

**BAIRAHA FARMS PLC.**



**FINANCIAL STATEMENTS**

**30TH SEPTEMBER 2016**



**Bairaha Farms PLC**  
**Statement of Financial Position**  
**As at 30th September 2016**

	Group			Company		
	Unaudited as at 30.09.2016	Unaudited as at 30.09.2015	Audited as at 31.03.2016	Unaudited as at 30.09.2016	Unaudited as at 30.09.2015	Audited as at 31.03.2016
	Rs	Rs	Rs	Rs	Rs	Rs
<b>ASSETS</b>						
<b>Non-Current Assets</b>						
Property, Plant & Equipment	1,832,233,190	1,519,878,544	1,781,355,187	730,707,028	595,734,679	682,185,197
Investment Property	-	-	-	62,548,820	62,643,779	63,676,095
Intangible Assets	3,776,061	4,532,677	4,126,343	3,776,061	4,532,677	4,126,343
Investments in Subsidiaries	-	-	-	160,691,050	160,691,050	160,691,050
Investments in Joint Ventures	537,170,727	357,376,802	506,883,216	374,128,510	224,128,510	374,128,510
Other Investments	1,967,903	1,841,465	1,967,903	1,967,903	1,841,465	1,967,903
Biological Assets- Bearer	202,301,071	158,783,566	184,084,777	95,094,272	73,545,808	52,799,833
	<u>2,577,448,952</u>	<u>2,042,413,054</u>	<u>2,478,417,426</u>	<u>1,428,913,644</u>	<u>1,123,117,968</u>	<u>1,339,574,931</u>
<b>Current Assets</b>						
Inventories	110,059,197	89,862,979	123,731,987	66,753,104	50,185,041	86,512,371
Biological Assets- Consumable	160,639,528	140,690,612	150,137,174	97,833,605	75,193,282	69,378,590
Trade and Other Receivables	459,985,963	324,489,048	337,239,532	350,473,767	212,224,545	315,440,234
Income Tax Receivable	-	-	-	-	10,115,029	9,274,781
Amounts Due from Related Parties	258,011,788	233,322,248	257,076,610	574,268,575	530,891,224	625,557,825
Cash and Bank Balances	442,282,330	256,031,939	327,261,204	63,803,801	168,321,700	149,947,177
	<u>1,430,978,806</u>	<u>1,044,396,826</u>	<u>1,195,446,507</u>	<u>1,153,132,852</u>	<u>1,046,930,821</u>	<u>1,256,110,978</u>
<b>Total Assets</b>	<u>4,008,427,758</u>	<u>3,086,809,880</u>	<u>3,673,863,933</u>	<u>2,582,046,496</u>	<u>2,170,048,789</u>	<u>2,595,685,909</u>
<b>EQUITY AND LIABILITIES</b>						
<b>Equity</b>						
Stated Capital	256,305,197	256,305,197	256,305,197	256,305,197	256,305,197	256,305,197
Revaluation Surplus	425,164,506	255,987,442	425,164,506	143,619,860	120,813,490	143,619,860
Available-for-Sale Reserve	(293,807)	(431,007)	(293,807)	(293,807)	(431,007)	(293,807)
Actuarial Gain on Defined Benefit Plans	(1,668,386)	(3,831,148)	(1,668,386)	(1,668,386)	(3,831,148)	(1,668,386)
Other Reserves	-	576,677	-	-	576,677	-
Retained Earnings	2,284,026,199	1,709,961,147	1,969,474,246	901,430,257	732,722,604	792,466,855
<b>Total Equity</b>	<u>2,963,533,709</u>	<u>2,218,568,308</u>	<u>2,648,981,756</u>	<u>1,299,393,121</u>	<u>1,106,155,813</u>	<u>1,190,429,719</u>
<b>Non-Current Liabilities</b>						
Financing & Lease (Ijara) Payable	519,135,267	406,252,459	484,643,954	514,511,857	396,216,870	478,256,934
Deferred Tax Liabilities	80,901,044	56,571,762	80,901,043	47,618,444	39,999,024	47,618,444
Retirement Benefit Liability	49,450,141	43,998,071	46,749,916	42,840,180	39,328,315	40,427,290
	<u>649,486,452</u>	<u>506,822,292</u>	<u>612,294,913</u>	<u>604,970,481</u>	<u>475,544,209</u>	<u>566,302,668</u>
<b>Current Liabilities</b>						
Trade and Other Payables	268,235,972	308,758,537	282,755,377	149,031,464	178,862,303	245,455,517
Dividends Payable	7,912,928	5,696,673	6,391,831	7,912,928	5,696,673	6,391,831
Amounts Due to Related Parties	-	2,122,530	-	477,745,338	373,963,799	485,955,676
Income Tax Payable	75,790,685	-	13,565,194	4,696,123	-	-
Financing & Lease (Ijara) Payable	43,468,012	44,841,540	109,874,862	38,297,041	29,825,992	101,150,498
	<u>395,407,597</u>	<u>361,419,280</u>	<u>412,587,264</u>	<u>677,682,894</u>	<u>588,348,767</u>	<u>838,953,522</u>
<b>Total Equity and Liabilities</b>	<u>4,008,427,758</u>	<u>3,086,809,880</u>	<u>3,673,863,933</u>	<u>2,582,046,496</u>	<u>2,170,048,789</u>	<u>2,595,685,909</u>

