



RENUKA FOODS PLC

INTERIM REPORT FOR THE YEAR ENDED 31ST MARCH 2019

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Operations Review

Renuka Foods PLC is pleased to present the interim financial statement for the year ended 31st March 2019.

Our Performance

Turnover and Profitability

The Group recorded revenue for the year ended 31 March 2019 of Rs.8.4Bn (2018- Rs 7.5Bn). The Group profit for the year ended 31 March 2019 was Rs 371Mn (2018- Loss of Rs 105Mn), of which profit attributable to the equity holders was Rs 231Mn (2018- Loss of Rs 92Mn) This is mainly derived from the increase in Gross Profits due to reduced cost of raw material during the year.

The Agri Business sector for the year reported a turnover of Rs.3,359 Mn (2018- Rs 3,222Mn) and a Profit of Rs 384Mn for the year ended 31st March 2019.(2018- Loss of Rs 241Mn).

The FMCG sector for the year reported a turnover of Rs 5,082Mn (2018- 4,329Mn) and a loss of Rs 13Mn for the year ended 31st March 2019. (2018- Profit of Rs 136Mn)

Earnings per share and Net Assets

The Group has recorded a Net Asset Value per share of Rs.34.21 as at 31st March 2019 (31st March 2018 - Rs 28.76) and Earnings per share of Rs 1.88 for the year ended 31st March 2019.(31st March 2018 loss of Rs 0.76)

Shamindra Rajiyah
Managing Director
16th May 2019



RENUKA FOODS PLC

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	CONSOLIDATED				COMPANY			
	Rs.'000'		Rs.'000'		Rs.'000'		Rs.'000'	
	QUARTER ENDED		YEAR ENDED		QUARTER ENDED		YEAR ENDED	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.03.2018
	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED
Revenue	2,110,500	2,043,684	8,441,946	7,551,205	3,437	8,001	41,104	68,753
Cost of Sales	(1,562,784)	(1,783,808)	(6,265,769)	(6,155,007)	-	-	-	-
Gross Profit	547,716	259,876	2,176,177	1,396,198	3,437	8,001	41,104	68,753
Other Operating Income	27,741	(1,913)	61,906	32,022	-	2,797	-	2,797
Administration Expenses	(153,743)	(186,499)	(572,755)	(567,520)	(1,455)	(1,693)	(6,699)	(6,184)
Selling and Distribution Expenses	(267,655)	(141,451)	(963,148)	(713,965)	-	-	-	-
Profit / (Loss) from Operations	154,059	(69,987)	702,180	146,735	1,982	9,105	34,405	65,365
Net Financing Income/ (Cost)	(41,929)	(37,390)	(175,724)	(103,668)	(341)	(2,158)	(239)	(8,612)
Share of Profit of Equity Accounted Investee	(454)	-	15,285	-	-	-	-	-
Profit / (Loss) before Taxation	111,676	(107,377)	541,741	43,066	1,641	6,947	34,166	56,753
Taxation	(92,686)	(16,700)	(170,312)	(148,436)	-	324	(76)	1,349
Profit / (Loss) for the Year	18,990	(124,077)	371,429	(105,370)	1,641	7,271	34,090	58,102
Other Comprehensive Income	2,367	2,254	2,330	2,219	-	-	-	-
Total Comprehensive Income / (Loss) for the Year	21,356	(121,823)	373,759	(103,151)	1,641	7,271	34,090	58,102
Profit / (Loss) Attributable to :								
Owners of the Company	(10,089)	(57,079)	230,663	(92,847)				
Non Controlling Interest	29,079	(66,998)	140,766	(12,523)				
Profit / (Loss) for the Year	18,990	(124,077)	371,429	(105,370)				
Total Comprehensive Income / (Loss) attributable to :								
Owners of the Company	(10,089)	(54,825)	231,693	(91,295)				
Non Controlling Interest	31,446	(66,998)	142,066	(11,856)				
Total Comprehensive Income / (Loss) for the Year	21,357	(121,823)	373,759	(103,151)				
Earnings / (Loss) Per Share	(0.08)	(0.47)	1.88	(0.76)	0.01	0.06	0.28	0.47

