



RENUKA HOLDINGS PLC

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

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Operations Review

Renuka Holdings PLC is pleased to present the interim financial statement for the quarter ended 30th September 2014.

Turnover and Profitability

The group recorded a revenue for the period ended 30th September 2014 of Rs. 3,845 Mn a 10% increase compared to the revenue during the same period in the last year. Gross profit margin has increased by 2% due to cost savings in the supply chain and enhancing production efficiency.

The profit attributable to the equity holders for the six months ended 30th September 2014 of Rs. 157 Mn reflects a 56% increase compared to the same period during previous financial year. The group total comprehensive income for the six months ended 30th September 2014 of Rs. 316 Mn was an increase of 138% over the corresponding period in the last financial year.

The Agri Food sector reported total revenue of Rs. 1,349 Mn for the six months ended 30th September 2014; the sector has achieved a gross profit of Rs. 383 Mn for the same period.

The Dairy sector reported a gross profit of Rs 137 Mn against turnover of Rs. 751 Mn for the six months ended 30th September 2014.

The Plantation sector reported a gross profit of Rs 71 Mn against turnover of Rs. 165 Mn for the six months ended 30th September 2014.

The FMCG sector reported a gross profit of Rs 211 Mn against turnover of Rs. 1,100 Mn for the six months ended 30th September 2014.

The Automotive sector achieved a gross profit of Rs. 92 Mn against the turnover of Rs. 473 Mn for the six months ended 30th September 2014.

Investment and Services sector reported a turnover and gross profit of Rs. 6 Mn and Rs. 5 Mn respectively for the six months ended 30th September 2014.

Earnings per share and Net Assets

The Group has recorded a Net Asset Value per share of Rs.58.88 as at 30th September 2014 and Earnings Per Share of Rs. 3.08 for the six months ended 30th September 2014.

Investment in Property Development

The Board of Directors of Renuka Holdings PLC resolved on 13 October 2014 to offer one (01) Ordinary Voting Share for every one (01) Ordinary Voting Share and one (01) Ordinary Non-Voting Share for every one (01) Ordinary Non-Voting Share in the Capital of the Company by way of a Rights Issue

The funds raised from the Rights issue is expected to part-fund the first phase of a larger venture by Renuka Holdings PLC, to unlock the value of the significant wealth of properties it owns. The said development agenda will be to develop a property in Colombo 03.

Sgd.
Shamindra Rajiyah
Executive Director
30th October 2014

RENUKA HOLDINGS PLC

STATEMENTS OF INCOME

	CONSOLIDATED				COMPANY			
	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 Rs.'000'	Unaudited Rs.'000'	Unaudited Rs.'000'	Unaudited Rs.'000'	Unaudited Rs.'000'	Unaudited Rs.'000'	Unaudited Rs.'000'	Unaudited Rs.'000'
Revenue	1,961,601	1,958,745	3,844,751	3,498,633	38,637	29,239	38,637	29,239
Cost of Sales	(1,460,767)	(1,543,525)	(2,945,230)	(2,760,939)	-	-	-	-
Gross Profit	500,834	415,220	899,521	737,694	38,637	29,239	38,637	29,239
Other Income	17,015	12,614	36,640	28,379	-	-	-	-
Selling & Distribution Expenses	(150,006)	(166,725)	(321,718)	(305,021)	-	-	-	-
Administrative Expenses	(124,663)	(119,624)	(248,119)	(224,145)	(294)	(574)	(467)	(730)
Profit from Operations	243,180	141,485	366,324	236,907	38,343	28,665	38,170	28,509
Net Financing Cost	(7,610)	(30,611)	(34,253)	(54,807)	(17)	-	(21)	1,064
Profit before Taxation	235,570	110,874	332,071	182,100	38,326	28,665	38,149	29,573
Taxation	(8,112)	-	(16,267)	(5,000)	-	-	-	-
Profit for the period	227,458	110,874	315,804	177,100	38,326	28,665	38,149	29,573
Other Comprehensive Income	-	-	-	-	-	-	-	-
Total Comprehensive Income for the period	227,458	110,874	315,804	177,100	38,326	28,665	38,149	29,573
Profit Attributable to :								
Owners of the Company	107,177	64,163	157,135	100,485				
Non Controlling Interest	120,281	46,711	158,670	76,614				
Profit for the period	227,458	110,874	315,804	177,100				
Total Comprehensive Income attributable to :								
Owners of the Company	107,177	64,163	157,135	100,485				
Non Controlling Interest	120,281	46,711	158,670	76,614				
Total Comprehensive Income for the period	227,458	110,874	315,804	177,100				
Earnings Per Share (EPS)	2.10	1.26	3.08	1.97	0.75	0.56	0.75	0.58

