



RENUKA CAPITAL PLC

**INTERIM REPORT – FOR THE PERIOD ENDED
30TH SEPTEMBER 2017**

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Chairman's Review

Renuka Capital PLC is pleased to present the interim Financial Statements for the period ended 30th September 2017.

Profitability

The Group recorded a profit before tax amounted to Rs. 273.5 Mn. for the Quarter ended 30th September 2017 compared to a loss of Rs. 2.8 Mn. in the corresponding period in last year.

Earnings per share and Net Assets

The Group has recorded an Earnings per share of Rs. 3.36 for the Quarter ended 30th September 2017 and Net assets per share as at 30th September 2017 was Rs. 6.66 subsequent to the sub division of shares in the ratio of 1:100.

Investments

The Company holds an investment portfolio of Rs. 150 Mn as at 30th September 2017 in Listed equities which will form a part of its trading portfolio. The Company also acquired 23.04% of the Ordinary Shares of On'ally Holdings PLC (OHL) and 29.9% of Amalgamated Investments (Pvt.) Ltd. (AIL) during the quarter ended 30th September 2017, which accounts as Associate Companies of the Group, and forms part of its strategic portfolio. OHL is a property development firm owning Unity Plaza, Colombo 04, while AIL is an investment firm owning listed and unlisted equities.

Sgd.

S V Rajiyah

Chairman

9th November 2017

RENUKA CAPITAL PLC

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	CONSOLIDATED				COMPANY			
	Rs.'000'		Rs.'000'		Rs.'000'		Rs.'000'	
	QUARTER ENDED		PERIOD ENDED		QUARTER ENDED		PERIOD ENDED	
	30.09.2017	30.09.2016	30.09.2017	30.09.2016	30.09.2017	30.09.2016	30.09.2017	30.09.2016
	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED
Revenue	2	2,850	78	5,700	2	-	78	-
Cost of Sales	-	-	-	-	-	-	-	-
Gross Profit	2	2,850	78	5,700	2	-	78	-
Other Operating Income	264,100	131	264,600	131	-	-	500	-
Administration Expenses	(700)	(5,699)	(1,052)	(10,581)	(700)	(1,098)	(1,052)	(1,098)
Profit / (Loss) from Operations	263,402	(2,718)	263,626	(4,750)	(698)	(1,098)	(474)	(1,098)
Net Finance Income /(Expense)	15,808	(84)	15,886	(150)	15,808	-	15,886	-
Share of Profit of Equity Accounted Investee	371	-	371	-	-	-	-	-
Loss on Fair Value of Investments Held for Trading	(6,032)	-	(3,911)	-	(6,032)	-	(3,911)	-
Profit / (Loss) before Taxation	273,549	(2,802)	275,972	(4,900)	9,078	(1,098)	11,501	(1,098)
Income Tax Expense	(2,529)	-	(2,529)	-	(2,529)	-	(2,529)	-
Profit / (Loss) for the Period	271,020	(2,802)	273,443	(4,900)	6,549	(1,098)	8,972	(1,098)
Other Comprehensive Income	-	-	-	-	-	-	-	-
Total Comprehensive Income / (Expense) for the Period	271,020	(2,802)	273,443	(4,900)	6,549	(1,098)	8,972	(1,098)
Profit Attributable to :								
Owners of the Company	271,020	(2,802)	273,443	(4,899)				
Non Controlling Interest	-	-	-	(1)				
Profit for the Period	271,020	(2,802)	273,443	(4,900)				
Total Comprehensive Income / (Expense) Attributable to :								
Owners of the Company	271,020	(2,802)	273,443	(4,899)				
Non Controlling Interest	-	-	-	(1)				
Total Comprehensive Income for the Period	271,020	(2,802)	273,443	(4,900)				
Earnings / (Loss) Per Share	3.36	(56.04)	3.39	(97.98)	0.08	(21.96)	0.11	(21.96)

