

# **NAMUNUKULA PLANTATIONS PLC**

**Company Reg. No. - PQ 136**

# **2015/16**

**INTERIM FINANCIAL STATEMENTS**

**FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2015**


# STATEMENTS OF FINANCIAL POSITION

Interim Financial Statements


As at,	30.09.2015 Rs. '000	30.09.2014 Rs. '000	Audited 31.03.2015 Rs. '000
<b>ASSETS</b>			
<b>Non Current Assets</b>			
Leasehold Property, Plant & Equipment	215,787	233,226	224,687
Freehold Property, Plant & Equipment	396,498	378,468	405,319
Bearer Biological Assets	2,153,737	1,930,128	2,076,171
Consumable Biological Assets	111,108	98,330	111,108
Long Term Investment - Unquoted	117,163	147,865	116,850
Financial Assets	250,000	250,000	250,000
Intangible Assets	340,515	367,693	340,515
<b>Total Non Current Assets</b>	<b>3,584,808</b>	<b>3,405,710</b>	<b>3,524,650</b>
<b>Current Assets</b>			
Inventories	193,396	288,895	211,195
Trade and Other Receivables	122,241	143,005	136,975
Amounts Due from Related Companies	4,109	13,828	-
Income Tax Receivable	5,441	-	5,441
Cash and Cash Equivalents	17,680	42,173	10,452
<b>Total Current Assets</b>	<b>342,866</b>	<b>487,900</b>	<b>364,063</b>
<b>Total Assets</b>	<b>3,927,674</b>	<b>3,893,610</b>	<b>3,888,713</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and Reserves</b>			
Stated Capital	350,000	350,000	350,000
Retained Earnings	1,909,954	1,855,004	1,843,890
<b>Total Equity</b>	<b>2,259,954</b>	<b>2,205,004</b>	<b>2,193,890</b>
<b>Non Current Liabilities</b>			
Interest Bearing Loans & Borrowings	160,418	241,820	187,750
Retirement Benefit Obligations	587,092	550,103	595,402
Deferred Tax Liability	20,158	26,291	20,158
Deferred Income	124,941	126,412	125,876
Liability to make Lease payment after one year	221,167	225,312	223,280
<b>Total Non Current Liabilities</b>	<b>1,113,776</b>	<b>1,169,938</b>	<b>1,152,465</b>
<b>Current Liabilities</b>			
Trade and Other Payables	386,461	450,325	440,023
Liability to make Lease payment within one year	4,106	3,948	4,026
Interest Bearing Loans & Borrowings	111,749	20,218	67,196
Amounts Due to Related Companies	51,627	34,550	31,112
Income Tax Liabilities	-	9,629	-
<b>Total Current Liabilities</b>	<b>553,943</b>	<b>518,669</b>	<b>542,357</b>
<b>Total Liabilities</b>	<b>1,667,719</b>	<b>1,688,607</b>	<b>1,694,823</b>
<b>Total Equity and Liabilities</b>	<b>3,927,674</b>	<b>3,893,610</b>	<b>3,888,713</b>
<b>Net Assets per Share (Rs.)</b>	<b>95.16</b>	<b>92.84</b>	<b>92.37</b>

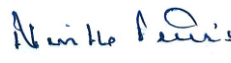
\* The above figures are subject to audit.

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 & Signed for and on behalf of the board of Directors of Namunukula Plantations PLC.