RENUKA HOLDINGS PLC
STATEMENTS OF FINANCIAL POSITION

As at	CONSOLIDATED		COMPANY	
	30.09.2014	31.03.2014	30.09.2014	31.03.2014
	Rs.'000'	Rs.'000'	Rs.'000'	Rs.'000'
	Unaudited	Audited	Unaudited	Audited
Assets				
Non-Current Assets				
Property, Plant & Equipment	3,359,315	2,840,672	-	-
Investment Property	937,000	937,000	-	-
Other Investments	228,584	223,959	-	-
Investment in Subsidiaries	-	-	852,000	852,000
Investment in Joint Ventures	-	-	59,491	59,491
Investment Securities	275,000	376,000	-	-
Deferred Tax Asset	26,737	26,737	-	-
Intangible Assets	139,428	134,957	-	-
	4,966,065	4,539,326	911,491	911,491
Current Assets				
Inventories	1,192,100	1,091,643	-	-
Trade & Other Receivables	1,278,163	1,159,874	158	-
Amount due from Related Companies	86	7,911	255,818	6,540
Cash & Cash Equivalents	376,656	525,661	3,463	1,192
	2,847,004	2,785,088	259,439	7,732
Total Assets	7,813,069	7,324,414	1,170,930	919,223
Equity and Liabilities				
Capital and Reserves				
Stated Capital	175,000	175,000	175,000	175,000
Accumulated Profits	2,824,685	2,649,111	388,592	386,105
Equity attributable to Parent Company's Shareholders	2,999,685	2,824,111	563,592	561,105
Non Controlling Interest	2,331,674	2,012,814		
Total Equity	5,331,359	4,836,925		
Non Current Liabilities				
Retirement Benefit Obligation	58,140	56,896	-	-
Deferred Taxation	48,377	48,377	-	-
Interest Bearing Borrowings	99,255	169,432	-	-
	205,771	274,705	-	-
Current Liabilities				
Trade & Other Payable	992,384	859,375	37,229	1,612
Interest Bearing Borrowings due with in one year	758,541	755,806	-	-
Amounts due to Related Companies	428,290	324,450	570,109	356,436
Bank Overdraft (secured)	96,726	273,152	-	70
	2,275,940	2,212,784	607,338	358,118
Total Liabilities	2,481,710	2,487,489	607,338	358,118
Total Equity & Liabilities	7,813,069	7,324,414	1,170,930	919,223
Net Assets per share	58.88	55.43	11.06	11.01

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.

P. Gunathilake
Chief Operating Officer - SSD

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

Dr.S.R. Rajiyah
Director

S.V. Rajiyah
Director

RENUKA HOLDINGS PLC
STATEMENTS OF CHANGES IN EQUITY

	Equity Attributable to Owners		Non Controlling	Total
	Stated Capital RS.000	Accumulated Profit RS.000	Interest RS.000	
<u>Company</u>				
Balance as at 01st April 2013	175,000	394,714	-	569,714
Profit for the Period	-	29,573	-	29,573
Dividend Paid	-	(35,662)	-	(35,662)
Balance as at 30th September 2013	175,000	388,625	-	563,625
Balance as at 01st April 2014	175,000	386,105	-	561,105
Profit for the Period	-	38,149	-	38,149
Dividend Paid	-	(35,662)	-	(35,662)
Balance as at 30th September 2014	175,000	388,592	-	563,592
<u>Group</u>				
Balance as at 01st April 2013	175,000	2,081,549	1,974,003	4,230,552
Profit for the Period	-	100,485	76,614	177,099
Dividend Paid	-	(35,662)	(42,699)	(78,361)
Acquisition of Subsidiary	-	-	(13,814)	(13,814)
Disposal of Subsidiary	-	(648)	(286)	(934)
Balance as at 30th September 2013	175,000	2,145,725	1,993,818	4,314,542
Balance as at 01st April 2014	175,000	2,649,111	2,012,814	4,836,925
Profit for the Period	-	157,135	158,670	315,804
Dividend Paid	-	(35,662)	(40,429)	(76,091)
Adjustments due to change in holding percentage	-	54,101	(54,101)	-
Acquisition of Subsidiary	-	-	4,500	4,500
New Share Investments	-	-	250,220	250,220
Balance as at 30th September 2014	175,000	2,824,685	2,331,674	5,331,359

