



RENUKA FOODS PLC

INTERIM REPORT FOR THE PERIOD ENDED 31ST DECEMBER 2014

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Operations Review

Renuka Foods PLC is pleased to present the interim financial statement for the quarter ended 31st December 2014.

Our Performances

Turnover and Profitability

The group recorded a revenue for the third quarter of the financial year 2014/15 of Rs. 1,676 Mn a 17% increase compared to the revenue during the same period last year.

The profit for the period ended 31st December 2014 was Rs.357.6 Mn, of which profit attributable to the equity holders was Rs. 187.7 Mn, reflects a 56.4% increase compared to the same period during previous financial year. The group total comprehensive income for the quarter under review of Rs. 122 Mn was an increase of 130% over the corresponding period during last financial year.

The Agri Business sector reported total revenue of Rs. 1,963 Mn for the quarter under review; the sector has achieved a gross profit of Rs. 549 Mn for the period under review.

The FMCG sector reported a gross profit of Rs 525 Mn against turnover of Rs. 2,738 Mn for the quarter under review.

Earnings per share and Net Assets

The Group has recorded a Net Asset Value per share of Rs. 29.26 as at 31st December 2014 and Earning per share of Rs. 1.99 for the nine months ending 31st December 2014.

Sgd.
Shamindra Rajiyah
Executive Director
5th February 2015

RENUKA FOODS PLC

STATEMENTS OF INCOME

	CONSOLIDATED				COMPANY			
	QUARTER ENDED		PERIOD ENDED		QUARTER ENDED		PERIOD ENDED	
	31.12.14	31.12.13	31.12.14	31.12.13	31.12.14	31.12.13	31.12.14	31.12.13
	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	1,676,310	1,432,564	4,701,764	4,115,055	725	725	31,360	30,314
Cost of Sales	(1,323,128)	(1,147,346)	(3,627,116)	(3,271,079)	-	-	-	-
Gross Profit	353,182	285,218	1,074,648	843,976	725	725	31,360	30,314
Other Income	12,590	86,246	47,554	113,182	-	-	-	(8)
Selling & Distribution Expenses	(139,294)	(205,475)	(445,402)	(487,464)	-	-	-	-
Administrative Expenses	(91,177)	(92,857)	(277,262)	(250,481)	(1,181)	(265)	(4,341)	(1,056)
Profit from Operations	135,301	73,133	399,538	219,214	(456)	460	27,019	29,250
Net Finance Expenses / Income	(11,326)	(14,836)	(31,623)	(44,105)	(34)	645	(137)	782
Profit before Taxation	123,975	58,297	367,915	175,109	(490)	1,105	26,882	30,032
Taxation	(1,526)	(4,952)	(10,344)	(8,423)	(68)	-	(473)	(629)
Profit for the period	122,449	53,345	357,571	166,686	(558)	1,105	26,409	29,403
Other Comprehensive Income	-	-	-	-	-	-	-	-
Total Comprehensive Income for the period	122,449	53,345	357,571	166,686	(558)	1,105	26,409	29,403
Profit Attributable to :								
Owners of the Company	66,802	63,413	187,672	120,023				
Non Controlling Interest	55,647	(10,068)	169,899	46,662				
Profit for the period	122,449	53,345	357,571	166,685				
Total Comprehensive Income attributable to :								
Owners of the Company	66,802	63,413	187,672	120,023				
Non Controlling Interest	55,647	(10,068)	169,899	46,662				
Total Comprehensive Income for the period	122,449	53,345	357,571	166,685				
Earnings Per Share	0.71	0.67	1.99	1.27	(0.01)	0.01	0.28	0.31

