



PANASIAN POWER PLC

INTERIM FINANCIAL STATEMENTS

FIRST QUARTER 2014/2015

PANASIAN POWER PLC
INTERIM FINANCIAL STATEMENTS - FIRST QUARTER 2014/2015
PROVISIONAL FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION

ASSETS	Group			Company		
	Three months ended 30 June		As at 31 March 2014 Audited	Three months ended 30 June		As at 31 March 2014 Audited
	2014	2013		2014	2013	
	Rs	Rs	Rs	Rs	Rs	Rs
Non - Current Assets						
Property, plant & equipment	438,853,330	452,985,974	442,113,667	143,661,887	148,950,139	144,910,739
Intangible assets	297,454,652	298,643,063	297,856,807	5,565,146	6,324,991	5,860,160
Other Investments	276,450,000	276,450,000	276,450,000	241,450,000	241,450,000	241,450,000
Investment in Subsidiaries	-	-	-	605,107,184	605,107,184	605,107,184
Capital work in progress	50,881,112	-	42,849,117	50,881,112	-	42,849,117
	1,063,639,094	1,028,079,037	1,059,269,591	1,046,665,329	1,001,832,314	1,040,177,200
Current Assets						
Trade and other receivables	58,719,922	68,469,189	42,483,908	46,260,813	43,216,235	20,130,053
Due from related parties	2,081,499	2,368,000	1,320,000	2,081,500	1,320,000	1,320,000
Cash and cash equivalents	35,588,386	34,129,443	67,777,787	9,294,708	12,017,035	17,064,741
	96,389,807	104,966,632	111,581,695	57,637,021	56,553,270	38,514,794
TOTAL ASSETS	1,160,028,901	1,133,045,669	1,170,851,286	1,104,302,350	1,058,385,584	1,078,691,995
EQUITY AND LIABILITIES						
Equity						
Stated capital	630,000,000	630,000,000	630,000,000	630,000,000	630,000,000	630,000,000
Revaluation reserves	88,024,541	88,024,541	88,024,541	59,079,041	59,079,041	59,079,041
Retained earnings	342,812,478	290,118,359	322,166,625	195,777,069	160,561,977	180,166,306
Total Equity	1,060,837,019	1,008,142,900	1,040,191,166	884,856,110	849,641,018	869,245,347
Non-Current Liabilities						
Retirement benefit obligations	1,887,949	2,204,674	1,887,949	1,511,636	1,862,872	1,511,636
Finance lease obligations	-	1,749,973	-	-	848,950	-
Interest bearing loans	1,792,722	2,385,377	1,709,281	1,792,723	2,385,377	1,709,281
Deferred tax liabilities	25,738,694	22,237,086	25,029,967	9,524,681	9,022,903	9,418,445
	29,419,365	28,577,110	28,627,197	12,829,040	14,120,102	12,639,362
Current Liabilities						
Accruals and other payables	5,157,210	275,927	4,891,551	1,518,896	124,853	1,495,164
Finance lease obligations	1,516,376	1,424,234	1,893,734	690,881	650,889	881,354
Interest bearing loans	1,243,349	1,657,452	1,657,452	1,243,349	1,657,452	1,657,453
Due to related parties	65,170	-	1,849,039	141,431,058	99,200,000	101,049,039
Incometax payable	1,790,412	2,968,046	1,741,147	1,733,016	2,991,270	1,724,276
Short Term Loan	60,000,000	90,000,000	90,000,000	60,000,000	90,000,000	90,000,000
	69,772,517	96,325,659	102,032,923	206,617,200	194,624,464	196,807,286
Total Liabilities	99,191,882	124,902,769	130,660,120	219,446,240	208,744,566	209,446,648
TOTAL EQUITY AND LIABILITIES	1,160,028,901	1,133,045,669	1,170,851,286	1,104,302,350	1,058,385,584	1,078,691,995
Net asset per share	2.12	2.02	2.08	1.77	1.70	1.74

Above figures are provisional and subject to audit

These financial statements are in compliance with the requirements of the Companies Act. No 7 of 2007

Sgd
Ms Koshala Kalaichelvan
 Financial Controller

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

Signed for and on behalf of the Board by,

Sgd
Dr Prathap Ramanujam
 Chairman / Chief Executive Officer
 11-Aug-14

Sgd
Mr T Someswaran
 Director

PANASIAN POWER PLC

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STATEMENT OF COMPREHENSIVE INCOME

