



RENUKA AGRI FOODS PLC

**INTERIM REPORT – FOR THE PERIOD ENDED
30th SEPTEMBER 2014**

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Operations Review

Renuka Agri Foods PLC is pleased to present the interim financial statement for the period ended 30th September 2014.

Our Performances

Turnover and Profitability

The group revenue for the period ended 30th September 2014 was Rs. 1.9 billion, a 13% increase over the corresponding period last year. Our gross profit has increased by Rs. 120 million for the period compared to same period last year, due to an increase in turnover and a 4% increase in our gross profit margin due to cost savings in the supply chain and enhancing production efficiency.

The profit attributable to the equity holders for the period was Rs. 204 million while the group total comprehensive income for the period was Rs. 220 Mn. The Agri Food sector continued to be the main contributor in revenue for the period under review by achieving a turnover of Rs.987 million while the Dairy sector and Plantation Sector recorded revenue of Rs 751 Mn and Rs 165 Mn respectively for the period.

Net Assets & Earnings Per Share

The Net Asset Value per share recorded is Rs. 3.55 as at 30th September 2014 and Earnings per Share stood at Rs 0.36 per share for the period ended 30th September 2014. The net asset value per share and earnings per share represents a 7% increase compared to year ended 31st March 2014 and a 115% increase compared to the corresponding period in the previous year.

Sgd.
Shamindra Rajiyah
Executive Director
30th October 2014

RENUKA AGRI FOODS PLC

STATEMENTS OF INCOME

	CONSOLIDATED				COMPANY			
	Rs.'000'		Rs.'000'		Rs.'000'		Rs.'000'	
	QUARTER ENDED		PERIOD ENDED		QUARTER ENDED		PERIOD ENDED	
	30.09.14	30.09.13	30.09.14	30.09.13	30.09.14	30.09.13	30.09.14	30.09.13
	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	
Revenue	926,467	910,702	1,903,567	1,681,646	484,668	474,562	986,856	903,980
Cost of Sales	(638,872)	(709,698)	(1,422,229)	(1,320,706)	(319,743)	(372,531)	(734,253)	(737,738)
Gross Profit	287,595	201,004	481,338	360,940	164,925	102,031	252,603	166,242
Other Income	7,729	1,442	15,554	8,626	5,480	2,641	7,837	7,023
Selling & Distribution Expenses	(73,396)	(74,335)	(142,779)	(145,271)	(7,893)	(7,895)	(12,684)	(11,425)
Administrative Expenses	(59,081)	(49,688)	(108,727)	(94,446)	(20,772)	(26,405)	(39,208)	(49,141)
Profit from Operations	162,847	78,423	245,386	129,849	141,740	70,372	208,548	112,699
Net Financing Cost	(6,389)	(13,890)	(17,944)	(24,724)	(3,614)	(7,294)	(10,349)	(12,633)
Profit before Taxation	156,458	64,533	227,442	105,125	138,126	63,078	198,199	100,066
Taxation	(7,509)	(1,640)	(7,509)	(3,140)	(3,574)	(2,140)	(3,574)	(3,140)
Profit for the period	148,949	62,893	219,933	101,985	134,552	60,938	194,625	96,926
Other Comprehensive Income	-	-	-	-	-	-	-	-
Total Comprehensive Income for the period	148,949	62,893	219,933	101,985	134,552	60,938	194,625	96,926
Profit Attributable to :								
Owners of the Company	146,356	60,775	203,856	94,776				
Non Controlling Interest	2,593	2,118	16,077	7,209				
Profit for the period	148,949	62,893	219,933	101,985				
Total Comprehensive Income attributable to :								
Owners of the Company	146,356	60,775	203,856	94,776				
Non Controlling Interest	2,593	2,118	16,077	7,209				
Total Comprehensive Income for the period	148,949	62,893	219,933	101,985				
Earnings Per Share	0.26	0.11	0.36	0.17	0.24	0.11	0.35	0.17