RENUKA CAPITAL PLC

STATEMENT OF FINANCIAL POSITION

AS AT	CONSOLIDATED		COMPANY	
	30.09.2017 Rs.'000' Unaudited	31.03.2017 Rs.'000' Audited	30.09.2017 Rs.'000' Unaudited	31.03.2017 Rs.'000' Audited
Assets				
Non-Current Assets				
Investment in Associate Companies	531,064	-	266,593	-
Deferred Tax Assets	2,795	3,701	2,795	3,701
	533,859	3,701	269,388	3,701
Current Assets				
Short Term Investments in Shares	170,988	8,630	170,988	8,630
Trade & Other Receivables	14,005	-	14,005	-
Short Term Investments in Deposits	373,007	-	373,007	-
Cash and Cash Equivalents	66,454	81	66,454	81
	624,454	8,711	624,454	8,711
Total Assets	1,158,313	12,412	893,842	12,412
Equity and Liabilities				
Capital and Reserves				
Stated Capital	878,252	500	878,252	500
Accumulated Profits	278,438	4,995	13,967	4,995
Equity Attributable to Owners of the Company	1,156,690	5,495	892,219	5,495
Non Controlling Interest	-	-	-	-
Total Equity	1,156,690	5,495		
Non Current Liabilities	-	-	-	-
Current Liabilities				
Trade and Other Payables	-	125	-	125
Amounts Due to Related Companies	-	2,900	-	2,900
Income Tax Payable	1,623	-	1,623	-
Bank Overdraft	-	3,892	-	3,892
	1,623	6,917	1,623	6,917
Total Liabilities	1,623	6,917	1,623	6,917
Total Equity & Liabilities	1,158,313	12,412	893,842	12,412
Net Assets per share	6.66	109.90	5.13	109.90

Notes:

I certify that the Interim Financial Statements have been prepared in compliance with the requirements of the Companies Act No.7 of 2007.

P N Gunasena
Financial Controller

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

P Gunathilake
Director

S.V. Rajiyah
Director

9th November 2017

RENUKA CAPITAL PLC
STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 30TH SEPTEMBER

Cash Flow from Operating Activities

Profit / (Loss) Before Tax

Adjustments for

Depreciation
Provision for Retirement Benefit Obligation
Net Finance (Income) / Expense
Share of Profit of Equity Accounted Investee
Net Loss on Disposal of shares
Goodwill on acquisition of Associates
Gain on Disposal of Fixed Assets
Dividend Income
Gain on fair value of Investments Held for Trading

Operating Loss Before Working Capital Changes

Working Capital Changes

(Increase)/Decrease in Trade and Other Receivables
Decrease in Dues from Related Parties
Increase / (Decrease) in Trade and Other Payables
Increase/ (Decrease) in Dues to Related Parties

Cash Used from Operations

Interest Paid

Tax Paid

Net Cash Flows Used in Operating Activities

Cash Flows from Investing Activities

Proceeds from Sale of Property, Plant and Equipment
Investment in Quoted Shares
Acquisition of Associate Companies
Proceeds from Disposal of Shares
Investment in Short Term Deposits
Interest Received
Dividend Received

