

Kotagala Plantations PLC

*Interim Financial Statements
for the twelve months ended
31st March 2019*

Kotagala Plantations PLC

STATEMENT OF COMPREHENSIVE INCOME

Group		Company		STATEMENT OF COMPREHENSIVE INCOME							
Year ended	Year ended	Group		Company		Group		Company			
31.03.2018	31.03.2018	Quarter ended	Quarter ended	Quarter ended	Quarter ended	Year ended	Year ended	Year 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		
		Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000		
3,875,473	3,816,830	829,503	(2,390,115)	843,747	1,029,239	3,243,305	3,875,473	3,233,060	3,816,830		
(3,550,184)	(3,499,960)	(808,396)	2,268,247	(824,764)	(969,394)	(3,241,354)	(3,550,184)	(3,237,222)	(3,499,960)		
325,289	316,870	21,107	(121,868)	18,983	59,845	1,951	325,289	(4,162)	316,870		
139,486	139,486	250,000	139,486	250,000	139,486	250,000	139,486	250,000	139,486		
455,426	202,868	52,448	283,630	52,448	45,853	199,118	455,426	199,118	202,868		
(270,185)	(299,503)	(142,063)	56,944	(282,020)	(222,249)	(246,955)	(270,185)	(377,224)	(299,503)		
(378,249)	(461,925)	(86,219)	52,535	(115,569)	(103,719)	(384,041)	(378,249)	(445,770)	(461,925)		
271,767	(102,204)	95,273	410,727	(76,158)	(80,784)	(179,927)	271,767	(378,038)	(102,204)		
23,704	(39,619)		23,704		(39,619)		23,704		(39,619)		
(39,619)	(39,619)		(39,700)				(39,619)		(39,619)		
255,852	(141,823)	95,273	394,731	(76,158)	(120,403)	(179,927)	255,852	(378,038)	(141,823)		
(235,506)	-		(235,506)				(235,506)		-		
20,346	(141,823)	95,273	159,225	(76,158)	(120,403)	(179,927)	20,346	(378,038)	(141,823)		
Other Comprehensive Income/ (expense) from continued operation											
Items that will not be reclassified to Profit or Loss											
(21,427)	(21,427)	-	(21,427)	-	(21,427)	-	(21,427)	-	(21,427)		
3,000	3,000	-	3,000	-	3,000	-	3,000	-	3,000		
Items that are or may be reclassified subsequently to Profit or Loss											
73,421	73,421	(59,555)	64,144	(59,555)	73,421	(40,383)	73,421	(40,383)	73,421		
363	363		363		363	507	363	507	363		
2,641	-		2,641		-	-	2,641		-		
57,998	55,357	(59,555)	48,721	(59,555)	55,357	(39,876)	57,998	(39,876)	55,357		
Other comprehensive Income/(expense) from Discontinued Operation											
26,275			26,275			0	26,275				
225			225			0	225				
(48)			(48)			0	(48)				
(65,690)			(65,690)			0	(65,690)				
(39,238)			(39,238)				(39,238)				
18,760	55,357	(59,555)	9,483	(59,555)	55,357	(39,876)	18,760	(39,876)	55,357		
39,106	(86,466)	35,718	168,708	(135,713)	(65,046)	(219,803)	39,106	(417,914)	(86,466)		
0.47	(3.28)	1.32	1.75	(1.05)	(3.34)	(2.49)	0.47	(5.23)	(3.28)		