RENUKA FOODS PLC
STATEMENTS OF FINANCIAL POSITION

AS AT	CONSOLIDATED		COMPANY	
	31.12.2014	31.03.2014	31.12.2014	31.03.2014
	Rs.'000'	Rs.'000'	Rs.'000'	Rs.'000'
	Unaudited	Audited	Unaudited	Audited
Assets				
Non-Current Assets				
Property, Plant & Equipment	2,677,260	2,325,939	-	-
Investment Property	596,625	596,625	94,258	94,258
Long Term Investments	-	-	1,872,507	1,778,047
Intangible Assets	219,239	221,921	-	-
Investment in Securities	25,000	376,000	-	-
Deferred Tax Asset	25,540	25,540	-	-
	3,543,664	3,546,025	1,966,765	1,872,305
Current Assets				
Inventories	1,018,940	795,322	-	-
Trade & Other Receivables	736,456	828,111	354	180
Amount due from Related Companies	413,316	11,558	70,720	2,681
Cash & Cash Equivalents	167,620	496,516	967	4,960
	2,336,332	2,131,507	72,041	7,821
Total Assets	5,879,996	5,677,532	2,038,806	1,880,127
Equity and Liabilities				
Capital and Reserves				
Stated Capital	1,383,508	1,383,508	1,383,508	1,383,508
Revaluation Reserves	77,934	77,934	-	-
Retained Earnings	1,304,814	1,046,413	445,563	447,518
Equity attributable to Parent Company's Share Holders	2,766,256	2,507,855	1,829,071	1,831,026
Non Controlling Interest	1,839,264	1,606,337		
Total Equity	4,605,520	4,114,192		
Non Current Liabilities				
Retirement Benefit Obligations	47,487	46,696	-	127
Deferred Taxation	47,754	47,754	3,121	3,122
Finance Lease Obligation	59,700	60,106	-	-
Interest Bearing Borrowings	36,352	107,796	-	-
	191,293	262,352	3,121	3,249
Current Liabilities				
Trade & Other Payable	606,379	667,404	6,732	5,831
Interest Bearing Borrowings – Current Portion	323,356	375,962	-	-
Amounts due to Related Companies	16,026	7,611	192,990	40,000
Bank Overdraft (secured)	137,422	250,010	6,892	20
	1,083,183	1,300,987	206,614	45,851
Total Liabilities	1,274,476	1,563,339	209,735	49,100
Total Equity & Liabilities	5,879,996	5,677,532	2,038,806	1,880,127
Net Assets per share	29.26	26.53	19.35	19.37

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
COO - SSD

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

Dr.S.R.Rajiyah
Chairman

S.V.Rajiyah
Director

05.02.15

RENUKA FOODS PLC
STATEMENTS OF CHANGES IN EQUITY

	Equity Attributable to Owners			Non Controlling	Total
	Stated	Revaluation	Retained	Interest	Equity
	Capital	Reserves	Earnings		
	RS.000	RS.000	RS.000	RS.000	RS.000
<u>Company</u>					
Balance as at 01st April 2013	1,383,508	-	451,267	-	1,834,775
Profit for the Period	-	-	29,403	-	29,403
Dividend Paid	-	-	(28,364)	-	(28,364)
Balance as at 31st December 2013	1,383,508	-	452,306	-	1,835,814
Balance as at 01st April 2014	1,383,508	-	447,518	-	1,831,026
Profit for the Period	-	-	26,409	-	26,409
Dividend Paid	-	-	(28,364)	-	(28,364)
Balance as at 31st December 2014	1,383,508	-	445,563	-	1,829,071
<u>Group</u>					
Balance as at 01st April 2013	1,383,508	77,934	748,325	1,416,992	3,626,759
Profit for the Period	-	-	120,023	46,662	166,685
Dividend Paid	-	-	(28,364)	(29,385)	(57,749)
Disposal of Subsidiary	-	-	(466)	(447,802)	(448,268)
Adjustments due to Change in Holding Percentage	-	-	6,835	129,106	135,941
Balance as at 31st December 2013	1,383,508	77,934	846,353	1,115,573	3,423,369
Balance as at 01st April 2014	1,383,508	77,934	1,046,413	1,606,337	4,114,192
Profit for the Period	-	-	187,672	169,899	357,571
Adjustments due to Change in Holding Percentage	-	-	99,093	(99,093)	-
Dividend Paid	-	-	(28,364)	(29,250)	(57,614)
Issue of New Shares	-	-	-	191,371	191,371
Balance as at 31st December 2014	1,383,508	77,934	1,304,814	1,839,264	4,605,520

