</u>	<u>1,063</u>	<u>6,952</u>	<u>(1,958)</u>	<u>(248)</u>	<u>225,989</u>	<u>134,540</u>
Other Income											38,647	81,594
Gain on change in fair value of biological assets											-	-
Administrative Expenses											(27,823)	(27,661)
Management Fees											(51,253)	(38,965)
Finance Cost											(27,210)	(36,330)
Impairment Loss on goodwill											-	-
Share of Profit from the Joint Venture											29,213	2,514
Profit before Taxation											<u>187,563</u>	<u>115,692</u>
Income Tax (Expense)/Reversal											(22,952)	(10,956)
Net Profit for the period											<u>164,612</u>	<u>104,736</u>

* The above figures are subject to audit.

CORPORATE INFORMATIONS**Name of Company**

Namunukula Plantations PLC.

Legal Form

A Quoted Public Limited Liability Company Incorporated in Sri Lanka.

Date of Incorporation

22 June 1992

Company Registration No.

P Q 136

Tax Identification No.

294001395

Principal Business Activities

Cultivation, Manufacture & Sale of Tea, Rubber, Oil palm, Coconut & Cinnamon Plantations.

Ultimate Parent Enterprise

Richard Pieris & Company PLC.

Board of Directors

Dr. S Yaddhegige - Chairman

Mr. N C Peiris

Mr. B A T Rodrigo

Mr. Shaminda Yaddhegige

Mr. Gerard Amerasinghe

Mr. S S G Liyanage

Stock Exchange Listings

The Ordinary shares of the Company are listed with the Colombo Stock Exchange of Sri Lanka.

Registered / Head Office

No: 310, High Level Road, Nawinna, Maharagama, Sri Lanka.

Auditors

Messrs. Ernst & Young, Chartered Accountants,

No: 201, De Saram Place, P.O. Box 101, Colombo 10, Sri Lanka.

Company Secretaries

Richard Pieris Group Services (Pvt) Ltd,

Secretaries,

No: 310, High Level Road, Nawinna, Maharagama, Sri Lanka.

Telephone: + (94) 11 4310564

Bankers

Bank of Ceylon - Corporate Branch & Regional Branches

People's Bank - Pelawatta Branch

Hatton National Bank PLC - City Branch

Sampath Bank PLC - Head Office Branch

National Development Bank PLC

Indian Overseas Bank / Indian Bank

Nations Trust Bank PLC

Contact Details

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