  
S. S. Poholyadde  
Director

  
N. C. Peiris  
Director

Colombo.  
10 November 2015

## STATEMENTS OF COMPREHENSIVE INCOME

Interim Financial Statements

	Quarter Ended 30.09.2015 Rs. '000	Quarter Ended 30.09.2014 Rs. '000	Increase / (Decrease) %	Six Month Ended 30.09.2015 Rs. '000	Six Month Ended 30.09.2014 Rs. '000	Increase / (Decrease) %	Audited Year Ended 31.03.2015 Rs. '000
Revenue	496,817	546,464	-9%	981,432	1,136,139	-14%	2,194,906
Cost of sales	(459,940)	(483,662)	-5%	(918,396)	(1,021,007)	-10%	(2,107,934)
<b>Gross profit</b>	<b>36,877</b>	<b>62,802</b>	<b>-41%</b>	<b>63,036</b>	<b>115,132</b>	<b>-45%</b>	<b>86,973</b>
Other income	28,528	25,220	13%	48,728	67,007	-27%	136,545
Gain on change in fair value of biological assets	-	-	--	-	-	--	14,877
Administrative expenses	(8,501)	(10,021)	-15%	(20,059)	(19,926)	1%	(40,116)
Management fee	(13,236)	(15,640)	15%	(23,168)	(31,085)	25%	(45,216)
Finance cost	(13,067)	(15,097)	13%	(26,120)	(32,914)	21%	(47,238)
Impairment of goodwill	-	-	--	-	-	--	(27,178)
Share of profit from joint venture	19,838	25,720	-23%	23,646	34,814	-32%	52,133
<b>Profit before taxation</b>	<b>50,440</b>	<b>72,983</b>	<b>-31%</b>	<b>66,064</b>	<b>133,028</b>	<b>-50%</b>	<b>130,779</b>
Income tax expense	-	(2,253)	100%	-	(3,248)	100%	20,482
<b>Net profit for the period</b>	<b>50,440</b>	<b>70,731</b>	<b>-29%</b>	<b>66,064</b>	<b>129,780</b>	<b>-49%</b>	<b>151,261</b>
<b>Other comprehensive income</b>							
Actuarial gain/(loss) on defined benefit plans	-	-	--	-	-	--	17,434
Income tax effect	-	-	--	-	-	--	(2,528)
<b>Other comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>--</b>	<b>-</b>	<b>-</b>	<b>--</b>	<b>14,906</b>
<b>Total comprehensive income for the period</b>	<b>50,440</b>	<b>70,731</b>	<b>-29%</b>	<b>66,064</b>	<b>129,780</b>	<b>-49%</b>	<b>166,167</b>
Basic Earnings per Share (Rs.)	2.12	2.98		2.78	5.46		6.37

\* The above figures are subject to audit.

## STATEMENT OF CHANGES IN EQUITY

Interim Financial Statements

	Stated Capital Rs. '000	Accumulated Profit Rs. '000	Total Rs. '000
<b>Balance as at 1 April 2014</b>	<b>350,000</b>	<b>1,725,224</b>	<b>2,075,224</b>
Dividend Paid	-	-	-
Net profit for the period	-	129,780	129,780
Other Comprehensive Income	-	-	-
<b>Balance as at 30 September 2014</b>	<b>350,000</b>	<b>1,855,004</b>	<b>2,205,004</b>
<b>Balance as at 1 April 2015</b>	<b>350,000</b>	<b>1,843,890</b>	<b>2,193,890</b>
Dividend Paid	-	-	-
Net profit for the period	-	66,064	66,064
Other Comprehensive Income	-	-	-
<b>Balance as at 30 September 2015</b>	<b>350,000</b>	<b>1,909,954</b>	<b>2,259,954</b>

\* The above figures are subject to audit.

# STATEMENT OF CASH FLOWS

Interim Financial Statements

Period ended,	30.09.2015 Rs. '000	30.09.2014 Rs. '000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) before Taxation	66,064	133,028
<b>ADJUSTMENTS FOR,</b>		
Depreciation	63,406	55,031
Finance Cost	26,120	32,914
Provision for Defined Benefit Plan Cost	23,463	13,814
Amortization of Grants	(1,350)	(1,316)
Share of Profit of Joint Venture	(23,646)	(34,814)
Profit from Sale of Fixed Assets	-	(800)
<b>Operating profit before working capital changes</b>	154,057	197,857
(Increase)/Decrease in Inventories	17,799	(26,862)
(Increase)/Decrease in Trade and other Receivables	14,734	(26,153)
(Increase)/Decrease in Amounts due from Related Companies	(4,109)	21,748
Increase/(Decrease) in Trade and Other Payables	(53,562)	(14,212)
Increase/(Decrease) in Amounts due to Related Companies	20,515	15,150
<b>Cash Generated from Operating Activities</b>	149,434	167,527
Finance Cost Paid	(4,798)	(12,609)
Defined Benefit Plan Cost Paid	(31,772)	(13,984)
<b>Net Cash Flow From Operating Activities</b>	112,864	140,934
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of Property, Plant & Equipment	(7,647)	(47,072)
Share buy back (Unquoted Investment)	23,333	-
Dividend Received	-	29,602
Investments in Immature plantation	(115,604)	(118,439)
Long Term Investments - In Debentures	-	(250,000)
Sale of Property, Plant & Equipment	-	800
Grants Received	415	1,732
<b>Net Cash Flow From Investing Activities</b>	(99,503)	(383,377)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Payment of Government Lease rentals	(23,355)	(22,222)
Repayment of loans	(27,670)	(10,370)
<b>Net Cash Flow From Financing Activities</b>	(51,025)	(32,592)
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	(37,664)	(275,035)
<b>A. Cash &amp; Cash Equivalents at the Beginning of the Period</b>	(1,404)	315,438
<b>B. Cash &amp; Cash Equivalents at the End of the Period</b>	(39,068)	40,403
<b>NOTE A - Cash &amp; Cash Equivalents at the Beginning of the Period</b>		
Cash & Bank Balances	10,452	26,549
Short Term Investment	-	288,889
Bank Overdrafts	(11,856)	-
	(1,404)	315,438
<b>NOTE B - Cash &amp; Cash Equivalents at the End of the Period</b>		
Cash & Bank Balances	17,680	42,173
Bank Overdrafts	(56,748)	(1,770)
	(39,068)	40,403