RENUKA FOODS PLC
STATEMENTS OF CASH FLOWS

For the period ended 31st December

	CONSOLIDATED		COMPANY	
	2014 Unaudited Rs.'000'	2013 Unaudited Rs.'000'	2014 Unaudited Rs.'000'	2013 Unaudited Rs.'000'
CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before Taxation	367,915	175,109	26,882	30,032
Adjustments For :				
Depreciation / Amortization	87,737	85,583	-	-
Provision for Retiring Gratuity	7,016	2,534	-	-
Interest Paid	31,921	38,683	32	-
Operating profit before working capital changes	494,589	301,909	26,914	30,032
(Increase)/Decrease in Inventories	(223,618)	(303,259)	-	-
(Increase)/Decrease in Debtors & Other receivables	91,655	(79,238)	(174)	2,340
(Increase)/Decrease in Amount due from Related Companies	(401,758)	(10,331)	(68,039)	(5,562)
Increase/(Decrease) in Creditors	(61,431)	1,969	901	(973)
Increase/(Decrease) in Amount due to Related Companies	8,415	(4,523)	152,990	8
Cash Generated/(used) from Operations	(92,148)	(93,473)	112,592	25,845
Tax Paid	(10,344)	(8,423)	(473)	(629)
Gratuity Paid	(6,225)	(5,240)	(127)	-
Interest Paid	(31,921)	(38,683)	(32)	-
Net Cash Generated/(used in) from Operating Activities	(140,638)	(145,819)	111,960	25,216
CASH FLOW FROM INVESTING ACTIVITIES				
Acquisition / (Disposal) of Subsidiaries	(58,849)	(312,327)	(94,460)	-
Additions / (Disposal) of Property, Plant & Equipment	(436,376)	405,005	-	-
Net Cash Generated/ (Used in) from Investing Activities	(495,225)	92,678	(94,460)	-
Net Cash Inflow / Outflow Before Financing Activities	(635,863)	(53,140)	17,500	25,216
CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from/ (Repayment of) Long & Short Term Borrowings	(124,050)	231,696	-	-
Dividend Paid	(57,614)	(57,749)	(28,364)	(28,364)
Proceeds from sales of investment securities	351,000	-	-	-
New Share Issue	250,220	-	-	-
Net Cash Generated/ (Used in) from Financing Activities	419,555	173,947	(28,365)	(28,364)
Net Increase/(Decrease) in Cash & Cash Equivalents	(216,308)	120,807	(10,865)	(3,148)
Cash & Cash Equivalents at the Beginning of the Period	246,506	(44,075)	4,940	8,205
Cash & Cash Equivalents at the End of the Period - Note A	30,198	76,731	(5,925)	5,057
Note A				
Cash & Cash Equivalents				
Cash at Bank & In Hand	167,620	278,645	967	5,057
Bank Overdraft	(137,422)	(201,914)	(6,892)	-
Cash & Cash Equivalents as previously stated	30,198	76,731	(5,925)	5,057

Figures in brackets indicate deductions.

RENUKA FOODS PLC
SEGMENTAL REPORTS

	PERIOD ENDED 31.12.2014		
	AGRIBUSINESS RS .000	FMCG RS .000	TOTAL RS .000
Total Turnover	2,106,433	2,765,456	4,871,889
Less : Intra Group	(142,805)	(27,320)	(170,125)
External Turnover	1,963,628	2,738,136	4,701,764
Cost of Sales	(1,414,028)	(2,213,088)	(3,627,116)
Gross Profit	549,600	525,048	1,074,648
Other Income			47,554
Selling & Distribution Expenses			(445,402)
Administrative Expenses			(277,262)
Net Financing Cost			(31,623)
Taxation			(10,344)
Profit/(Loss) for the year			357,571
Other Information			
Segment Assets	3,303,952	2,576,044	5,879,996
Segment Liabilities	656,551	617,925	1,274,476
Total Equity			4,605,520

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

2 Figures in brackets indicates deductions.

Renuka Foods PLC

Explanatory notes

1. Basis of preparation

The interim financial statements of Renuka 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.

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 two segments (i.e. Agribusiness & FMCG) during the period under review.

3. The stated capital of the company consists of 89,771,800 (31st March 2014 – 89,771,800) ordinary voting shares & 4,773,346 (31st March 2014 – 4,773,346) ordinary non-voting shares as at 31st December 2014.