RENUKA AGRI FOODS PLC
STATEMENTS OF FINANCIAL POSITION

AS AT	CONSOLIDATED		COMPANY	
	30.09.2014 Rs.'000' Unaudited	31.03.2014 Rs.'000' Audited	30.09.2014 Rs.'000' Unaudited	31.03.2014 Rs.'000' Audited
Assets				
Non-Current Assets				
Property, Plant & Equipment & Other Assets	1,485,658	1,174,864	718,421	480,400
Long Term Investment	-	-	1,149,340	977,000
Goodwill	265,690	265,690	-	-
	1,751,348	1,440,554	1,867,761	1,457,400
Current Assets				
Inventories	588,573	441,329	424,195	338,341
Trade & Other Receivables	422,538	436,101	186,751	193,860
Amount due from Related Companies	39,833	55,360	48,230	94,857
Cash & Cash Equivalents	295,487	440,513	122,189	294,229
	1,346,431	1,373,303	781,365	921,288
Total Assets	3,097,779	2,813,858	2,649,126	2,378,688
Equity and Liabilities				
Capital and Reserves				
Stated Capital	1,194,453	1,194,453	1,194,453	1,194,453
Accumulated Profits	799,971	677,389	941,951	803,501
Equity attributable to Parent Company's Shareholders	1,994,424	1,871,842	2,136,404	1,997,954
Non Controlling Interest	157,452	37,866		
Total Equity	2,151,876	1,909,708		
Non Current Liabilities				
Retirement Benefit Obligations	30,801	29,265	18,568	17,270
Deferred Tax Liability	44,084	44,084	22,255	22,255
Finance Lease Obligations	59,850	60,106	-	-
Long Term Loan	37,416	107,796	5,018	67,677
	172,151	241,252	45,841	107,203
Current Liabilities				
Trade & Other Payable	486,322	336,987	264,361	146,039
Short Term Loan	136,962	72,876	121,345	45,003
Amounts due to Related Companies	84,104	7,754	81,164	-
Bank Overdraft (secured)	66,364	245,279	10	82,490
	773,752	662,897	466,880	273,532
Total Liabilities	945,903	904,150	512,721	380,735
Total Equity & Liabilities	3,097,779	2,813,858	2,649,126	2,378,688
Net Assets per share	3.55	3.33	3.80	3.56

Notes:

The above figures are subject to audit

I certify that the Interim Financial Statements have been prepared in compliance with the requirements of the Companies Act No.7 of 2007.

N . Hettiarachchi
Financial Controller

The Board of Directors is responsible for the preparation & presentation of these financial statements.

Dr.S.R.Rajiyah
Chairman

S.V. Rajiyah
Director

30.10.2014

RENUKA AGRIFOODS PLC
STATEMENTS OF CHANGES IN EQUITY

For the period ended	Equity Attributable to Owners		Non Controlling	Total
	<u>Stated</u> <u>Capital</u> RS.000	<u>Retained</u> <u>Earnings</u> RS.000	<u>Interest</u> RS.000	RS.000
<u>Company</u>				
Balance as at 1st April 2013	1,194,453	743,732	-	1,938,185
Profit for the period	-	96,926	-	96,926
Balance as at 30th September 2013	1,194,453	840,659	-	2,035,112
Balance as at 1st April 2014	1,194,453	803,501	-	1,997,954
Profit for the period	-	194,625	-	194,625
Dividend Paid	-	(56,175)	-	(56,175)
Balance as at 30th September 2014	1,194,453	941,951	-	2,136,404
<u>Group</u>				
Balance as at 1st April 2013	1,194,453	710,245	482,739	2,387,437
Profit for the period	-	94,776	7,209	101,985
Balance as at 30th September 2013	1,194,453	805,021	489,949	2,489,422
Balance as at 1st April 2014	1,194,453	677,389	37,866	1,909,708
Profit for the period	-	203,856	16,077	219,933
Dividend Paid	-	(56,175)	(1,590)	(57,765)
New Share Investments	-	-	80,000	80,000
Adjustments Due to Change in Holding Percentage	-	(25,099)	25,099	-
Balance as at 30th September 2014	1,194,453	799,971	157,452	2,151,876