RENUKA FOODS PLC
STATEMENTS OF CHANGES IN EQUITY

For the year ended

	Equity Attributable to Owners			Non Controlling	Total
	Stated	Revaluation	Retained	Interest	
	Capital	Reserve	Earnings		
	RS.000	RS.000	RS.000	RS.000	
Company					
Balance as at 1st April 2017	2,241,842	-	706,536	-	2,948,378
Profit for the Year	-	-	58,102	-	58,102
Dividend Paid	-	-	(42,957)	-	(42,957)
Amalgamation	-	-	171,780	-	171,780
Balance as at 31st March 2018	2,241,842	-	893,461	-	3,135,303
Balance as at 1st April 2018	2,241,842	-	893,461	-	3,135,303
Profit for the Period	-	-	34,090	-	34,090
Balance as at 31st March 2019	2,241,842	-	927,551	-	3,169,393
Group					
Balance as at 1st April 2017	2,241,842	338,006	1,098,040	1,551,290	5,229,178
Profit for the Year	-	-	(92,847)	(12,523)	(105,370)
Other Comprehensive Income			1,552	667	2,219
Acquisition of Subsidiaries	-	-	-	7,078	7,078
Dividend Paid	-	-	(42,957)	(46,966)	(89,923)
Adjustments due to change in holding percentage	-	-	(14,394)	(52,611)	(67,005)
Capital reserves transferred to Retained Earnings	-	(716)	716	-	-
Balance as at 31st March 2018	2,241,842	337,290	950,111	1,446,934	4,976,177
Balance as at 1st April 2018	2,241,842	337,290	950,111	1,446,934	4,976,177
Profit for the Period	-	-	230,663	140,766	371,429
Other Comprehensive Income	-	-	1,030	1,300	2,330
Dividend Paid	-	-	-	(11,867)	(11,867)
Acquisition of Subsidiaries	-	-	151,928	(269,430)	(117,502)
Adjustments due to change in holding percentage	-	-	286,194	(286,194)	-
Balance as at 31st March 2019	2,241,842	337,290	1,619,925	1,021,509	5,220,567

RENUKA FOODS PLC
STATEMENT OF CASH FLOW

FOR THE YEAR ENDED 31ST MARCH

Cash Flow from Operating Activities

Profit Before Tax

Adjustments for

Depreciation

Amortization of Intangible asset

Amortization of immovable estate assets on lease

Loss on Revaluation of Property, Plant and Equipment

Fair Value (Gain) / Loss on Biological Assets

Share of Profit of Equity Accounted Investee

Provision for Retirement Benefit Obligation

Premium Paid on Lease

Provision for Slow Moving Items

Provision for Slow Doubtful Debts

Provision for Property, Plant & Equipment

Net Finance Cost

Operating Profit / (Loss) Before Working Capital Changes

Working Capital Changes

(Increase)/Decrease in Inventories

(Increase)/Decrease in Trade and Other Receivables

(Increase)/Decrease in Dues from Related Parties

Increase/(Decrease) in Trade and Other Payables

Increase/(Decrease) in Dues to Related Parties

Cash Generated from / (Used in) Operations

Interest Paid

Tax Paid

Payment of Retirement Benefit Obligation

Net Cash Flows Generated from / (Used in) Operating Activities

Cash Flows from Investing Activities

(Acquisition) / Disposal of Property, Plant and Equipment / Investment Properties