The above figures are provisional and subject to audit.

I certify that the above Financial Statements have been prepared in compliance with the requirements of the Companies Act No. 07 of 2007.

Sgd: Mr. Ahamed Zahiri  
Chief Financial Officer

The Board of Directors is responsible for the preparation and presentation of these Financial Statements.

Sgd: Mr. Yakooth Naleem  
Managing Director

Sgd: Mr. Riyal Yakoob  
Executive Director



Bairaha Farms PLC.

Statement of Profit or Loss and Other Comprehensive Income - Group

For the Six Months ended 30th September 2016

	Unaudited for the Six months ended 30.09.2016	Unaudited for the Six months ended 30.09.2015	Unaudited for the quarter ended 30.09.2016	Unaudited for the quarter ended 30.09.2015	Group Change %
	Rs	Rs	Rs	Rs	+ / (-)
Revenue	2,124,760,428	1,875,532,837	1,168,472,832	942,280,993	13
Cost of Sales	(1,478,460,576)	(1,413,102,802)	(779,766,761)	(695,522,149)	5
<b>Gross Profit</b>	<b>646,299,852</b>	<b>462,430,035</b>	<b>388,706,071</b>	<b>246,758,844</b>	<b>40</b>
Other Operating Income	3,985,218	30,779,303	1,722,583	4,675,863	(87)
Distribution Costs	(86,003,872)	(76,690,640)	(43,396,739)	(41,484,042)	12
Administrative Expenses	(96,829,769)	(80,490,054)	(49,588,625)	(33,998,064)	20
Other Operating Expenses	(3,857,342)	(1,831,771)	(1,000,150)	(536,560)	111
Finance Cost	(30,341,765)	(19,117,026)	(15,346,456)	(10,384,493)	59
<b>Profit before Tax</b>	<b>433,252,322</b>	<b>315,079,847</b>	<b>281,096,684</b>	<b>165,031,548</b>	<b>38</b>
Share of Profit from Joint Venture Companies	34,149,924	4,700,054	30,680,435	4,703,117	627
Share of Profit from Associate Company	-	-	-	(7,642,467)	-
Income Tax Expense	(88,850,293)	(32,103,247)	(52,108,004)	(18,699,810)	177
<b>Profit for the Period</b>	<b>378,551,953</b>	<b>287,676,654</b>	<b>259,669,115</b>	<b>143,392,388</b>	<b>32</b>
Other Comprehensive Income	-	-	-	-	-
<b>Total Comprehensive Income</b>	<b>378,551,953</b>	<b>287,676,654</b>	<b>259,669,115</b>	<b>143,392,388</b>	<b>32</b>
<b>Earnings per Share - Basic</b>	<b>23.66</b>	<b>17.98</b>	<b>16.23</b>	<b>8.96</b>	<b>32</b>

The above figures are provisional and subject to audit.