4. Market price per share

The market prices for the quarter ended 31st December were,

	2014		2013	
	Voting	Non-Voting	Voting	Non-Voting
Highest	29.00	25.50	18.00	16.80
Lowest	20.00	18.50	15.00	13.00
Last Traded	26.70	23.90	16.50	13.10

5. Public shareholding

The percentage of shares held by the public as at 31th December 2014 amounted to 30.94% (31st March 2014 – 30.94%) voting Shareholders and 68.98% (31st March 2014 – 68.98%) Non-voting Shareholders of the stated capital. The number of shareholders representing the public holding was 3,884 (Voting) and 649 (Non-Voting) as at 31st December 2014.

6. Directors' shareholding

The directors' shareholdings are as follows:

	As at 31-12-2014		As at 30-09-2014	
	Voting	Non-Voting	Voting	Non-Voting
Mrs I.R.Rajiyah	1,214	44	1,214	44
Dr S.R.Rajiyah	6,696	248	6,696	248
Dr S.R.Rajiyah & Mrs I.R.Rajiyah (Joint)	4,488,590	06	4,488,590	06
Mr S.V.Rajiyah	955,135	5,714	955,135	5,714
Mr C.J.De.S.Amaratunga	7,680	1,282	7,680	1,282
Mr T.K.Bandaranayake	-	-	-	-
Mr L.M.Abeywickrama	-	-	-	-
Mr S.Vasanthakumara	-	-	-	-
Ms A.L.Rajiyah	-	-	-	-
Mr M.S.Dominic	-	-	-	-
Mr J.A.Shivaji Felix	-	-	-	-

7. Contingent liabilities

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

8. Earnings per Share

Earnings per share have been calculated as per SLFRS 33.

9. Post Balance Sheet

- Shaw Wallace Ceylon Ltd, a sub subsidiary purchased 20,290,000 shares in Richlife Dairies Ltd from Renuka Agri Foods PLC for Rs. 605,000,000.
- Shaw Wallace Ceylon Ltd, a sub subsidiary borrowed Rs 500,000,000 as long term debt to finance expansion of the business.

Renuka Foods PLC - TOP 20 Shareholders

<u>No.</u>	<u>Name</u>	<u>Voting as at 31.12.2014</u>		<u>Voting as at 30.09.2014</u>	
		<u>No. of shares</u>	<u>%</u>	<u>No. of shares</u>	<u>%</u>
1	Renuka Agro Exports Ltd	56,533,428	62.97%	56,533,428	62.97%
2	Dr. S.R. Rajiyah & Mrs. I.R. Rajiyah	4,488,590	5.00%	4,488,590	5.00%
3	Mr. K.C. Vignarajah	1,633,563	1.82%	1,633,563	1.82%
4	Mrs. S. Vignarajah	1,471,968	1.64%	1,471,968	1.64%
5	Renuka Hotels Ltd	1,203,062	1.34%	1,203,062	1.34%
6	Mr. M.M. Fuad	1,035,082	1.15%	-	-
7	Mr. S.V. Rajiyah	955,135	1.06%	955,135	1.06%
8	Waldock Mackenzie Ltd/Hi-Line Trading (Pvt) Ltd	769,288	0.86%	769,288	0.86%
9	Mr. H. Yusoof	694,833	0.77%	444,833	0.50%
10	Hallsville Trading Group Inc.	601,000	0.67%	601,000	0.67%
11	Ms. O.D. Gunawardene	588,288	0.66%	588,288	0.66%
12	Mrs.M.T. Moosajee	494,000	0.55%	494,000	0.55%
13	Mrs. N. Mulje	480,208	0.53%	480,208	0.53%
14	People's Leasing & Finance PLC/Hi-Line Trading (Pvt) Ltd	478,082	0.53%	-	-
15	Mr. M.Z. Rasheed	466,549	0.52%	-	-
16	People's Bank	450,000	0.50%	600,000	0.67%
17	Seylan Bank PLC / Mr. S.N.C.W.M.B C. Kandededara	412,092	0.46%	409,492	0.46%
18	Commercial Bank of Ceylon PLC A/c No. 04	402,000	0.45%	402,000	0.45%
19	E.W. Balasuriya & Co. (Pvt) Ltd	401,000	0.45%	401,000	0.45%
20	Mr. F.G.N. Mendis	393,437	0.44%	393,437	0.44%
		73,951,605	82.38%	71,869,292	80.06%