Disposal of Investment Property

Additions to Intangible asset

(Additions) / Disposal of Biological Assets

Proceeds from Disposal of Property, Plant & Equipment

(Purchase) / Disposal of shares in Subsidiaries / Associates

(Additions) / Disposal - AFS investments

Interest Received

Net Cash Generated from / (Used in) Investing Activities

Cash Flows from Financing Activities

Repayment of Lease Obligations

Loans and Borrowings obtained/(repayments) during the year

Dividend Paid

Net Cash Used in Financing Activities

Net Increase/ (Decrease) in Cash and Cash Equivalents

Cash and Cash Equivalents at the beginning of the Year

Cash and Cash Equivalents at the End of the Year

	GROUP		COMPANY	
	2019 Rs.'000 UNAUDITED	2018 Rs.'000 AUDITED	2019 Rs.'000 UNAUDITED	2018 Rs.'000 AUDITED
Cash Flow from Operating Activities				
Profit Before Tax	541,741	43,066	34,166	56,753
Adjustments for				
Depreciation	255,674	227,093	-	-
Amortization of Intangible asset	1,063	4,504	-	-
Amortization of immovable estate assets on lease	2,750	2,750	-	-
Loss on Revaluation of Property, Plant and Equipment	-	(8,401)	-	-
Fair Value (Gain) / Loss on Biological Assets	(3,846)	13,782	-	-
Share of Profit of Equity Accounted Investee	(15,285)	-	-	-
Provision for Retirement Benefit Obligation	18,328	22,755	-	-
Premium Paid on Lease	175	175	-	-
Provision for Slow Moving Items	58,166	49,780	-	-
Provision for Slow Doubtful Debts	3,484	-	-	-
Provision for Property, Plant & Equipment	3,100	-	-	-
Net Finance Cost	175,724	68,578	239	8,453
Operating Profit / (Loss) Before Working Capital Changes	1,041,074	424,082	34,405	65,206
Working Capital Changes				
(Increase)/Decrease in Inventories	(322,474)	190,818	-	-
(Increase)/Decrease in Trade and Other Receivables	108,461	(310,874)	(18)	178
(Increase)/Decrease in Dues from Related Parties	(6,959)	387	-	-
Increase/(Decrease) in Trade and Other Payables	261,554	204,581	(3,502)	3,303
Increase/(Decrease) in Dues to Related Parties	(2,194)	(2,591)	10,555	(32,330)
Cash Generated from / (Used in) Operations	1,079,459	506,403	41,440	36,357
Interest Paid	(191,481)	(91,072)	(596)	(8,453)
Tax Paid	(170,312)	(53,341)	(76)	(1,268)
Payment of Retirement Benefit Obligation	(12,897)	(7,177)	-	-
Net Cash Flows Generated from / (Used in) Operating Activities	704,769	354,813	40,768	26,636
Cash Flows from Investing Activities				
(Acquisition) / Disposal of Property, Plant and Equipment / Investment Properties	(386,587)	(476,743)	-	-
Disposal of Investment Property	-	106,000	-	106,000
Additions to Intangible asset	-	(2,750)	-	-
(Additions) / Disposal of Biological Assets	(14,442)	(16,551)	-	-
Proceeds from Disposal of Property, Plant & Equipment	-	37,276	-	-
(Purchase) / Disposal of shares in Subsidiaries / Associates	(320,502)	(331,615)	(117,283)	31,692
(Additions) / Disposal - AFS investments	(67,200)	-	-	-
Interest Received	15,757	22,494	357	-
Net Cash Generated from / (Used in) Investing Activities	(772,974)	(661,889)	(116,926)	137,692
Cash Flows from Financing Activities				
Repayment of Lease Obligations	(3,000)	(2,500)	-	-
Loans and Borrowings obtained/(repayments) during the year	(118,135)	288,259	-	(45,000)
Dividend Paid	(11,867)	(88,985)	-	(42,957)
Net Cash Used in Financing Activities	(133,002)	196,774	-	(87,957)
Net Increase/ (Decrease) in Cash and Cash Equivalents	(201,207)	(110,302)	(76,158)	76,371
Cash and Cash Equivalents at the beginning of the Year	356,964	467,266	78,611	2,240
Cash and Cash Equivalents at the End of the Year	155,757	356,964	2,453	78,611

RENUKA FOODS PLC
SEGMENT ANALYSIS

Amounts in Rs'000

YEAR ENDED 31ST MARCH	AGRI BUSINESS		FMCG		GROUP TOTAL	
	2019	2018	2019	2018	2019	2018
Revenue	3,822,483	3,881,846	5,112,958	4,354,672	8,935,441	8,236,518
Intra Segment Revenue	(462,765)	(659,329)	(30,730)	(25,984)	(493,495)	(685,313)
Segment Revenue	3,359,718	3,222,517	5,082,228	4,328,688	8,441,946	7,551,205
Share of Profit of Equity Accounted Investee	15,285	-	-	-	15,285	-
Profit /(Loss) for the Year	384,147	(241,271)	(12,718)	135,902	371,429	(105,370)
Total Segment Assets	4,263,712	3,797,069	4,424,189	4,473,159	8,687,901	8,270,228
Total Segment Liabilities	1,312,967	1,503,275	2,154,367	1,790,776	3,467,334	3,294,051

Note: 1 The above figures are subject to audit.

2 Figures in brackets indicates deductions.

3 Deferred tax adjustment was made due to tax rate change amounting to Rs 72Mn, resulting in a loss in the FMCG sector.

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. These interim financial statements are to be read in conjunction with the annual financial statements for the year ended 31st March 2018.

2. 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.

For management purposes, the group is organized in to business units based on their products and services and performance reported under two segments (i.e. Agribusiness and FMCG) during the period under review.

3. The stated capital of the company consists of **117,960,106** (31st March 2018 – 117,960,106) ordinary voting shares & **4,773,346** (31st March 2018 – 4,773,346) ordinary non-voting shares as at 31st March 2019.