RENUKA AGRI FOODS PLC
STATEMENTS OF CASH FLOWS

For the period Ended 30th September	CONSOLIDATED		COMPANY	
	2014	2013	2014	2013
	Unaudited Rs.'000'	Unaudited Rs.'000'	Unaudited Rs.'000'	Unaudited Rs.'000'
CASH FLOW FROM OPERATING ACTIVITIES				
Profit Before Taxation	227,442	105,125	198,199	100,066
Adjustments For :				
Depreciation / Amortization	39,820	39,250	23,077	27,083
Gratuity Provision	2,968	3,498	2,057	2,264
Finance Expenses / Income	7,666	19,111	1,208	8,292
Operating profit before working capital changes	277,896	166,984	224,166	137,705
(Increase)/Decrease in Inventories	(147,244)	(92,561)	(85,853)	(57,652)
(Increase)/Decrease in Debtors & Other receivables	13,563	(36,992)	7,109	38,762
(Increase)/Decrease in Amount due from Related Companies	15,527	141,173	46,627	5,501
Increase/(Decrease) in Creditors	149,079	15,640	118,322	(9,206)
Increase/(Decrease) in Amount due to Related Companies	76,350	(3,420)	81,164	43,881
Cash Generated/used from Operations	385,169	190,824	391,535	158,991
Taxation	(7,509)	(1,640)	(3,574)	(2,098)
Gratuity Paid	(1,432)	(611)	(759)	(391)
Interest Paid	(12,022)	(19,111)	(4,134)	(8,292)
Net Cash Generated/(used) from Operating Activities	364,206	169,462	383,068	148,210
CASH FLOW FROM INVESTING ACTIVITIES				
Interest Income	4,356	-	2,926	-
Additions / Disposal - Property, Plant & Equipment	(350,614)	(36,586)	(261,098)	(20,577)
Net Cash Outflow from Investing Activities	(346,258)	(36,586)	(430,511)	(20,577)
Net Cash Inflow / (Outflow) Before Financing Activities	17,948	132,876	(47,443)	127,633
CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from / (Repayment of) Long Term Borrowings	(70,380)	(36,329)	(62,659)	(43,962)
Proceeds from / (Repayment of) Short Term Borrowings	64,086	(27,896)	76,342	(3,574)
Dividend Paid	(57,765)	(57,525)	(56,175)	(56,175)
Disposal of Subsidiary	-	(934)	-	-
Share Issue	80,000	-	-	-
Net Cash Generated / (Used) in Financing Activities	15,941	(122,684)	(42,117)	(103,712)
Net Increase/(Decrease) in Cash & Cash Equivalents	33,889	9,891	(89,560)	23,921
Cash & Cash Equivalents at the Beginning of the Period	195,234	(38,050)	211,739	(15,597)
Cash & Cash Equivalents at the End of the Period - Note A	229,123	(28,159)	122,179	8,324
Note A				
Cash & Cash Equivalents				
Cash at Bank & In Hand	295,487	175,426	122,189	58,104
Bank Overdraft	(66,364)	(203,585)	(10)	(49,780)
Cash & Cash Equivalents as previously stated	229,123	(28,159)	122,179	8,324
<i>Figures in brackets indicate deductions.</i>				