RENUKA HOLDINGS PLC
STATEMENTS OF CASH FLOWS

	CONSOLIDATED		COMPANY	
	2014	2013	2014	2013
For the period ended 30 th September	Unaudited Rs.'000'	Unaudited Rs.'000'	Unaudited Rs.'000'	Unaudited Rs.'000'
CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before taxation	332,071	182,099	38,149	29,573
Adjustments For :				
Depreciation / Amortization	59,422	61,001	-	-
Interest Income	(16,053)	(2,952)	(33)	(1,064)
Gratuity Provision	5,964	5,006	-	-
Interest Paid	26,445	24,693	2	-
Operating profit/(Loss) before working capital changes	407,849	269,847	38,118	28,509
(Increase)/Decrease in Inventories	(100,457)	(294,893)	-	-
(Increase)/Decrease in Debtors & Other receivables	(118,289)	(110,544)	(158)	(29,131)
(Increase)/Decrease in Amount due from Related Companies	7,825	7,003	(249,278)	29,155
Increase/(Decrease) in Creditors	133,009	125,869	35,617	35,095
Increase/(Decrease) in Amount due to Related Companies	103,840	126,661	213,673	(30,895)
Cash Generated from Operations	433,777	123,941	37,972	32,733
Taxation	(16,267)	(3,957)	-	-
Gratuity and Pension Paid	(4,720)	(2,725)	-	-
Interest Income	16,053	2,952	33	1,064
Interest Paid	(26,445)	(24,693)	(2)	-
Net Cash from Operating Activities	402,398	95,518	38,003	33,797
CASH FLOW FROM INVESTING ACTIVITIES				
Net Change due to purchase / disposal of shares in Subsidiaries	29	(14,748)	-	-
Acquisition / (Disposal) of investments	(4,625)	(3,406)	-	-
Additions / (Disposal) - Property, Plant & Equipment / Investment Prop.	(578,065)	(49,531)	-	-
Net Cash Outflow from Investing Activities	(582,663)	(67,685)	-	-
Net Cash Inflow/(Outflow) Before Financing Activities	(180,264)	27,833	38,003	33,797
CASH FLOW FROM FINANCING ACTIVITIES				
Dividend Paid	(76,091)	(78,361)	(35,662)	(35,662)
Disposal of Investment Securities	101,000	-	-	-
Share Issued to Non Controlling Party	250,220	-	-	-
Net Long Term & Short Term Borrowings	(67,442)	25,180	-	-
Net Cash used/ generated in Financing Activities	207,686	(53,181)	(35,662)	(35,662)
Net Increase/(Decrease) in Cash & Cash Equivalents	27,422	(25,348)	2,341	(1,865)
Cash & Cash Equivalents at the Beginning of the Period	252,509	(54,709)	1,122	2,354
Cash & Cash Equivalents at the End of the Period - Note A	279,931	(80,057)	3,463	489
Note A				
Cash & Cash Equivalents				
Cash at Bank & In Hand	376,656	217,971	3,463	489
Bank Overdraft	(96,726)	(298,028)	-	-
Cash & Cash Equivalents as previously stated	279,931	(80,057)	3,463	489
<i>Figures in brackets indicate deductions.</i>				

RENUKA HOLDINGS PLC
SEGMENTAL REPORT

PERIOD ENDED 30.09.2014							
	Agri Food	Dairy	Plantation	FMCG	Automotive	Investment & Services	TOTAL
	RS.000	RS.000	RS.000	RS.000	RS.000	RS.000	RS.000
Total Turnover	1,355,760	751,269	182,497	1,117,967	472,600	74,029	3,954,122
Less : Intra Company	(6,618)	-	(17,055)	(17,875)	-	(67,823)	(109,371)
External Turnover	1,349,142	751,269	165,442	1,100,092	472,600	6,206	3,844,751
Cost of Sales	(965,841)	(614,024)	(93,952)	(889,541)	(380,997)	(875)	(2,945,230)
Gross Profit	383,301	137,245	71,490	210,551	91,603	5,331	899,521
Other Income							36,640
Selling & Distribution Expenses							(321,718)
Administrative Expenses							(248,119)
Net Financing Cost							(34,253)
Profit / (Loss) for the period							332,071
Taxation							(16,267)
Profit / (Loss) after taxation							315,804
Segment Assets	2,686,419	871,956	285,298	2,028,456	444,814	1,496,126	7,813,069
Segment Liabilities	511,940	232,335	152,941	705,641	365,399	513,454	2,481,710
Total Equity							5,331,359

Note: 1 The above figures are subject to the audit.
2 Figures in brackets indicates deductions.

