



RENUKA AGRI FOODS PLC

**INTERIM REPORT – FOR THE PERIOD ENDED
31ST MARCH 2015**

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Operations Review

Renuka Agri Foods PLC is pleased to present the interim financial statement for the period ended 31st March 2015.

Our Performances

Turnover and Profitability

The group revenue for the period ended 31st March 2015 was Rs. 3.4 billion. Our gross profit has increased by Rs. 13 million for the period ended 31st March compared to same period last year.

The profit attributable to the equity holders for the period ended 31st March 2015 was Rs. 289 million while the group total comprehensive income for the period ended 31st March 2015 was Rs. 290 Mn. The Manufacturing sector continued to be the main contributor in revenue for the period under review by achieving a turnover of Rs. 2,119 million while the Distribution sector and Plantation sector recorded revenue of Rs 1,087 Mn and Rs 207 Mn respectively for the period.

Net Assets & Earnings Per Share

The Group Net Asset Value per share recorded is Rs. 4.06 as at 31st March 2015 and Earnings per Share stood at Rs 0.51 per share for the period ended 31st March 2015. The net asset value per share and earnings per share represents a 22% increase compared to year ended 31st March 2014 and a 1,175% increase compared to the corresponding period in the previous year.

Sgd.
Shamindra Rajiyah
Executive Director
27th May 2015

RENUKA AGRI FOODS PLC

STATEMENTS OF INCOME

	CONSOLIDATED				COMPANY			
	Rs.'000'		Rs.'000'		Rs.'000'		Rs.'000'	
	QUARTER ENDED		YEAR ENDED		QUARTER ENDED		YEAR ENDED	
	31.03.15	31.03.14	31.03.15	31.03.14	31.03.15	31.03.14	31.03.15	31.03.14
	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED
Revenue	637,383	900,987	3,413,146	3,450,194	539,192	415,151	2,075,479	1,737,875
Cost of Sales	(579,427)	(706,151)	(2,699,895)	(2,750,328)	(464,828)	(342,146)	(1,632,720)	(1,439,195)
Gross Profit	57,956	194,836	713,251	699,866	74,364	73,005	442,759	298,680
Other Income	3,041	4,538	17,751	26,832	(730)	1,330	8,524	7,485
Selling & Distribution Expenses	(33,905)	(86,570)	(226,346)	(361,221)	(17,374)	(6,986)	(47,521)	(25,037)
Administrative Expenses	(35,129)	(62,318)	(196,421)	(274,788)	(54,863)	(31,639)	(119,175)	(150,180)
Loss on Disposal of Subsidiary	-	-	-	(25,511)	-	-	-	-
Profit from Operations	(8,037)	50,486	308,235	65,178	1,397	35,710	284,587	130,948
Net Financing Cost	11,501	(8,168)	(10,284)	(25,861)	9,756	(5,674)	(5,550)	(10,016)
Profit before Taxation	3,464	42,318	297,951	39,317	11,153	30,036	279,037	120,932
Taxation	548	(154)	(7,509)	(10,973)	1,034	646	(3,574)	(4,852)
Profit for the year	4,012	42,164	290,442	28,344	12,187	30,682	275,463	116,080
Other Comprehensive Income	-	-	-	894	-	-	-	(137)
Total Comprehensive Income for the year	4,012	42,164	290,442	29,238	12,187	30,682	275,463	115,943
Profit Attributable to :								
Owners of the Company	15,806	38,313	288,629	22,711				
Non Controlling Interest	(11,794)	3,851	1,813	5,633				
Profit for the year	4,012	42,164	290,442	28,344				
Total Comprehensive Income attributable to :								
Owners of the Company	15,806	38,313	288,629	23,353				
Non Controlling Interest	(11,794)	3,851	1,813	5,885				
Total Comprehensive Income for the year	4,012	42,164	290,442	29,238				
Earnings Per Share	0.03	0.07	0.51	0.04	0.02	0.05	0.49	0.21