RENUKA AGRI FOODS PLC
SEGMENTAL REPORT

	PERIOD ENDED 30.09.2014			
	Agri Food RS.000	Dairy RS.000	Plantation RS.000	TOTAL RS.000
Total Turnover	986,856	751,269	182,497	1,920,622
Less : Intra Company	-	-	(17,055)	(17,055)
External Turnover	986,856	751,269	165,442	1,903,567
Cost of Sales	(717,198)	(594,024)	(111,007)	(1,422,229)
Gross Profit	269,658	157,245	54,435	481,338
Other Income				15,554
Selling & Distribution Expenses				(142,779)
Administrative Expenses				(108,727)
Net Financing Cost				(17,944)
Taxation				(7,509)
Profit / (Loss) for the period				219,933
Other Comprehensive Income				-
Total Comprehensive Income				219,933
Other Information				
Segment Assets	1,940,525	871,956	285,298	3,097,779
Segment Liabilities	580,627	212,335	152,941	945,903
Total Equity				2,151,876

Note: 1 The above figures are subject to the audit.

2 Figures in brackets indicates deductions.

RENUKA AGRI FOODS PLC

Explanatory notes

01. Basis of preparation

The interim financial statements of Renuka Agri Foods PLC have been prepared in compliance with Sri Lanka Accounting Standard LKAS 34 -Interim Financial Reporting and SLFRSs interpretations issued and effective as at the time of preparing these financial statements. These interim financial statements are to be read in conjunction with the annual financial statements for the year ended 31st March 2014.

02. Comparative figures

The presentation and classification of figures for the corresponding period of the previous year have been rearranged where relevant, to be comparable with those for the current period.

03. The stated capital of the company consists of **561,750,000** shares issued as at **30th September 2014**.

04. Contingent liabilities

There is no change in the nature of the contingent assets or liabilities as at 30th September 2014 as compared to the contingent liabilities & assets which were disclosed in the accounts for the year ended 31st March 2014.

05. Market price per share

Market prices for the quarter ended 30th September were:

	2014	2013
Last traded	4.10	3.90
Highest	4.40	4.30
Lowest	3.20	3.70

06. Public shareholding

The percentage of shares held by the public as at 30th September 2014 amounts to 35.35% (31st March 2014 – 35.35%) of the stated capital. The number of shareholders representing the public holding was 3,704 as at 30th September 2014.

07. Directors' shareholding

The directors' shareholdings are as follows:

Name	As at 30 th September 2014	As at 30 th June 2014
Dr S.R.Rajiyah & Mrs I.R.Rajiyah (Joint)	8,426,278	8,426,278
Mr S.V.Rajiyah	1,404,375	1,404,375
Mr C.J.De.S.Amaratunge	-	-
Mr W.Rajapakshe	-	-
Mr J.Brennan	-	-
Mr M.Terfloth	-	-
Mr L.M.Abeywickrama	28,000	28,000
Mr P.C.K.Abeykoon	-	-
Mr V. Sanmugam	1,010	1,010
Ms A.L.Rajiyah	1,219,483	1,219,483

08. Investment

Renuka Organics (Pvt) Ltd issued 500,000 new ordinary shares to Renuka Foods PLC for a consideration of Rs. 70,000,000 on 23rd July 2014. This is equivalent to 50% of the issued share capital of Renuka Organics (Pvt) Ltd.

09. Post Balance Sheet Events

There are no material events that have taken place subsequent to 30th September 2014 which requires disclosure or adjustments to the financial statements.

10. Earnings per share

Earnings per share have been calculated as per LKAS 33.