	3 months ended 30 June			
	Group		Company	
	2014	2013	2014	2013
	Rs	Rs	Rs	Rs
Revenue	41,550,107	77,792,674	31,321,376	43,181,687
Direct Expenses	(7,134,921)	(6,430,402)	(3,730,294)	(3,121,433)
Gross Profit	34,415,186	71,362,272	27,591,082	40,060,254
Administrative Expenses	(10,857,983)	(8,323,650)	(9,559,256)	(7,123,157)
Other Operating Income	-	-	-	-
Operating profit	23,557,203	63,038,622	18,031,826	32,937,097
Finance Cost	(2,153,355)	(530,441)	(2,306,087)	(469,199)
Profit before taxation	21,403,848	62,508,181	15,725,739	32,467,898
Income tax expense	(757,995)	(12,350)	(114,976)	(6,251)
Profit for the period	20,645,853	62,495,831	15,610,764	32,461,647
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	20,645,853	62,495,831	15,610,764	32,461,647
EPS	0.04	0.12	0.03	0.06

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STATEMENT OF CHANGES IN EQUITY

Company	Stated Capital			Total Rs.
	Ordinary Shares Rs.	Revaluation Reserves Rs.	Retained Earnings Rs.	
Balance as at 01 April 2013	630,000,000	59,079,041	128,100,330	817,179,371
Transactions with the owners recorded directly in equity				
- Dividends paid	-	-	-	-
Total comprehensive income for the period				
- Profit for the period	-	-	32,461,647	32,461,647
- Other comprehensive income	-	-	-	-
Balance as at 30 June 2013	630,000,000	59,079,041	160,561,977	849,641,018
Balance as at 01 April 2014	630,000,000	59,079,041	180,166,306	869,245,347
Transactions with the owners recorded directly in equity				
- Dividends paid	-	-	-	-
Total comprehensive income for the period				
- Profit for the period	-	-	15,610,764	15,610,764
- Other comprehensive income	-	-	-	-
Balance as at 30 June 2014	630,000,000	59,079,041	195,777,069	884,856,110

Group	Stated Capital			Total Rs.
	Ordinary Shares Rs.	Revaluation Reserves Rs.	Retained Earnings Rs.	
Balance as at 01 April 2013	630,000,000	88,024,541	227,622,528	945,647,069
Transactions with the owners recorded directly in equity				
- Dividends paid	-	-	-	-
Total comprehensive income for the period				
- Profit for the period	-	-	62,495,831	62,495,831
- Other comprehensive income	-	-	-	-
Balance as at 30 June 2013	630,000,000	88,024,541	290,118,359	1,008,142,900
Balance as at 01 April 2014	630,000,000	88,024,541	322,166,625	1,040,191,166
Transactions with the owners recorded directly in equity				
- Dividends paid	-	-	-	-
Total comprehensive income for the period				
- Profit for the period	-	-	20,645,853	20,645,853
- Other comprehensive income	-	-	-	-
Balance as at 30 June 2014	630,000,000	88,024,541	342,812,478	1,060,837,019