RENUKA HOLDINGS PLC

Explanatory Notes

01. Basis of preparation

The interim financial statements of Renuka Holdings PLC have been prepared in accordance with LKAS 34. Interim Financial reporting is covered by SLFRS 1. These interim financial statements have been prepared in accordance with the SLFRS and interpretation issued and effective as at the time of preparing this statement.

02. Comparative figures

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

03. Earnings per share

Earnings per share has been calculated as per LKAS 33

04. Stated Capital

The stated capital consists of **44,517,313** (31st March 2014 – 44,517,313) Voting & **6,428,415** (31st March 2014 – 6,428,415) Non-voting shares issued as at **30th September 2014**.

05. Market price per share

The market prices for the quarter ended **30th September** were:

	2014		2013	
	Voting	Non-Voting	Voting	Non-Voting
Last Traded	39.60	27.50	30.00	23.00
Highest	42.20	29.80	38.00	26.30
Lowest	31.50	22.60	27.10	21.00

06. Public shareholding

The percentage of shares held by the public as at 30th September 2014 Voting was 42.49% (31st March 2014 - 42.94%) and Non-voting was 94.16% (31st March 2014 - 94.16%). The number of shareholders representing the public holding was 1770 as at 30th September 2014.

07. Director's shareholding

	As at 30 th September 2014		30 th September 2014	
	Voting	Non-Voting	Voting	Non-Voting
Dr & Mrs Rajiyah (Jt)	2,225,866	85,771	2,225,866	85,711
Mr S.V.Rajiyah	77,491	217,707	77,491	217,707
Mr C.J.De.S.Amaratunge	11,641		11,641	
Mr L.M.Abeywickrama				
Mr T.K.Bandaranayake				
Mr M.S.Dominic				
Ms A.L.Rajiyah	148,388	21,425	148,388	21,425
J.M.Swaminathan				

08. Investment

Shaw Wallace Ceylon Limited, a sub subsidiary of the company issued 93,450,116 voting shares and 138,758 Non-voting shares on 15th September 2014 for a total consideration of Rs. 561,533,244.

09. 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.

10. Post Balance Sheet Events

There are no material events that have taken place subsequent to 30th September 2014 other than disclosed below which requires disclosure or adjustments to the financial statement.

The board of directors of the company approved to issue shares by way of Rights on the proportion in which shares are to be issued in the ratio of

One Ordinary Voting Share for every existing one Ordinary Voting share at a price of 21/= per Ordinary Voting Share.

One Ordinary Non-voting Share for every existing one Ordinary Non-voting share at a price of 15/= per Ordinary Non-voting Share.

Renuka Holdings PLC -Top 20 Major Shareholders

<u>No.</u>	<u>Name</u>	<u>Voting as at 30.09.2014</u>		<u>Voting as at 30.06.2014</u>	
		<u>No. of shares</u>	<u>%</u>	<u>No. of shares</u>	<u>%</u>
1	Renuka Group Ltd	22,788,749	51.19%	22,788,749	51.19%
2	National Savings Bank	2,678,073	6.02%	2,678,073	6.02%
3	Dr. S.R. Rajiyah & Mrs. I.R. Rajiyah (Jt)	2,225,866	5.00%	2,225,866	5.00%
4	Sri Lanka Insurance Corporation Ltd-Life Fund	1,526,316	3.43%	1,526,316	3.43%
5	Employees Trust Fund Board	1,457,165	3.27%	1,457,165	3.27%
6	Deutsche Bank AG - National Equity Fund	1,270,581	2.85%	1,270,581	2.85%
7	Mr. M.M.S. Dawood	999,968	2.25%	999,968	2.25%
8	Deutsche Bank AG - Trustee for Namal Acuity Value Fund	804,877	1.81%	804,877	1.81%
9	Waldock Mackenzie Ltd/Hi-Line Trading (Pvt) Ltd	380,000	0.85%	386,755	0.87%
10	Lankem Developments PLC	334,152	0.75%	334,152	0.75%
11	Commercial Bank of Ceylon PLC/S. Vasudevan	305,701	0.69%	--	--
12	Seylan Bank PLC/Capital Trust Holdings (Pvt) Ltd.	294,822	0.66%	613,975	1.38%
13	Mr. M.M.M. Milfer	250,000	0.56%	373,090	0.84%
14	Mr. K.C. Vignarajah	235,496	0.53%	235,496	0.53%
15	Mr. M.M. Fuad	207,085	0.47%	453,102	1.02%
16	Mr. S.A. de Silva	200,000	0.45%	--	--
17	Dr. G. Rajiyah	199,846	0.45%	199,846	0.45%
18	Deutsche Bank AG - Namal Growth Fund	197,403	0.44%	197,403	0.44%
19	Macksons Holdings (Pvt) Ltd	178,875	0.40%	242,839	0.55%
20	Sri Lanka Insurance Corporation Ltd-General Fund	176,992	0.40%	596,382	1.34%
		<u>36,711,967</u>	<u>82.47%</u>	<u>37,384,635</u>	<u>83.98%</u>