RENUKA AGRIFOODS PLC - TOP 20 MAJOR SHREHOLDERS

<u>No.</u>	<u>Name</u>	<u>As at 30.09.2014</u>		<u>As at 30.06.2014</u>	
		<u>No. of Shares</u>	<u>%</u>	<u>No. of Shares</u>	<u>%</u>
1	Renuka Foods PLC	281,400,000	50.09%	281,400,000	50.09%
2	Greven Holdings Ltd	34,735,743	6.18%	34,735,743	6.18%
3	Mr. T.T.T. Al-Nakib	28,400,000	5.06%	33,000,000	5.87%
4	Grace Foods UK Ltd	22,500,000	4.01%	22,500,000	4.01%
5	Mrs. A.T.T.T. Al-Nakib	14,855,280	2.64%	14,855,280	2.64%
6	GraceKennedy Limited	12,255,555	2.18%	12,255,555	2.18%
7	Deutsche Bank AG-National Equity Fund	8,955,580	1.59%	8,955,580	1.59%
8	Dr. S.R. Rajiyah & Mrs. I.R. Rajiyah (Jt)	8,426,278	1.50%	8,426,278	1.50%
9	Deutsche Bank AG - Trustee for Namal Acuity Value Fund	8,220,240	1.46%	8,220,240	1.46%
10	People's Leasing & Finance PLC/C.D. Kohombanwickramage	7,692,375	1.37%	7,692,375	1.37%
11	Mr. H.A. Pieris	7,103,454	1.26%	6,692,770	1.19%
12	Mr. W. Dusford	7,000,000	1.25%	7,000,000	1.25%
13	Mr. K.C. Vignarajah	4,340,018	0.77%	4,340,018	0.77%
14	Mr. H.A.A.H. Algharabally	4,277,237	0.76%	4,277,237	0.76%
15	Distilleries Company of Sri Lanka PLC A/c No. 02	3,668,560	0.65%	3,668,560	0.65%
16	Mr. I. Raheel & Mr. A. Raheel (Jt)	3,479,500	0.62%	3,479,500	0.62%
17	Amana Bank Ltd	3,336,741	0.59%	3,416,175	0.61%
18	Star Packaging (Pvt) Ltd	3,000,000	0.53%	--	--
19	Standard Chartered Bank Singapore S/A HL Bank Singapore Branch	3,000,000	0.53%	3,000,000	0.53%
20	Mr. D.P. Pieris	3,000,000	0.53%	--	--
		<u>469,646,561</u>	<u>83.60%</u>	<u>467,915,311</u>	<u>83.30%</u>

CORPORATE INFORMATION

Name of Company

Renuka Agri Foods PLC

Registration No.

PB 1108/PQ

Legal Form

Quoted Public Company with Limited Liability

Principal Activity

Agri Business

Subsidiaries

Renuka Organics (Pvt) Ltd
Renuka Agri Organics Ltd
Kandy Plantations Ltd
Richlife Dairies Ltd
Ceylon Forestry (Pvt) Ltd
Ceylon Botanicals (Pvt) Ltd

Board of Directors

Dr S.R.Rajiyah-Chairman
Mrs I.R.Rajiyah
Mr C.J.De.S.Amaratunge
Mr S.V.Rajiyah
Mr L.M.Abeywickrama
Mr W.Rajapakshe
Mr M.Terfloth
Mr V. Sanmugam
Ms A.L.Rajiyah
Mr M.K.A.Ranglin
Mr S. Nagarajah

Company Secretaries

Renuka Enterprises (Pvt) Ltd
69, Sri Jinaratana Road,
Colombo 2

Registrars

S.S.P.Corporate Services (Pvt) Ltd
546 Galle Road,
Colombo 3.

Parent Company

Renuka Foods PLC (Formerly known as
Renuka Shaw Wallace PLC)

Registered Office

“Renuka House”
69 Sri Jinaratana Road,
Colombo 2
Telephone: 00941-11-2314750-5
Email: info@renukagroup.com
Fax: 00941 11-2445549

Postal Address

P.O.Box 961, Colombo

Stock Exchange Listing

Colombo Stock Exchange

Audit Committee

Mr S. Nagarajah - Chairman
Mr C.J.De.S.Amaratunge
Mr W.Rajapakshe

Remuneration Committee

Mr M.S.Dominic -Chairman
Mr.C.J.De.S.Amaratunge
Mr.T.K.Bandaranayake

Auditors

KPMG Chartered Accountants

Legal Consultants

Nithya Partners – Attorneys- at-Law

Bankers

National Development Bank PLC
Hong Kong & Shanghai Banking
Corporation Ltd
Commercial Bank of Ceylon PLC
DFCC Bank PLC
DFCC Vardhana Bank PLC