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STATEMENT OF CASHFLOW

For the three months ended 30 June,

	Group		Company	
	2014	2013	2014	2013
	Rs	Rs	Rs	Rs
Cashflows from operating activities				
Profit before taxation	21,403,848	62,508,181	15,725,739	32,467,898
Adjustments for:				
Depreciation on property, plant and equipment	3,487,950	3,978,220	1,476,338	1,689,021
Amortization of intangible asset	402,152	382,144	295,010	275,001
Provision for retiring gratuity	-	12,228	-	-
Interest income	(256,676)	(98,020)	(45,799)	(49,614)
Interest expense	2,410,031	628,461	2,351,886	518,813
Cashflow from operating activities before working capital changes	27,447,305	67,411,214	19,803,174	34,901,119
(Increase) / Decrease in receivables	(16,236,014)	(25,977,134)	(26,130,760)	(22,753,752)
(Increase) / Decrease in related company receivables	(761,500)	-	(761,500)	-
Increase / (Decrease) in related company payables	(1,783,868)	-	40,382,019	17,000,000
Increase / (Decrease) in payables	265,658	(5,493,169)	23,732	(2,369,575)
Cashflow from operating activities	8,931,582	35,940,911	33,316,666	26,777,792
Interest paid	(2,410,031)	(628,461)	(2,351,886)	(518,813)
Income tax	-	326,550	-	(277,900)
Net cashflow from operating activities	6,521,551	35,639,000	30,964,780	25,981,079
Cashflows used investing activities				
Purchase of property, plant and equipment	(227,450)	-	(227,450)	-
Investment in capital work in progress	(8,031,996)	-	(8,031,996)	-
Investment in other companies	-	(115,000,000)	-	(115,000,000)
Interest received	256,676	98,020	45,799	49,614
Net cashflows (used in) investing activities	(8,002,769)	(114,901,980)	(8,213,647)	(114,950,386)
Cashflows from financing activities				
Proceeds from short term loan	-	90,000,000	-	90,000,000
Loan repayment	(30,330,662)	(355,798)	(30,330,662)	(355,798)
Payment of finance lease obligation	(377,520)	(458,475)	(190,504)	(194,496)
Net cashflows from / (used in) financing activities	(30,708,183)	89,185,727	(30,521,166)	89,449,706
Net (decrease) / increase in cash & cash equivalents	(32,189,401)	9,922,747	(7,770,033)	480,399
Cash & cash equivalents at the beginning of the year	67,777,787	24,206,696	17,064,741	11,536,636
Cash & cash equivalents at the end of the period	35,588,386	34,129,443	9,294,708	12,017,035
Analysis of cash & cash equivalents				
Cash in hand and cash at bank	35,588,386	34,129,443	9,294,708	12,017,035

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EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

- The Interim Financial Statements of the Company and the Group have been prepared in accordance with Sri Lanka Accounting Standards that came into effect from 01 January 2012 (SLFRS/LKAS). There were no changes to the Accounting Policies and methods of computation since the publication of the Annual Report for the financial year 2012/13. These Interim Financial Statements have been prepared in compliance with the requirements of Sri Lanka Accounting Standard 34 "Interim Financial Reporting". Previous year figures have been rearranged where ever necessary to confirm to the current presentation. The presentation and classification of the financial statement of the previous period have been adjusted where relevant for better presentation and to be comparable with period end reporting
- The interim financial statements for the year ended 30 June 2014 includes "the Company" referring to Panasian Power PLC and "the Group" comprises the Company and its fully owned subsidiaries Manelwala Hydropower (Pvt) Limited and Panasian Investments (Pvt) Limited.
- The Consolidated Financial Statements were authorised for issue by the Board of Directors on 11 August 2014
- The purchase consideration for the acquisition of 90% stake of Padiyapelella Hydropower Limited is Rs 910,000,000. The Company has paid advance payments amounting to Rs 276,450,000 of which Rs 90,000,000 was a bank loan. The increase in finance cost during the period is due to servicing of the said bank loan for which part payment of Rs 30,000,000 has been made. The Company is entitled to pay Rs 633,500,000 being the balance purchase consideration. Except for the above payment that is contemplated, there are no material capital expenditure committed by the Company as at the Balance Sheet date.
- The group had no significant contingent liabilities outstanding as at the Balance Sheet date.
- No Circumstances have arisen since the Balance Sheet date, which would require adjustments to or disclosure in the financial statements.
- The number of shares representing the stated capital is 500,000,000 ordinary shares amounting to Rs 630,000,000
- Shares of the Company were listed on the Colombo Stock Exchange on 07 January 2011
- The Company declared and paid dividends of Rs.0.10 per share amounting to Rs 50,000,000 on 18 September 2013
- The change in weather pattern in the Island which led to a drought has contributed to the decrease in revenue for the three month period ended 30 June 2014 compared to the same period of last year. (Group -revenue decreased by 47%) The rain fall at the station of Manewala has decreased by 39% (Rainfall - April - June 2013 - 1258 mm and April - June 2014 769mm)whereas the decrease in Rathganga station was 29% (Rainfall : April - June 2013 -1734mm and April - June 2014 1231mm). Source: Department of Meterology - Sri Lanka