Kotagala Plantations PLC

STATEMENT OF FINANCIAL POSITION							
Group		Company		Group		Company	
As at	As at	As at	As at	As at	As at	As at	As at
31.03.2018	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.03.2018
Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Audited	Audited	Audited	Audited	Audited	Audited	Audited	Audited
ASSETS							
170,089	170,089	163,840	170,089	163,840	170,089	163,840	170,089
47,857	47,857	39,441	47,857	39,441	47,857	39,441	47,857
775,048	774,297	693,833	775,048	693,199	774,297	693,199	774,297
4,512,744	4,512,744	4,775,414	4,512,744	4,775,414	4,512,744	4,775,414	4,512,744
		-		-		-	
	405			405	405	405	405
271,890	276,853	276,850	271,890	276,850	276,853	276,850	276,853
358,908	358,908	292,366	358,908	292,366	358,908	292,366	358,908
		-		-		-	
6,136,536	6,141,153	6,241,744	6,136,536	6,241,515	6,141,153	6,241,515	6,141,153
Total Non - Current Assets							
392,746	390,820	343,537	392,746	338,577	390,820	338,577	390,820
884,998	388,979	955,760	884,998	389,519	388,979	389,519	388,979
252,167	686,510	86,824	252,167	384,844	686,510	384,844	686,510
6,932	6,932	6,932	6,932	6,932	6,932	6,932	6,932
		-		-		-	
130,319	109,966	10,844	130,319	9,470	109,966	9,470	109,966
1,667,162	1,583,207	1,403,897	1,667,162	1,129,342	1,583,207	1,129,342	1,583,207
7,803,698	7,724,360	7,645,641	7,803,698	7,370,857	7,724,360	7,370,857	7,724,360
Total Current Assets							
Total Assets							
EQUITY							
781,500	781,500	781,500	781,500	781,500	781,500	781,500	781,500
240,000	240,000	240,000	240,000	240,000	240,000	240,000	240,000
1,433		1,433	1,433	1,433		1,433	
79,447	79,447	39,571	79,447	39,571	79,447	39,571	79,447
660,433	589,709	480,507	660,433	211,671	589,709	211,671	589,709
1,762,813	1,690,656	1,543,011	1,762,813	1,272,742	1,690,656	1,272,742	1,690,656
Share Holders' Funds							
LIABILITIES							
1,582,892	1,582,892	1,379,020	1,582,892	1,379,020	1,582,892	1,379,020	1,582,892
333,814	333,814	328,358	333,814	328,358	333,814	328,358	333,814
203,083	203,083	203,083	203,083	203,083	203,083	203,083	203,083
356,072	356,072	348,450	356,072	348,450	356,072	348,450	356,072
723,159	722,119	779,570	723,159	779,100	722,119	779,100	722,119
3,199,020	3,197,980	3,038,480	3,199,020	3,038,010	3,197,980	3,038,010	3,197,980
Total Non - Current Liabilities							
819,989	819,989	795,300	819,989	795,300	819,989	795,300	819,989
1,285,823	1,279,758	1,653,038	1,285,823	1,648,993	1,279,758	1,648,993	1,279,758
225,113	225,037	188,041	225,113	188,041	225,037	188,041	225,037
		-		-		-	
510,940	510,940	427,770	510,940	427,770	510,940	427,770	510,940
2,841,865	2,835,724	3,064,149	2,841,865	3,060,104	2,835,724	3,060,104	2,835,724
6,040,885	6,033,704	6,102,629	6,040,885	6,098,115	6,033,704	6,098,115	6,033,704
Total Current Liabilities							
Total Liabilities							
7,803,698	7,724,360	7,645,641	7,803,698	7,370,857	7,724,360	7,370,857	7,724,360
Total Equity and Liabilities							
40.73	40.73	21.36	40.73	17.62	40.73	17.62	40.73
Net Assets per Share (Rs.)							

I certify that the financial statements have been prepared in compliance with the requirements of the Companies Act No. 7 of 2007

M Kowdu

General Manager -Finance

Signed on behalf of the Board of Directors of Kotagala Plantations PLC

S S Poholiyadde

Director
Colombo
29th May 2019

R C Peries

Director

Kotagala Plantations PLC

Company

STATEMENT OF CHANGES IN EQUITY

Attributable to Owners of the Company

	Stated Capital Rs. '000		Avaible for Sale Reserves Rs. '000	General Reserves Rs. '000	Retained Profit / (Loss) Rs. '000	Total Rs. '000
Balance as at 01.04.2018	781,500	-	79,447	240,000	589,709	1,690,656
Profit for the Period					(378,038)	(378,038)
Rights Issue						-
Other Comprehensive Income for the Period			(39,876)			(39,876)
Dividend paid						
Balance as at 31.03.2019	781,500	-	39,571	240,000	211,671	1,272,742
Balance as at 01.04.2017	680,000	-	5,663	240,000	749,959	1,675,622
Rights Issue	101,500					101,500
Profit for the Period					(141,823)	(141,823)
Other Comprehensive Income for the Period			73,784		(18,427)	55,357
Dividend paid						-
Balance as at 31.03.2018	781,500	-	79,447	240,000	589,709	1,690,656