4. Market price per share

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

	2019		2018	
	Voting	Non-Voting	Voting	Non-Voting
Highest	17.90	13.90	20.00	17.00
Lowest	12.80	9.50	15.40	12.30
Last Traded	14.70	10.00	16.20	12.60

5. Public shareholding

The percentage of shares held by the public as at 31st March 2019 amounted to 26.75% (31st March 2018 – 27.23%) Voting Shareholders and 57.10% (31st March 2018 – 69.01%) Non-voting Shareholders of the Company. The number of shareholders representing the public holding was 3,676-Voting (31st March 2018 – 3,670) and 655 -Non-Voting (31st March 2018 – 635) as at 31st March 2019. The float adjusted market capitalization was Rs 491.1Mn as at 31st March 2019. The company has over 20% public shareholding and over 500 public shareholders meeting the minimum thresholds for compliance on minimum public holding.

6. Directors' shareholding

The directors' shareholdings are as follows:

NAME	As at 31 March 2019		As at 31 December 2018	
	Voting	Non-Voting	Voting	Non-Voting
Dr. S.R. Rajiyah				
- Individually	3,720	-	3,720	-
- Jointly with Mrs. I.R. Rajiyah	11,798,563	298	11,798,563	298
Mrs. I.R. Rajiyah				
- Individually	674	-	674	-
- Jointly with Dr. S.R. Rajiyah (refer above)				
Mr. S.V. Rajiyah *	40,000	762,579	40,000	762,579
Mr. L.M. Abeywickrama	-	-	-	-
Mr. M.S. Dominic	-	-	-	-
Mr. T.K. Bandaranayake	-	-	-	-
Ms. A.L. Rajiyah	-	-	-	-
Mr. V. Sanmugam	-	-	-	-
Dr. J.A.S. Felix	-	-	-	-
Mr. A.U. Kodagoda	-	-	-	-

* Mrs. J.J.B.A Rajiyah, spouse of Mr. S V Rajiyah holds 400,000 Ordinary Voting shares

7. Contingent liabilities

There is no change in the nature of the contingent liabilities as at 31st March 2019 as compared to the contingent liabilities which were disclosed in the accounts for the year ended 31st March 2018.

8. Earnings per Share

Earnings per share have been calculated by dividing profit attributable to equity holders (excluding non-controlling interest) by the number of ordinary shares as given in the LKAS 33.

9. Significant Events & Transactions.

There were no significant events and transactions that have taken place during the period which require disclosure or adjustments to the financial statements.

10. Post Balance Sheet Events

There have been no material events that have taken place subsequent to 31st March 2019 which require disclosure or adjustments to the financial statements.

RENUKA FOODS PLC - TOP 20 MAJOR SHAREHOLDERS

No. Name

1	RENUKA AGRO EXPORTS LTD
2	CJ PATEL & COMPANY LIMITED
3	EAGLE VIEW MANAGEMENT LIMITED
4	DR.S.R RAJIYAH & Mrs I.R RAJIYAH
5	MR. K.C VIGNARAJAH
6	MRS. S. VIGNARAJAH
7	RENUKA HOTELS LIMITED
8	PEOPLE'S LEASING & FINANCE PLC/HI LINE TRADING (PVT) LTD
9	SANDWAVE LIMITED
10	MRS. N. MULJE
11	UNITED MOTORS LANKA PLC
12	MRS. J.J.B.A RAJIYAH
13	UNIMO ENTERPRISES LTD
14	RENUKA CONSULTANTS & SERVICES LIMITED.
15	MR M A HESUFALLY
16	TRANZ DOMINION L.L.C
17	PEOPLE'S LEASING & FINANCE PLC/MR D.M.P DISANA YAKE
18	PAN ASIA BANKING CORPORATION PLC/LANKEM CEYLON PLC
19	CRESCENT LAUNDERERS AND DRY CLEANERS PVT LIMITED
20	MR D.S TENNA KOON

Voting as at 31.03.2019		Voting as at 31.12.2018	
No of Shares	%	No of Shares	%
59,358,578	50.32%	59,358,578	50.32%
14,803,147	12.55%	14,803,147	12.55%
13,385,159	11.35%	13,385,159	11.35%
11,798,563	10.00%	11,798,563	10.00%
1,633,678	1.38%	1,633,678	1.38%
1,471,983	1.25%	1,471,983	1.25%
1,203,062	1.02%	1,203,062	1.02%
1,090,263	0.92%	1,114,973	0.95%
770,832	0.65%	1,002,296	0.85%
480,208	0.41%	480,208	0.41%
457,001	0.39%	457,001	0.39%
400,000	0.34%	400,000	0.34%
388,211	0.33%	388,211	0.33%
280,000	0.24%	280,000	0.24%
270,000	0.23%	270,000	0.23%
220,000	0.19%	220,000	0.19%
206,418	0.17%	206,418	0.17%
200,000	0.17%	200,000	0.17%
195,428	0.17%	195,428	0.17%
180,278	0.15%	180,540	0.15%
108,792,809	92.23%	109,049,245	92.46%