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Sgd: Mr. Ahamed Zahiri  
Chief Financial Officer

The Board of Directors is responsible for the preparation and presentation of these Financial Statements.

Sgd: Mr. Yakooth Naleem  
Managing Director

Sgd: Mr. Riyal Yakoob  
Executive Director

13-Oct-2016



Bairaha Farms PLC.

Statement of Profit or Loss and Other Comprehensive Income - Company

For the Six Months ended 30th September 2016

	Unaudited for the Six months ended 30.09.2016	Unaudited for the Six months ended 30.09.2015	Unaudited for the quarter ended 30.09.2016	Unaudited for the quarter ended 30.09.2015	Group Change % +/-
	Rs	Rs	Rs	Rs	
Revenue	1,353,004,797	1,347,005,307	781,175,260	703,080,388	0
Cost of Sales	(1,126,061,208)	(1,137,023,251)	(602,903,846)	(570,198,383)	(1)
<b>Gross Profit</b>	<b>226,943,589</b>	<b>209,982,056</b>	<b>178,271,414</b>	<b>132,882,005</b>	<b>8</b>
Other Operating Income	109,098,155	4,129,305	58,681,789	3,738,611	2542
Distribution Costs	(56,560,880)	(50,736,394)	(27,580,032)	(20,308,371)	11
Administrative Expenses	(49,224,495)	(41,336,716)	(23,917,474)	(20,370,042)	19
Other Operating Expenses	(41,104)	-	670,617	225,475	0
Finance Cost	(29,399,177)	(12,102,775)	(14,868,866)	(6,736,275)	143
<b>Profit before Tax</b>	<b>200,816,088</b>	<b>109,935,476</b>	<b>171,257,448</b>	<b>89,431,403</b>	<b>83</b>
Income Tax Expense	(27,852,686)	(12,509,491)	(21,961,676)	(9,599,125)	123
<b>Profit for the Period</b>	<b>172,963,402</b>	<b>97,425,985</b>	<b>149,295,772</b>	<b>79,832,278</b>	<b>78</b>
Other Comprehensive Income	-	-	-	-	-
<b>Total Comprehensive Income</b>	<b>172,963,402</b>	<b>97,425,985</b>	<b>149,295,772</b>	<b>79,832,278</b>	<b>78</b>
<b>Earnings per Share - Basic</b>	<b>10.81</b>	<b>6.09</b>	<b>9.33</b>	<b>4.99</b>	<b>78</b>

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Sgd: Mr. Ahamed Zahiri  
Chief Financial Officer

-

The Board of Directors is responsible for the preparation and presentation of these Financial Statements.