STATEMENT OF CHANGES IN EQUITY

Group

Attributable to Owners of the Company

	Stated Capital Rs. '000	Foreign Currency Translation Reserve	Avaible for Sale Reserves Rs. '000	General Reserves Rs. '000	Retained Profit / (Loss) Rs. '000	Total Rs. '000
Balance as at 01.04.2018	781,500	1,433	79,447	240,000	660,434	1,762,814
Profit for the Period					(179,927)	(179,927)
Rights Issue						-
Other Comprehensive Income for the Period			(39,876)			(39,876)
Deconsolidation Gain/(Loss)						-
Dividend paid						
Balance as at 31.12.2019	781,500	1,433	39,571	240,000	480,507	1,543,011
Balance as at 01.04.2017	680,000	(1,208)	20,757	240,000	658,795	1,598,344
Rights Issue	101,500					101,500
Profit for the Period					44,210	44,210
Gain or loss on foreign currency translation		2,641				2,641
Other Comprehensive Income for the Period			58,690		(42,571)	16,119
Balance as at 31.03.2018	781,500	1,433	79,447	240,000	660,434	1,762,814

Kotagala Plantations PLC

CASH FLOW STATEMENT

For the period ended 31st March	Group		Company	
	2,019 Rs.'000	2018 Rs.'000	2019 Rs.'000	2018 Rs.'000
Profit / (Loss) before Tax	(179,927)	271,767	(378,038)	(102,204)
Loss before Income tax from discontinued operation		(288,812)		
Loss before Income tax from continued operation	(179,927)	(17,045)	(378,038)	(102,204)
Adjustments for :				
Depreciation /Amortisation on Property, Plant & Equipment	250,968	330,099	250,968	251,814
Deconsolidation Gain				
Profit on disposal of subsidiary		(246,126)		
Interest Expense	445,770	388,587	445,770	472,263
Fair value gain on biological assets	(250,000)	(139,486)	(250,000)	(139,486)
Stocks written off				
(Gain) / Loss on Disposal of Property, Plant & Equipment		(1,611)		(1,611)
Interest Income		(1,797)		(1,797)
Defined Benefit Plan Cost - Retiring Gratuity	100,590	128,985	100,590	123,870
Provision for impairment in Investment in Associates				54,150
Profit on sale of shares	6,667	3,201	6,667	3,201
Exchange (gain)/loss	(61,729)	(8,541)		(8,541)
Provision on AFS Statement				
Provision for impairment in receivables	43,771		185,550	
Bad debt write off				
Deferred Income	(11,886)	(11,031)	(11,886)	(11,031)
Operating Profit before Working Capital Changes	344,224	425,235	349,621	640,628
(Increase) / Decrease in Inventories	49,209	(138,894)	52,243	(104,898)
(Increase) / Decrease in Trade and Other Receivables	(14,448)	(287,045)	(540)	(2,843)
(Increase) / Decrease in Amounts due from Related Parties	121,572	(1,057,500)	116,116	(54,094)
Increase / (Decrease) in Trade and Other Payables	334,587	(225,829)	336,607	(315,380)
Increase / (Decrease) in Amounts due to Related Parties	(37,072)	79,515	(36,996)	(201,395)
Net Cash Flow from Operating Activities	798,073	(1,204,518)	817,052	(37,982)
Income Tax/ESC Paid	-	(27,270)	-	
Interest Received		1,797		1,797
Interest Paid	(420,761)	(458,539)	(420,761)	(455,497)
Retiring Gratuity Paid	(44,349)	(87,273)	(44,349)	(85,058)
Net Cash Flow from Operating Activities	332,963	(1,775,803)	351,942	(576,740)
Cash Flows from Investing Activities				
Purchase of property plant and equipment	(12,214)	(43,176)	(12,214)	(21,869)
Purchase of Intangible Assets		(1,520)		
Investment in immature plantations	(105,917)	(159,410)	(105,917)	(159,410)
Proceeds on Disposal of Investment	20,000	1,037,736	20,000	1,035,651
Proceeds from financial investments		55,682		
Investment in AFS		(74,937)		
Net Investment in Short Term Investments				2,493
Proceeds on Disposal of Property, Plant & Equipment		8,885		
Net Cash generated from/(used in) Investing Activities	(98,131)	823,260	(98,131)	856,865
Cash Flows from Financing Activities				
Payments to Lessor on Leasehold Rights	(37,046)		(37,046)	
Payments of Finance Lease Rentals	(11,958)	(30,823)	(11,958)	(30,326)
Proceeds from Rights Issue		101,500		101,500
Capital Grants Received	6,429	9,814	6,429	9,814
Proceeds from Long Term Loans	150,000	1,582,924	150,000	566,081
Repayment of Long Term Loans	(378,561)	(1,102,748)	(378,561)	(1,102,748)
Dividend Paid				
Net Cash generated from/(used in) Financing Activities	(271,136)	560,667	(271,136)	(455,679)
Net Increase in Cash & Cash Equivalents	(36,304)	(391,876)	(17,325)	(175,554)
Effect of exchange rate changes				
Cash & Cash Equivalents at the beginning of the year	(380,621)	(6,112)	(400,974)	(227,778)
Effect of exchange rate changes		17,367		2,358
Cash & Cash Equivalents at the end of the period	(416,925)	(380,620)	(418,299)	(400,974)