No. Name

1	MR S.V RAJIYAH
2	MR.K.C VIGNARAJAH
3	MR M.H.N.HUSSAIN
4	BEST REAL INVEST CO SERVICES (PRIVATE) LIMITED
5	MR.A.M RISVI
6	MISS N HARNAM & MRS J.K.P SINGH (JT)
7	MRS. S.VIGNARAJAH
8	MRS. J.K.P SINGH
9	TRANZ DOMINION,L.L.C.
10	K.D.A.M KUMARAGE
11	PEOPLE'S LEASING & FINANCE PLC/HI LINE TOWERS (PVT) LTD
12	MR.Y.H ABDULHUSSEIN
13	MRS. R.G ABDULHUSSEIN
14	MR. R. GAUTAM
15	ASKOLD (PRIVATE) LIMITED
16	MRS.S. UMESHWARY
17	MR.S.P.JAYAKUMAR
18	PEOPLES MERCHANT FINANCE PLC/ R.M SAMARAKKODY
19	MR S.U ABEYSOORIYA
20	SSBT -DEUSTCHE BANK AG SINGAPORE

Non-Voting as at 31.03.2019		Non-Voting as at 31.12.2018	
No of Shares	%	No of Shares	%
762,579	15.98%	762,579	15.98%
722,274	15.13%	722,274	15.13%
562,785	11.79%	557,937	11.69%
295,086	6.18%	295,086	6.18%
172,328	3.61%	172,328	3.61%
148,450	3.11%	148,450	3.11%
141,094	2.96%	141,094	2.96%
104,600	2.19%	104,600	2.19%
100,000	2.09%	100,000	2.09%
85,000	1.78%	85,000	1.78%
77,350	1.62%	77,350	1.62%
76,498	1.60%	76,498	1.60%
70,900	1.49%	70,900	1.49%
59,231	1.24%	79,000	1.66%
51,230	1.07%	51,230	1.07%
50,922	1.07%	50,922	1.07%
49,640	1.04%	49,640	1.04%
44,492	0.93%	51,440	1.08%
42,396	0.89%	42,396	0.89%
42,175	0.88%	42,175	0.88%
3,659,030	76.65%	3,680,899	77.12%



CORPORATE INFORMATION

Name of Company

Renuka Foods PLC

Registration No.

PQ 216

Postal Address

P.O.Box 1403, Colombo

Legal Form

Quoted Public Company With Limited Liability

Main Subsidiaries

Renuka Agri Foods PLC
Renuka Agri Organics Ltd
Renuka Organics (Pvt) Ltd
Renuka Teas Ceylon (Pvt) Ltd
Richlife Dairies Ltd
Shaw Wallace Ceylon Ltd
Shaw Wallace Properties Ltd
Kandy Plantations Ltd
Bois Bros. & Co. (Pvt) Ltd
Ceylon Forestry (Pvt) Ltd
Ceylon Botanicals (Pvt) Ltd
Mayfair Foods (Pvt) Ltd.
Coco Lanka (Pvt) Ltd
Coco Serendib (Pvt) Ltd
Matale Valley Plantations Ltd

Activity

Food & Beverage

Brands:

Renuka
Richlife
Captain
Mr POP
Sun Gold
Plaza
Rainer's
Mayfair
Cocomi
Renute /Trenute

Board Of Directors - Company

Dr S.R.Rajiyah - Chairman
Mrs I.R.Rajiyah
Mr S.V.Rajiyah
Mr L.M.Abeywickrama
Mr T.K.Bandaranayake
Mr V.Sanmugam
Dr J.A.S.Felix
Mr M.S.Dominic
Mrs A.L.Rajiyah
Mr. A U. Kodagoda

*Related Party Transaction Review Committee & Remuneration Committee are represented by parent company Directors.

Audit Committee

Mr T.K.Bandaranayake - Chairman
Dr J.A.S.Felix
Mr M.S.Dominic

Related Party Transaction Review Committee *

Mr. T.K.Bandaranayake - Chairman
Mr J.M.Swaminathan
Mr M.S.Dominic

Remuneration Committee *

Mr M.S.Dominic - Chairman
Mr. T.K.Bandaranayake
Mr. L.M.Abeywickrama

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

Stock Exchange Listing

Colombo Stock Exchange

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.

External Auditors

KPMG Chartered Accountants

Internal Auditors

Price Waterhouse Coopers (PWC)

Legal Consultant

Nithya Partners- Attorneys at Law

Bankers

Hatton National Bank PLC
National Development Bank PLC