Net Cash Used in Investing Activities

Cash Flows from Financing Activities

Proceeds from Issue of Shares

Net Cash Flows Generated From in Financing Activities

Net Increase/ (Decrease) in Cash and Cash Equivalents

Cash and Cash Equivalents at the beginning of the Period

Cash and Cash Equivalents at the End of the Period

	GROUP		COMPANY	
	2017 Rs.'000 UNAUDITED	2016 Rs.'000 UNAUDITED	2017 Rs.'000 UNAUDITED	2016 Rs.'000 UNAUDITED
Profit / (Loss) Before Tax	275,972	(4,900)	11,501	(1,098)
Adjustments for				
Depreciation	-	522	-	-
Provision for Retirement Benefit Obligation	-	784	-	-
Net Finance (Income) / Expense	(15,886)	150	(15,886)	-
Share of Profit of Equity Accounted Investee	(371)	-	-	-
Net Loss on Disposal of shares	29	-	29	-
Goodwill on acquisition of Associates	(264,100)	-	-	-
Gain on Disposal of Fixed Assets	(500)	-	(500)	-
Dividend Income	(108)	-	(108)	-
Gain on fair value of Investments Held for Trading	3,911	-	3,911	-
Operating Loss Before Working Capital Changes	(1,053)	(3,444)	(1,053)	(1,098)
Working Capital Changes				
(Increase)/Decrease in Trade and Other Receivables	(14,005)	1,979	(14,005)	10
Decrease in Dues from Related Parties	-	4,575	-	-
Increase / (Decrease) in Trade and Other Payables	(125)	58	(125)	(172)
Increase/ (Decrease) in Dues to Related Parties	(2,900)	11	(2,900)	-
Cash Used from Operations	(18,083)	3,179	(18,083)	(1,260)
Interest Paid	(25)	(150)	(25)	-
Tax Paid	-	589	-	(9)
Net Cash Flows Used in Operating Activities	(18,108)	3,618	(18,108)	(1,269)
Cash Flows from Investing Activities				
Proceeds from Sale of Property, Plant and Equipment	500	-	500	-
Investment in Quoted Shares	(170,898)	-	(170,898)	-
Acquisition of Associate Companies	(266,593)	-	(266,593)	-
Proceeds from Disposal of Shares	4,600	-	4,600	-
Investment in Short Term Deposits	(373,007)	-	(373,007)	-
Interest Received	15,911	-	15,911	-
Dividend Received	108	-	108	-
Net Cash Used in Investing Activities	(789,379)	-	(789,379)	-
Cash Flows from Financing Activities				
Proceeds from Issue of Shares	877,752	-	877,752	-
Net Cash Flows Generated From in Financing Activities	877,752	-	877,752	-
Net Increase/ (Decrease) in Cash and Cash Equivalents	70,265	3,618	70,265	(1,269)
Cash and Cash Equivalents at the beginning of the Period	(3,811)	2,340	(3,811)	4,004
Cash and Cash Equivalents at the End of the Period	66,454	5,958	66,454	2,735

**RENUKA CAPITAL PLC
SEGMENT INFORMATION**

	INVESTMENT	
	2017	2016
	Rs.'000	Rs.'000
For the Period Ended 30th September		
Revenue	78	5,700
Segment Revenue	78	5,700
Segment Net Finance Income/ (Expense)	15,886	(150)
Profit / (Loss) for the Period	273,443	(4,900)
TOTAL ASSETS	1,158,313	35,449
TOTAL LIABILITIES	1,623	21,900

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

2 Figures in brackets indicates deductions.

Explanatory notes

1. Basis of preparation

The Interim Financial Statements of Renuka Capital 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 2017.

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. Net Assets per share has been calculated by dividing net assets as at 30th September 2017 by total number of Ordinary Shares as at the same date. Number of shares have been increased during the quarter under review due to sub-division.

3. Stated Capital

The stated capital consists of 173,798,500 (31st March 2017 – 50,000) Voting shares issued as at 30th September 2017.

4. Contingent liabilities

There is no change in the nature of the contingent liabilities as at 30th September 2017 as compared to the contingent liabilities which were disclosed in the accounts for the year ended 31st March 2017.

5. Market price per share

Market prices for the quarter ended 30th September were:

	2017	2016
Lowest	4.30	923.20
Highest	748.00	2,200.00
Last traded	5.10	944.00

6. Public shareholding

The percentage of shares held by the public as at 30th September 2017 was Voting 11.03% (31st March 2017 - 29.49%). The number of voting shareholders representing the public holding was 1,035 as at 30th September 2017.

7. Directors' shareholding

The directors' shareholdings are as follows:

Name	As at 30 th September 2017	As at 30 th September 2016
Mr. S. V Rajiyah	25,001,000	-
Mr. P. Gunathilake	-	-
Mr. S. N. Alles	-	-
Mr. M. S. Dominic	-	-
Mr. B.V. Selvanayagam	-	-

8. Significant Events and Transactions

There were no significant events & transactions occurred during the period ended 30th September 2017 which requires disclosure to the Interim Financial Report other than disclosed below.

- Company has sub-divided its Ordinary Shares as at 7th July 2017 in the ratio of 1:100. As a result, total number of shares of the company as at 30th September 2017 was 173,798.500.
- Company has invested in two associate companies, On'ally Holdings PLC (23.04%) and Amalgamated Investments (Pvt.) Ltd. (29.9%) during the quarter ended 30th September 2017.

9. Post Balance Sheet Events

There are no material events that have taken place subsequent to 30th September 2017 which require disclosures or adjustments to the financial statements.

10. Earnings per share

Earnings per share have been calculated by dividing profit attributable to ordinary equity holders by the weighted number of ordinary shares as given in the LKAS 33. Last year Earnings per share has been calculated by dividing 50,000 number of Ordinary Shares. Company shares have been increased as a result of Rights issue and Sub-division of shares during the six months period ended 30th September 2017.