RENUKA AGRI FOODS PLC
STATEMENTS OF FINANCIAL POSITION

AS AT	CONSOLIDATED		COMPANY	
	31.03.2015	31.03.2014	31.03.2015	31.03.2014
	Rs.'000'	Rs.'000'	Rs.'000'	Rs.'000'
	Unaudited	Audited	Unaudited	Audited
Assets				
Non-Current Assets				
Property, Plant & Equipment	988,344	1,139,216	841,885	480,400
Biological Assets	38,648	35,648	-	-
Investment in Subsidiaries	-	-	659,000	977,000
Investment in equity accounted investee	329,600	-	-	-
Investment in securities	551,256	-	300,000	-
Goodwill	-	265,690	-	-
	1,907,848	1,440,554	1,800,885	1,457,400
Current Assets				
Inventories	574,139	441,329	526,518	338,341
Trade & Other Receivables	256,867	436,102	222,761	193,860
Amount due from Related Companies	56,121	55,360	70,049	94,857
Cash & Cash Equivalents	220,805	440,512	125,101	294,229
	1,107,932	1,373,303	944,429	921,288
Total Assets	3,015,780	2,813,858	2,745,314	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	1,085,988	677,389	1,022,789	803,501
Equity attributable to Parent Company's Shareholders	2,280,441	1,871,842	2,217,242	1,997,954
Non Controlling Interest	38,089	37,866		
Total Equity	2,318,530	1,909,708		
Non Current Liabilities				
Retirement Benefit Obligations	21,725	29,265	19,065	17,270
Deferred Tax Liability	23,006	44,084	22,255	22,255
Finance Lease Obligations	59,075	60,106	-	-
Long Term Loan	8,189	107,796	-	67,677
	111,995	241,252	41,320	107,203
Current Liabilities				
Trade & Other Payable	254,908	336,988	228,112	146,039
Short Term Loan	295,794	72,876	233,140	45,003
Amounts due to Related Companies	27,206	7,754	24,746	-
Bank Overdraft (secured)	7,347	245,280	753	82,490
	585,255	662,899	486,751	273,532
Total Liabilities	697,250	904,152	528,071	380,735
Total Equity & Liabilities	3,015,780	2,813,858	2,745,314	2,378,688
Net Assets per share	4.06	3.33	3.95	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.

MMD.Niroshan
Head of Finance

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

Dr.S.R.Rajiyah
Chairman

S.V. Rajiyah
Director

27.05.15

RENUKA AGRI FOODS PLC
STATEMENTS OF CHANGES IN EQUITY

For the year ended

Company

Balance as at 1st April 2013

Profit for the year

Other Comprehensive Income

Dividend Paid

Balance as at 31st March 2014

Balance as at 1st April 2014

Profit for the year

Dividend Paid

Balance as at 31st March 2015

Group

Balance as at 1st April 2013

Profit for the year

Other Comprehensive Income

Dividend Paid

Disposal of Subsidiary

Balance as at 31st March 2014

Balance as at 1st April 2014

Profit for the year

Dividend Paid

Adjustment due to Disposal of Subsidiary

Balance as at 31st March 2015

	Equity Attributable to Owners			Total RS.000
	<u>Stated</u>	<u>Retained</u>	<u>Non Controlling</u>	
	<u>Capital</u> RS.000	<u>Earnings</u> RS.000	<u>Interest</u> RS.000	
Balance as at 1st April 2013	1,194,453	743,732	-	1,938,185
Profit for the year	-	116,080	-	116,080
Other Comprehensive Income	-	(137)	-	(137)
Dividend Paid	-	(56,176)	-	(56,176)
Balance as at 31st March 2014	1,194,453	803,500	-	1,997,953
Balance as at 1st April 2014	1,194,453	803,501	-	1,997,954
Profit for the year	-	275,463	-	275,463
Dividend Paid	-	(56,175)	-	(56,175)
Balance as at 31st March 2015	1,194,453	1,022,789	-	2,217,242
Balance as at 1st April 2013	1,194,453	710,245	482,739	2,387,437
Profit for the year	-	22,711	5,633	28,344
Other Comprehensive Income	-	608	285	893
Dividend Paid	-	(56,175)	(2,254)	(58,429)
Disposal of Subsidiary	-	-	(448,538)	(448,538)
Balance as at 31st March 2014	1,194,453	677,389	37,866	1,909,708
Balance as at 1st April 2014	1,194,453	677,389	37,866	1,909,708
Profit for the year	-	288,629	1,813	290,442
Dividend Paid	-	(56,175)	(1,590)	(57,765)
Adjustment due to Disposal of Subsidiary	-	176,145	-	176,145
Balance as at 31st March 2015	1,194,453	1,085,988	38,089	2,318,530