	2014	2013
	Rs	Rs
Highest	2.60	3.00
Lowest	2.20	2.40
Closing	2.40	2.40

- 12 The Public Share Holding Percentage as at 30 June 2014 was 33.42%

Parent Company		
Hemas Power PLC	146,500,000	
Subsidiaries or Associate Companies of Parent Company	-	
Indirect Holding		
Power Hun International Sdn Bhd	17,174,900	
Asia Trust Investments (Pvt) Limited	1,000,000	
	<u>164,674,900</u>	
Directors' holding	2,350,000	
Spouses and children under 18 of Directors	90,000	
Total	<u>167,114,900</u>	33.42%
Public holding	<u>332,885,100</u>	66.58%
Stated Capital	<u>500,000,000</u>	100%

- 13 Director's shareholding as at 30 June 2014 was as follows:

Name of the Director	Number of shares
Dr P Ramanujam	2,350,000

- 14 Twenty major shareholders of the Company as at 30 June 2014

Name	No of Shares	%
Hemas Power PLC	146,500,000	29.30
Amana Bank Limited	36,360,171	7.27
Power Hub International SDN BHD, Malaysia	17,174,900	3.43
Commercial Cedit PLC	17,094,690	3.42
Almar Trading Co (Pvt) Ltd	16,235,297	3.25
Commercial Bank of Ceylon PLC/A.K .Pathirage	13,284,540	2.66
Mr Pattiyapawulage Don Raj Rohitha Weeraratne	11,799,900	2.36
Mr Zulficar Ahamed Mohamed Thahir	9,500,000	1.90
People's Leasing & Finance PLC/ C D Kohombanwickramage	9,175,444	1.84
David Pieris Motor Company Limited	8,086,995	1.62
Dee Investment (Pvt) Limited	5,713,859	1.14
Mr De Saram Weerathunga Arachchige Sampath Palitha	3,816,309	0.76
Mr. Hundlani Deepak Narindas	3,555,000	0.71
Cocoshell Activated Carbon Company Limited	3,356,055	0.67
Palace Path Holdings (Pvt) Ltd	3,005,100	0.60
Mr Mohamed Firdouse Farook	3,000,855	0.60
MFB Lanka (Pvt) Limited	3,000,000	0.60
Janashakthi Limited Account No.1	3,000,000	0.60
Lexinton Holdings (Pvt) Limited	2,993,973	0.60
Mr Mohamed Arnil Najmul Sammoon Joint Mrs S T R Sammoon	2,863,402	0.57
	<u>319,516,490</u>	<u>63.90</u>

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Corporate Information

Name of the Company

Panasian Power PLC

Legal Form

A Public Quoted Company with limited liability incorporated under the Provision of the Companies Act No 07 of 2007. The Company has been registered under Section 17(2) of the BOI Law No 4 of 1978 on 26 November 2008

Date of incorporation

22 April, 2002

Company Registration Number

PV 9959 PB/PQ

Accounting Year End

31, March

Registered Office and Head Office

"Hemas House", No 75, Braybrooke Place, Colombo 2

Subsidiary Companies

Manelwala Hydropower (Pvt) Limited
Panasian Investments (Pvt) Limited

Nature of business

Generate and supply hydro power to the National Grid

Directors

Dr Prathap Ramanujam
Mr Mohd Hairol Mohd Shariff
Mr Mohideen Rifky Badurdeen
Mr Thirunavukarasu Someswaran
Mr Deepal Sooriyaarachchi
Mr Imtiaz Abidhusein Hassanally Esufally
Mr Godakande Aratchige Kishantha Nanayakkara
Mr Mahmud Riad Ameen

Audit Committee

Mr Thirunavukarasu Someswaran (Chairman)
Mr Deepal Sooriyaarachchi
Mr Imtiaz Abidhusein Hassanally Esufally

Remuneration Committee

Mr Deepal Sooriyaarachchi (Chairman)
Mr Thirunavukarasu Someswaran
Mr Imtiaz Abidhusein Hassanally Esufally

Secretaries

Hemas Corporate Services (Pvt) Limited
"Hemas House"
No 75, Braybrooke Place
Colombo 2
Tel: +94114731731

Registrars

S S P Corporate Services (Pvt) Limited
No 101, Inner Flower Road
Colombo 3
Tel: +94112573894

Auditors

Ms KPMG
Chartered Accountants
32A, Sir Mohamed Macan Marker Mawatha
Colombo 3
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Bankers

Sampath Bank PLC
110, Sir James Peiris Mawatha
Colombo 2
Tel: +94112303050

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