Kotagala Plantations PLC
Notes to the Financial Statements

- 1) Accounting policies and methods of computation adopted in the above interim accounts are same as those in the previous Audited Financial Statements and also in compliance with Sri Lanka Accounting Standard 34 - Interim Financial Reporting.
- 2) The above figures are provisional and subject to audit.
- 3) There have been no events subsequent to the interim period, which require disclosure in the interim financial statements.
- 4) There has not been a significant change in the nature of contingent liabilities which were disclosed in the Annual Report for the year ended 31st March 2019

- 5) Market Prices Recorded during the quarter ended 31st March

	2019	2018
Highest - (Rs.)	8.20	12.50
Lowest - (Rs.)	5.90	7.50
Last Traded - (Rs.)	7.00	7.90
(Volume Weighted Average Price)		

- 6) The Stated Capital of the Company of Rs.781,500,010/- is represented by 75,225,000 Ordinary Shares and 01 Golden Share.
- 7) The percentage of Shares held by the public as at 31st December 2018 was 25.53% and the number of public shareholders is 12,663.
- 8) The applicable option under CSE Rule 7.13.1 on minimum public holding is option 5 and the Float Adjusted Market Capitalization as of 31.03.2019 was Rs. 134,434,598.00

- 9) Details pertaining to Directors direct shareholdings as at 31.03.2019 are given below

Name of Director	No.of Shares
Mr. S D R Arudpragasam	150,375
Mr. C P R Perera	112,500
R C Peries	562
Mr. M S Madugalle	7,185
	Aggregate of Fractional Shares held in trust consequent to subdivision of shares - 2603
Mr. G D V Perera	600
Mr. S S Poholiyadde	1,500