RENUKA AGRI FOODS PLC
STATEMENTS OF CASH FLOWS

For the year Ended 31 st March	CONSOLIDATED		COMPANY	
	2015 Unaudited Rs.'000'	2014 Audited Rs.'000'	2015 Unaudited Rs.'000'	2014 Audited Rs.'000'
CASH FLOW FROM OPERATING ACTIVITIES				
Profit Before Taxation	297,951	39,317	279,037	120,932
Adjustments For :				
Depreciation / Amortization	69,713	84,033	66,662	58,694
Provision for impairment Losses on Trade & Other Receivables	-	1,276	-	-
Profit on Disposal of Subsidiary	-	25,511	-	-
Dividend Income	-	-	(375)	(4,538)
Gratuity Provision	(5,789)	6,789	3,000	4,114
Profit on Disposal of Property, Plant and Equipment	-	(719)	-	-
Provision for Obsolete Inventories	-	250	-	-
Finance Expenses / (Income)	10,284	25,860	5,551	10,016
Fair Value Gain on Biological Asset	(3,000)	(6,056)	-	-
Operating profit before working capital changes	369,159	176,261	353,875	189,218
(Increase)/Decrease in Inventories	(132,810)	(130,158)	(188,177)	(106,223)
(Increase)/Decrease in Debtors & Other receivables	179,235	(118,383)	(28,901)	41,007
(Increase)/Decrease in Amount due from Related Companies	(761)	279,539	24,808	(3,081)
Increase/(Decrease) in Creditors	(82,080)	86,498	82,073	(43,528)
Increase/(Decrease) in Amount due to Related Companies	19,452	75,987	24,746	(18,371)
Cash Generated/(used) from Operations	352,195	369,744	268,424	59,022
Taxation	(28,587)	(8,583)	(3,574)	(1,148)
Gratuity Paid	(1,751)	(1,543)	(1,205)	(639)
Interest Paid	(12,264)	(35,960)	(8,531)	(12,326)
Net Cash Generated/(used) from Operating Activities	309,593	323,658	255,114	44,909
CASH FLOW FROM INVESTING ACTIVITIES				
Advance paid for issue of Share Capital	-	-	-	(70,000)
Interest Income	1,980	10,099	2,980	2,310
(Acquisition) / Disposal of Subsidiary	441,835	148,144	318,000	446,875
Investment in investment securities	(551,256)	-	(300,000)	-
Investment in equity accounted investee	(329,600)	-	-	-
Development of Biological Assets	-	(78)	-	-
(Additions) / Disposal - Property, Plant & Equipment	81,159	(102,398)	(428,145)	(41,115)
Net Cash Outflow from Investing Activities	(355,882)	55,767	(407,165)	338,070
Net Cash Inflow / (Outflow) Before Financing Activities	(46,289)	379,425	(152,051)	382,979
CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from / (Repayment of) Long Term Borrowings	(100,638)	(95,885)	(67,677)	(105,602)
Dividend Paid	(57,765)	(26,833)	(56,175)	(54,579)
Dividend Income	-	-	375	4,538
Net Cash Generated / (Used) in Financing Activities	64,515	(122,718)	64,660	(155,643)
Net Increase/(Decrease) in Cash & Cash Equivalents	18,226	232,839	(87,391)	227,336
Cash & Cash Equivalents at the Beginning of the Year	195,232	(37,607)	211,739	(15,597)
Cash & Cash Equivalents at the End of the Year - Note A	213,458	195,232	124,348	211,739
Note A				
Cash & Cash Equivalents				
Cash at Bank & In Hand	220,805	440,512	125,101	294,229
Bank Overdraft	(7,347)	(245,280)	(753)	(82,490)
Cash & Cash Equivalents as previously stated	213,458	195,232	124,348	211,739

Figures in brackets indicate deductions.

RENUKA AGRI FOODS PLC
SEGMENTAL REPORT

PERIOD ENDED 31.03.2015				
	Manufacturing RS.000	Distribution RS.000	Plantation RS.000	TOTAL RS.000
Total Turnover	2,119,193	1,086,809	238,997	3,444,999
Less : Intra Company	-	-	(31,853)	(31,853)
External Turnover	2,119,193	1,086,809	207,144	3,413,146
Cost of Sales	(1,673,900)	(875,690)	(150,305)	(2,699,895)
Gross Profit	445,293	211,119	56,839	713,251
Other Income				17,751
Selling & Distribution Expenses				(226,346)
Administrative Expenses				(196,421)
Net Financing Cost				(10,284)
Taxation				(7,509)
Profit / (Loss) for the period				290,442
Other Comprehensive Income				-
Total Comprehensive Income				290,442
Other Information				
Segment Assets	2,584,960	-	430,820	3,015,780
Segment Liabilities	595,250	-	102,000	697,250
Total Equity				2,318,530

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

2 Figures in brackets indicates deductions.

RENUKA AGRI FOODS PLC

Explanatory notes

1. 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. These interim financial statements are to be read in conjunction with the annual financial statements for the year ended 31st March 2014.

2. Comparative figures

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

For management purposes, the group is organized in to business units based on their products and services and reported performance under three segments (i.e. Manufacturing, Distribution & Plantation) during the period under review.

3. Stated Capital

The stated capital of the company consists of **561,750,000** shares issued as at 31st March 2015.

4. Contingent liabilities

There is no change in the nature of the contingent liabilities as at 31st March 2015 as compared to the contingent liabilities which were disclosed in the accounts for the year ended 31st March 2014.