Sgd: Mr. Yakooth Naleem  
Managing Director

Sgd: Mr. Riyal Yakoob  
Executive Director

13-Oct-2016



**Bairaha Farms PLC.**  
**Statement of Changes in Equity**  
**For the Six Months ended 30th September 2016**

	Stated Capital	Revaluation Surplus	Available-for- Sale Reserve	Actuarial Gain on Defined Benefit Plans	Other Reserves	Retained Earnings	Total
	Rs	Rs	Rs	Rs	Rs	Rs	Rs
<b>Group</b>							
Balance as at 1st April 2015	256,305,197	247,693,812	(431,007)	(3,831,148)	576,677	1,462,284,494	1,962,598,025
Profit for the Six Months ended 30th September 2015	-	-	-	-	-	287,676,654	287,676,654
Surplus on Revaluation of Property, Plant & Equipment	-	8,293,630	-	-	-	-	8,293,630
Dividends	-	-	-	-	-	(40,000,000)	(40,000,000)
Balance as at 30th September 2015	256,305,197	255,987,442	(431,007)	(3,831,148)	576,677	1,709,961,148	2,218,568,309
<b>Company</b>							
Balance as at 1st April 2015	256,305,197	120,813,490	(431,007)	(3,831,148)	576,677	675,296,619	1,048,729,828
Profit for the Six Months ended 30th September 2015	-	-	-	-	-	97,425,985	97,425,985
Dividends	-	-	-	-	-	(40,000,000)	(40,000,000)
Balance as at 30th September 2015	256,305,197	120,813,490	(431,007)	(3,831,148)	576,677	732,722,604	1,106,155,813
<b>Group</b>							
Balance as at 1st April 2016	256,305,197	425,164,506	(293,807)	(1,668,386)	-	1,969,474,246	2,648,981,756
Profit for the Six Months ended 30th September 2016	-	-	-	-	-	378,551,953	378,551,953
Surplus on Revaluation of Property, Plant & Equipment	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	(64,000,000)	(64,000,000)
Balance as at 30th September 2016	256,305,197	425,164,506	(293,807)	(1,668,386)	-	2,284,026,199	2,963,533,709
<b>Company</b>							
Balance as at 1st April 2016	256,305,197	143,619,860	(293,807)	(1,668,386)	-	792,466,855	1,190,429,719
Profit for the Six Months ended 30th September 2016	-	-	-	-	-	172,963,402	172,963,402
Dividends	-	-	-	-	-	(64,000,000)	(64,000,000)
Balance as at 30th September 2016	256,305,197	143,619,860	(293,807)	(1,668,386)	-	901,430,257	1,299,393,121



Bairaha Farms PLC.