\* The above figures are subject to audit.

# NOTES TO THE FINANCIAL STATEMENTS

## Interim Financial Statements

### 1. Market Price per Share

	Quarter Ended 30.09.2015 Rs.	Quarter Ended 30.09.2014 Rs.	Year Ended 31.03.2015 Rs.	Year Ended 31.03.2014 Rs.
Last traded price	67.10	83.00	70.90	83.80
Highest	70.20	100.00	100.00	97.80
Lowest	66.00	80.50	70.00	43.00

2. Stated Capital of Namunukula Plantations PLC amounts to Rs. 350,000,010 represented by 23,750,001 shares.
3. 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.
4. 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 2015.
5. The sub lease agreement with Tusker Bottling Company (Pvt) Ltd (Under Liquidator) has been terminated for breach effective from 05th July 2013. Assets and Liabilities are reacquired by the company in 2014/15 Financial year.
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. 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 2015.
8. There have been no material events occurring after the reporting date, that require adjustments or disclosure in the Financial Statements.
9. An imposition of an " One Off" Super Gains Tax (SGT) has been passed in parliament on the 20th October 2015. Since the Bill had not been approved by Parliament as at the reporting date, the company has not accounted for the liability in the Financial Statements as at 30th September 2015. The company's liability has been determined to be Rs. 21,906,271/=. The SGT is payable in three equal installments. The first installment was paid on 30th Oct 2015, the second one is due by 30th November 2015, and the last one is payable by 31st December 2015.

**10. Twenty largest shareholders of the company,**

	As at 30.09.2015		As at 31.03.2015	
	No. of shares held	% of Holding	No. of shares held	% of Holding
1 RPC Plantations Management Services (Pvt) Ltd	15,412,737	64.90%	15,412,737	64.90%
2 The Secretary to the Treasury	3,763,300	15.85%	3,763,300	15.85%
3 Mr. T.T.T AL-Nakib	395,000	1.66%	395,000	1.66%
4 National Development Bank PLC/Sakuvi Investment Trust (Pvt) Ltd	368,000	1.55%	368,000	1.55%
5 Bank of Ceylon A/C Ceybank Century Growth Fund	343,766	1.45%	329,955	1.39%
6 Seylan Bank PLC/Thirugnanasambandar	211,363	0.89%	211,013	0.89%
7 National Savings Bank	150,000	0.63%	150,000	0.63%
8 Bank of Ceylon No .1 Account	80,000	0.34%	80,000	0.34%
9 Mr. H.A.A.H Algharabally	77,000	0.32%	77,000	0.32%
10 Mr. K.C Vignarajah	74,533	0.31%	73,434	0.31%
11 Cocoshell Activated Carbon Co. Ltd	57,387	0.24%	57,387	0.24%
12 Dr. T. Senthilvel	56,612	0.24%	49,627	0.21%
13 Mrs. K.S. Cooray	50,000	0.21%	50,000	0.21%
14 Mr. C. Chanmugam	50,000	0.21%	50,000	0.21%
15 Mrs. J.K.P Singh	50,000	0.21%	50,000	0.21%
16 Mr. Z.G. Carimjee	43,200	0.18%	-	0.00%
17 T.S.T.T.T. Sathe Secretary to the Treasury-Sundry	38,298	0.16%	38,298	0.16%
18 Mr. N.A. Withana	34,351	0.14%	-	0.00%
19 Waldock Mackenzie Ltd/Mr H.M.S Abdulhussein	31,800	0.13%	31,800	0.13%
20 Mrs. N.M Guruge	31,600	0.13%	31,600	0.13%
<b>Sub Total</b>	<b>21,318,947</b>	<b>89.76%</b>		
Balance held by 11,743 ( 2014/15 - 11,737) shareholders	2,431,054	10.24%	2,425,978	10.21%
<b>Total No. of Shares</b>	<b>23,750,001</b>	<b>100.00%</b>	<b>23,750,001</b>	<b>100.00%</b>