5. Market price per share

Market prices for the quarter ended 31st March 2015 were:

	2015	2014
Lowest	4.30	3.10
Highest	5.60	4.10
Last traded	4.70	3.10

6. Public shareholding

The percentage of shares held by the public as at 31st March 2015 amounts to 35.35% (31st March 2014 – 47.72%) of the stated capital. The number of shareholders representing the public holding was 3,682 as at 31st March 2015.

7. Directors' shareholding

The directors' shareholdings are as follows:

Name	As at 31st March 2015	As at 31st December 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 (resigned 31/03/2015)	-	-
Mr. S. Nagarajah	-	-
Mr M.Terfloth	-	-
Mr L.M.Abeywickrama	28,000	28,000
Mr M.K.A. Ranglin	-	-
Mr V. Sanmugam	1,010	1,010
Ms A.L.Rajiyah	1,219,483	1,219,483

8. Significant Events and Transactions

- i. Renuka Agri Foods PLC sold its shares (20,290,000 Ordinary Shares) in Richlife Dairies Ltd on 30th January 2015 to Shaw Wallace Ceylon Ltd for a consideration of Rs 605,000,000
- ii. Renuka Organics (Pvt) Ltd, a 100% owned subsidiary of Renuka Agri Foods PLC, issued 4,350,000 shares for a total consideration of Rs. 609,000,000 to Renuka Agri Foods PLC on 27th February 2015.
- iii. Renuka Organics (Pvt) Ltd, a 100% owned subsidiary of Renuka Agri Foods PLC, has subscribed its entitlement of the right issue in Kandy Plantation Ltd of 9,899,985 shares for total consideration of Rs. 197,999,700 on 31st March 2015.
- iv. Renuka Organics (Pvt) Ltd, a 100% owned subsidiary of Renuka Agri Foods PLC, has invested in 1,600,000 shares in Renuka Consumer Foods Ltd for a total consideration of Rs. 329,600,000 on 31st March 2015, equivalent to 20% of the issued shares of Renuka Consumer Foods Ltd.

9. Post Balance Sheet Events

There are no material events that have taken place subsequent to 31st March 2015 other than stated below which requires disclosure or adjustments to the financial statements.

- i. The Board of Directors of Renuka Agri Foods PLC has approved the subscription to the entitlement of the rights issue of its fully owned Subsidiary, Renuka Organics (Pvt) Ltd, of 1,800,000 Ordinary Shares for a total consideration of Rs. 252,000,000 on 27th May 2015.

10. Earnings per share

Earnings per share have been calculated by dividing profit attributable to ordinary equity holders by the number of ordinary shares as given in the LKAS 33.

RENUKA AGRI FOODS PLC - TOP 20 MAJOR SHAREHOLDERS

No.	Name	Voting as at 31.03.2015		Voting as at 31.12.2014	
		No. of shares	%	No. of shares	%
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	22,995,000	4.09	24,750,000	4.41
4	GRACE FOODS UK LIMITED	22,500,000	4.01	22,500,000	4.01
5	MRS. A.T.T.T. ALNAKIB	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 AS TRUSTEE FOR NAMAL ACUITY VALUE FUND	8,220,240	1.46	8,220,240	1.46
10	MR. H.A. PIERIS	7,103,454	1.26	7,103,454	1.26
11	INSITE HOLDINGS (PVT) LTD	7,000,000	1.25	4,000,000	0.71
12	MR W. DUSFORD	7,000,000	1.25	7,000,000	1.25
13	FIRST CAPITAL LIMITED	5,000,509	0.89	4,986,009	0.89
14	DEUTSCHE BANK AG AS TRUSTEE TO ASTRUE ALPHA FUND	4,758,214	0.85	1,550,000	0.28
15	PEOPLE'S LEASING & FINANCE PLC/C.D.KOHOMBANWICKRAMAGE	4,653,589	0.83	7,692,375	1.37
16	MR. K.C. VIGNARAJAH	4,220,340	0.75	4,340,018	0.77
17	DISTILLERIES COMPANY OF SRI LANKA PLC A/C NO. 02	3,668,560	0.65	3,668,560	0.65
18	MR. I. RAHEEL & MR. A. RAHEEL (JT)	3,479,500	0.62	3,479,500	0.62
19	LANKEM DEVELOPMENS PLC	3,370,000	0.60	3,370,000	0.60
20	MR. H.A.A.H.ALGHARABALLY	3,368,237	0.60	4,277,237	0.76
		467,966,079	83.29	467,565,829	83.22

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

Kandy Plantations Ltd

Ceylon Forestry (Pvt) Ltd

Ceylon Botanicals (Pvt) Ltd

Associate

Renuka Consumer Foods 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 (resigned 31/03/2015)

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

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 L.M.Abeywickrama

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

Hatton National Bank PLC