<u>Name</u>	<u>Non-voting as at 31.12.2014</u>		<u>Non-voting as at 30.09.2014</u>		
	<u>No. of shares</u>	<u>%</u>	<u>No. of shares</u>	<u>%</u>	
1 Renuka Agro Exports Ltd	751,031	15.73%	751,031	15.73%	
2 Mr. K.C. Vignarajah	722,224	15.13%	722,224	15.13%	
3 Waldock Mackenzie Ltd/Mr.H.M.S. Abdulhussein	337,356	7.07%	394,399	8.26%	
4 Best Real Invest Co. Services (Pvt) Ltd	295,086	6.18%	295,086	6.18%	
5 Merchant Bank of Sri Lanka Ltd A/c No. 1	198,278	4.15%	198,278	4.15%	
6 AssetLine Leasing Company Ltd/Mr.A.S. Marapana	157,556	3.30%	-	-	
7 Mr. Y.H. Abdulhussein	155,498	3.26%	155,498	3.26%	
8 Mrs. S. Vignarajah	141,094	2.96%	141,094	2.96%	
9 Mr. A.A.M. Risvi	128,800	2.70%	-	-	
10 Ms. N. Harnam & Mrs. J.K.P. Singh	113,900	2.39%	100,000	2.09%	
11 Mrs. J.K.P. Singh	104,600	2.19%	104,600	2.19%	
12 People's Leasing & Finance PLC/Hi-Line Towers (Pvt) Ltd	100,000	2.09%	70,000	1.47%	
13 L.L.C. Tranz Dominion	88,998	1.86%	88,998	1.86%	
14 Mr. M.Z. Rasheed	71,800	1.50%	-	-	
15 Mrs. R.G. Abdulhussein	71,100	1.49%	79,100	1.66%	
16 Mr. F.A. Azhar	60,250	1.26%	-	-	
17 Mr. R. Gautam	53,000	1.11%	53,000	1.11%	
18 Askold (Pvt) Ltd	51,230	1.07%	51,230	1.07%	
19 Mrs. S. Umeshwary	50,922	1.07%	50,922	1.07%	
20 Mr. S.P. Jayakumar	49,640	1.04%	49,640	1.04%	
		3,702,363	77.56%	3,305,100	69.24%

CORPORATE INFORMATION

Name of Company
Renuka Foods PLC

Registration No.
PQ 216

Legal Form
Quoted Public Company With Limited Liability

Main Subsidiaries
Renuka Agri Foods PLC
Renuka Consumer Foods Ltd
Renuka Developments Ltd
Renuka Organics (Pvt) Ltd
Renuka Teas Ceylon (Pvt) Ltd
Renuka Agri Organics Ltd
Richlife Dairies Ltd
Shaw Wallace Ceylon Ltd
Kandy Plantations Ltd
Ceylon Forestry (Pvt) Ltd
Ceylon Botanicals (Pvt) Ltd
Renuka Trading (Pvt) Ltd
Shaw Wallace Properties Ltd
Shaw Wallace Services Ltd
Bois Brothers (Pvt) Ltd
Captain Foods (Pvt) Ltd

Activity
Food & Beverage

Brands:
Renuka
Richlife
Captain
Mr POP
Sun Gold
Plaza
Rainer's

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

Parent Company
Renuka Agro Exports Ltd

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 1403, Colombo

Stock Exchange Listing
Colombo Stock Exchange

Audit Committee
Mr T.K.Bandaranayake (Chairman)
Mr C.J.De.S.Amaratunge
Dr J.A.S.Felix

Company Secretaries
Renuka Enterprises (Pvt) Ltd
No.69 Sri Jinaratana Road,
Colombo 2

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

Auditors
KPMG Chartered Accountants

Legal Consultant
Nithya Partners- Attorneys at Law

Bankers
National Development Bank PLC
Seylan Bank PLC
Commercial Bank of Ceylon PLC