<u>No.</u>	<u>Name</u>	<u>Non-voting as at 30.09.2014</u>		<u>Non-voting as at 30.06.2014</u>	
		<u>No. of shares</u>	<u>%</u>	<u>No. of shares</u>	<u>%</u>
1	Mr. K.C. Vignarajah	302,462	4.71%	302,462	4.71%
2	Pan Asia Banking Corporation PLC/Mr. R.E. Rambukwelle	267,768	4.17%	267,768	4.17%
3	National Savings Bank	248,406	3.86%	148,406	2.31%
4	Mr. S.V. Rajiyah	217,707	3.39%	217,707	3.39%
5	Mr. A. Sithampalam	217,413	3.38%	72,000	1.12%
6	A.T. Cooray (Pvt) Ltd	195,428	3.04%	195,428	3.04%
7	E.W. Balasuriya & Co. (Pvt) Ltd	136,709	2.13%	136,709	2.13%
8	Mr. M.M.M. Milfer	125,500	1.95%	143,251	2.23%
9	People's Leasing & Finance PLC/Hi Line Trading (Pvt) Ltd	123,428	1.92%	123,428	1.92%
10	Mr. M.M.M. Nizver	118,930	1.85%	--	--
11	Macksons Holdings (Pvt) Ltd	109,011	1.70%	226,903	3.53%
12	Corporate Druids (Pvt) Ltd	101,000	1.57%	101,000	1.57%
13	Mr. L.E. Liyanage	100,000	1.56%	100,000	1.56%
14	Commercial Bank of Ceylon PLC A/c No. 04	100,000	1.56%	100,000	1.56%
15	Green Olive Investment (Pvt) Ltd	99,732	1.55%	100,000	1.56%
16	Dr. S.R. Rajiyah & Mrs. I.R. Rajiyah (Jt)	85,711	1.33%	85,711	1.33%
17	Mr. F.G.N. Mendis	83,060	1.29%	83,060	1.29%
18	Mr. E.A.K. Fernando	75,000	1.17%	--	--
19	Mount Lavinia Hotel (Pvt) Ltd	65,000	1.01%	65,000	1.01%
20	Mr. S. Prabagar	65,000	1.01%	--	--
		<u>2,837,265</u>	<u>44.14%</u>	<u>2,468,833</u>	<u>38.41%</u>

CORPORATE INFORMATION

Name Of Company
Renuka Holdings PLC

Registration No.
PQ 227

Legal Form
Quoted Public Company With Limited Liability

Subsidiaries:
Galle Face Properties (Pvt) Ltd
McShaw Automotive Ltd
Renuka Agro Exports Ltd
Renuka Enterprises (Pvt) Ltd

Principal Activity
It is the holding company for subsidiaries engaged in the sectors of Agri Food, Dairy, Consumer, Automotive, Investment & Services

Board Of Directors - Company
Mrs. I.R.Rajiyah (Chairperson)
Dr S.R.Rajiyah
Mr C.J.De.S.Amaratunge
Mr S.V.Rajiyah
Mr L.M.Abeywickrama
Mr M.S.Dominic
Mr T.K.Bandaranayake
Mr J.M.Swaminathan
Ms A.L.Rajiyah

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.

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

Postal Address
P.O.Box 25, Colombo

Stock Exchange Listing
Colombo Stock Exchange

Audit Committee
Mr. T.K.Bandaranayake (Chairman)
Mr. C.J.De.S.Amaratunge
Mr M.S.Dominic

Remuneration Committee
Mr M.S.Dominic
Mr. C.J.De.S.Amaratunge
Mr T.K.Bandaranayake

Auditors
Kreston MNS & Co
Chartered Accountants

Legal Consultants
Nithya Partners- Attorneys-at-Law

Bankers
National Development Bank PLC