**The Percentage of shares held as at ,**

	30.09.2015			31.03.2015		
	No of Shareholders	No.of shares	%	No of Shareholders	No.of shares	%
Public Holding	11,760	4,570,964	19.25%	11,754	4,570,964	19.25%
Other Holding	3	19,179,037	80.75%	3	19,179,037	80.75%
<b>Total No. of Shares</b>	<b>11,763</b>	<b>23,750,001</b>	<b>100.00%</b>	<b>11,757</b>	<b>23,750,001</b>	<b>100.00%</b>

**11. Director's Shareholding**

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

	As at 30.09.2015 No. of Shares	As at 31.03.2015 No. of Shares
Dr.Sena Yaddehige	Nil	Nil
Mr.J H P Ratnayake	Nil	Nil
Mr.S S Poholiyadde	3,000	3,000
Mr.N C Peiris	Nil	Nil
Dr.Jayatissa De Costa	Nil	Nil
Mr.A K Perera (Resigned w.e.f. 20 May 2015)	Nil	Nil
Mr.B A T Rodrigo (Appointed w.e.f. 22 June 2015)	Nil	Nil

**SEGMENT INFORMATION**

Interim Financial Statements

For the period ended 30 September,

	Tea		Rubber		Oil Palm		Other Crops		Total	
	2015 Rs. '000	2014 Rs. '000	2015 Rs. '000	2014 Rs. '000	2015 Rs. '000	2014 Rs. '000	2015 Rs. '000	2014 Rs. '000	2015 Rs. '000	2014 Rs. '000
Revenue	508,923	697,503	104,236	122,301	349,682	293,354	18,591	22,980	981,432	1,136,139
Revenue Expenditure	(611,499)	(726,288)	(113,805)	(141,020)	(96,858)	(74,423)	(10,994)	(12,455)	(833,155)	(954,186)
Depreciation / Amortization	(15,623)	(15,460)	(19,710)	(17,048)	(22,020)	(17,725)	(5,325)	(4,798)	(62,678)	(55,031)
Gratuity	(13,108)	(2,941)	(5,066)	(5,036)	(3,910)	(3,273)	(479)	(541)	(22,563)	(11,790)
<b>Segment Results</b>	<b>(131,307)</b>	<b>(47,185)</b>	<b>(34,344)</b>	<b>(40,802)</b>	<b>226,894</b>	<b>197,933</b>	<b>1,794</b>	<b>5,186</b>	<b>63,036</b>	<b>115,132</b>
Other Income									48,728	67,007
Administrative Expenses									(20,059)	(19,926)
Management Fee									(23,168)	(31,085)
Finance Cost									(26,120)	(32,914)
Share of Profit from the Joint Venture									23,646	34,814
<b>Profit before Taxation</b>									<b>66,064</b>	<b>133,028</b>
Income Tax (Expense)/Reversal									-	(3,248)
<b>Net Profit for the period</b>									<b>66,064</b>	<b>129,780</b>

\* The above figures are subject to audit.



**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

**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 Yaddehige - Chairman

Mr.J H P Ratnayeke

Mr.S S Poholiyadde

Mr.N C Peiris

Dr.Jayatissa De Costa

Mr.A K Perera (Resigned w.e.f. 20 May 2015)

Mr.B A T Rodrigo (Appointed w.e.f. 22 June 2015)

**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,  
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

**Legal Advisors**

Paul Ratnayeke Associates,  
International Legal Consultants,  
Solicitors and Attorney-at-law,  
No. 59, Gregory's Road,  
Colombo 07.

**Bankers**

Bank of Ceylon - Corporate Branch & Regional Branches

People's Bank - Pelawatta Branch

Hatton National Bank - City Branch

Sampath Bank - Head Office Branch

Development Finance Corporation of Ceylon

National Development Bank

Indian Overseas Bank / Indian Bank

**Contact Details**

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