**Cash Flow Statement**

For the Six Months ended 30th September 2016

	Group		Company	
	Unaudited for the Six months ended 30.09.2016	Unaudited for the Six months ended 30.09.2015	Unaudited for the Six months ended 30.09.2016	Unaudited for the Six months ended 30.09.2015
	Rs	Rs	Rs	Rs
<b>Cash Flows From/(Used in) Operating Activities</b>				
Net Profit before Income Tax Expense	433,252,322	315,079,847	200,816,088	109,935,476
Adjustments for				
Allowance for Weight Loss	-	1,011,699	-	1,011,699
Depreciation	75,176,297	71,389,026	39,782,543	37,514,981
Realised Revaluation Surplus on Disposal of Property, Plant & Equipment.	-	-	-	-
Intangible Assets Amortization	350,280	406,336	350,280	406,336
Gain on Bargain Purchase of Joint Venture Company	-	(24,977,664)	-	-
Income From Investments	-	-	(109,804,762)	-
Profit on Disposal of Property, Plant & Equipment	(236,517)	-	(236,517)	-
Finance Cost	30,341,765	19,117,026	29,399,177	12,102,775
Provision for Defined Benefit Plans	3,090,000	2,892,000	2,700,000	2,700,000
Allowance for Bad & Doubtful Debts	624,193	4,499,494	624,193	4,499,494
Operating Profit before Working Capital Changes	542,598,340	389,417,764	163,631,002	168,170,761
(Increase)/ Decrease in Inventories	13,672,790	32,944,437	19,759,267	36,957,262
(Increase)/ Decrease in Biological Assets	(10,502,354)	2,885,823	(28,455,015)	7,849,472
(Increase)/ Decrease in Trade and Other Receivables	(123,370,623)	(6,354,657)	(35,657,728)	183,715,405
Increase/ (Decrease) in Related Company Balances (Net)	(935,178)	(33,067,137)	43,078,912	231,132,131
Increase/ (Decrease) in Trade and Other Payables	(14,519,399)	(43,819,092)	(96,424,050)	(358,141,036)
Cash Generated from Operations	406,943,576	342,007,138	65,932,388	269,683,995
Finance Costs Paid	(30,341,765)	(19,117,026)	(29,399,177)	(12,102,775)
Defined Benefit Plan Costs Paid	(389,775)	(1,061,401)	(287,110)	(928,051)
Income Tax Paid	(26,624,801)	(10,552,616)	(13,881,782)	(3,776,757)
Net Cash Flows From Operating Activities	349,587,235	311,276,095	22,364,319	252,876,412
<b>Cash Flows from/(Used in) Investing Activities</b>				
Acquisition of Property, Plant & Equipment	(126,063,323)	(38,434,593)	(87,186,118)	(20,709,102)
Investment in Joint Venture Company	-	(206,070,800)	-	(206,070,800)
Proceeds from Sale of Property, Plant & Equipment	245,536	-	245,536	-
Net Acquisition of Biological Assets	(18,216,294)	(13,289,638)	(42,294,439)	(20,473,065)
Dividend Received	3,862,412	-	109,804,762	-
Net Cash Flows Used in Investing Activities	(140,171,669)	(257,795,031)	(19,430,259)	(247,252,967)
<b>Cash Flows from (Used in) Financing Activities</b>				
Dividend Paid	(62,478,903)	(38,371,877)	(62,478,903)	(38,371,877)
Proceeds From Financing and Lease (Ijara)	100,170,744	229,812,243	100,170,744	229,812,243
Repayment of Financing Payable	(126,769,277)	(100,323,309)	(126,769,277)	(100,323,309)
Principal Payment under Lease (Ijara)	(4,765,832)	(7,109,650)	-	-
Net Cash Flows From Financing Activities	(93,843,268)	84,007,407	(89,077,436)	91,117,057
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	115,572,298	137,488,471	(86,143,376)	96,740,502
<b>Cash and Cash Equivalents at the Beginning of the Period</b>	326,710,032	118,543,468	149,947,177	71,581,198
<b>Cash and Cash Equivalents at the End of the Period</b>	442,282,330	256,031,939	63,803,801	168,321,700



Bairaha Farms PLC.

Notes to the Financial Statements

For the Six Months ended 30th September 2016

## 1 Accounting Policies

The Consolidated Financial Statements were prepared using the same accounting policies and methods of computation that were applied to prepare the Audited Consolidated Financial Statements for the year ended 31 March 2016 and are in compliance with Sri Lanka Accounting Standard (LKAS) 34 - Interim Financial Reporting.

	As at 30.09.2016	As at 30.09.2015
2 <u>Net Asset Value per Share (Rs.)</u>	185.22	138.66

	Quarter 01.07.2016 to 30.09.2016	Quarter 01.07.2015 to 30.09.2015
3 <u>Market Value per share during the Quarter (Rs.)</u>		
Highest	194.00	207.00
Lowest	158.10	116.30
Closing	190.90	195.10

	As at 30.09.2016	As at 30.09.2015
4 <u>Ordinary Shares (No's)</u>		
Fully paid ordinary shares	16,000,000	16,000,000

5 There is no events / circumstances that have arisen since the reporting date which would require adjustments to or disclosure in the financial statements.

6 Company has given an additional Corporate Guarantee worth of Rs. 125 Mn to MCB Bank Ltd. on behalf of Fortune Agro Industries (Pvt) Ltd. for its one-off capital expenditure & working capital financing.

Except for the the above there has not been a significant change in the nature of the Contingent Liabilities and Contingent Assets which were disclosed in the Annual Report for the year ended 31st March 2016.