Renuka Capital PLC - Top 20 Major Shareholders

No.	Name	Voting as at 30.09.2017		Voting as at 30.06.2017	
		No. of Shares	%	No. of Shares	%
1	RENUKA ENTERPRISES (PVT.) LTD	85,001,000	48.91%	850,010	48.91%
2	RENUKA DEVELOPMENTS LTD.	34,609,200	19.91%	350,000	20.14%
3	MR. S. V. RAJAYAH	25,001,000	14.39%	250,010	14.39%
4	DR. S. R. RAJIYAH Jt. MRS. I. R. RAJIYAH	5,001,000	2.88%	50,010	2.88%
5	J. B. COCOSHEL (PVT.) LTD.	4,807,600	2.77%	48,076	2.77%
6	RENUKA HOLDINGS PLC	3,519,400	2.02%	35,194	2.02%
7	DR. H. S. D. SOYSA	900,100	0.52%	7,500	0.43%
8	MR. T. K. FERNANDO	700,000	0.40%	5,000	0.29%
9	MS. S. R. RAJIYAH	501,000	0.29%	5,010	0.29%
9	MS. A. L. RAJIYAH	501,000	0.29%	5,010	0.29%
9	MRS. J. J. B. A. RAJIYAH	501,000	0.29%	5,010	0.29%
12	MR. M. K. NAMBIYAROORAN	365,118	0.21%	7,000	0.40%
13	MR. A. M. ILYAS	360,000	0.21%	3,600	0.21%
14	SHALSRI INVESTMENTS (PVT) LTD.	310,100	0.18%	-	0.00%
15	MR. K. A. D. R. N. GUNAWARDENA	302,060	0.17%	5,000	0.29%
16	BANSEI SECURITIES CAPITAL (PVT) LTD/ M. A. U. GNANATILAKE	300,027	0.17%	6,420	0.37%
17	MR. A. S. A. FERNANDO	233,700	0.13%	-	0.00%
18	SIR CHITTAMPALAM A GARDINER TRUST	231,800	0.13%	2,318	0.13%
19	MR. L. J. R. DISSANAYAKE	225,000	0.13%	-	0.00%
20	MR. D. M. S. V. ABEYRATNE	219,471	0.13%	-	0.00%
		<u>163,589,576</u>	<u>94.13%</u>	<u>1,635,168</u>	<u>94.08%</u>

CORPORATE INFORMATION

Name of Company

Renuka Capital PLC

Registration No.

PQ 149

Legal Form

Quoted Public Company with Limited Liability

Principal Activity

Investment

Associate Companies

On'ally Holdings PLC
Amalgamated Investments (Pvt.) Ltd.

Board of Directors

Mr S.V.Rajiyah
Mr. P. Gunathilake
Mr. S. N. Alles
Mr. M. S. Dominic
Mr. B. V Selvanayagam

Audit Committee

Mr. N. S. Dominic - Chairman
Mr. S.N. Alles
Mr. B.V. Selvanayagam

Remuneration Committee

(Remuneration committee of ultimate Parent Renuka Holdings PLC., act as the Remuneration Committee of Renuka Capital PLC.)
Mr. M.S. Dominic - Chairman
Mr. L. M. Abeywickrema
Mr. T K Bandaranayake

Related Party Transactions review Committee

(Related Party Transactions Review committee of ultimate Parent Renuka Holdings PLC., act as the Related Party Transactions Review committee of Renuka Capital PLC.)
Mr. T K Bandaranayake - Chairnam
Mr. M.S. Dominic
Mr. J M Swaminathan

Nomination Committee

(Nominations Committee of ultimate Parent Renuka Holdings PLC., act as the Nomination Committee of Renuka Capital PLC.)
Mr. L. M. Abeywickrema - Chairman
Mr. M.S. Dominic
Mr. T K Bandaranayake

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

Ultimate Parent Company

Renuka Holdings 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 25, Colombo

Stock Exchange Listing

Colombo Stock Exchange

Auditors

Kreston MNS & Co

Legal Consultants

Nithya Partners – Attorneys- at-Law

Bankers

National Development Bank PLC
Commercial Bank of Ceylon PLC
Hatton National Bank PLC
Nations Trust Bank PLC