- 10) Major Shareholders as at 31st March 2019

Name	No of Shares	%
1 CONSOLIDATED TEA PLANTATIONS LIMITED	31,650,000	42.07%
2 LANKEM TEA & RUBBER PLANTATIONS (PVT) LIMITED	11,103,150	14.76%
3 NATIONAL DEVELOPMENT BANK PLC/LANKEM TEA AND RUBBER PLANTATIONS (PVT) LTD	6,900,787	9.17%
4 SECRETARY TO THE TREASURY	5,700,834	7.58%
5 NATIONAL DEVELOPMENT BANK PLC/CONSOLIDATED TEA PLANTATIONS LTD	4,537,500	6.03%
6 LANKEM CEYLON PLC	1,085,762	1.44%
7 MR. DAVID KOTTHOFF	977,017	1.30%
8 PAN ASIA BANKING CORPORATION PLC/MRS.M.MATHEWS	897,937	1.19%
9 BANK OF CEYLON NO. 1 ACCOUNT	729,997	0.97%
10 PEOPLE'S LEASING & FINANCE PLC/ MR.A.RAJARATNAM	633,416	0.84%
11 PERSHING LLC S/A AVERBACH GRAUSON & CO.	375,400	0.50%
12 SAMPATH BANK PLC/ DR.T.SENTHILVERL	343,096	0.46%
13 COMMERCIAL BANK OF CEYLON PLC A/C NO. 04	302,625	0.40%
14 SEYLAN BANK PLC/DR.THIRUGNANASAMBANDAR SENTHILVERL	299,380	0.40%
15 SAMPATH BANK PLC/MR. PRABODHA LASANTHA ELANGASINGHA	279,000	0.37%
16 MR. LANSAKARA JAYASUNDARA MUDIYANSELAGE ABEYRATNE JAYASUNDARA AND MRS. RENUKA RAMANI JAYASUNDARA	241,651	0.32%
17 E.W. BALASURIYA & CO. (PVT) LTD	177,015	0.24%
18 FINANCIAL TRUST LIMITED	175,000	0.23%
19 MR. HIRAN ANTHONY CABRAAL	158,014	0.21%
20 MR. RAVINDRA EARL RAMBUKWELLA	151,215	0.20%

Total	66,718,796	88.69
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Segmental Information

Group		Company		Group		Company		Group		Company	
Audited	Audited	Quarter	Quarter	Quarter	Quarter	Twelve Months	Twelve Months	Twelve Months	Twelve Months	Twelve Months	Twelve Months
Year ended	Year ended	ended	ended	ended	ended	ended	ended	ended	ended	ended	ended
3/31/2019	3/31/2018	3/31/2019	31/03/2018	3/31/2019	31/03/2018	3/31/2019	31/03/2018	3/31/2019	31/03/2018	3/31/2019	31/03/2018
Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Revenue											
2,635,481	3,108,485	659,998	796,779	659,998	796,779	2,635,481	3,108,485	2,635,481	3,108,485		
504,049	668,224	137,350	252,785	151,594	226,072	514,294	726,867	504,049	668,224		
		-	(3,446,066)	-							
93,528	40,121	32,154	6,388	32,154	6,388	93,528	40,121	93,528	40,121		
3,233,060	3,816,830	829,502	(2,390,114)	843,746	1,029,239	3,243,305	3,875,473	3,233,060	3,816,830		
Gross Profit											
158,051	442,553	62,186	110,185	62,186	110,185	158,051	442,553	158,051	442,553		
(192,466)	(99,907)	(57,649)	(33,712)	(59,772)	(37,262)	(186,353)	(91,488)	(192,466)	(99,907)		
			(185,263)								
30,253	(25,776)	16,570	(13,078)	16,570	(13,078)	30,253	(25,776)	30,253	(25,776)		
(4,162)	316,870	21,107	(121,868)	18,984	59,845	1,951	325,289	(4,162)	316,870		

Information on Debentures

Type of Debenture	CSE Listing	Interest Rate	Balance as at End Mar 2019 - Rs.	Market Value - Rs.			Interest rate of comparable government security
				Highest	Lowest	Close	
Type A	Listed	14.25	-				Comparable government treasury bonds are not available for 4,5,6, and 7 years in the recent times.
Type B	Listed	14.50	250,000,000				
Type C	Listed	14.75	250,000,000			80.00	
Type D	Listed	15.00	250,000,000			80.00	

Company - End Mar 2019	
Debt/Equity Ratio	2.42
Quick asset Ratio	0.24
Interest Cover	(0.61)

The sinking fund for the Debenture issue is reflected under "Investment Classified as Available for Sale " and "Fixed Deposits" in the Statement of Financial Position. The sinking fund balance as per the schedule to trust deed is Rs.355.9Mn ,and the balance available in the sinking fund is Rs.188.3Mn.