7 Final dividend of 2015/2016 amounting to Rs. 64,000,000 was paid on 10.06.2016

**Bairaha Farms PLC.****Additional Notes to the Financial Statements****For the Six Months ended 30th September 2016****1 Twenty Major Shareholders as at 30th September 2016**

Name	No. of Shares	%
1 Mr. M.N.M. Yakooth	1,701,867	10.64%
2 Mr. M.N.M. Mubarak	1,660,908	10.38%
3 Mr. M.N.M. Kamil	1,603,924	10.02%
4 Mr. M.N.M. Ilyas	1,532,559	9.58%
5 Employees Trust Fund Board	1,199,922	7.50%
6 Mr. M.Y.M. Riyal	824,305	5.15%
7 Mrs. F.S. Imran	612,047	3.83%
8 Pan Asia Banking Corporation PLC/ S.R Fernando	338,285	2.11%
9 Mrs. A.W.M.S Rafeeka	300,000	1.88%
10 Sand Wave Limited	190,000	1.19%
11 Mr. M.M. Fuad	159,583	1.00%
12 Wadlock Mackenzie Ltd/ Hi- Line Trading (Pvt) Ltd	152,807	0.96%
13 Bank of Ceylon No 1 Account	119,942	0.75%
14 Mr.R.Pestonjee	119,691	0.75%
15 Peoples Leasing & Finance PLC/ Hi Line Trading (Pvt) Ltd	112,839	0.71%
16 Elgin Investments Ltd	106,896	0.67%
17 Mr. R.A Rishard	102,071	0.64%
18 Mr M.M.Salahudeen	100,200	0.63%
19 Venture Partners (Pvt) Ltd	90,000	0.56%
20 ADL Equities Limited/ M.A.M Arafath Akram	81,465	0.51%
	<b>11,109,311</b>	<b>69.43%</b>
Others	<b>4,890,689</b>	<b>30.57%</b>
	<b>16,000,000</b>	<b>100.00%</b>

**2 Directors' and Chief Executive Officer's holding in shares as at 30th September 2016**

Directors Name		No. of Shares	%
1 Desamanya Prof. M.T.A. Furkhan	Chairman	61,700	0.39%
2 Mr. M.N.M. Yakooth	Managing Director / CEO	1,701,867	10.64%
3 Mr. M.Y.M. Riyal	Executive Director	824,305	5.15%
4 Mr. Chandana Lal De Silva (Appointed w.e.f 30.08.2016)		-	-
5 Mr. M.N.M. Ilyas		1,532,559	9.58%
6 Mr. M.N.M. Kamil		1,603,924	10.02%
7 Mr. M.N.M. Mubarak		1,660,908	10.38%
		<b>7,385,263</b>	<b>46.16%</b>
Others		<b>8,614,737</b>	<b>53.84%</b>
		<b>16,000,000</b>	<b>100.00%</b>

**3 Public Holding**

The percentage of shares held by the public as at 30th September 2016 is 53.84% comprising of 3,497 shareholders.





## CORPORATE INFORMATION

### **Directors:**

Desamanya Prof. M.T.A. Furkhan - Chairman  
Mr. M.N.M. Yakooth - Managing Director  
Mr. M.Y.M. Riyal - Executive Director  
Mr. Chandana Lal De Silva  
Mr. M.N.M. Ilyas  
Mr. M.N.M. Kamil  
Mr. M.N.M. Mubarak

### **Registered Office:**

2nd Floor,  
407, Galle Road,  
Colombo 03.

Telephone : 2575255 (Hunting )

Facsimile : 2575256

E-mail : [corporateoffice@bairaha.com](mailto:corporateoffice@bairaha.com)

Web : [www.bairaha.com](http://www.bairaha.com)

### **Auditors:**

Messrs. Ernst & Young  
Chartered Accountants  
201, De Saram Place,  
Colombo 10.

### **Secretaries & Registrars:**

P & W Corporate Secretarial (Pvt) Limited  
3/17, Kynsey Road,  
Colombo 08.

### **Main Bankers:**

Amana Bank Ltd,  
No. 480, Galle Road,  
Colombo 03.

Bank of Ceylon,  
Corporate Branch,  
4, Bank of Ceylon Mawatha  
Colombo 01.